Agenda
Monday, December 11, 2025, 6:30 PM

Work Session, 5:30 PM
Council Chambers Conference Room, City Hall, 114 North Broad Street, Salem, Virginia 24153

Regular Session, 6:30 PM, City Hall, 114 North Broad Street, Salem, Virginia 24153

WORK SESSION

1. Call to Order

2. New Business

A. Discussion Items

1) City of Salem Emergency Operations Plan (EOP)- Steve Simon, Chief of Fire & EMS
2) Overview of Annual Comprehensive Financial Report - Brown Edwards - John Aldridge

3. Adjournment

REGULAR SESSION

1. Call to Order

2. Pledge of Allegiance

3. Bid Opening, Awards, Recognitions

4. Consent Agenda

A. **Citizen Comments**

Comments from the public, limited to five minutes, on matters not already having a public hearing at the same meeting.

B. **Minutes**

Consider acceptance of the November 24, 2025, Work Session and Regular Meeting minutes.

C. **Financial Reports**

Consider acceptance of the Statement of Revenues and Expenses for the four months ending October 2025.

5. Old Business

A. **Back to Salem's Future - Comprehensive Plan 2045**

Consider adoption of Resolution 1513 approving "Back to Salem's Future - Comprehensive Plan 2045" for the City of Salem. The plan addresses housing, redevelopment, open space, City government, transportation & infrastructure, land use, and other information used to outline the City's long-term vision and goals for development and growth. (Continued from the November 10, 2025, meeting of City Council. Public hearing was held on November 10, 2025).

6. New Business

A. **Use Not Provided For Permit**

Hold public hearing and consider the request of Poindexter SW Florida LLC, property owner, and Salem Area Ecumenical Ministries, lessee, for a Use Not Provided for Permit to allow the relocation of Mrs. Dorsey's Clothes Closet, a ministry of Salem Area Ecumenical Ministries, that provides free clothing to local individuals and families facing a variety of challenging life circumstances, to the property located at 2121 Apperson Drive (Tax Map #281-1-2.2).(Advertised in the November 20 and 27 issues of the *Salem Times-Register*.)(Planning Commission recommended approval.)

B. **Annual Comprehensive Financial Report**

Presentation of the Annual Comprehensive Financial Report for the Year Ended June 30, 2025 . Audit - Finance Committee

C. **City of Salem - Emergency Operations Plan Resolution**

Consider Resolution 1514 adopting the "City of Salem, Virginia, Emergency Operations Plan" (EOP) dated December 1, 2025, and directing the City Manager and affected officers and departments to develop the organization prescribed by the plan.

D. **2026 Legislative Package**

Consider Resolution 1515 adopting a Legislative Program for the 2026 session of the Virginia General Assembly and petitioning the General Assembly to favorably consider the issues and topics addressed herein.

E. **Abstract of Votes**

Receive the Abstract of Votes cast at the General Election held on November 4, 2025.

F. **Boards and Commissions**

Consider appointments to various boards and commissions.

7. Closed Session

Hold a closed session in accordance with Section 2.2-3711 (A)(7) of the 1950 Code of Virginia, as amended, for consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body.

8. Adjournment

SALEM VA

CITY COUNCIL

MINUTES

Monday, November 24, 2025 at 6:30 PM
Work Session, 6:00 PM
Council Chambers Conference Room, City Hall, 114 North Broad Street, Salem, Virginia 24153
Regular Session, 6:30 PM, City Hall, 114 North Broad Street, Salem, Virginia 24153

WORK SESSION

1. Call to Order

A work session of the Council of the City of Salem, Virginia, was held in the Council Chambers Conference Room, City Hall, 114 N. Broad Street, Salem, Virginia, on November 24, 2025, at 6:00 p.m., there being present the following members of said Council to wit: Renée Ferris Turk, Mayor; Anne Marie Green, Vice-Mayor; Council members; Byron Randolph Foley, H. Hunter Holliday, and John Saunders; with Renée Ferris Turk, Mayor, presiding; together with Chris Dorsey, City Manager; Rob Light, Assistant City Manager and Clerk of Council; Rosie Jordan, Director of Finance; Dr. Curtis Hicks, Superintendent of Salem City Schools; Mandy Hall, Chief Financial Officer; Hunter Routt, Director of Administrative Services; Crystal Williams, Assistant to the City Manager; and Laura Lea Harris, Deputy Clerk of Council; and the following business was transacted;

Mayor Turk reported that this date, place, and time had been set in order for the Council to hold a work session; and

2. New Business

A. Discussion Items

1) Review School FY25 Fund Balance Requests and FY 27-32 Capital Improvement Plan - Dr. Curtis Hicks

Mrs. Hall presented an overview of the division's Capital Improvement Plan (CIP). The Capital Reserve balance was noted as well as grant amounts that had been awarded. She shared proposed projects for Fiscal Year 2026 and the proposed six-year CIP Plan.

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Members of Council asked questions and commented during the discussion. Questions were responded to by Dr. Hicks, Mrs. Hall, and Mrs. Routt.

Discussion was held about the City of Salem's potential participation in a regional opioid grant. Council asked staff to send a letter of support.

3. Adjournment

There being no further business, Mayor Turk adjourned the meeting at 6:29 p.m.

REGULAR SESSION

1. Call to Order

A regular meeting of the Council of the City of Salem, Virginia, was called to order at 6:30 p.m., there being present the following members to wit: Renée Ferris Turk, Mayor; Anne Marie Green, Vice-Mayor; Councilmembers: Byron Randolph Foley, Hunter Holliday, and John Saunders; with Renée Ferris Turk, Mayor, presiding together with Chris Dorsey, City Manager; Rob Light, Assistant City Manager and Clerk of Council; Rosie Jordan, Director of Finance; Chuck Van Allman, Director of Community Development; Mike Stevens, Director of Communications; and Jim Guynn, City Attorney.

2. Pledge of Allegiance

3. Bid Opening, Awards, Recognitions

A. **Salem High School - State Championship - Golf**

Consider the adoption of Resolution 1512 honoring Salem High School Golfer Ashnoor Kaur for her State Championship in 2025.

Mayor Turk shared that Council would like to recognize Salem High School golfer, Ashnoor Kaur, for her state championship. She asked that Ashnoor and Coach Blaine Hancock come forward. Mayor Turk read Resolution 1512 for those in attendance this evening. Ashnoor was presented with a copy of the resolution and a Salem City Championship pin. City Council expressed congratulations, and pictures were taken by Mike Stevens.

Randy Foley motioned to adopt Resolution 1512 honoring Salem High School golfer, Ashnoor Kaur, for her state championship. Anne Marie Green seconded the motion.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk
Nays: None
Abstaining: None

Mayor Turk expressed appreciation for local students, noting pride in their

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achievements across academics, athletics, and other activities, and commending their dedication and hard work.

4. Consent Agenda

A. **Citizen Comments**

Comments from the public, limited to five minutes, on matters not already having a public hearing at the same meeting.

Skyler Wood, 413 Idaho Street, addressed Council regarding ongoing traffic-safety concerns on this street. He expressed appreciation for the Police Department's prompt response to earlier complaints, including enforcement efforts and recently installed speed-display signage, which initially reduced speeding. He reported that speeding has resumed. Mr. Wood requested Council's consideration of additional traffic-calming measures and offered suggestions. He asked what options the City might pursue to improve safety. He also expressed concern about pedestrian access to the Greenway between Elizabeth Avenue and Virginia Avenue.

Councilman Foley asked Mr. Light to confirm if discussion had been held regarding potential work on the intersection at the top.

Mr. Light responded that the intent is to make a connection back to Main Street and that staff is currently working on this. He explained that this would be a spur to connect it to Main Street and that this would require a crossing to get back to the other side. This would likely need to take place on the cemetery side due to topography and utilities.

William Lambert, 114 Niblick Drive, expressed concern regarding a stormwater issue affecting several neighboring properties. He provided photos documenting the issues and noted that they have previously emailed Council members about the problem. He acknowledged receiving a recent update from staff indicating that a camera inspection of the storm drain is planned to determine the extent of the damage and appropriate repairs. Mr. Lambert requested that the City provide a firm schedule or target date for the inspection and subsequent corrective action.

Mayor Turk responded that scheduling would fall under the purview of the Director of the department and Council would not have this information. She noted that he had done the right thing by emailing and notifying the appropriate personnel. She also noted for the benefit of citizens that there is a process available on the City website for reporting problems.

City Manager Dorsey noted that the subdivision was platted in 1972 and confirmed that the drainage infrastructure lies within City easements. He stated that staff is assessing access options to the affected area, including verifying that no structures or heavy items have been built on the easement as that could contribute to pipe failure or obstruct repair efforts. Mr. Dorsey acknowledged awareness of the issue and indicated that staff is working on this and that staff will maintain communication with

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the affected residents as the City moves forward. He indicated that he believed Mr. Sutphin had been out to speak with the citizens about this issue.

Councilman Foley observed that it was great to see younger residents coming out this evening to speak to Council.

Mayor Turk echoed this sentiment and reiterated that both citizens had taken correct action in notifying the departments that oversee the specific issues involved.

B. **Minutes**

Consider acceptance of the November 10, 2025, Regular Meeting minutes.

The minutes were approved as written.

5. Old Business

A. **Amendment to City Code - Chapter 78**

Consider adoption of ordinance on second reading amending Chapter 78 – Subdivisions – Articles I – Generally, Section 78-103; Article II – Administration, Sections 78-200, 201, 204, and 206; Article III – Definitions, Section 78-300; Article IV – Review of plats, Sections 78-400, 401, 402, 403, 404, 405, 406, 407, 408, 416, 421; Article V – Security for the construction of public improvements, Sections, 78-501 and 503; Article VI – Requirements for design standards and public improvements, Sections 78-600, 602, 606, 607, 611, 615, 617, 625, 629, 634, and 642; and Article VII – Vacation of plats, Sections 78-701 and 706 of the CODE OF THE CITY OF SALEM, VIRGINIA pertaining to plan review by designated agent and timeframe of local approvals. (Adopted on first reading at the November 10, 2025, meeting.)

Randy Foley motioned to adopt the ordinance on second reading amending Chapter 78 as specified in the agenda packet. Hunter Holliday seconded the motion.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk
Nays: None
Abstaining: None

B. **Amendment to City Code - Chapter 106**

Consider adoption of ordinance on second reading amending Chapter 106 – Zoning, Article II – District Regulations, Section 106-232 pertaining to Industrial park overlay district; Article III – Use and design standards, Section 106-318 pertaining to Urban agriculture; Article IV – Development standards, Section 106-400 pertaining to site plans, 402 pertaining to nonconforming uses and sites, 406 pertaining to plot plans; Article V – Administration, Section 106-520 pertaining to amendments to ordinance, 524 pertaining to special exception permits and use not provided for permits; Article VI – Definitions and Use Types, and Section 106-600 pertaining to site plans, of the CODE

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OF THE CITY OF SALEM, VIRGINIA. (Adopted on first reading at the November 10, 2025, meeting.)

Randy Foley motioned to adopt the ordinance on second reading, amending Chapter 106 as specified in the agenda packet. Anne Marie Green seconded the motion.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk
Nays: None
Abstaining: None

C. **Amendment to City Code - Chapter 82**

Consider adoption of ordinance on second reading amending Sections 82-136 through 82-147 Article V, Chapter 82, of The CODE OF THE CITY OF SALEM, VIRGINIA, pertaining to Transient Occupancy Tax. (Adopted on first reading at the November 10, 2025, meeting.)

Hunter Holliday motioned to adopt the ordinance on second reading amending Sections 82-136 through 82-147 Article V, of Chapter 82. John Saunders seconded the motion.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk
Nays: None
Abstaining: None

D. **Amendment to City Code - Chapter 94**

Consider adoption of ordinance on second reading amending Chapter 94, Nuisances, Section 94-3, Declaration of nuisances; abatement required, pertaining to trees of the CODE OF THE CITY OF SALEM, VIRGINIA. (Adopted on first reading at the November 10, 2025, meeting.)

Anne Marie Green motioned to adopt the ordinance on second reading, amending Chapter 94, Nuisances, Section 94-3, Declaration of nuisances; abatement required, pertaining to trees. Hunter Holliday seconded the motion.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk
Nays: None
Abstaining: None

E. **Amendment to the Zoning Ordinance**

Consider adoption of ordinance on second reading for the request of Pillis Enterprises Inc., property owner, to rezone the property located at 522 South Market Street (Tax Map #s 160 - 4 - 2) from RSF Residential Single-Family District to HBD Highway Business District. (Adopted on first reading at the November 10, 2025, meeting.)

Randy Foley motioned to adopt the ordinance on second reading for the request of Pillis Enterprises Inc., property owner, to rezone the property located at 522 South Market Street (Tax Map #s 160 - 4 - 2) from RSF Residential Single-Family District to

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HBD Highway Business District. Hunter Holliday seconded the motion.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk
Nays: None
Abstaining: None

6. New Business

A. **Appropriation of Funds**

Request to amend the School General Fund, Grants Fund, School Capital Projects Fund, and School Reserve Fund budgets as approved by the School Board on October 14, 2025. Audit - Finance Committee

The budget for various School funds was amended for fiscal year 2025-2026 by the School Board at their meeting on October 14, 2025. The Board amended the budgets to appropriate $1,962,838 from the unallocated capital reserve funds. The memo included in the agenda packet covers the various appropriation changes. Also included is the CIP document for the six-year period, fiscal years 2027 – 2032.

Randy Foley motioned to approve the School Board's appropriation changes of $55,136 to the School General Fund, $97,666 to the School Grants Fund, $202,400 to the School Reserve Fund and $1,627,636 to the School Capital Projects Fund per the reports attached in the agenda packet. He also motioned approval of the six-year CIP document submitted by the School Board. Anne Marie Green seconded the motion.

Mayor Turk noted that Council had received a presentation on this information and that they had worked with the School Board on this. Council had the opportunity to review this information and ask questions.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk
Nays: None
Abstaining: None

B. **Performance Agreement - LOS POLLOS AMIGOS, INC. (dba Wings Etc.)**

Consider a request authorizing the City Manager to finalize and execute a local performance agreement between LOS POLLOS AMIGOS INC. (dba Wings Etc.), the City of Salem, and the Economic Development Authority of the City of Salem.

Mayor Turk asked Tommy Miller, Director of Economic Development, for information on this item.

Mr. Miller reported that the City has been working for over a year with the owners of Los Pollos (locally referred to as Wings, Etc.), located on Wildwood in the former Original El Rodeo/Bonanza building. The business has made substantial site-plan improvements to bring the property up to current code standards. To support this

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reinvestment in a priority commercial corridor, staff announced that the City is proceeding with a $30,000 meals-tax grant to assist the project.

Randy Foley motioned to authorize the City Manager to finalize and execute the local performance agreement between LOS POLLOS AMIGOS INC. (dba Wings Etc.), the City of Salem, and the Economic Development Authority of the City of Salem. Hunter Holliday seconded the motion.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk
Nays: None
Abstaining: None

C. **Performance Agreement - McClung Lumber Company, Incorporated**

Consider a request authorizing the City Manager to finalize and execute a local performance agreement between McClung Lumber Company Incorporated, the City of Salem, and the Economic Development Authority of the City of Salem.

Mr. Miller reported that McClung Lumber, a long-established local business with new leadership and investors, has been working to diversify its customer base and expand operations. To support this growth, the company recently acquired an adjacent building and invested in new equipment, resulting in additional capital needs. To encourage the business's continued expansion and retention within the community, the City is awarding McClung Lumber a $10,000 personal property tax grant.

Anne Marie Green motioned to authorize the City Manager to finalize and execute a local performance agreement between McClung Lumber Company Incorporated, the City of Salem, and the Economic Development Authority of the City of Salem. Randy Foley seconded the motion.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk
Nays: None
Abstaining: None

D. **Boards and Commissions**

Consider appointments to various boards and commissions.

Randy Foley motioned to reappoint Rev. Todd Hester for a three-year term ending December 31, 2028, as a City-appointed representative to the Blue Ridge Behavioral Healthcare Board; and to ratify the reappointment of Patrick Kenney by Blue Ridge Behavioral Healthcare as an at-large member for a three-year term ending December 31, 2028; Also motion to recommend David Prosser for Circuit Court reappointment for a three-year term ending November 30, 2028, to the Board of Equalization of Real Estate Assessments; Also motion to reappoint Deputy Chief Matt Rickman for a three-year term ending December 31, 2028, to the Western Virginia Emergency Medical Services Council. John Saunders seconded the motion.

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Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk
Nays: None
Abstaining: None

7. Closed Session

Hold a closed session in accordance with Section 2.2-3711 (A)(7) of the 1950 Code of Virginia, as amended, for consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body.

Anne Marie Green motioned to that, in accordance with Section 2.2-3711 A of the 1950 Code of Virginia, as amended, Council hereby convenes to closed session at 6:58 p.m. for the purpose of discussing the following specific matter: Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body. Randy Foley seconded the motion.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk
Nays: None
Abstaining: None

Mayor Turk noted that no action would be taken this evening.

Anne Marie Green motioned to reconvene at 7:19 p.m. in accordance with Section 2.2-3712 D. of the Code of Virginia, 1950 as amended to date. Council certifies that in closed session only items lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and only such items identified in the motion by which the closed session was convened were heard, discussed, or considered by the Council. Randy Foley seconded the motion.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk

8. Adjournment

The meeting was adjourned at 7:20 p.m.

Submitted by:

H. Robert Light
Clerk of Council

Approved by:

Renée Ferris Turk
Mayor

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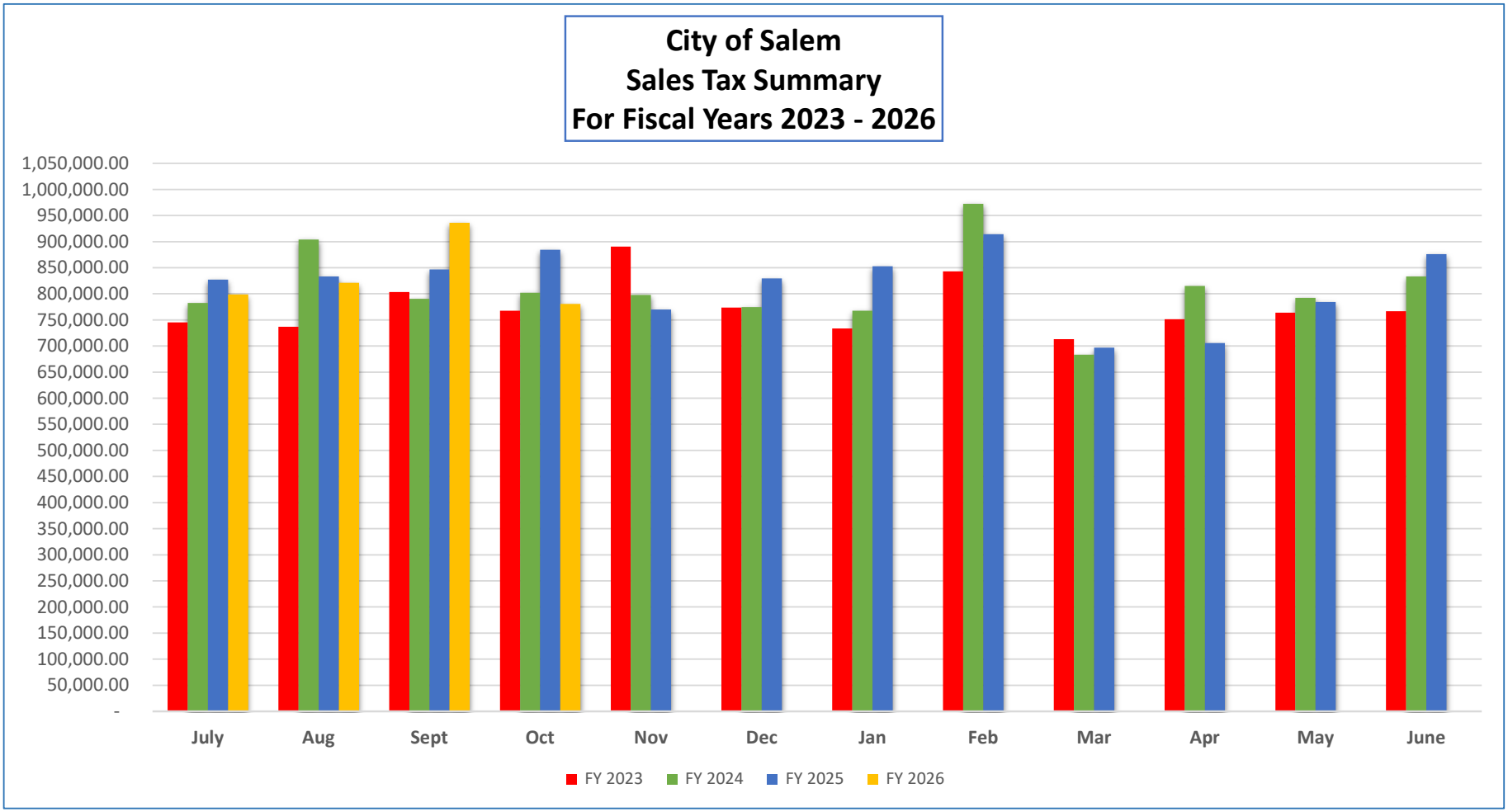
Schedule A

City of Salem, Virginia
General Fund
Statement of Revenue and Expenditures
For Four Months Ending October 31, 2025

	Current Year Budget	Current Year Year to Date	% of Budget	Prior Year Year to Date	Variance
Revenues:					
Beginning Balance 7-1-25	$ 7,219,154	$ -	0%	$ -	$ -
General Property Taxes	55,392,153	2,319,686	4%	2,608,492	(288,806)
Other Local Taxes	29,773,315	5,050,008	17%	4,969,257	80,751
Permits and Licenses	368,940	206,017	56%	111,456	94,561
Fines and Forfeitures	120,000	22,356	19%	30,715	(8,359)
Revenues from Use of Money and Property	6,397,291	2,168,805	34%	2,553,601	(384,796)
Charges for Services	3,973,647	1,163,452	29%	1,096,594	66,858
Payment in Lieu of Taxes from Electric Fund	3,160,000	1,053,333	33%	1,053,333	-
Payment in Lieu of Taxes from Water Fund	154,000	52,727	34%	51,465	1,262
Miscellaneous revenues	425,713	133,771	31%	155,397	(21,625)
Non-Categorical Aid	3,590,803	204,612	6%	188,475	16,137
Shared Expenses	2,005,871	418,697	21%	449,071	(30,374)
Categorical Aid	12,066,203	2,546,355	21%	2,656,307	(109,952)
Non-revenues Receipts	6,979	6,979	100%	36,208	(29,229)
Proceeds from Indebtedness	54,000	-	0%	-	-
Total Revenues	124,708,069	15,346,798	12%	15,960,371	(613,573)
Expenditures:					
General Government	15,567,283	4,787,914	31%	3,625,048	1,162,866
Judicial Administration	3,517,578	1,103,971	31%	938,087	165,884
Public Safety	26,698,509	8,698,169	33%	8,388,600	309,569
Public Works	19,323,201	4,331,485	22%	3,282,656	1,048,829
Health and Welfare	9,850,176	1,883,002	19%	1,750,091	132,911
Education	26,948,396	10,001,224	37%	9,880,323	120,901
Parks, Recreation and Cultural	9,395,392	3,065,907	33%	3,017,101	48,806
Community Development	4,665,498	1,095,946	23%	1,597,484	(501,538)
Interest on long-term debt	524,815	-	0%	-	-
Transfers Out	6,893,326	2,638,945	38%	975,522	1,663,423
Contingency	1,323,895	-	0%	-	-
Total Expenditures	124,708,069	37,606,563	30%	33,454,912	4,151,651
Revenues Over/(Under) Expenditures	$ -	$ (22,259,765)		$ (17,494,541)	$ (4,765,224)

Schedule B


City of Salem
Sales Tax Summary
For Fiscal Years 2023 - 2026
1,050,000.00
1,000,000.00
950,000.00
900,000.00
850,000.00
800,000.00
750,000.00
700,000.00
650,000.00
600,000.00
550,000.00
500,000.00
450,000.00
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350,000.00
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150,000.00
100,000.00
50,000.00
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July
Aug
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Nov
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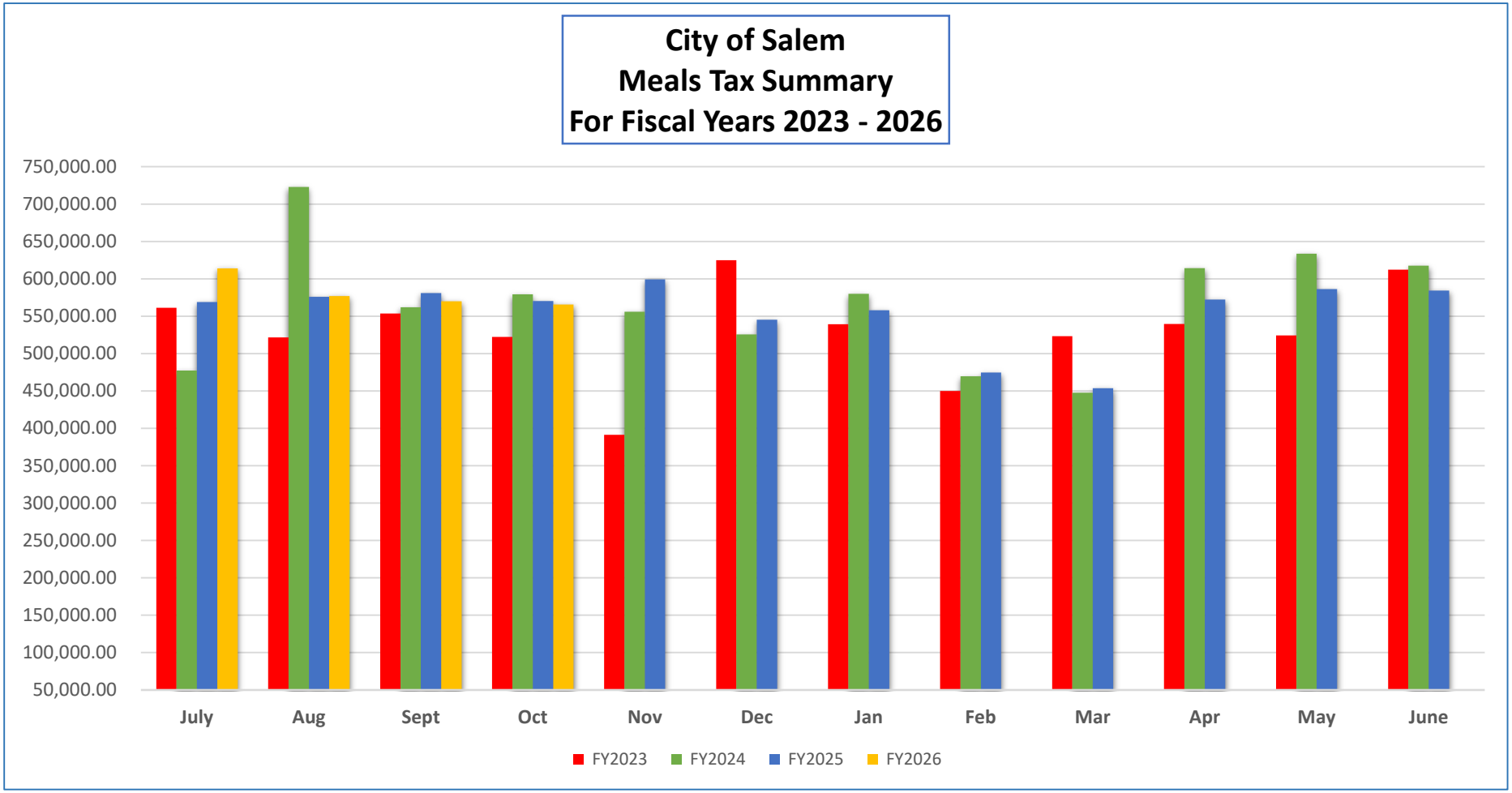
Mar
Apr
May
June
FY 2023
FY 2024
FY 2025
FY 2026


City of Salem
Meals Tax Summary
For Fiscal Years 2023 - 2026
750,000.00
700,000.00
650,000.00
600,000.00
550,000.00
500,000.00
450,000.00
400,000.00
350,000.00
300,000.00
250,000.00
200,000.00
150,000.00
100,000.00
50,000.00
July
Aug
Sept
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Mar
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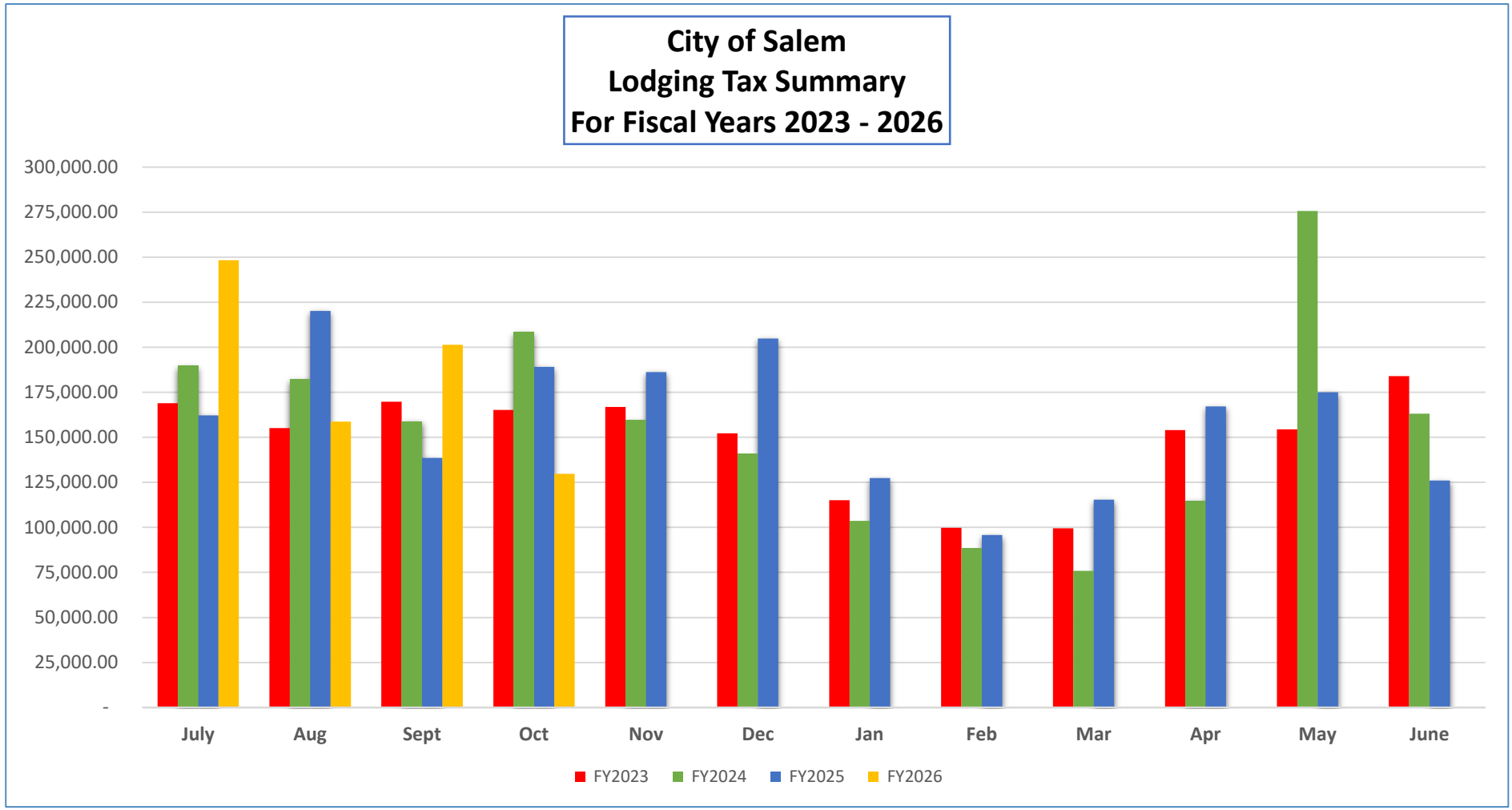
May
June
FY2023
FY2024
FY2025
FY2026


City of Salem
Lodging Tax Summary
For Fiscal Years 2023 - 2026
300,000.00
275,000.00
250,000.00
225,000.00
200,000.00
175,000.00
150,000.00
125,000.00
100,000.00
75,000.00
50,000.00
25,000.00
-
July
Aug
Sept
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Nov
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Jan
Feb
Mar
Apr
May
June
FY2023
FY2024
FY2025
FY2026

City of Salem, Virginia
Debt Outstanding
For Period Ending October 31, 2025

Schedule E

	Balance 7/1/2025	Issuances	Principal Payments	Balance 10/31/2025
City Debt Outstanding				
2013 Public Improvement Bonds	$ 798,700	$ -	$ (89,425)	$ 709,275
2016B Public Improvement Bonds	150,694	-	-	150,694
2019 Public Improvement Bonds	3,850,000	-	-	3,850,000
2020 Public Improvement Bonds	1,450,000	-	-	1,450,000
2020 Public Improvement Refunding Bonds	3,797,874	-	-	3,797,874
2021 Public Improvement Refunding Bonds	799,000	-	-	799,000
2022B Public Improvement Bonds	13,323,000	-	-	13,323,000
Total City Debt Outstanding	24,169,268	-	(89,425)	24,079,843
School Debt Outstanding				
2012A Public Improvement Bonds	3,818,000	-	(477,250)	3,340,750
2013 Public Improvement Bonds	2,461,300	-	(275,575)	2,185,725
2020 Public Improvement Bonds	22,340,000	-	-	22,340,000
Total School Debt Outstanding	28,619,300	-	(752,825)	27,866,475
Total Debt Outstanding	$ 52,788,568	$ -	$ (842,250)	$ 51,946,318

City of Salem, Virginia
Capital Projects Fund
Statement of Revenues and Expenditures
For Period Ending October 31, 2025

	Budget	Project To Date	Encumbrances	Total Project	Available Balance	Year To Date	
Fund Balance, July 1, 2025							$ 11,843,156
Revenues:							
Federal Grants	$ 21,254,536	$ 6,694,819	$ -	$ 6,694,819	$ 14,559,717	$ -	
State Grants	15,644,267	7,083,550	-	7,083,550	8,560,717	-	
Proceeds From Debt Issuance	-	-	-	-	-	-	
Interest Income	-	-	-	-	-	-	
Transfer From General Fund	16,058,504	16,058,502	-	16,058,502	2	1,403,700	
Total Revenues	52,957,307	29,836,871	-	29,836,871	23,120,436		1,403,700
Expenditures:							
Fire Station #2 Renovations & Storage Building	1,930,143	1,763,363	69,457	1,832,820	97,323	532,924	
Fire Station #1 Renovations	654,000	8,826	-	8,826	645,174	-	
Fire Station #3 Renovations	454,000	7,051	-	7,051	446,949	-	
Fire Station Study	150,000	-	-	-	150,000	-	
Old Animal Shelter Refurbishment	75,000	-	-	-	75,000	-	
Colorado St Bridge Replacement	11,778,826	7,251,197	273,632	7,524,829	4,253,997	536,667	
Apperson Drive Bridge Replacement	10,329,896	2,915,381	5,866,494	8,781,875	1,548,021	599,442	
Valleydale Streetscape Improvements	1,500,000	552,909	-	552,909	947,091	-	
Upland Drive Storm Drain and Curb & Gutter	250,000	-	-	-	250,000	-	
4th Street/Union Street Storm Sewer Upgrades	650,000	-	47,610	47,610	602,390	-	
Roanoke Boulevard Storm Drain Upgrades	100,000	-	-	-	100,000	-	
Texas Street/Idaho Street Pond	100,000	-	-	-	100,000	-	
Bainbridge Drive Storm Drain Expansion	225,000	-	-	-	225,000	-	
Truck Storage Building	750,000	33,275	1,025	34,300	715,700	225	
Pedestrian Crossings	469,464	29,842	30,958	60,800	408,664	29,842	
Streambank Stabilization	241,200	-	-	-	241,200	-	
Courthouse Foundation Repairs	25,000	3,062	-	3,062	21,938	3,062	
Western Roanoke River Greenway	50,000	1,500	-	1,500	48,500	-	
Elizabeth Campus Greenway	2,252,578	618,808	194,375	813,183	1,439,395	23,241	
Moyer Sports Complex Renovation	229,344	219,520	-	219,520	9,824	62,454	
Mason Creek Greenway Phase 3	3,119,430	395,628	113,966	509,594	2,609,836	18,555	
Library Flooring Replacement	190,000	-	-	-	190,000	-	
Library Co-working Space	155,000	-	-	-	155,000	-	
Library Lawn Special Events Space	500,000	-	-	-	500,000	-	
Library Renovation	250,000	-	-	-	250,000	-	
Roanoke River Greenway - Apperson to Cook	2,121,155	-	-	-	2,121,155	-	
Concourse Public Restrooms Renovation	175,000	-	-	-	175,000	-	
Elizabeth Campus Greenway Phase 2	71,500	71,500	-	71,500	-	-	
Downtown Impr - E Main St/Market St	5,440,677	4,438,082	34,667	4,472,749	967,928	1,478	
Downtown Impr - E Main St/White Oak	2,311,825	87,961	7,535	95,496	2,216,329	-	
Downtown Impr - College Ave	3,256,307	-	-	-	3,256,307	-	

City of Salem, Virginia
Capital Projects Fund
Statement of Revenues and Expenditures
For Period Ending October 31, 2025

Schedule F

	Budget	Project To Date	Encumbrances	Total Project	Available Balance	Year To Date	
Downtown Impr - Boulevard	250,000	-	-	-	250,000	-	
Capital Projects Local Reserve	1,132,513	-	-	-	1,132,513	-	
Downtown Improvements Reserve	443,090	-	-	-	443,090	-	
Excess Local Funding Reserve	1,326,359	-	-	-	1,326,359	-	
Total Expenditures	$ 52,957,307	$ 18,397,905	$ 6,639,719	$ 25,037,624	$ 27,919,683		1,807,890
Fund Balance, October 31, 2025							$ 11,438,966

City of Salem, Virginia
Capital Reserve Fund
Statement of Revenues and Expenditures
For Period Ending October 31, 2025

Schedule G

	Budget	Project To Date	Encumbrances	Total Project	Available Balance	Year To Date	
Fund Balance, July 1, 2025							$ 21,945,583
Revenues:							
Transfer From General Fund	$ 22,192,716	$ 22,192,716	$ -	$ 22,192,716	$ 0	$ -	
Total Revenues	22,192,716	22,192,716	-	22,192,716	0		-
Expenditures:							
Capital Reserve	18,276,216	-	-	-	18,276,216	-	
Fire Equipment	2,400,000	16,200	31,321	47,521	2,352,479	16,200	
Police Vehicle Replacement	548,100	310,194	165,971	476,165	71,935	310,194	
Salem Stadium Scoreboard Replacement	200,000	200,000	-	200,000	-	121,382	
Spartan Field - New LED Lights	518,400	-	-	-	518,400	-	
Civic Center Scoreboard Replacement	250,000	225,907	-	225,907	24,093	57,392	
Total Expenditures	$ 22,192,716	$ 752,301	$ 197,292	$ 949,593	$ 21,243,123		505,168
Fund Balance, October 31, 2025							$ 21,440,415

City of Salem, Virginia
Electric Fund
Statement of Operations
For Four Months Ending October 31, 2025

Operating Revenues	Current Year Budget	Current Year Year to Date	% of Budget	Prior Year Year to Date	Variance
Sale of Power	$ 52,914,865	$ 19,040,096	36%	$ 19,074,749	$ (34,653)
Other Electric Revenue	640,905	134,799	21%	125,709	9,090
Gain on Sale of Assets	-	210	0%	-	210
Reserve for Encumbrances	1,160,962	-	0%	-	-
Appropriated from Net Position	200,000	-	0%	-	-
Total Operating Revenues	54,916,732	19,175,105	35%	19,200,458	(25,353)
Operating Expenses					
Other Power Generation - Operation	125,000	16,337	13%	25,790	(9,453)
Other Power Generation - Maintenance	112,024	45,909	41%	55,010	(9,101)
Purchased Power	29,730,000	9,861,338	33%	10,211,102	(349,764)
Transmission - Operation	9,705,233	3,081,523	32%	3,185,460	(103,937)
Transmission - Maintenance	47,902	1,532	3%	5,847	(4,315)
Distribution - Operations	1,248,983	408,363	33%	393,415	14,948
Distribution - Maintenance	1,732,617	558,855	32%	519,531	39,324
Customer Service	739,842	236,902	32%	239,928	(3,026)
Administration & General - Operation	2,592,211	289,694	11%	99,100	190,594
Administration & General - Maintenance	256,694	109,840	43%	108,931	909
Depreciation	-	584,130	0%	585,757	(1,627)
Capital	4,869,835	1,772,652	36%	334,005	1,438,647
Contingency	596,391	-	0%	-	-
Total Operating Expenses	51,756,732	16,967,076	33%	15,763,876	1,203,200
Income (loss) Before Transfers	3,160,000	2,208,030		3,436,582	(1,228,552)
Transfers (Payment in Lieu of Taxes)	(3,160,000)	(1,053,333)	33%	(1,053,333)	(0)
Income (loss)	$ -	$ 1,154,696		$ 2,383,249	$ (1,228,553)

City of Salem, Virginia
Water Fund
Statement of Operations
For Four Months Ending October 31, 2025

Operating Revenues	Current Year Budget	Current Year Year to Date	% of Budget	Prior Year Year to Date	Variance
Services	$ 8,761,544	$ 2,994,982	34%	$ 2,903,349	$ 91,633
Other Revenue	533,970	357,835	67%	149,187	208,648
Water Federal Grants Revenue	12,000	-	0%	11,780	(11,780)
Interest Income	-	22,477	0%	-	22,477
Gain On Sale Of Assets	-	2,385	0%	-	2,385
Reserve for Encumbrances	288,019	-	0%	-	-
Appropriated from Net Position	2,620,000	-	0%	-	-
Total Operating Revenues	12,215,533	3,377,679	28%	3,064,316	313,363
Operating Expenses					
Production					
Salaries of Personnel	1,174,952	387,601	33%	324,562	63,039
Fringe Benefits	517,726	155,691	30%	147,481	8,210
Contractual Services	704,706	187,933	27%	199,600	(11,667)
Printing and Binding	2,500	680	27%	66	614
Advertising	1,000	175	18%	-	175
Utilities	567,772	180,899	32%	177,676	3,223
Communications	5,900	1,078	18%	1,596	(518)
Insurance	36,500	1,786	5%	1,786	-
Travel and Training	9,800	4,069	42%	1,674	2,395
Miscellaneous	80,297	40,106	50%	51,313	(11,207)
Materials and Supplies	359,381	72,031	20%	104,509	(32,478)
Depreciation	-	291,376	0%	289,161	2,215
Capital	272,243	106,374	39%	69,245	37,129
Interest Obligations	-	41,313	0%	-	41,313
Contingency	264,676	-	0%	-	-
Total Production Expenses	3,997,453	1,471,110	37%	1,368,669	102,441
Distribution					
Salaries of Personnel	883,400	279,751	32%	263,358	16,393
Fringe Benefits	407,397	116,754	29%	125,682	(8,928)
Contractual Services	1,248,003	431,590	35%	357,020	74,570
Printing and Binding	500	75	15%	66	9
Advertising	-	175	0%	-	175
Communications	4,850	993	20%	2,136	(1,143)
Insurance	37,500	-	0%	-	-
Lease/Rent of Equipment	2,000	380	19%	375	5
Travel and Training	7,600	852	11%	832	20
Miscellaneous	34,597	11,878	34%	11,591	287
Miscellaneous Credits	(290,000)	(139,450)	48%	(139,247)	(203)
Materials and Supplies	260,528	105,970	41%	31,038	74,932
Depreciation	-	91,897	0%	77,095	14,802
Capital	176,857	100,952	57%	937,619	(836,667)
Interest Obligations	1,742,848	52,835	3%	62,373	(9,538)
Total Distribution Expenses	4,516,080	1,054,652	23%	1,729,938	(675,286)
Income (loss) Before Transfers	3,702,000	851,916		(34,291)	886,207
Transfer to Water Capital Fund	(3,548,000)	-	0%	-	-
Transfer (Payment in Lieu of Taxes)	(154,000)	(52,727)	34%	(51,465)	(1,262)
Income (loss)	$ -	$ 799,190		$ (85,756)	$ 884,946

City of Salem, Virginia
Sewer Fund
Statement of Operations
For Four Months Ending October 31, 2025

Operating Revenues	Current Year Budget	Current Year Year to Date	% of Budget	Prior Year Year to Date	Variance
Services	$ 7,706,888	$ 2,550,581	33%	$ 2,518,242	$ 32,339
Other Revenue	210,000	70,586	34%	59,361	11,225
Reserve for Encumbrances	136,525	-	0%	-	-
Total Operating Revenues	8,053,413	2,621,167	33%	2,577,603	43,564
Operating Expenses					
Salaries of Personnel	1,027,292	276,573	27%	247,447	29,126
Fringe Benefits	480,351	119,742	25%	121,392	(1,650)
Contractual Services	3,565,295	928,919	26%	933,164	(4,245)
Printing and Binding	1,500	75	5%	133	(58)
Advertising	1,500	350	23%	-	350
Utilities	5,472	1,388	25%	1,290	98
Communications	14,850	6,207	42%	4,810	1,397
Insurance	16,500	-	0%	-	-
Lease/Rent of Equipment	1,800	380	21%	375	5
Travel and Training	12,000	3,879	32%	2,569	1,310
Miscellaneous	44,516	16,087	36%	15,785	302
Miscellaneous Credits	(270,000)	(65,798)	24%	(79,127)	13,329
Materials and Supplies	88,220	19,980	23%	23,755	(3,775)
Depreciation	-	493,385	0%	480,236	13,149
Capital	166,161	32,206	19%	220,415	(188,209)
Interest Obligations	1,932,079	14,021	1%	16,143	(2,122)
Contingency	485,877	-	0%	-	-
Total Operating Expenses	7,573,413	1,847,393	24%	1,988,387	(140,994)
Income (loss) before Transfers	480,000	773,774		589,216	184,558
Transfer to Sewer Capital Fund	(480,000)	-	0%	-	-
Income (loss)	$ -	$ 773,774		$ 589,216	$ 184,558

City of Salem, Virginia
Salem Civic Center
Statement of Operations
For Four Months Ending October 31, 2025

Operating Revenues	Current Year Budget	Current Year Year to Date	% of Budget	Prior Year Year to Date	Variance
Shows/rentals	$ 405,023	$ 112,566	28%	$ 115,593	$ (3,027)
Box office shows	1,887,681	1,740,632	92%	195,097	1,545,535
Merchandise and commissions	310,800	151,173	49%	40,800	110,373
Static advertising	60,000	28,125	47%	18,750	9,375
Miscellaneous income	20,000	12,316	62%	7,599	4,717
Interest Income	1,500	1,523	102%	271	1,252
Salem Fair	690,000	601,869	87%	672,891	(71,022)
Reserve For Encumbrances	167,256	-	0%	-	-
Appropriated from Net Position	150,000	-	0%	-	-
Total Operating Revenues	3,692,260	2,648,204	72%	1,051,001	1,597,203
Operating Expenses					
Salaries of personnel	1,472,247	596,577	41%	480,807	115,770
Fringe benefits	554,190	178,392	32%	159,663	18,729
Maintenance and contractual services	406,834	119,010	29%	71,647	47,363
Printing and binding	500	694	139%	-	694
Advertising	25,000	9,645	39%	16,817	(7,172)
Utilities	427,363	163,512	38%	161,160	2,352
Communications	11,400	3,208	28%	3,558	(350)
Insurance	32,000	-	0%	-	-
Leases and Rentals	3,200	2,639	82%	2,639	0
Travel and training	53,700	25,793	48%	1,529	24,264
Miscellaneous	108,260	42,328	39%	48,697	(6,369)
Show expense	1,800,000	1,855,590	103%	240,431	1,615,159
Fair expense	646,681	561,465	87%	546,644	14,821
Materials and supplies	50,000	16,629	33%	14,872	1,757
Capital	754,241	153,907	20%	27,845	126,062
Depreciation	-	110,344	0%	102,165	8,179
Total Operating Expenses	6,345,616	3,839,731	61%	1,878,474	1,961,257
Income (loss) Before Transfers	(2,653,356)	(1,191,527)		(827,473)	(364,054)
Transfers	2,653,356	678,619	26%	655,881	22,738
Income (loss)	$ -	$ (512,908)		$ (171,592)	$ (341,316)

City of Salem, Virginia
Salem Catering and Concessions
Statement of Operations
For Four Months Ending October 31, 2025

Operating Revenues:	Current Year Budget	Current Year Year to Date	% of Budget	Prior Year Year to Date	Variance
Catering	$ 764,000	$ 425,254	56%	$ 172,577	$ 252,677
Concessions	177,500	64,209	36%	20,610	43,599
Moyer Concessions	100,000	76,580	77%	51,538	25,042
Salem High Concessions	14,000	8,308	59%	6,387	1,921
Reserve For Encumbrances	74,210	-	0%	-	-
Total Operating Revenues	1,129,710	574,351	51%	251,112	323,239
Operating Expenses:					
Catering					
Salaries of personnel	354,775	118,680	33%	90,691	27,989
Fringe benefits	108,831	29,597	27%	29,234	363
Contractual services	33,465	5,797	17%	8,078	(2,281)
Printing and binding	300	-	0%	-	-
Advertising	2,000	-	0%	-	-
Laundry and Cleaning	1,500	-	0%	-	-
Communications	200	48	24%	64	(16)
Insurance	2,000	-	0%	-	-
Miscellaneous	40,612	21,705	53%	9,341	12,364
Materials and supplies	247,500	127,558	52%	63,497	64,061
Capital	74,210	74,483	100%	-	74,483
Depreciation	-	1,189	0%	1,169	20
Contingency	36,261	-	0%	-	-
Total Catering Expenses	901,654	379,056	42%	202,074	176,982
Concessions					
Salaries of Personnel	65,183	24,501	38%	14,229	10,272
Fringe Benefits	13,001	4,013	31%	2,533	1,480
Contractual services	25,000	15,549	62%	1,793	13,756
Miscellaneous	150	31	20%	(7)	38
Materials and Supplies	54,500	23,142	42%	8,410	14,732
Total Concessions Expenses	157,834	67,237	43%	26,958	40,279
Moyer Concessions					
Salaries of Personnel	37,740	20,016	53%	13,247	6,769
Fringe Benefits	11,713	3,980	34%	4,131	(151)
Contractual services	22,500	5,839	26%	10,591	(4,752)
Miscellaneous	-	(58)	0%	(18)	(40)
Materials and Supplies	33,000	24,795	75%	20,803	3,992
Total Moyer Expenses	104,953	54,571	52%	48,754	5,817
Salem High Concessions					
Salaries of Personnel	10,818	1,910	18%	2,958	(1,048)
Fringe Benefits	2,679	410	15%	619	(209)
Contractual	1,500	-	0%	-	-
Miscellaneous	-	(18)	0%	2	(20)
Materials and Supplies	3,400	2,036	60%	1,667	369
Total Salem High Expenses	18,397	4,338	24%	5,246	(908)
Income (loss) Before Transfers	(53,128)	69,150		(31,920)	101,070
Transfers	53,128	-	0%	-	-
Income (loss)	$ -	$ 69,150		$ (31,920)	$ 101,070

City of Salem, Virginia
Water and Sewer Capital Funds
Statement of Revenues and Expenditures
For Period Ending October 31, 2025

	Budget	Project To Date	Encumbrances	Total Project	Available Balance	Year To Date
Water Capital Fund						
Expenditures:						
North Salem Water Improvements	$ 7,650,000	$ 36,222	$ 19,731	$ 55,953	$ 7,594,047	$ 20,177
Well Construction	2,792,843	1,503,666	1,284,464	2,788,130	4,713	(36,637)
Franklin St Water Tank Replacement	677,432	605,236	-	605,236	72,196	25,659
Blackwood Tank Rehab and Replacement	820,000	-	-	-	820,000	-
Litchell/Wildwood Pump Station Replace	350,000	-	23,570	23,570	326,430	-
Waterline Design and Replacement	1,396,446	7,745	163,135	170,880	1,225,566	7,745
Contingency	50,000	-	-	-	50,000	-
Total Expenditures	$ 13,736,721	$ 2,152,869	$ 1,490,900	$ 3,643,769	$ 10,092,952	$ 16,944
Sewer Capital Fund						
Expenditures:						
Roanoke River Upper Sewer Rehab	$ 7,154,710	$ -	$ -	$ -	$ 7,154,710	$ -
Wiley Ct Sewer Improvements	375,000	-	-	-	375,000	-
Pomeroy Sewer System Upgrade	1,860,000	8,100	54,900	63,000	1,797,000	8,100
Mason Creek Interceptor Upgrade	740,000	26,771	683,771	710,542	29,458	-
Contingency	50,000	-	-	-	50,000	-
Total Expenditures	$ 10,179,710	$ 34,871	$ 738,671	$ 773,542	$ 9,406,168	$ 8,100

Schedule N

City of Salem, Virginia
Health Insurance Fund
Statement of Revenues and Expenses
For Three Months Ending September 30, 2025

	Budget	Current Year Year to Date	Percent to Date	Prior Year Year to Date	Variance
Beginning Net Position	$ -	$ 8,144,763		$ 9,399,213	$ (1,254,450)
Revenue					
Premiums Paid - City	6,153,355	1,499,227	24%	1,477,564	21,663
Premiums Paid - School	5,175,000	1,197,329	23%	1,258,251	(60,922)
Premiums Paid - Retirees	830,000	326,311	39%	257,209	69,102
Dental Premiums Paid	597,000	149,610	25%	151,798	(2,188)
Interest Earnings	470,000	69,629	15%	96,780	(27,151)
Miscellaneous	40,000	-	0%	1,574	(1,574)
Total Year to Date Revenues	13,265,355	3,242,106	24%	3,243,176	(1,070)
Expenses					
Health Claims	12,025,936	3,387,406	28%	3,098,983	288,423
Dental Claims	597,000	142,697	24%	132,917	9,780
Employee Health Clinic	546,469	124,457	23%	118,200	6,257
Consulting Services	91,050	17,184	19%	23,238	(6,054)
Miscellaneous	4,900	4,764	97%	4,408	356
Total Year to Date Expenses	13,265,355	3,676,508	28%	3,377,746	298,762
Ending Net Position	$ -	$ 7,710,361		$ 9,264,643	$ (1,554,282)

City of Salem, Virginia
Schedule of Deposits and Investments
For Period Ending October 31, 2025

	Cash Value 10/31/2025	Net Change in Fair Value	Fair Value 10/31/2025	FV as a % of Portfolio
Demand & Time Deposits				
Concentration Account	$ 41,135,533	$ -	$ 41,135,533	25.3%
Payroll Account	10,398	-	10,398	0.0%
Revenue Recovery Account	21,481	-	21,481	0.0%
Utility Billing Account	60,637	-	60,637	0.0%
Box Office Account	2,246,586	-	2,246,586	1.4%
Held as Fiscal Agent of:				
Cardinal Academy	1,045,289	-	1,045,289	0.6%
Court Community Corrections	1,244,402	-	1,244,402	0.8%
Held on Behalf of:				
Economic Development Authority	90,757	-	90,757	0.1%
Total Demand & Time Deposits	45,855,083	-	45,855,083	28.2%
Investments				
Local Government Investment Pool (LGIP)	114,820,999	-	114,820,999	70.6%
VA State Non-Arbitrage Program (SNAP)	1,376,304	-	1,376,304	0.8%
Held on Behalf of:				
Economic Development Authority LGIP	706,211	-	706,211	0.4%
Total Investments	116,903,514	-	116,903,514	71.8%
Total Deposits and Investments	$ 162,758,597	$ -	$ 162,758,597	100.0%

Item #: 5.A.

AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF SALEM, VIRGINIA HELD AT CITY HALL

MEETING DATE: December 11, 2025

AGENDA ITEM: **Back to Salem's Future - Comprehensive Plan 2045**
Consider adoption of Resolution 1513 approving "Back to Salem's Future - Comprehensive Plan 2045" for the City of Salem. The plan addresses housing, redevelopment, open space, City government, transportation & infrastructure, land use, and other information used to outline the City's long-term vision and goals for development and growth. (Continued from the November 10, 2025, meeting of City Council. Public hearing was held on November 10, 2025).

SUBMITTED BY: Maxwell Dillon, Planner

SUMMARY OF INFORMATION:
Under the auspices of the City of Salem Planning Commission, the Planning and Zoning Division, in conjunction with Glenn Walters of TownStudio, initiated the process to conduct a re-write of the City's previous Comprehensive Plan in accordance with Virginia State Code Section 15.2-2223 in October of 2023. The previous iteration of the Comprehensive Plan was adopted in June of 2012, with subsequent amendments in the following years.

Understanding that Salem boasts an incredibly rich history in the Commonwealth, the mission of this revamped Comprehensive Plan was not to sidestep the City's celebrated attributes, but rather to preserve the elements of its history that have proven successful, while seamlessly integrating forward-thinking strategies that situate Salem in position to embrace a dynamic and promising future. With that in mind, the brand *Back to Salem's Future* was born, with a guiding vision of "Honoring Our Past, Innovating the Future." Ultimately, the overarching goal of this newly created Comprehensive Plan is to serve as the City's playbook for success, providing recommendations and action items that are regularly monitored, reviewed, and updated, and can correspondingly inform decision-making over the course of the next several years.

The latter stages of 2023 represented the proverbial kickoff of the Comprehensive Planning effort. Salem Planning and Zoning staff attended the City's annual Pumpkin

Fest to advertise the upcoming planning effort, Virginia Tech graduate MURP students were integrated into the process as part of their curriculum, an online poll was distributed to garner the general sentiment of the community, and the first public meeting was held at the Civic Center to begin conversations about community ideas and themes to be addressed.

2024 was an exciting time for the review of the Comprehensive Plan, as it encompassed the bulk of the planning effort. The process involved key stakeholders from various sectors and disciplines to ensure that the plan reflects both the needs of the community and professional best practices. Throughout the year, advisory committee meetings were held to routinely provide feedback on ideas and initiatives, numerous community workshops were conducted to solicit feedback on document material and develop new ideas, stakeholder engagement sessions were led to verify an equitable process, departmental reviews were organized to certify existing processes and evaluate new recommendations, and open houses were provided for iterative public input.

Advisory Committee Meetings: Regular advisory committee meetings were held throughout the year to provide ongoing counsel and feedback on key issues, ultimately ensuring that the plan both aligns with current best practices and meets long-term goals. The committee helped ensure that the planning process remained transparent and balanced the needs of the community and professional best practices.

Community Workshops and Stakeholder Engagement: A series of community workshops were held to directly engage residents, businesses, and local organizations. These workshops served as a platform for community members to share their perspectives, offer feedback, and ask questions. In addition, meetings with key stakeholders focused on obtaining insights from students, local businesses, and other relevant groups to ensure the comprehensive plan addresses a broad spectrum of concerns and priorities. Staff and TownStudio attended First Baptist Church and a Salem Red Sox game, engaged with students at Salem High School, and met with representatives of the Roanoke Valley Association of Realtors and the Roanoke Regional Home Builders Association. Input gathered from these sessions directly influenced the plan's direction and its final recommendations.

Departmental Reviews: Each relevant City Department involved in the comprehensive planning process conducted internal reviews to assess current practices, policies, and strategies, while brainstorming strategies to accomplish future initiatives and projects. These reviews allowed departments to evaluate their goals with the target of aligning operations with the overarching objectives of the comprehensive plan.

Open Houses: Open houses were held to present key findings, solicit public feedback, and discuss the draft elements of the comprehensive plan. These events were accessible to all members of the community and featured displays, presentations, and opportunities for attendees to engage with committee members,

Commissioners, staff, and the consultant. The open houses served as a critical touchpoint to ensure that the plan reflects the values and aspirations of the community and that residents played a significant role in shaping Salem's future.

Subcommittees: City Council, Planning Commission, Advisory Committee members, and interested citizens were invited to participate in the formation of subcommittees that were created to focus on major topics of the comprehensive plan. Housing, Open Space and Greenways, Multi-Modal Transportation, and Business Corridors were the directed four topics of discussion based on input from stakeholders, community conversations, and planning principles. Multiple meetings were held with each group, and the corresponding themes and strategies were finalized. The final version of the document is arranged into chapters with an introduction, themes and strategies, an Action Plan, future land uses, and a City Atlas. Derived from the countless meetings and conversations held with the public, stakeholders, and City staff, the central themes included are the following:

1. Connected Neighborhoods through Parks and Greenways
2. Safe, Multi-Modal Corridors that Support Mobility and Identity
3. Vibrant Redevelopment Districts for Growth and Innovation
4. Diverse Housing for All Stages of Life
5. A Resilient Economy for the Next Generation
6. Outstanding Community Services and Infrastructure
7. Regional Collaboration to Expand Opportunity

Rooted in both feedback from engaged participants and best planning practices, the document takes aim at high-level ambitions like elevating equitable access to greenways and neighborhood-scale parks, introducing complete streets concepts along identified corridors, encouraging mixed-use development patterns in targeted redevelopment districts, and expanding housing availability and affordability for all ages and lifestyles. Embedded in each of those objectives is a desire to emphasize Salem's strengths, while also capitalizing on opportunities to best position the City for future success.

A draft of the Comprehensive Plan was discussed during the August 13, 2025, work session of the Planning Commission, during which Commissioners provided feedback for slight adjustments to the document. Since that time, staff has worked diligently to incorporate those tweaks, primarily related to document clarity,which are now reflected in the current draft.

Once adopted, staff recommends that Planning Commission conduct annual review meetings with relevant "Teams" noted in the Action Plan to discuss progress, needs, and necessary adjustments to the plan so that the City can actively respond to the goals of the community.

REQUIREMENTS: The request meets the requirements of Section 15.2-2223 of the Code of Virginia related to the preparation and adoption of the Comprehensive Plan.

FISCAL IMPACT:

STAFF RECOMMENDATION:
Staff recommends adoption of Resolution 1513.

ATTACHMENTS:
1. Item 5A 12-11-25 Comprehensive Plan Amendments memo
2. Salem Comprehensive Plan FINAL DRAFT with edits
3. Comprehensive Plan - Community Engagement at a Glance
4. Comprehensive Plan - VDOT Memo
5. Comprehensive Plan - PC Draft Changes
6. Planning Commission Resolution
7. Item 5A 12-11-25 Resolution 1513 CompPlan--December 2025

TO: City Management; City Council

FROM: Salem Planning and Zoning Division

DATE: December 5, 2025

SUBJECT: Comprehensive Plan minor amendments

The changes outlined below are primarily textual in nature and do not affect the substance of the plan. Dates related to Roanoke College and Andrew Lewis have been clarified, and the scenario describing housing affordability has been modified to remove mean (average) home value.

Page 132:

Current Text:

Salem became the county seat when Roanoke County was formed in 1838, and a red-brick courthouse opened in 1841, serving as a hub for social and business gatherings. The courthouse that replaced it in 1910 now serves as Roanoke College's Francis T. West Hall. Roanoke College itself was founded in 1842, originally established as Virginia Collegiate Institute before relocating to Salem. The college grew rapidly, attracting students from beyond the region and contributing to Salem's development as an educational and cultural center. Further population growth led to the construction of the Carver School for Black students and Salem High School on Broad Street for white students. The school's destruction led to the prompt construction of Andrew Lewis High School, which was for white students until desegregation in 1966. The former high school on Broad Street is now City Hall. Carver is now an elementary school, and Andrew Lewis is now Salem's middle school. Today's Salem High School opened in 1977.

Proposed Text:

Salem became the county seat when Roanoke County was formed in 1838, and a red-brick courthouse opened in 1841, serving as a hub for social and business gatherings. The courthouse that replaced it in 1910 now serves as Roanoke College's Francis T. West Hall. Roanoke College itself was originally established in 1842 near Staunton as the Virginia Institute; it was moved to Salem in 1847 and incorporated as Roanoke College in 1853. The college grew rapidly, attracting students from beyond the region and contributing to Salem's development as an educational and cultural center. Further population growth led to the construction of the Carver School for Black students and Salem High School on Broad Street for white students. The school's destruction led to the prompt construction of Andrew Lewis High School, which was for white students until full integration in 1966. The former high school on Broad Street is now City Hall. Carver is now an elementary school, and Andrew Lewis is now Salem's middle school. Today's Salem High School opened in 1977.

Page 142:

Current Text:

Median Home Price in Salem, VA:
As of March 2025, the median "sold" home price in Salem, Virginia, was $306,550, reflecting a 5.2% increase from the previous year. Additionally, the average home value in Salem was reported at $292,525, up 5.0% year-over-year.

Income Needed to Afford a Median-Priced Home in Salem:
A common affordability metric suggests that housing expenses should not exceed 30% of a household's gross monthly income. Assuming a 20% down payment and a 30-year fixed mortgage at an interest rate of 6.8%, the estimated annual household income required to afford a $292,500 home is approximately $65,379, which is slightly lower than the median income level of the City at $66,700. However, availability of a down payment, and costs for mortgages, for other items like cars, furnishings, groceries, etc have also been getting more expensive, which adds to the challenges for buying a home.

Proposed Text:

The median sale price for residential in 2023 was $265,000. In 2024, that number rose to $276,000, and in 2025 (as of November 24) the figure increased to $289,950. That noticeable increase in median sale price mirrors regional and national trends of the rising costs associated with the housing market.

A common affordability metric suggests that housing expenses should not exceed 30% of a household's gross monthly income.

Utilizing 2023 data (as median income levels have not yet been released for post-2023 years) and assuming a 20% down payment with a 30-year fixed mortgage at an interest rate of 6.8%, the estimated annual household income required to afford a $265,000 home is approximately $64,880 – slightly less than the median income level of the City at approximately $66,700.

It is important to note that according to a variety of sources, including the United States Department of the Treasury, the delta between wages and housing costs has widened in recent years. Comparing assumed relatively stagnant wages to verified elevated residential costs, housing expenses continue to apply significant pressure to many families throughout the City. Moreover, the fact that other basic necessities such as utilities, car payments, and groceries have also gotten more expensive in recent times adds to the challenges associated with comfortable housing costs and/or home ownership.

This rudimentary analysis suggests that a more in-depth Housing Study is warranted, a finding represented in Diverse Housing for All Stages of Life and the Action Plan.

Not a page

CITY OF SALEM



Comprehensive Plan 2045

SALEM VA

This plan could not have been written without the dedication and input of City Leadership, Staff, our Committees, and the community at large. The City of Salem Planning and Zoning Division would like to extend a special thank you to the following groups for their contributions of time, resources, and/or facilities:

- Salem Civic Center and staff
- Salem Parks and Recreation and staff
- Salem High School faculty, staff, and students
- Virginia Tech – Diane Zahm and MURP students
- Salem Red Sox
- First Baptist Church
- Calvary Baptist Church
- Chip and Jo's

The City of Salem boasts one of the richest histories in the Commonwealth, from our treasured downtown to our diverse neighborhoods. Through the formulation of this plan we envision a harmonious blend of cherished history and cutting-edge innovation, where the roots of our heritage remain firmly planted as we strive for continued progress and evolution. Our vision is to preserve the elements of our history that have proven successful, while seamlessly integrating forward-thinking strategies to embrace a dynamic and promising future.

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ACKNOWLEDGEMENTS

CITY COUNCIL

Mayor Renée Turk
Vice Mayor Anne Marie Green
Councilman Randy Foley
Councilman Hunter Holliday
Councilman John Saunders

PLANNING COMMISSION

Chair Denise “Dee” King
Vice Chair Reid Garst
Commissioner Jackson Beamer
Commissioner Nathan Routt
Commissioner Mark Henrickson

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SALEM VA

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INTRO

A summary of a Comprehensive Plan including its purpose and goals, Salem's vision for the future, key opportunities, summary recommendations, and an overview of the public engagement process used to develop the plan.



3

INTRODUCTION

WHAT IS A COMPREHENSIVE PLAN?

A Comprehensive Plan is a formal planning document adopted by resolution to provide aspirational and strategic continuity across time and to support successive public bodies with a shared community vision.

The Plan establishes the framework to focus future public and private investments and describes the actions needed to realize an agreed-upon community vision. Because a Comprehensive Plan is developed through a citizen-driven process, it creates political and societal accountability for its success.
In Virginia, comprehensive plans are required by state law for all counties, cities, and towns. The requirements are outlined in Section 15.2-2223 of the Code of Virginia, the key elements of which are as follows:

General Requirements

- **Preparation**: Each local planning commission is responsible for preparing a Comprehensive Plan for the locality's physical development.
- **Scope**: The plan must address present and future needs and resources to guide and accomplish coordinated, adjusted, and harmonious development.

Content Requirements

- **Land Use**: Designation of the general or approximate location, character, and extent of various land uses, such as residential, business, industrial, agricultural, and other categories.
- **Transportation**: Incorporation of a transportation plan showing the general location and extent of existing and proposed streets, roads, highways, parkways, railways, bridges, waterways, terminals, and other public transportation facilities.
- **Community Facilities**: Identification of public facilities, such as parks, schools,

libraries, public buildings, and other community services.
- **Housing**: Assessment of current housing conditions and future housing needs.
- **Natural Resources**: Planning for conserving, utilizing, and protecting natural resources and historical areas.
- **Public Utilities**: Plans for the development and improvement of utilities, such as water supply, wastewater treatment, stormwater management, and solid waste disposal.
- **Economic Development**: Consider the locality's economic development needs and potential strategies.
- **Environmental Protection**: Addressing measures to protect the environment, such as flood control and pollution prevention.

3. Planning Process

- **Public Participation**: There must be opportunities for public involvement and input during the development of the plan.
- **Review and Adoption**: The planning commission must hold at least one public hearing before recommending the plan to the local governing body. The local governing body must also hold a public hearing before adopting the plan.
- **Periodic Review**: The Comprehensive Plan must be reviewed at least once every five years to determine if amendments are necessary. The goal would be to have it be reviewed more regularly to ensure its use and efficacy.

4. Implementation

- **Zoning and Subdivision Ordinances**: The Comprehensive Plan serves as a guide for the development and implementation of zoning and subdivision ordinances.
- **Capital Improvement Program (CIP)**: The plan should align with the locality's CIP, which outlines the funding and timing of public infrastructure projects.

5. Coordination

- **Regional Planning**: Coordination with neighboring localities and regional planning agencies to address issues that cross jurisdictional boundaries.
- **State and Federal Requirements**: Compliance with relevant state and federal regulations and policies.

6. Documentation

- **Maps and Diagrams**: Inclusion of maps, diagrams, charts, and other visual aids to illustrate the plan's proposals.
- **Textual Description**: Comprehensive narrative explaining the goals, objectives, and strategies of the plan.

7. Special Considerations

- **Urban Development Areas (UDAs)**: Localities are encouraged to designate UDAs to focus development in areas where it can be more efficiently served by public services.

- **Affordable Housing**: Addressing the need for affordable housing and strategies to meet this need.
- **Environmental and Historic Preservation**: Identification and protection of environmentally sensitive and historic areas.

CRITICAL GOALS OF THE PLAN:

1. **Integrate existing plans and initiatives into a community-wide vision for the future.**
2. **Create a resource to inform policy decisions.**
3. **Set priorities and responsibilities.**
4. **Outline specific goals and strategies to achieve the vision.**
5. **Align Strategic Plans, Capital Improvement Plans (CIP), Budgets, and Department Action Plans.**
6. **Used by Staff and Leadership to initiate tasks and make decisions.**

WHAT DOES IT INCLUDE?:

The Salem Comprehensive Plan includes goals, strategies, area plans, and implementation measures that reflect the community-driven process. The Plan is a starting point – where the vision is articulated and implementation is identified. It lays the framework for future action but purposefully does not resolve all the goals, plans, and measures identified by the Community. The Plan itself identifies and describes the strategies that must be implemented by the community to realize the agreed-upon vision.

HOW TO USE IT:

As the City's playbook for success, this document consists of written recommendations supported by maps, definitions, and action items to guide City leaders in making decisions that will impact Salem over the next 20 years. It should be used when departments are making plans for the year when budgets are being created and to influence the City's long-term focus and work.

This Comprehensive Plan is a guiding document, and is to be used in that capacity. It sets the vision and strategic recommendations for future collaborative work so the City can achieve its vision. In that regard, it is not a regulatory or binding set of recommendations.

SALEM IN A SNAPSHOT

Throughout centuries of storied history, the City of Salem continues to be a place its residents are proud to call "home."

Industrial roots permeate the modern business environment, and both small enterprises and corporate commercial ventures contribute to a healthy regional and global market.

Supreme City services, schools, and recreational facilities attract and serve residents and visitors alike.

A healthy blend of tradition and innovation defines the City's ambitions, positioning Salem for continued prosperity.

POPULATION

Population = 25,477

Median Age = 40.3

- State of Virginia = 39.3
- Roanoke County= 43.7
- Roanoke City = 39.1

Recent Growth = .46%
(Last 10 years approximate)

- State of Virginia = 7.65%
- Roanoke County= 5.53%
- Roanoke City = 1.14%

Additional, more extensive information can be found in the City Atlas of the Comprehensive Plan.



INCOME

Median Household Income (2023) = $66,716

- State of Virginia =$90,974
- Roanoke County=$82,931
- Roanoke City = $52,671

Median Property Value = $265,000

State of Virginia = $410,032
Roanoke County= $309,000
Roanoke City = $260,000

Cost of Living Index* = 86.1

State of Virginia = 103.6
Roanoke County = 87.2
Roanoke City = 86.5

HOUSING

Number of Households = 10,100

Homeownership Rate = 63.5%

State of Virginia = 69.1%
Roanoke County = 78.7%
Roanoke City = 51.7%

Rental Rate = 36.5%

State of Virginia = 30.9%
Roanoke County= 20.43%
Roanoke City = 48.3%

*The **Cost of Living Index** is a measure that compares the average expenses of goods and services (like housing, food, and transportation) between different locations. For this comparison, the National Cost of Living is100.

VISION AND PRINCIPLES

The Salem Comprehensive Plan is the result of engaged citizens and stakeholders contributing to a shared and agreed-upon vision for their community.

SALEM'S VISION

"Salem is a beautiful and proud City in the mountains. Our people are our greatest assets, and our "small-town" feel defines our character.

Our commitment to economic opportunities, nature and the outdoors, diverse neighborhoods, history, community services, sports, and best-in-class schools foster a pride of place and a unique quality of life that is shared by all our citizens.

As we encounter change, we will respond wisely, learning from our history and embracing the future with a fresh mindset and a commitment to excellence."

SALEM'S PRINCIPLES:

The following principles guide our actions and policies. They represent fundamental truths that we strive for as we initiate policies, codes, plans, designs, and construction projects.

Culture and History

We value our history while positioning ourselves for a prosperous future: Our people and historic neighborhoods are defining elements of our sense of place. We acknowledge the need to protect the visual character of our City.

Our Downtown is the heart of our community: We will continue to nurture its vitality, safety, character, and ways to bring people together.

We are linked physically and culturally with our mountains and rivers: We enable sensitive ways to promote access and use of these important natural features and work regionally to promote and protect their health.

Mobility

We value walkable and bikeable connectivity: Our streets, greenways, and trails form an interconnected, scaled, rational network that provides several convenient routes that are bikeable and walkable to destinations such as parks, open spaces, shops, work, and school.
Our neighborhoods are linked with our community assets: By expanding upon our sidewalks, bikeways, and trail networks, all of our citizens can easily access routes that connect us to our natural and cultural assets.

Community Character

We have high-quality – complete neighborhoods that are open to a diverse population. Our neighborhoods retain their character as they add new and diverse residents in the future and open their arms to contextually appropriate infill development and redevelopment.

We live and work on safe, human-scaled streets: Our streets accommodate multiple forms of transportation and are designed appropriate to their context and to maximize mobility, safety, comfort, connectivity, and a place to shop, park, stroll, greet friends, and hold events.

We place high value on our public realm: Our sense of community, character, pride, and sense of place is defined by the design quality of our public realm, which includes our streets, parks, public spaces, open spaces, and our natural resources.

We value our best-in-class parks and recreation: In addition to having high-quality active sports fields and sports tourism, our neighborhoods have a variety of neighborhood-scaled parks that support all age groups, abilities, and ways access to them on foot, bike, or other.

We value reuse and infill development: We encourage new development to be located where there is vacant land or land best positioned for redevelopment that is already serviced by infrastructure. Doing so will reduce areas that are not performing as well as others and offer a place for housing and business diversity.

We strive for more diversity and unique ways of living: We are mindful of housing affordability, changes in the marketplace, desires of younger folks, as well as the needs of our seniors, and we shape our neighborhoods in ways that accommodate all our citizens.

Economic Opportunity

We balance growth with preserving our sense of place and character: We accept our slower rate of growth but recognize that we can't stand still. We focus on areas for growth that create the highest opportunities

for something that reflects newer markets and preferences, while protecting our historic neighborhoods.

We have a clear economic strategy: "One that's rooted in sustainable growth with industry diversification and real estate development, achievable goals for talent and business attraction and retention, and establishing stronger regional and statewide partnerships to help our City thrive." (from Economic Development's Strategic Plan)

We are fiscally responsible: Our government services are fiscally responsible and maximize return on investment, and we support entrepreneurial ventures, education, and development that will strengthen our local economy.

We promote equity for our citizens: Our citizens have access to a diverse range of dignified, affordable, and market-rate housing choices to rent or purchase and easy access to community amenities, parks, open spaces, education, assistance, and services.

We are regional partners: We promote working in partnership within our region to maximize economic development, marketing, education, infrastructure service, environmental stewardship, transportation, health and safety, and connectivity.

Environmental Stewardship

Our built environment is in harmony with the natural environment: We promote design and engineering practices that ensure the health of our rivers, streams, and creeks.

We recognize that new developments and multimodal streets can be supportive of environmental stewardship: We create plans and policies that promote walking and cycling, public transportation possibilities, providing shade with tree plantings, and promoting greener buildings.

SALEM'S OPPORTUNITY

A CITY THAT MOVES FORWARD WHILE RESPECTING ITS PAST

Salem is a proud city that recognizes the importance of its people and its sense of community. The landscape of the Virginia Blue Ridge Mountains, the history, scale, and character of its neighborhoods, the growing vibrancy of its downtown, its best-in-class parks and recreation network, its high-quality school system, and its access to the Roanoke River provide it a character, sense of place and history that demands a careful approach to balance growth and preservation.

This Comprehensive Plan looks out 20 years. The Plan describes specific principles, strategies, and actions that together enable Salem to act on its vision and values. The plan considers that growth must be accomplished in ways that support the City's vision of strong neighborhoods, environmental harmony, and access and fairness for its citizens. These are to be accomplished by the application of well-tested urban planning principles that channel growth toward the land that is the most suitable for development based on economic, cultural, social, and environmental principles.

Salem is a small-town setting, and historically, it has not had the types of growth pressures that have caused it to lose its sense of place and character. Salem has grown slowly in the recent past and is only now feeling the potential impacts of accelerated development within its boundaries.

These new developments and current market preferences are reshaping select parts of the city, causing stress. **Salem can craft a vision of the future to shape new growth using a set of tools that establishes predictable and balanced outcomes.** Salem's future needs to be carefully planned so that the balance and harmony that make it special today are nurtured, updated, and best positioned for the next generation to benefit from.

With the creation of this Comprehensive Plan, Salem will continue to evolve based on its deep appreciation and connection with its history, the natural environment, resilient planning principles applied city-wide, and equitable access to housing, parks, open spaces, and services. It acknowledges that growth for growth's sake is not Salem's vision. It recommends ways that balance preservation and protection while also accommodating expanding diversity, uniqueness, and housing affordability in logical locations that could use investment and an economic boost.

The key to the future is to reposition underperforming parts of Salem with plans that encourage new and unique districts supportive of varied employment and housing opportunities.

This includes continued efforts to make the large arterial roadways that bisect the City, such as East Main Street, West Main Street, and Apperson Drive, more livable with safer crossings, slower speeds, multipurpose paths, streetscape, access management, and gateway elements. It includes "place-based" planning to help guide the redevelopment of the East Bottom area, South of Downtown, Apperson Drive, and portions of East Main Street into diverse, highly integrated mixed-use districts that have livable streets, parks and open spaces, connectivity, and walkable destinations.

The Plan promotes the development of "people places" such as parks, river access, natural areas, and urban places to gather, which will encourage walking and cycling

along with transit as options for mobility that impact residents more broadly than auto-centric policies and development can. Leveraging the Roanoke River Greenway with adjacent compatible land uses and higher levels of connectivity will take advantage of that important piece of public infrastructure.

Focusing on vacant infill lots and their feasibility for attractive and affordable housing and mixed-use development will enable sensible population growth on land already serviced with infrastructure.

The Plan acknowledges that Salem is highly woven into the Roanoke Valley and shares roadways and borders with the City of Roanoke and Roanoke County. Cooperation and collaboration will need to be maintained within the region so that cross-jurisdictional identities are allowed to be expressed within a common perspective about regional issues such as open space, roadways, waterways, housing, and stormwater management.

Lastly, the Plan considers that the hallmarks of great and lasting places include protecting the natural assets that define it, promoting cultural and economic diversity, ensuring inclusion, and establishing the physical and social infrastructure and frameworks that enable people to share, prosper, gather, work, recreate, walk, bike, and connect freely with one another.

KEY QUESTIONS FOR THIS PLAN:

"How can we diversify our housing, population, and business offerings while retaining the sense of place and character that we cherish?"

"How can we prepare areas of the city for new and exciting redevelopments while supporting the businesses and residents that are already there?"

"What tools do we need to create to fit new development into existing patterns, ensure high quality, and ensure we maintain our aesthetics?"



The Salem Farmers Market draws residents and visitors Downtown for fresh foods and community connections and is one of the many events hosted by the City.

SUMMARY OF RECOMMENDATIONS

1. Identify Areas to Capture Potential Growth – Define priority areas for new place-based development while strengthening and supporting existing neighborhoods.

2. Expand Mixed-Use Development – Expand and refine the definition of Mixed Use to foster walkable, vibrant communities.

3. Promote Revenue-Generating Development – Support business growth and job creation through strategic investments and policies.

4. Address Housing Needs – Explore strategies to improve housing affordability, diversity, and accessibility, with a focus on younger generations and seniors.

5. Create Walkable Neighborhoods – Develop and implement Complete Streets that prioritize pedestrian-and bike friendly neighborhoods

6. Provide Neighborhood Parks – Ensure access to equitably distributed parks within both existing and future neighborhoods.

7. Expand and Enhance the Roanoke River Greenway Experience – Extend the Greenway into Salem's neighborhoods and commercial districts to enhance access and connectivity. Position Salem as a premier "trail-oriented City," leveraging outdoor recreation.

8. Continue to provide excellent Community Services – Provide the resources and and staffing needed to continue to offer these services into the future.

9. Strengthen Regional Collaboration – Promote collaboration around economic growth, connectivity, open space preservation, and housing solutions across the region.

10. Align Actions with Budget Priorities – Define and prioritize key initiatives within budget constraints and across departments.

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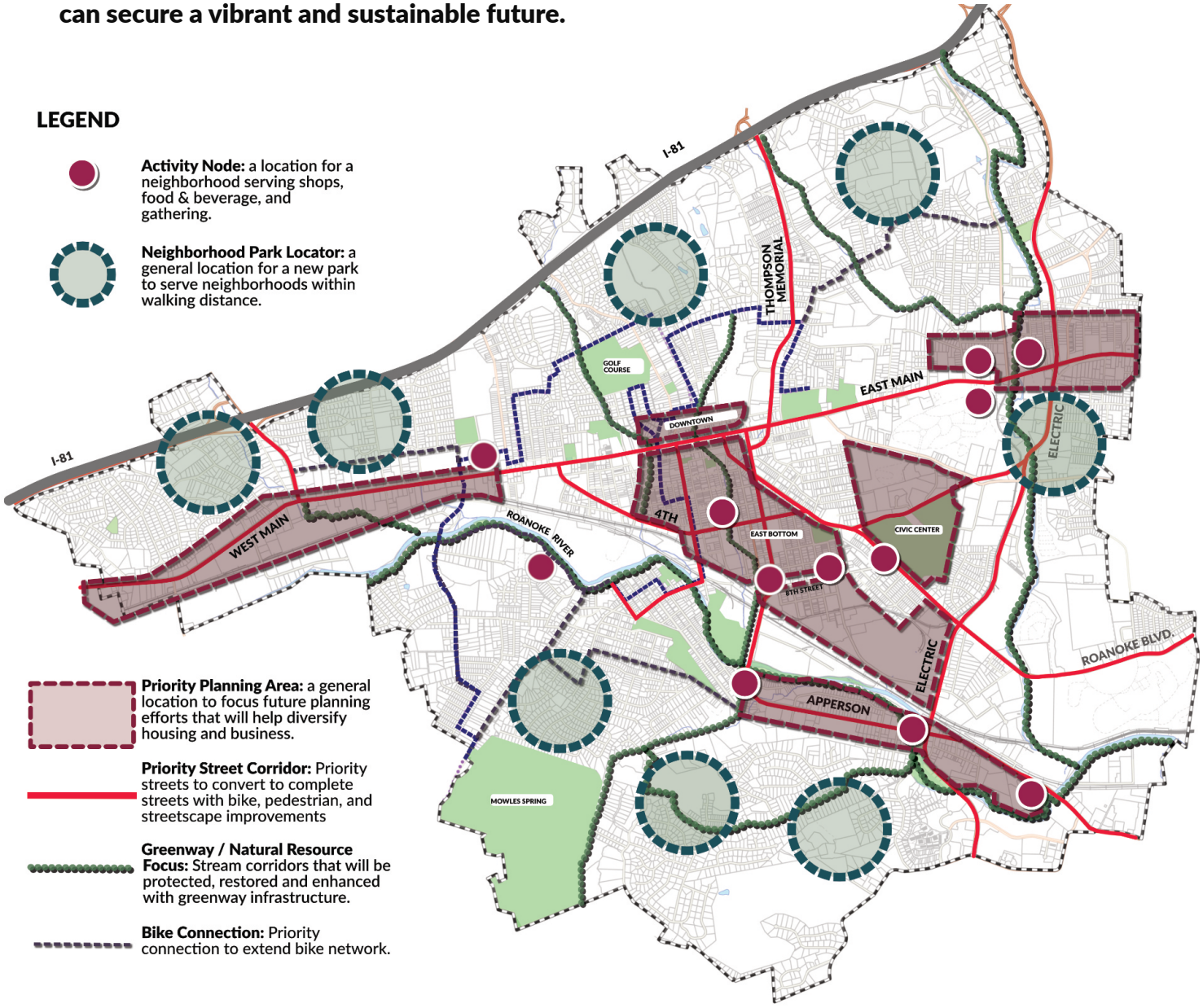
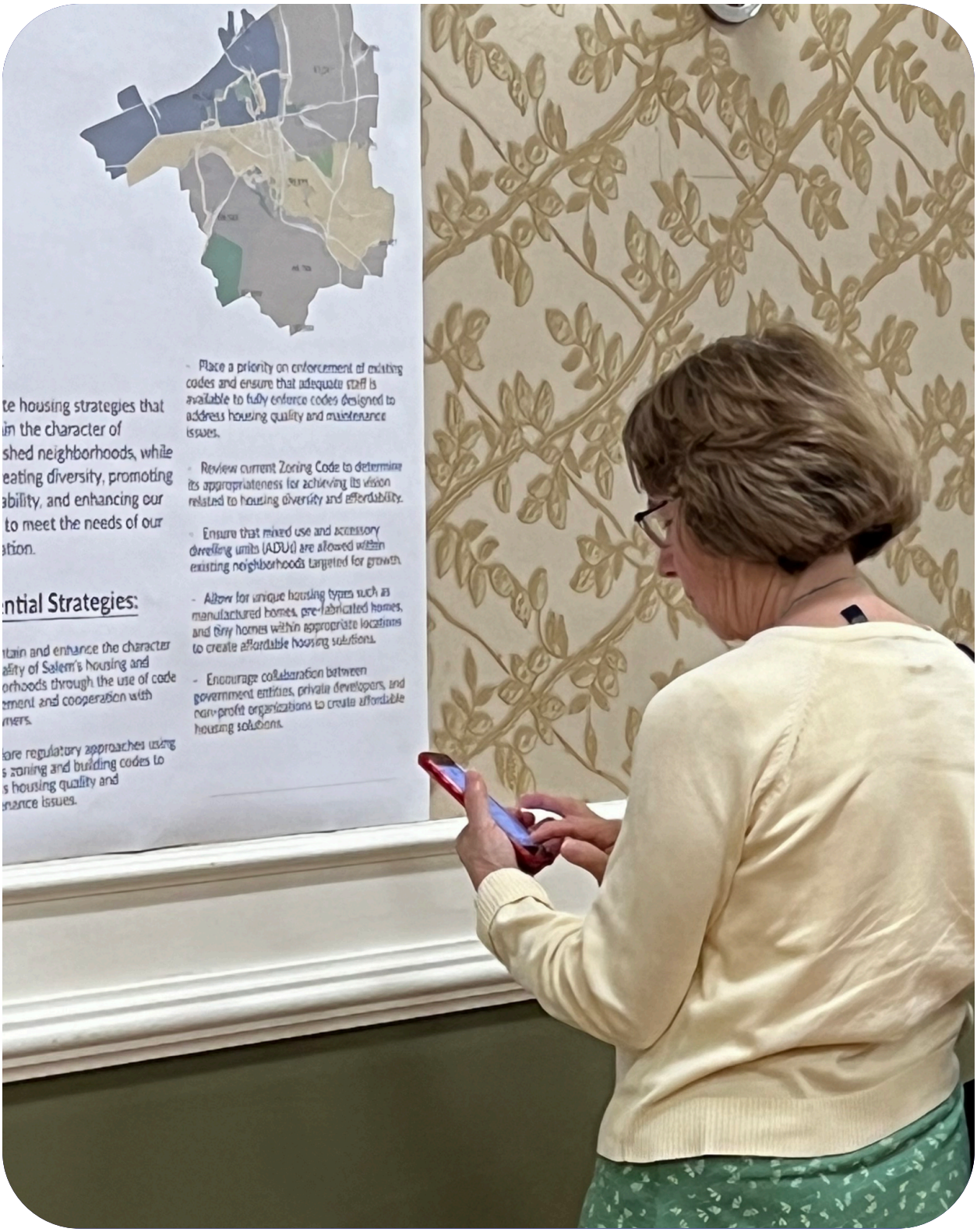
Simple, time-tested urban planning principles—when implemented thoughtfully and with high-quality execution—can enhance Salem's economy, strengthen neighborhood connections, and boost overall connectivity. By fostering walkability and embracing placemaking, Salem can secure a vibrant and sustainable future.

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nance issues.
- Place a priority on enforcement of existing codes and ensure that adequate staff is available to fully enforce codes designed to address housing quality and maintenance issues.
- Review current Zoning Code to determine its appropriateness for achieving its vision related to housing diversity and affordability.
- Ensure that mixed use and accessory dwelling units (ADUs) are allowed within existing neighborhoods targeted for growth.
- Allow for unique housing types such as manufactured homes, pre-fabricated homes, and tiny homes within appropriate locations to create affordable housing solutions.
- Encourage collaboration between government entities, private developers, and non-profit organizations to create affordable housing solutions.

COMMUNITY ENGAGEMENT

Community engagement was a priority within the process to create the plan. Over the course of the plan's development, there were multiple opportunities for the public to provide input, voice concerns, and comment on and shape in-progress plans.

Efforts were made along the way to adjust the approaches in order to reach as many segments of the community as possible. Workshops were scheduled throughout the process of creating the plan so that input directly influenced the development of the plan. Several techniques were used to engage the community, including presentations, pop-ups, polling, table exercises, and one-on-one or group meetings.

ADVERTISING ENGAGEMENT

The City used multiple methods to drive engagement, including direct mail, attending church services, press releases, flyers, attending community events such as The Pumpkin Fest and a Salem Red Sox baseball game, managing a project web site, social media, print media, and signage.

PLANNING COMMISSION, AND CITY COUNCIL

The consultants and planning staff met with the Planning Commission and City Council at key milestones to solicit feedback on the development of the draft plan. These meetings were both public meetings, and workshops.

WEB AND MEDIA PRESENCE

The Comprehensive Plan was developed alongside a 24/7 web presence via the City website that allowed free and open access to key plan documents as well as a platform for the public to interface with and react to the plan's development. The plan was advertised and reported on in a variety of local media, including press releases, email, and the City 's social media platforms.

PUBLIC ONLINE POLLING

The plan was influenced by online public polling that mirrored the topics within the process of creating the plan. The polling began a dialogue about Salem's strengths as a community, evaluated citizen satisfaction

with existing City services and qualities, discussed options for growth, housing, open space, and parks, and offered a glimpse into public preferences for prioritizing future investment. **Our initial polling attracted over 600 responses and provided the plan guidance on key issues.**

PUBLIC MEETINGS:

Five in person public workshops were conducted with the community. These were focused on specific topics as follows:

1. **Plan, Vision, and Themes**
2. **Transportation corridors**
3. **Parks, trails, and open space systems**
4. **Housing**
5. **Strategies and Vision for the East Bottom District**

The meetings offered the community the chance to share ideas and priorities through live polling and chat function. One meeting was held with the Students at Salem High School. A final public community meeting was held at the Salem Civic Center, where exhibit boards were set up to reveal the Themes and Strategies, a draft Future Land Use Map (FLUM), and the Focal Area Plan for East Bottom. All workshop exhibit materials were published online and translated into a user-friendly format for viewers to navigate and respond to survey questions or provide comments at their own pace.

KEY TAKEAWAYS:

Several important topics and concepts came to the forefront of our varied discussions while conducting the planning process:

- **Salem residents overwhelmingly expressed pride and satisfaction in calling this City home.** As the community looks toward the future, there was a strong desire to protect and build upon the qualities that make Salem special—its small-town charm, strong sense of place, and connected neighborhoods.

- **Growth is welcomed, but with care and intentionality.** The community supports development that enhances Salem's character, brings new life to the City, and broadens opportunity. By encouraging a mix of housing options—including affordable units, diverse densities, and homes that meet the needs of younger residents and aging seniors—Salem can attract a wider population while supporting its existing community.

- **Historic neighborhoods, beloved for their character and heritage, are deeply valued.** Preserving these areas remains a top priority, with future planning efforts aimed at reinforcing their unique identity.

- **Housing emerged as a key issue.** While there is recognition of the need for expanded offerings—including smaller infill homes, Accessory Dwelling Units (ADUs), and the possibility of manufactured homes in new areas—there is also caution. Community members emphasized the importance of quality, thoughtful integration, and clear guidance on where such changes would be appropriate.

- **There was broad agreement on the need to reimagine Salem's major transportation corridors.** These areas must evolve in response to shifting retail trends, growing traffic concerns, and the need for safer, multi-modal transportation options. Each corridor has its own character, and tailored strategies should reflect and elevate their individual roles within the broader City vision.

- **Recreation and green space access remain vital community values.** Many residents expressed a strong interest in expanding neighborhood-scale parks that are easily walkable from homes, as well as enhancing connectivity to the Roanoke Greenway. The Greenway, in particular, is seen as a standout asset with the potential to knit neighborhoods together and link residents to natural spaces and City amenities.

- **Concerns about property maintenance and the appearance of certain areas were also raised.** Addressing these issues will require a shared understanding of current regulations and a collaborative approach to policy enforcement and support.

Together, these priorities shape a shared vision for Salem—one rooted in respect for the past, responsiveness to present needs, and readiness for a resilient, inclusive future.

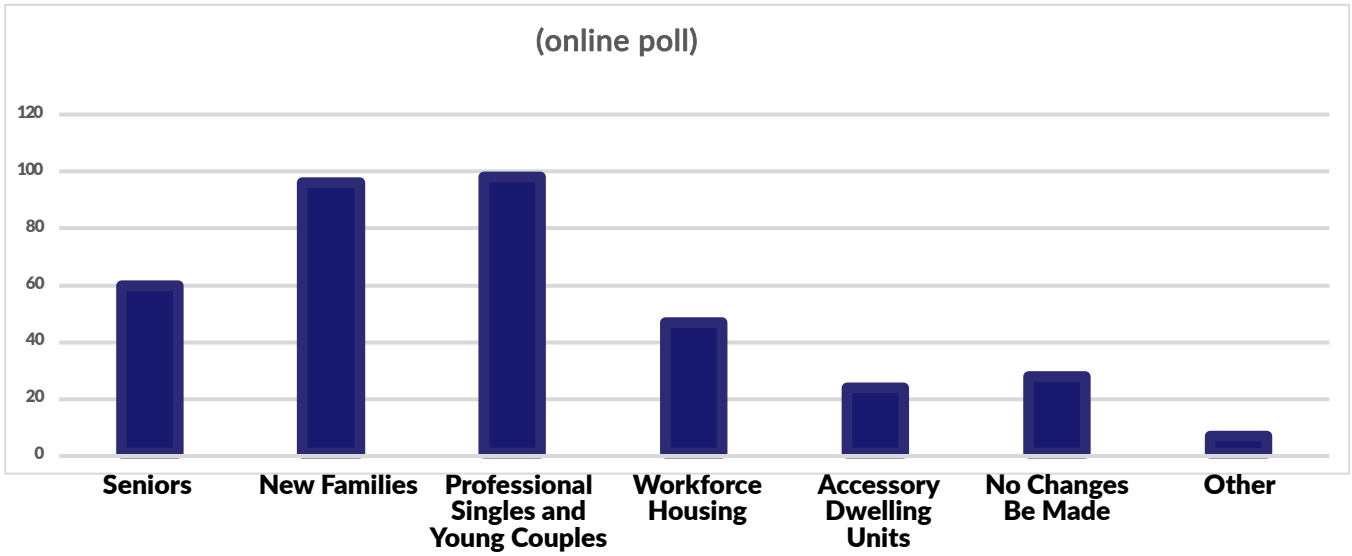
Investments in planning should be scoped to create the tools needed to provide the protection and preservation outcomes expressed by residents, incentivize new housing that is more diverse and affordable, attract new businesses in walkable patterns, and create small area plans that define how new developments will encourage a revitalized City over time, in support of the Comprehensive Plan's Vision.

CAPTURE FROM COMMUNITY

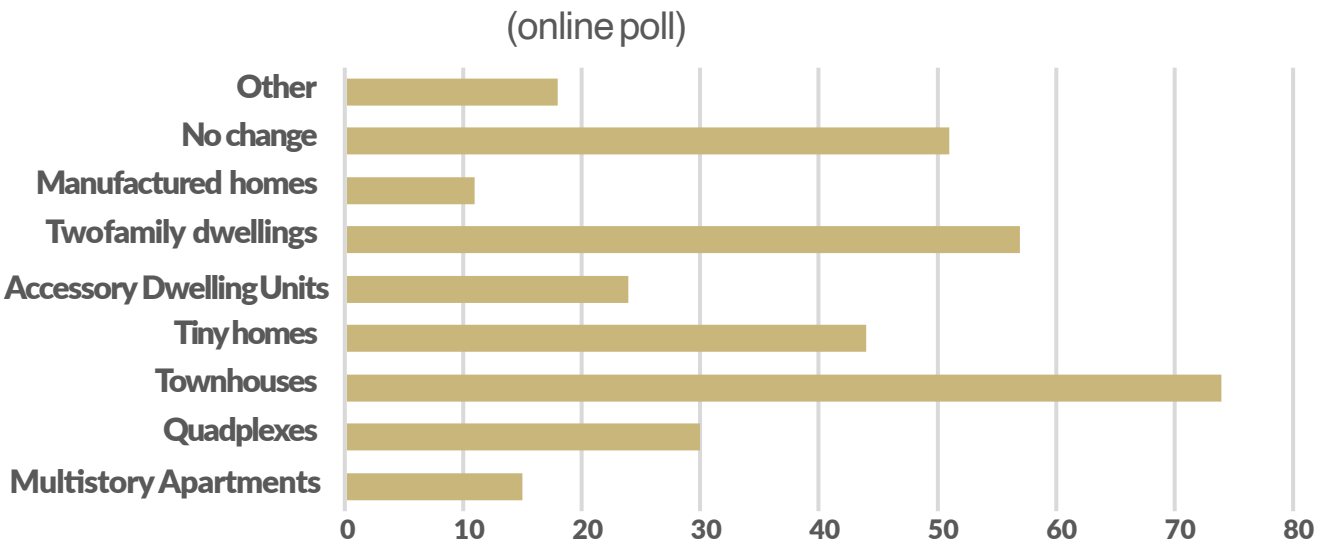
Various polling exercises conducted throughout the process focused on housing, growth, and development to get a feel for how Salem might best accommodate the production of housing that is affordable to more of its citizens.

The polling suggested that Salem is divided on growth and housing. Many residents didn't want the City to grow or grow slowly, while others were more accommodating of growth. Interestingly, the polling also showed that many residents would like more houses that were attractive to more market segments, would be appealing to a younger generation, and would be priced more modestly.

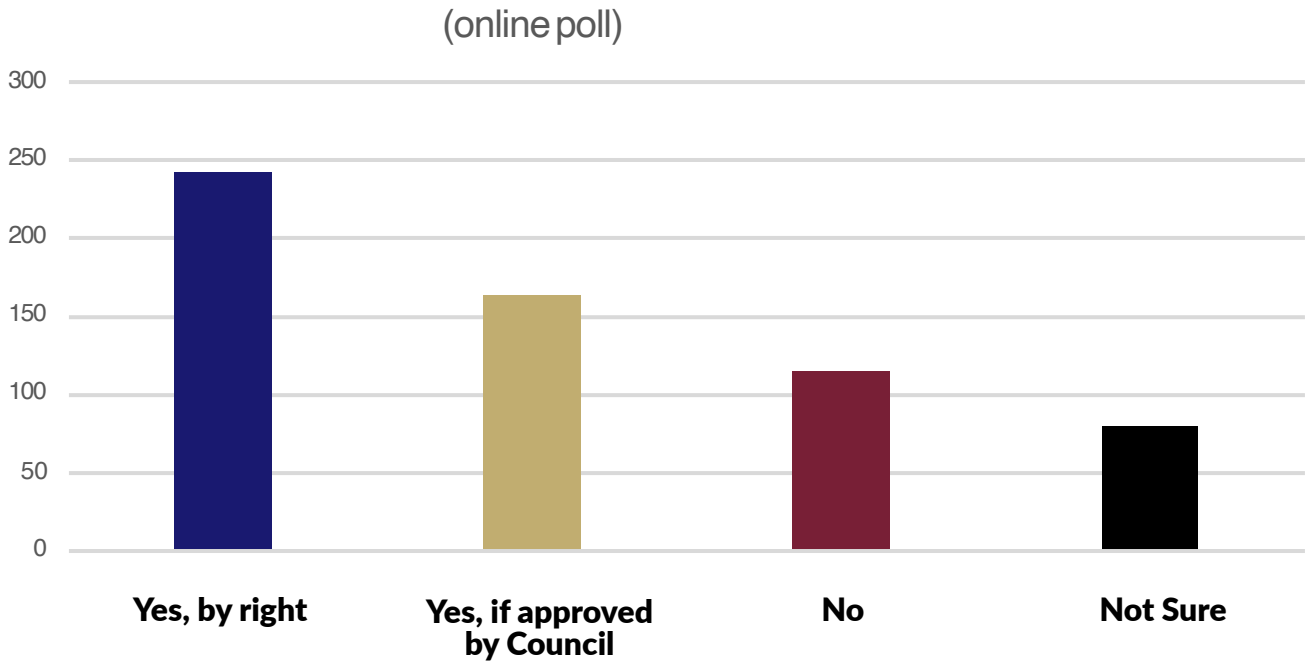
BROADENING SALEM'S HOUSING OFFERINGS SHOULD FOCUS ON:



TYPES OF HOUSING RESIDENTS WOULD LIKE TO BECOME MORE ACCESSIBLE / AVAILABLE

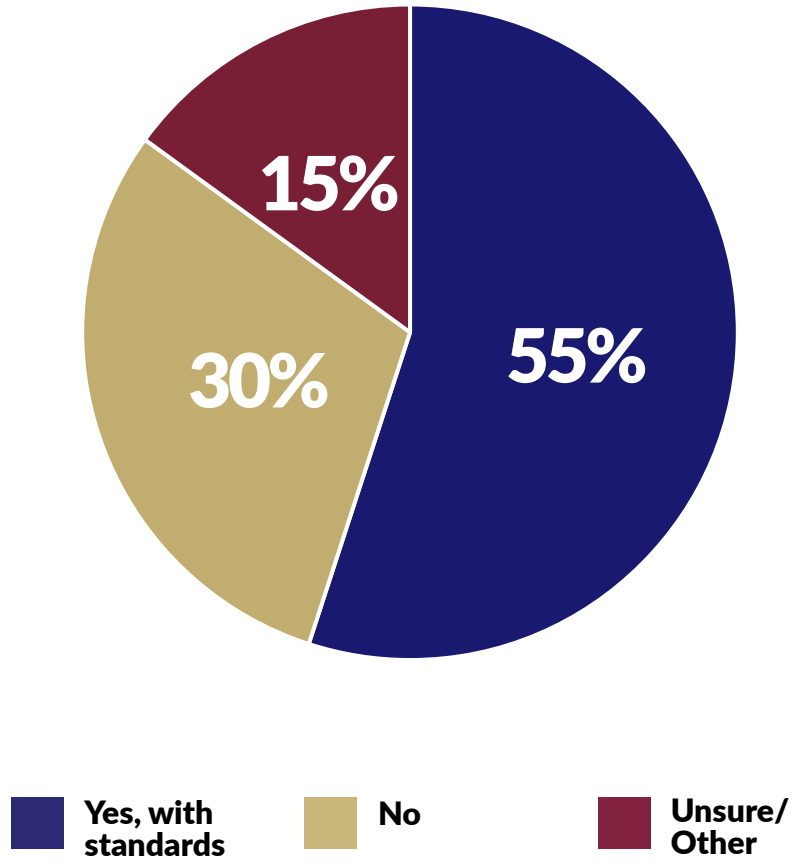


SHOULD ACCESSORY DWELLING UNITS BE ALLOWED?



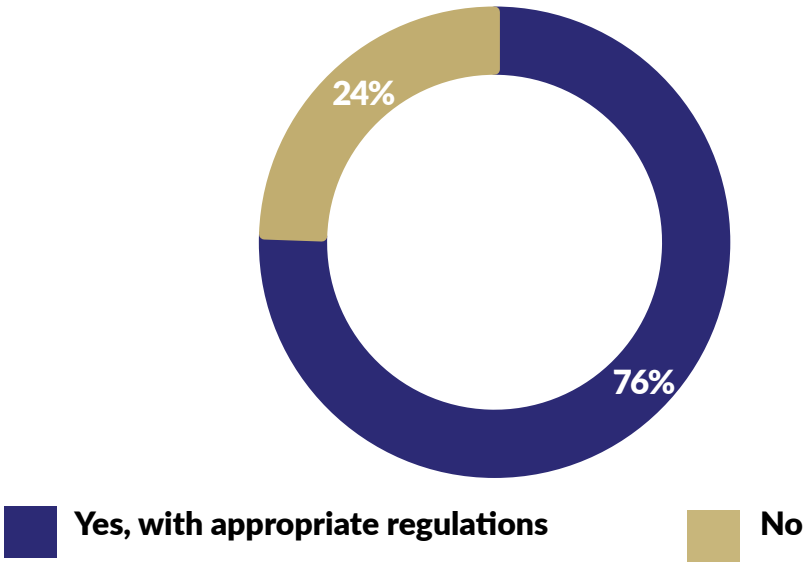
CONSIDERING MANUFACTURED HOUSING AS A MEANS TO IMPROVING HOUSING AVAILABILITY AND AFFORDABILITY

(Online Poll)



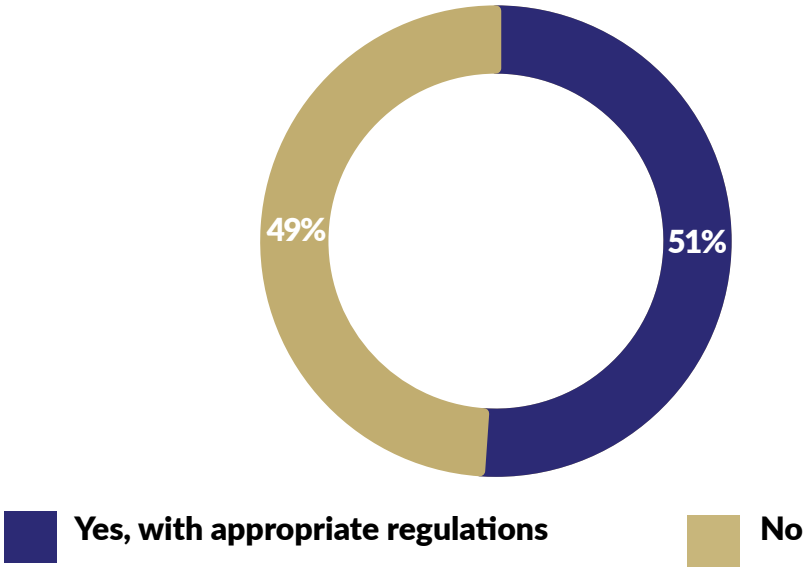
SHOULD ADU'S BE CONSIDERED / ALLOWED?

(August 2024 Open House)



SHOULD MANUFACTURED HOUSING BE EXPLORED OUTSIDE OF MANUFACTURED HOME PARKS?

(from August 2024 Open House)



KEY DEFINITIONS

Urban Planning Terms – Simple Definitions

Accessory Dwelling Unit (ADU)
A small, separate living space on the same property as a main home. Examples include garage apartments or backyard cottages.

Affordable Housing
Housing that costs no more than 30% of a household's income, making it accessible to low- or moderate-income people as defined by the department of Housing and Urban Development (HUD).

Average Daily Trips (ADT)
Average Daily Trips (ADT) is the average number of vehicle trips generated to and from a location or roadway segment per day, typically calculated over a 24-hour period.

Bikeability
How easy and safe it is to get around a place by bicycle.

Bikeable
Describes a place where riding a bike is safe, convenient, and comfortable.

Community Services
Public services that support daily life and well-being, such as schools, libraries, healthcare, parks, and emergency services.

Complete Streets
Roads designed for safe use by everyone—people walking, biking, driving, or using public transit—regardless of age or ability.

Connectivity
How well streets, paths, and transit routes link places, making travel more direct and convenient.

Corridor Study
A planning review of a major road or transit route to improve safety, traffic flow, development, and access.

Daylighting Streams
The process of uncovering buried or piped streams and restoring them to a more natural, open condition.

Economic Development
Efforts to grow jobs, businesses, and investments in a community to improve its economy and quality of life.

Floodplain
Land next to a river or stream that may flood during heavy rain or snowmelt.

Floodway
The central part of a floodplain where water flows fastest and deepest during a flood—development is usually restricted here.

Housing Affordability
A measure of whether people can afford to rent or buy homes based on their income and local housing costs.

Housing Density
The number of homes in a specific area, such as per acre or square mile.

Mixed-Use
A development or area that combines housing, businesses, and other uses in one place to encourage walking and reduce car use.

Place-Based Planning
A planning approach that focuses on the unique needs and strengths of a specific location or community.

Regional Cooperation
When neighboring cities, towns, or counties work together on shared challenges like transportation, housing, or environmental protection.

Sharrows
(shared lane markings) are road symbols used to indicate that a travel lane is shared by both bicycles and motor vehicles. They remind drivers to expect cyclists and guide cyclists on proper lane positioning.

Small Area Planning
Detailed planning for a specific part of a city or town, like a neighborhood or district, to guide growth and improvements.

Walkability
How friendly a place is for walking, based on things like sidewalks, safety, and access to destinations.

Walkable
Describes a place where walking is safe, convenient, and pleasant for people of all ages and abilities.

Zoning Terms:

Form-Based Zoning

A zoning approach that focuses on the physical form and appearance of buildings and public spaces, rather than their specific use.

Euclidean Zoning

A traditional zoning method that separates land uses into specific geographic zones (e.g., residential, commercial, industrial) with strict rules about what can be built in each.

Hybrid Zoning

A zoning system that combines elements of both form-based and Euclidean zoning to allow for more flexibility in land use and design.

COMPLIANCE WITH STATE OF VIRGINIA

The State of Virginia's Code of Virginia 15.2-2223 requires that comprehensive plans be developed according to the following Article 3 and include certain elements as shown on the table on the left hand page:

Article 3. The Comprehensive Plan.

§ 15.2-2223. Comprehensive plan to be prepared and adopted; scope and purpose.

A. The local planning commission shall prepare and recommend a Comprehensive Plan for the physical development of the territory within its jurisdiction and every governing body shall adopt a Comprehensive Plan for the territory under its jurisdiction.
In the preparation of a comprehensive plan, the commission shall make careful and comprehensive surveys and studies of the existing conditions and trends of growth, and of the probable future requirements of its territory and inhabitants. The Comprehensive Plan shall be made with the purpose of guiding and accomplishing a coordinated, adjusted and harmonious development of the territory which will, in accordance with present and probable future needs and resources, best promote the health, safety, morals, order, convenience, prosperity and general welfare of the inhabitants, including the elderly and persons with disabilities.

The Comprehensive Plan shall be general in nature, in that it shall designate the general or approximate location, character, and extent of each feature, including any road improvement and any transportation improvement, shown on the plan and shall indicate where existing lands or facilities are proposed to be extended, widened, removed, relocated, vacated, narrowed, abandoned, or changed in use as the case may be.

Notes:

- Transportation Plan formed regionally by the Long Range Transportation Plan created by RVARC in conjunction with local input and initiatives
- Historic areas designated by registration with State and National Historic Registries
- Water resources outlined in Resilience Plan and Municipal Water Service Plan
- Salem Capital Improvement Plan
- Resilience described within Salem's Resilience Plan

COMPREHENSIVE PLAN COMPLIANCE SUMMARY

A. PREPARATION OF A COMPREHENSIVE PLAN

- All Chapters

B. TRANSPORTATION PLAN

- Roanoke Valley Transportation Plan
- Safe, Multi-modal Corridors To Enhance Our Image and Character Chapter
- Neighborhoods Connected to Parks, Open Spaces, and Greenways Sub Chapter

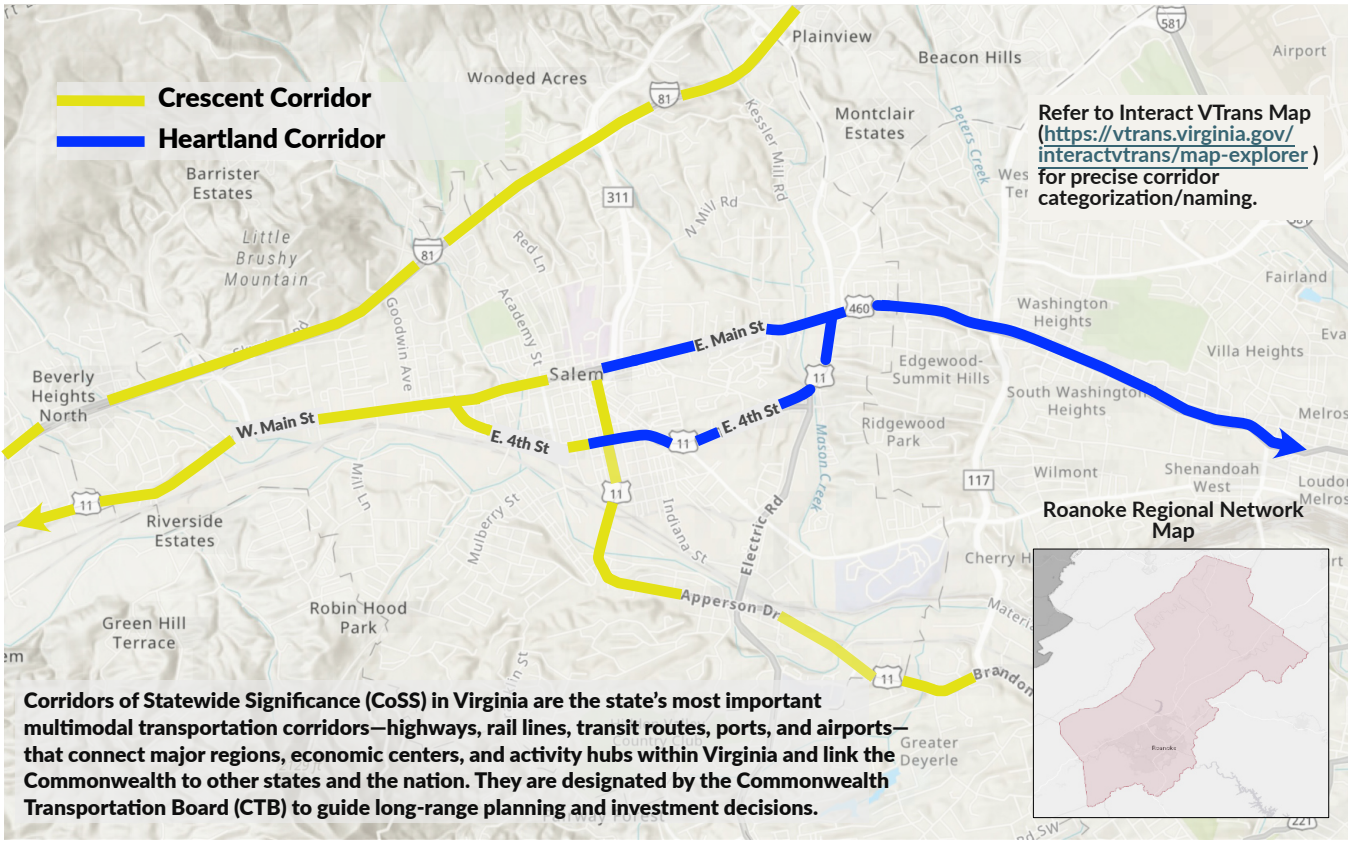
C. LONG RANGE PLAN RECOMMENDATIONS

1. Areas of Public and Private Development and Use
   - Strategic Redevelopment to Promote New Housing, Diversity, and Businesses Sub Chapter
   - Housing That Fits Our Needs and Supports Our Neighborhoods
2. Designated System of Community Service Facilities
   - City Data Chapter
   - Best in Class Community Services and Infrastructure That Meet the Needs of our Citizens Sub Chapter
3. Designation of Historic Areas and Areas for Urban Renewal
   - Strategic Redevelopment to Promote New Housing, Diversity, and Businesses Sub Chapter
   - An Economy and Workforce that will Carry Salem into the Future Sub Chapter
4. Water Resource Areas
   - City Data Chapter
   - Best in Class Community Services and Infrastructure That Meet the Needs of our Citizens Sub Chapter
   - Neighborhoods Connected to Parks, Open Spaces, and Greenways Sub Chapter
5. Capital Improvement Plans
   - Action Plan Chapter
6. Recycling Centers
   - City Data Chapter
7. Military Bases (N/A)
8. Corridors and Routes for Electric Transmission Lines of 150 kv or more (N/A)
9. Areas for Affordable Housing
   - Strategic Redevelopment to Promote New Housing, Diversity, and Businesses Sub Chapter
   - Housing That Fits Our Needs and Supports Our Neighborhoods Sub Chapter
10. Strategies to Provide Broadband Infrastructure N/A
    - City Data Chapter
11. Plan for Resilience
    - Salem, Virginia Resilience Plan
    - Strategic Redevelopment to Promote New Housing, Diversity, and Businesses Sub Chapter
    - An Economy and Workforce that will Carry Salem into the Future Sub Chapter
    - Regional Partnerships to Enhance Opportunities

COORDINATION WITH VIRGINIA DOT/VTRANS

Transportation projects will be developed in coordination with VTrans. The City of Salem is situated within the designated Roanoke Regional Network (see https://vtrans.virginia.gov/interactvtrans/map-explorer for boundary map, also shown below within a vignette.), and Regional Network VTrans needs are a priority for ongoing/future project development and design. See https://vtrans.virginia.gov/mid-term-planning/mid-term-needs-and-priorities for more information regarding project criteria/regional needs.

VDOT Corridors of Statewide Significance:



Corridors of Statewide Significance (CoSS) in Virginia are the state's most important multimodal transportation corridors—highways, rail lines, transit routes, ports, and airports—that connect major regions, economic centers, and activity hubs within Virginia and link the Commonwealth to other states and the nation. They are designated by the Commonwealth Transportation Board (CTB) to guide long-range planning and investment decisions.

Significant Projects: Six Year Improvement Projects (Salem)

UPC	Description	Route	District	Road System	Jurisdiction
119562	#SMART22 - ROANOKE RIVER GREENWAY EXTENSION	9999	Salem	Enhancement	Salem
125090	ROANOKE RIVER GREENWAY - APPERSON TO COOK CONNECTOR	9999	Salem	Enhancement	Salem
127468	ELIZABETH GREENWAY PHASE 2	9999	Salem	Enhancement	Salem
119474	#SMART22 - APPERSON DR (RTE 11)/ORCHARD INTERSECTION IMPROV	11	Salem	Primary	Salem
119475	#SMART22 - DOWNTOWN SALEM - COLLEGE AVENUE IMPROVEMENTS	11	Salem	Primary	Salem
110574	#SGR18LB - APPERSON DRIVE BRIDGE REPLACEMENT	11	Salem	Urban	Salem
110689	#SGR18LB - COLORADO ST BRIDGE REHABILITATION	11	Salem	Urban	Salem
119473	#SMART22 - DOWNTOWN STREETSCAPE IMP WHITE OAK TO MARKET	11	Salem	Urban	Salem
111367	#SMART18 - MASON CREEK GREENWAY PH3 - 419 MULTIMODAL IMPRV	419	Salem	Urban	Salem
113142	DOWNTOWN SALEM - ROANOKE BOULEVARD	9999	Salem	Urban	Salem
113566	ELIZABETH GREENWAY	9999	Salem	Urban	Salem
121998	FRANKLIN STREET IMPROVEMENTS - SALEM	9999	Salem	Urban	Salem
122903	INTERSECTION SAFETY IMPROVEMENTS - CITY OF SALEM	9999	Salem	Urban	Salem
125070	CITY OF SALEM PEDESTRIAN CROSSINGS	9999	Salem	Urban	Salem

SUPPLEMENTAL PLANS

Including but not limited to:

Salem City Schools Comprehensive Plan (2016-2022):

https://www.boarddocs.com/vsba/slmsdva/Board.nsf/files/ABLRZS70760C/$file/2016-2022%20Division%20Comprehensive%20Plan.pdf

Roanoke Valley Transportation Plan (RVTP):

https://rvarc.org/wp-content/uploads/2023/12/RVTP-approved-1-26-23.pdf

Salem, Virginia Resilience Plan (2023):

https://salemva.gov/DocumentCenter/View/6031/Salem-Resilience-Plan

Bikeway Plan for the Roanoke Valley Area Metropolitan Planning Organization (2012 Update)

https://rvarc.org/wp-content/uploads/2023/12/RVAMPO-BikewayPlan-2012Update.pdf

Greenway Plan

https://greenways.org/about-the-greenways/greenway-plan/

Salem Tourism Report – to be completed in 2025

City of Salem Solid Waste Management Plan

Roanoke Valley Allegheny Regional Hazard Mitigation Plan

https://rvarc.org/wp-content/uploads/2023/12/RVAR_Hazard_Mitigation_Plan_2019.pdf

These documents, an assortment of both localized and regional missions, collectively guide Salem's efforts in urban planning, economic development, downtown revitalization, and educational excellence, ensuring a coordinated approach to the City's future growth and prosperity.

Economic Development Strategic Plan (2023-2028):

https://salemva.gov/DocumentCenter/View/5364/Salem-Economic-Development-Strategic-Plan-2023-2028

Downtown Plan:

https://salemva.gov/DocumentCenter/View/2489

The Roanoke Valley-Alleghany Regional Commission (RVARC) Regional Housing Market Analysis

https://rvarc.org/wp-content/uploads/2023/12/Region-Housing2020FINAL.pdf

https://rvarc.org/wp-content/uploads/2023/12/Regional-Housing-Market-Analysis-Study-05122021.pdf

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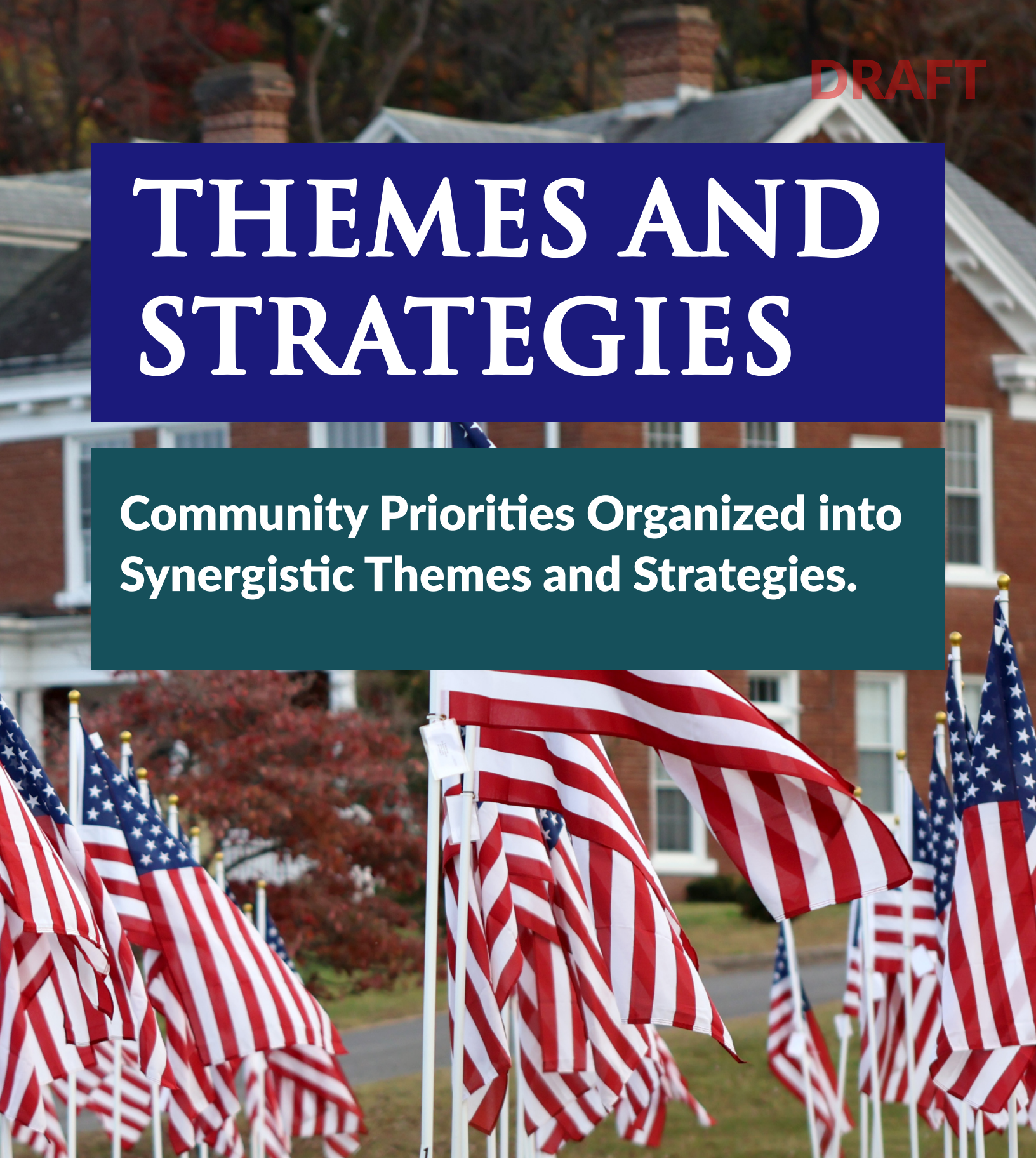
THEMES AND STRATEGIES

Community Priorities Organized into Synergistic Themes and Strategies.





The Salem Library is a community hub at the City's center.

COMMUNITY PRIORITIES

1. Connected Neighborhoods through Parks and Greenways
Every neighborhood will enjoy access to parks, open spaces, greenways, and trail networks.

2. Safe, Multi-Modal Corridors That Support Mobility and Identity
Key transportation corridors will be transformed with safe, multi-modal infrastructure—inviting pedestrians and cyclists, calming traffic, and projecting a forward-looking city image through high-quality design.

3. Vibrant Redevelopment Districts for Growth and Innovation
Embracing mixed-use redevelopment that supports a growing and diverse population, fuels economic innovation, and builds vibrant districts with distinct character.

4. Diverse Housing for All Stages of Life
Neighborhoods will be supported by housing that fits the evolving needs of Salem residents.

5. A Resilient Economy for the Next Generation
Focusing on diversifying industry, attracting and retaining talent, supporting local business, and leveraging strong partnerships to ensure long-term prosperity.

6. Outstanding Community Services and Infrastructure
Remain committed to delivering best-in-class public services that meet the expectations of today's citizens and prepare us for tomorrow's needs.

7. Regional Collaboration to Expand Opportunity
Actively building partnerships with regional and state entities, recognizing that collaboration is key to unlocking new opportunities, sharing resources, and amplifying our collective impact.



The Roanoke Greenway creates a great opportunity for Salem to expand upon its greenway and trails networks to create a City linked to its natural areas, its parks, and to the Blue Ridge region. Exploring methods to increase neighborhood accessibility to parks, open space, and greenways will enhance environmental equity and quality of life for all residents.

CONNECTED NEIGHBORHOODS THROUGH PARKS AND GREENWAYS

Goal:

Commit planning efforts to explore and develop parks, open spaces, greenways, bikeways, and trails that link with neighborhoods across the City.

Context:

Salem's setting within the Blue Ridge Mountains, the Roanoke River, investments in the Roanoke River Greenway, and its natural landforms/ waterways create an opportunity to maximize access to the outdoors. This corresponding city plan, over time, will elevate household connectivity to existing and future parks, open spaces, greenways, trails, and natural areas.

Salem has the foundation to maximize its natural setting and claim stake as a regional hub for all types of outdoor recreation and to attract people because of these assets.

North Carolina Department of Transportation conducted a study on the financial benefits of 4 of its greenways. Findings from the project revealed that greenways in North Carolina provide substantial economic benefits, including:

Business and Employee Benefits: $19.4 million in total estimated revenue for local businesses along the four studied greenways

Retail Sales Tax Benefits: $684,000 in total estimated sales tax revenue made from businesses along the greenways, which goes back to local governments

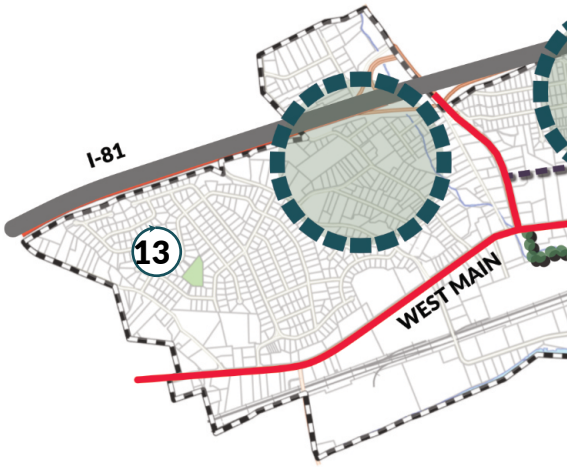
Trail Construction Benefits: $48.7 million in total estimated business revenue from construction of the studied greenways

Health, Congestion and Pollution Benefits: $25.7 million in total estimated savings due to more physical activity, less pollution and fewer traffic injuries from use of the four greenways

Illustrative Diagram

City Parks

1: Middleton Gardens
2: Lake Spring Park
3: Shanks Street Park
4: Salem Golf Course
5: Longwood Park
6: Oakey Park
7: Memorial Park / Civic Center
8: Kiwanis Field
9: Carver Park
10: James Moyer Complex
11: Ted Webber Park
12: Mowles Spring Park
13: Beverly Heights Park



Neighborhood Park Locator: a general location for a new park to serve neighborhoods within walking distance.

Existing Bike Connection

New Bike Lane: Priority connection to extend bike network.

Greenway / Natural Resource Focus: Stream corridors that will be protected, restored and enhanced with greenway infrastructure.

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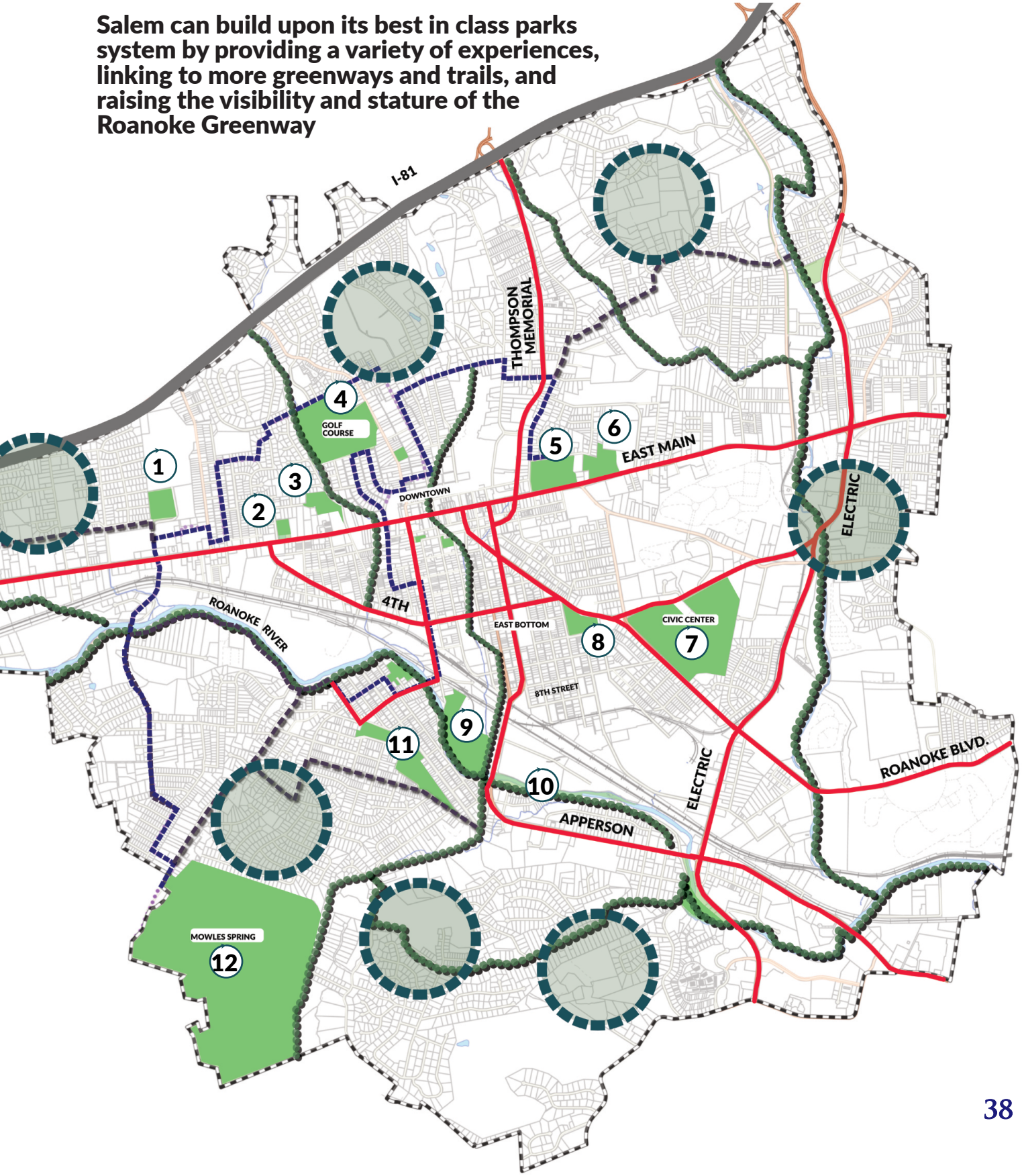
Salem can build upon its best in class parks system by providing a variety of experiences, linking to more greenways and trails, and raising the visibility and stature of the Roanoke Greenway



Strategies & Actions:

1. Create a long term, holistic strategy to develop or refurbish City parks, especially in areas that are currently lacking facilities to increase equity and improve the balance between active parks and less programmed parks:

- Provide a variety of parks, including small pocket parks and playgrounds that are equitably located cross the City and easily within walking distances (1/4 mile) of homes. Prioritize South Salem locations.
- Explore initiatives to increase awareness of and accessibility to the regionally located skate park.
- Investigate opportunities to create localized, dedicated spaces where community members can safely engage in activities like skateboarding, rollerblading, and biking, providing a recreational outlet and fostering an active lifestyle.
- Develop accessible and affordable solutions to accommodate and capture the needs of younger folks (elementary/middle school-aged) through built-environment design and/or programming.
- Continue efforts to make a Downtown pocket park a reality.
- Explore possibilities for the location/installation of inclusive playgrounds to ensure that recreation spaces are available for folks of all abilities.
- Evaluate avenues to enhance the utilization of Longwood Park to maximize its value as a central community asset/amenity.
- Add active or passive green spaces along the Roanoke River Greenway, such as exercise equipment, play equipment, benches, bird blinds, art, etc.
- Encourage and/or incentivize the development of river activities to capitalize on the Roanoke River Greenway and other connecting creeks/streams.
- Evaluate the Salem Municipal Golf course to determine if other programs can coexist on this important piece of property to expand its use for the community, such as trails, disk golf, nature play, parcourse, etc. Consider the importance of a Conservation Easement to protect it.

2. Explore mechanisms to enhance the funding available to finance park, open space, and greenway creation, development, and maintenance including impact fees and grant programs.

3. **Continue with regional approaches that leverage Roanoke County, Roanoke City, City of Salem, Botetourt, and Vinton, to provide a regional "Blue Ridge" holistic park and trails (biking and walking) network for tourism and recreation (and importantly economic development).**

   - Through a regional approach, promote and market the region's parks and trails to attract more visitors, residents, business and revenue.

4. **Ensure that community and park system needs are supported and fulfilled by regularly monitoring and exploring:**

   - Best practices to capture the benefits of the City's sports tourism economy.
   - An appropriate balance between organized sports complexes, passive parks, neighborhood parks, and small pocket parks.
   - Staffing requirements as park system expands.
   - Appropriate revenue generation to support continued funding of high-quality parks experiences.
   - Accessibility to open space and within programmed parks for all age groups and demographics to promote environmental equity.

5. **Pursue the completion of the Roanoke Greenway, the Mason Creek Greenway, and other opportunities such as Dry Branch that extend the greenways into the city's neighborhoods and to Downtown.**

   - When planning greenways, consider including recreation equipment, benches, lighting, learning experiences, and other elements to elevate the experience.
   - Create a clear and attractive map for the Greenway(s) routing.

6. **Investigate opportunities related to uncovering previously damaged, piped and channeled streams/creeks. Where practical and feasible due to funding mechanisms, restore them into natural areas that include native plantings, trails, and sitting areas. Priority streams and creeks may include:**
   - Snyders / Williams Branch
   - Dry Branch

Strategies & Actions:

- Barnhardt Creek
- Gish Branch
- Williams Branch
- Horners Branch
- Paint Bank Branch
- Mill Race
- 12 O'Clock Knob Branch
- Bowman Hollow

7. Create a plan to expand bikeways (bike lanes, bike ways, or sharrows) and sidewalks that create additional connections between existing and proposed parks, open spaces and greenways. Priority streets may include the following, with an understanding that built environment constraints will shape the design of possible improvements:

- Union Street
- 12 O'Clock Knob
- Carrollton Avenue
- Red Lane
- Calhoun Street
- Colorado Street
- South College Avenue
- Florida Steet
- Indiana Street
- Electric Road
- East Main Street
- 8th Street or 7th Street
- Upland Drive
- Apperson Drive
- Kimball Avenue

8. Create a compelling signage and wayfinding system design that elevates the visibility of bikeways, greenways, and trails that connect to the City's greenway and park system.

9. **Continue to publicize and leverage the McAffee's Knob Shuttle Program as a connection to larger trail systems through advertisement and signage.**

10. **Create a more user-friendly website or app to display the availability, operating hours, amenities, location, etc. of each park within Salem.**

    - Create clear communication about the school playgrounds that are accessible to the public.

11. **Integrate environmental design principles into the design of parks, open spaces, parking lots, and developments to expand the impacts and benefits of having "nature in the city".**

    - Highlight/advertise existing City initiatives to celebrate and inform residents about ongoing sustainability projects.
    - Consider light paving and/or permeable paving in City-owned parking lots to reduce heat island impacts.
    - Continue to find places to provide additional native tree canopy (for example, the Civic Center).
    - Integrate best practice storm water management techniques.
    - Design and implement landscapes that do not require heavy maintenance and high-water usage.
    - Explore floodplain enhancement strategies that can either help reclaim property from existing floodplain boundaries and/or reduce flood insurance rates.

12. **Identify available grant funding opportunities that can facilitate recapturing lost public space within alleys, parking lots, and City-owned property and develop creative plans for their use.**

What the Community Said:

The top two most common desires expressed by the Comprehensive Plan Open House participants in August were:

1. **Installation of traffic calming street designs/multi-modal improvements**
2. **Addition of neighborhood parks, playgrounds, and street trees throughout communities to make public spaces more accessible, attractive, and usable.**

Citizen Quotes:

"We need more shade (trees) along the greenway, walking paths, sidewalks, and playgrounds."

"More trees should be installed along West Main Street – we need to focus [planning efforts] on producing more [neighborhood scale] pocket parks."

"Beautifying some of our neighborhood parks would be great..perhaps adding picnic tables or even shelters where neighbors could go to have birthday parties [or other events]."

"I would like to see a focus on connecting the greenway and providing safe walking and biking space to access schools, grocery stores, and public transit."

"We love living in Salem, but we are not sports fans. Would like to see more focus on outdoor activities such as hiking and biking"

Additional Resources For Review:

The Roanoke River Greenway in Salem is part of a larger multi-jurisdictional project to build a trail through the four localities within the Roanoke Valley. Currently, approximately four miles of the greenway have been completed within the city. Several other phases are in planning. Salem is also home to the Mason Creek Greenway and the Hanging Rock Battlefield Trail. The portion of the Roanoke River greenway around the Moyer Sports Complex has been designated the David Smith trail.

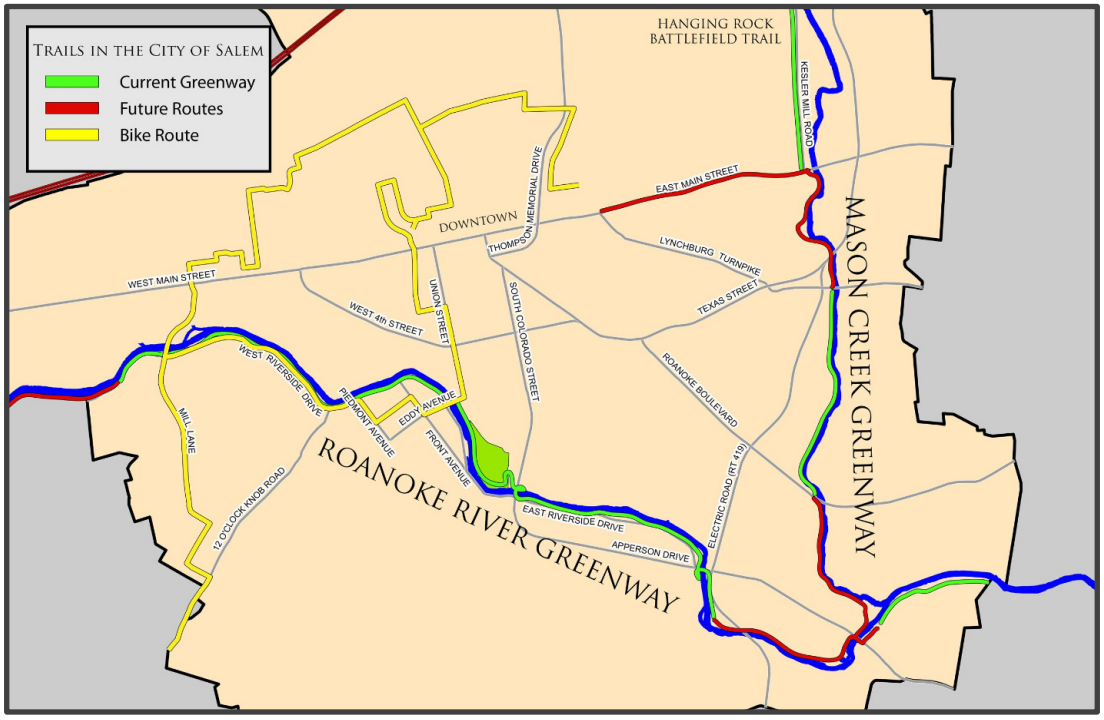
Links to Relevant Plans and Studies:

https://greenways.org

https://www.ncdot.gov/news/press-releases/Pages/2018/Greenways-Providing-Positive-Economic-Benefits-to-North-Carolina.aspx

https://salemva.gov/332/Salem-Bike-Route

https://salemva.gov/235/Parks-Recreation





Safe, multimodal streets are essential for creating inclusive, accessible communities by accommodating various forms of transportation, including walking, cycling, public transit, and driving. These streets promote safety for all users, reduce traffic congestion, and encourage healthier, more sustainable transportation choices, contributing to a higher quality of life.

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SAFE, MULTI-MODAL CORRIDORS THAT SUPPORT MOBILITY AND IDENTITY

Goal:

Reconstruct important transportation corridors to include multi-modal elements, streetscapes, urban design standards, and enhanced pedestrian and bicycle safety.

Context:

Salem is primarily built on a grid of streets, which is arguably the most efficient and flexible design a City could have to support choices, flexible growth, and connectivity. However, larger streets than necessary exist to support regional traffic and to accommodate emergency routing related to I-81 congestion.

Maximizing pedestrian and auto safety on the major, more heavily trafficked streets will enable them to be less of a barrier between North and South Salem, and safe for pedestrians. Finally, considering land use could require a change in the design of corridors like West Main Street, East Main Street, Apperson Drive, and even 4th Street.

Complete Streets is a plan to transform how transportation, whether by foot, bike, car, or mass transit, can be accessed safely to the benefit of everyone in a community.

Complete Streets advocates for the addition of infrastructure assets, like unobstructed sidewalks, well-marked bike lanes, and roundabout intersections, in an equitable, thoughtful way to increase safety and accessibility.

Complete Streets not only reduce crashes and injuries but boost employment levels, property values, investment from the private sector, and net new businesses.



https://www.terracastproducts.com/wp-content/uploads/2018/10/The-Best-Bike-Lane-Width-for-Protected-Bike-Lane-Design.jpg

Illustrative Diagram

Street Types

Street Improvement Type A:

Residential Park Streets: Connect greenways and parks and improved to include painted bike lanes, completed sidewalks, painted on-street parking, and signage and wayfinding.

Street Improvement Type B:

Greenway Connectors: Larger streets that directly connect to open spaces, and greenways that will be improved to include bike lanes, wide sidewalks, lighting, trees and landscaping, and signage and wayfinding.

Street Improvement Type C:

Residential Mixed Use Streets: Smaller pedestrian friendly streets that have a variety of housing types fronting sidewalks, street trees, bike lanes, and on street parking.

Street Improvement Type D:

Mixed Use Commercial Corridors: Corridors that will be transformed into complete streets with road diets, streetscape, painted bike lanes, painted parking, urban design guidelines, complete sidewalks, etc.

Street Improvement Type E:

Gateway Streets: Streets that connect Salem to the region that will be augmented with gateway signage and landscape elements, painted bike lanes, streetscape, lighting, signage and wayfinding.

Street Improvement Type F:

High Volume Corridor: Corridors that retain its capacity to handle a high traffic volume. Supports transit with bus shelters, includes signage and streetscape elements, overhead and pedestrian lighting, highly visible crosswalks, and over time, access management techniques, increased signalization, and new urban design patterns and standards for redevelopments.



Key streets that connect neighborhoods to each other and the City's assets, and Salem to the region, can become more multi-modal and attractive with streetscape elements.

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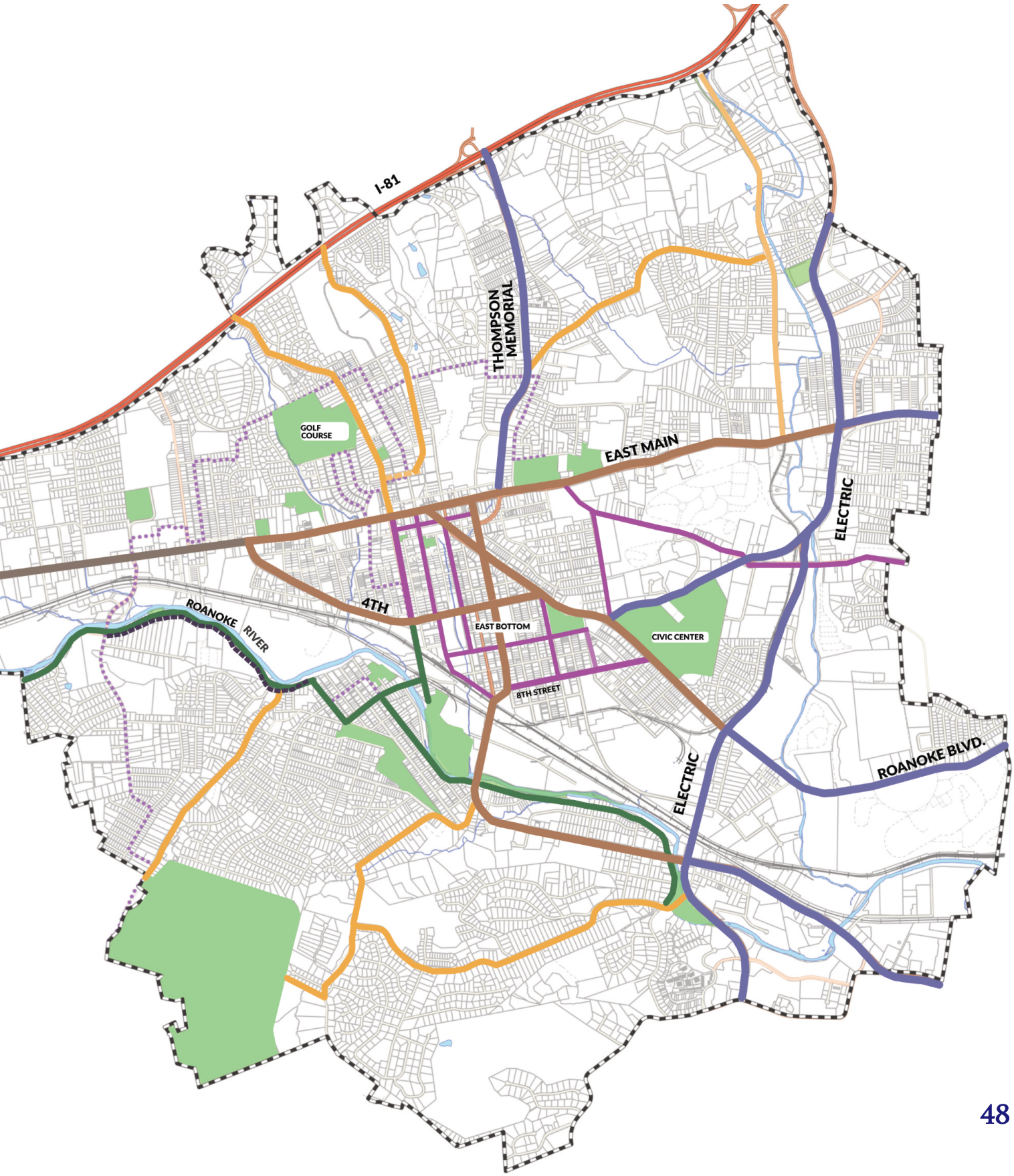
I-81
THOMPSON MEMORIAL
GOLF COURSE
EAST MAIN
ELECTRIC
4TH
ROANOKE RIVER
EAST BOTTOM
CIVIC CENTER
8TH STREET
ELECTRIC
ROANOKE BLVD.

Strategies & Actions:

1. **Work with the Roanoke Valley Alleghany Regional Commission (RVARC) to secure funding priority for needed projects within Salem on the Long-Range Transportation Plan.**

2. **Coordinate priorities and design standards with RVARC and VDOT to discuss how Salem can work towards creating "Complete Streets" within the City.**

3. **Create and coordinate the development of a Bike and Pedestrian Plan to expand those elements within the City to connect community assets with neighborhoods (See Theme associated with this for priority streets).**

   - Consider the requirement of sidewalks in new subdivisions where lot size/spacing criteria is met.
   - Work to identify projects designed to retrofit existing neighborhoods with functional sidewalk networks and match them with available and appropriate funding programs.

4. **Continue to work with VDOT to fulfill the East Main Street project that extends existing streetscape, sidewalk, and bike lane enhancements eastward.**

5. **In conjunction with the Engineering Division, create design plans and design standards and guidelines for "Type A", and "Type B Streets" to better support bike and pedestrian friendliness and safety that may include:**

   - Reduced travel speeds (25 mph max).
   - Painted bike lanes dimensions to ASHTO standards, painted parking spaces, adequately dimensioned sidewalks (6 ft.), tree planting space and street trees.
   - Signage and wayfinding.
   - Additional traffic calming elements such as narrower travel lanes, on street parking, etc.

6. **In conjunction with the Engineering Division, create design plans and guidelines for "Type C" and "Type D" streets that may include:**

   - Adequately dimensioned sidewalks.
   - Safe and highly visible crosswalks, and pedestrian flashing beacons where appropriate.
   - Access management techniques.
   - Urban design criteria.
   - Streetscape elements.
   - Signage and wayfinding.
   - Redevelopment guidance.

7. **In conjunction with the Engineering Division, create a corridor design plan for key "front door" corridors (Type E Streets) that may include:**

   - Coordinated decorative signage, gateway elements, and landscape treatments.
   - Bike lanes, sidewalks, and/or off-street multi-purpose trails.
   - Street trees and planted median spaces where possible.
   - Road diets where possible.
   - Safe and highly visible crosswalks and pedestrian flashing beacons.

8. **Create a long-range plan to support pedestrian friendly redevelopment (over time) along West Main Street and 4th Street, to include:**

   - Access management techniques.
   - Explore alternative routes and connections along the northern side of West Main Street that may facilitate more efficient traffic (vehicular/alternative) flow.
   - Multimodal accommodations.
   - Safe and highly visible crosswalks.and pedestrian flashing beacons where appropriate.
   - Attractive furnishings.
   - Adequately sized sidewalks.
   - Grade separated bikeways (if possible).
   - Urban design strategies that bring buildings closer to the sidewalk and street – especially where pedestrian friendly development is beneficial.

9. **Create a City-wide signage and wayfinding plan that articulates and brands greenway elements, street names, districts, locations for key City elements.**

   - Create an identifiable, distinct connection between the Moyer Sports Complex and the Downtown area.
   - Consider elements such as wayfinding signage and/or asphalt striping/markings.
   - Consider Salem branding options at major intersections with Main Street (Wildwood, Thompson Memorial, Electric).

10. **Enhance the use of public transportation within the City to include:**

    - Attractive, comfortable, and regularly spaced bus shelters along major corridors where Valley Metro bus stops currently exist.
    - Consider the integration of an attractive "hop on hop off" shuttle or trolley to circulate around key connective streets that link with neighborhoods and city assets and destinations.
    - Extend transit routes to underserved areas to ensure equitable access and mobility.

- Create artful and highly visible signage for the system.
- Conduct public outreach campaigns to educate residents about the benefits and availability of public transit.
- Engage the community in planning processes to ensure that transit services meet their needs.

11. Work with Norfolk Southern Railway to design and construct safer crossings over railroad tracks to enhance connectivity.

What the Community Said:

"The City needs to rethink how West Main is designed so that it becomes a place where residents want to go. Could start by reducing it to 2 lanes plus bike lanes, reduce speed, add roundabouts, and develop along the road rather than having all businesses set back across a sea of asphalt."

"The congestion in Salem when there is an accident on 81. I'm concerned about emergency vehicles being delayed trying to get through traffic!"

"Stop restricting traffic flow on Main Street in Salem with planters, additional curbing and sidewalk extensions into the street."

"Please fix West Main Street, whether it be through reprogramming or updating the traffic lights or figuring out a way to avoid it being a major detour road for I-81."

"Sidewalks and bike lanes would benefit transportation and encourage younger families to the community."

"My priorities are more sidewalks in neighborhoods, especially to connect to downtown, green spaces, and the Greenway as well as more mixed-use development downtown."

Additional Resources For Review:



Links to Relevant Plans and Studies:

https://rvarc.org/wp-content/uploads/2023/12/RVTP-approved-1-26-23.pdf

https://nacto.org/publication/urban-street-design-guide/

https://nacto.org/docs/usdg/designing_walkable_urban_thoroughfares.pdf

https://valleymetro.com/docs/planning/E87748E5-B3F9-B4F8-FEB5-1DB4FFC5D5CD.pdf

WHAT IS A COMPLETE STREET?



https://santafenm.gov/uploads/images/misc/Screenshot_2022-10-25_092943.png

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Effective corridor planning can foster vibrant commerce districts by enhancing connectivity, optimizing land use, and creating pedestrian-friendly environments that attract businesses, residents, and visitors alike. Creating and implementing strategies that harmoniously blend these elements will maximize the success and vibrancy of Salem's activity nodes.

VIBRANT REDEVELOPMENT DISTRICTS FOR GROWTH AND INNOVATION

Goal:

Accommodate population and business growth within active mixed-use districts that possess unique identities, diverse housing, complete streets, parks, and community support elements.

Mixed-use development is an alternative to single-use zoning. It places multiple uses within a site, for example street-level retail with residential units above (vertical mixed use), or co-locates uses within neighborhoods that offer a combination of different uses within walking distance (horizontal mixed use). Mixed-use projects can support non-vehicular access to destinations, increase economic opportunity,

Context:

With forward-looking planning and the correct codes/policies, Salem can anticipate its future and encourage the evolution of specific areas of the city into mixed-use districts that are less about siloed uses, and more about flexibility, living/working close together, marketable housing densities, complete streets, and access to recreation.
These districts can celebrate unique characters and support a broad, diverse image that celebrates the past, while also capitalizing on the future.



https://i.pinimg.com/originals/24/7b/17/247b17fce177fb8c4aa7e46f40812b7d.jpg

Illustrative Diagram

1. West Main Commercial District:
A long term redevelopment district that takes advantage of long standing anchor businesses and promotes new viable commercial uses.

2. Downtown District
Continue promoting new businesses, residences, and public spaces to Downtown.

3. Snyder-Williams Branch District
Long term redevelopment into an urban neighborhood that organizes around the creek and supports downtown with denser housing stock.

4. East Bottom District:
Long term redevelopment into an urban neighborhood that builds off of Valleydale development and provides increased housing density and type.

5. Civic Center / Elizabeth Campus District
Create redevelopment plans for Civic Center site to include new Civic Center, mixed use, lodging, properly scaled parking.

6. Apperson District:
A plan for redevelopment that promotes a higher mix of uses, and creation of a complete street, that can take advantage of direct access to the Roanoke Greenway.

7. East Main Commercial District:
Long term redevelopment that includes rental residential, hotels(s) and storefront commercial uses.

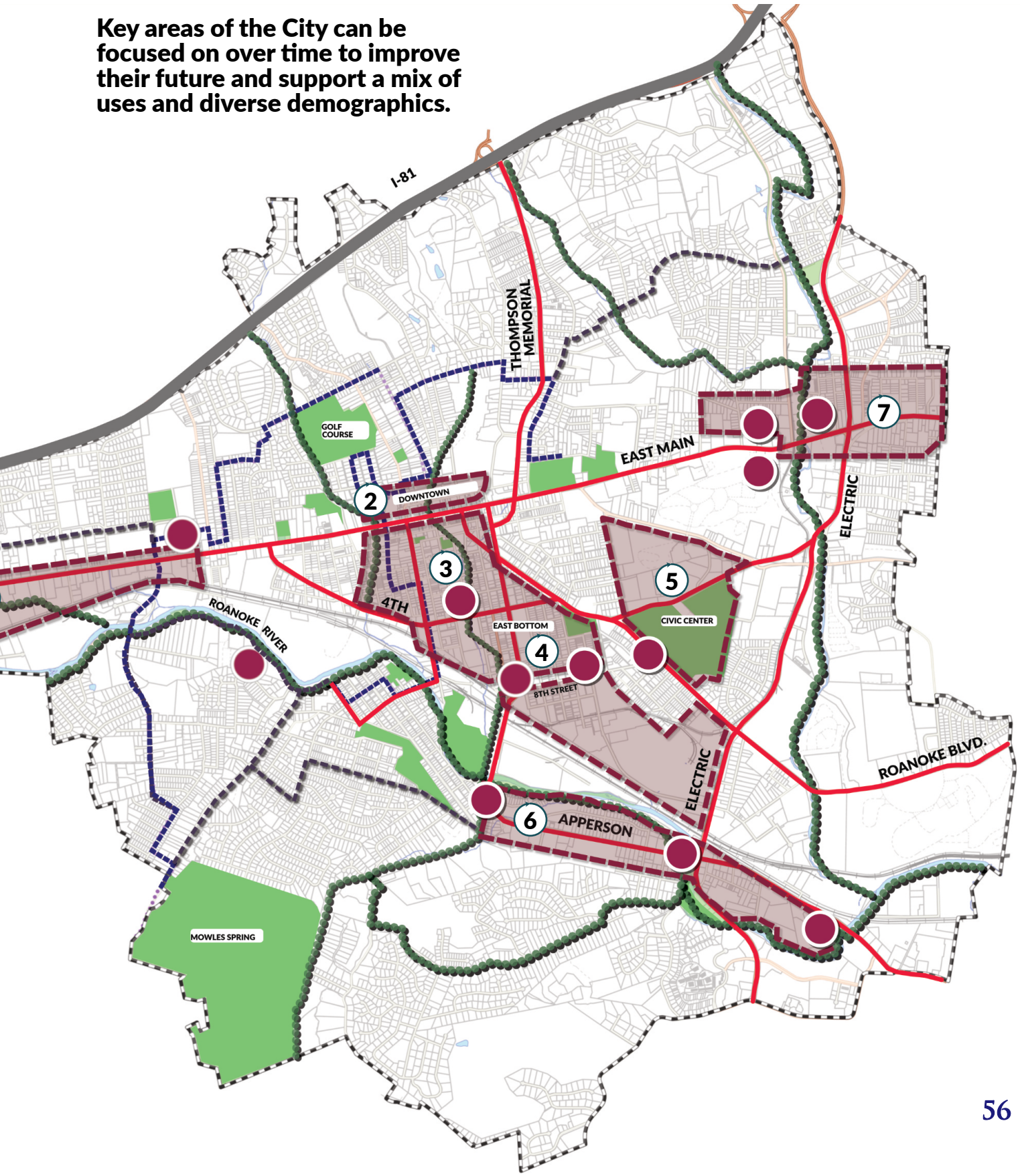


Activity Node: a location for a neighborhood serving shops, food & beverage, and gathering.

Priority Planning Area: a general location to focus future planning efforts that will help diversify housing and business.

Key Streets: Important streets that link the districts together and the City to the Region.

Key areas of the City can be focused on over time to improve their future and support a mix of uses and diverse demographics.



Existing Incentive Overlays

UDA OVERLAY

- CITY CORE
- MIXED-USE CORRIDOR
- VILLAGE CORE

TOURISM OVERLAY

- DOWNTOWN
- EAST MAIN STREET
- KESLER MILL
- TEXAS STREET

OPPORTUNITY ZONE

- OPPORTUNITY ZONE



An Urban Development Area (UDA) is a designated area where a locality plans for more intense growth (reference: §15.2-2223.1 of the Code of Virginia)

A Tourism Zone in Virginia is a designated area where businesses can receive incentives and regulatory flexibility to promote tourism. The goal of tourism zones is to attract visitors, create jobs, and increase revenue for the area.

Opportunity Zones are low-income census tracts [IRC Section 45D(e)] that were nominated by the governor of Virginia and certified by the U.S. Treasury where new investments may be eligible for preferential tax treatment if they meet certain qualifications to spur economic development.

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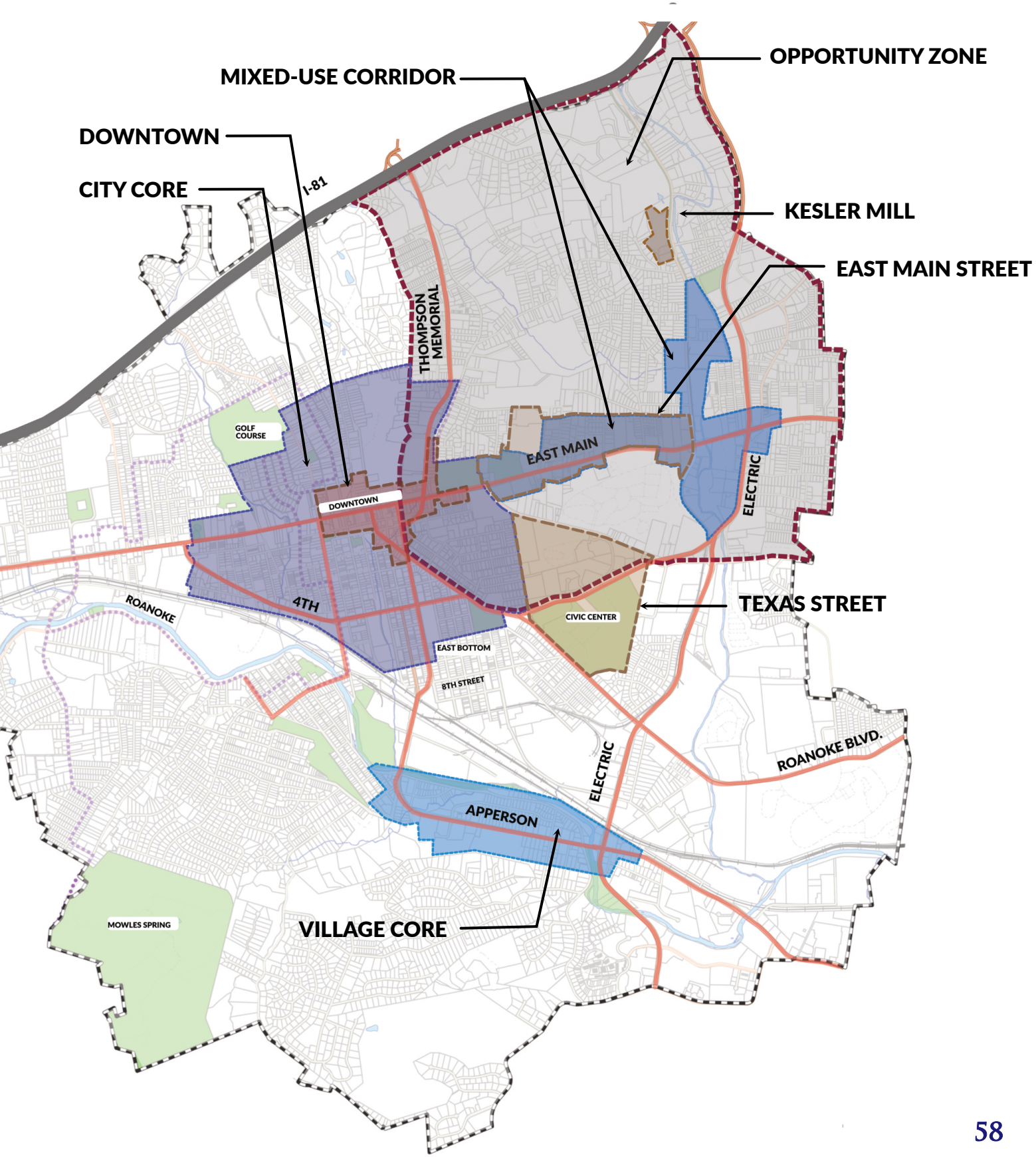

MIXED-USE CORRIDOR
OPPORTUNITY ZONE
DOWNTOWN
CITY CORE
I-81
KESLER MILL
EAST MAIN STREET
THOMPSON MEMORIAL
GOLF COURSE
EAST MAIN
DOWNTOWN
ELECTRIC
ROANOKE
4TH
TEXAS STREET
CIVIC CENTER
EAST BOTTOM
8TH STREET
ROANOKE BLVD.
ELECTRIC
APPERSON
MOWLES SPRING
VILLAGE CORE

Strategies & Actions:

1. Create a long-term Small Area Redevelopment Plan for the "West Main Street District" that re-positions it over time to maintain commercial success.

- Consider that West Main Street will always need to accommodate high levels of traffic at key times of the day, and "road dieting is probably not an option".
- Include provisions for public transportation to reduce traffic congestion.
- As redevelopment occurs, consider relocating power lines underground or behind new development to create space along the street corridor for streetscape elements and grade separated bike ways.
- As part of creating the plan, establish building and parking setbacks that allow for better dimensioned sidewalks, bikeways, and streetscape elements.
- As a way to reduce congestion, include the requirement to connect parking areas and travel lanes between developments so that circulation can occur off of West Main Street.
- Promote redevelopment that enhances pedestrian friendliness and a higher mixing of land uses over time.

2. Continue efforts to complete the recommendations of the Downtown Plan, which includes expanding housing opportunities.

- Consider a new plan for the Farmers Market site, the library grounds, the EMT facility and the City parking lot adjacent to East Burwell Street to increase housing, lodging and more flexible public spaces.
- Enhance awareness of Downtown parking availability through physical signage and/or marketing of online resources (GIS application).
- Expand the potential of Downtown by conducting a retail market analysis.

3. Create a Small Area Redevelopment Plan for the "Snyder-Williams Branch District" that reclaims the creek as a central open space.

- Establish incentives for the development of vacant lots into higher density housing.

- Restore the Snyder-Williams Branch Creek and make it a community open space amenity.
- Establish a retail node at 4th street to enable the district to have a walkable destination for food, beverage, small retail, and other services.
- Coordinate with the Multimodal Improvements theme and create complete streets on key streets.
- Explore grant funding opportunities for facade maintenance, block grants, redevelopment grants, etc. to assist existing and/or prospective property owners.
- Create limited design guidelines for how redevelopment should occur to enhance neighborhoods.
- Develop affordable housing initiatives to ensure a mix of housing options for all income levels in mixed-use districts.
- Rehabilitate and preserve existing housing stock to improve living conditions.

4. Create a Small Area Future Redevelopment Plan for the "East Bottom District" to promote a diverse mixed use community that supports new and existing businesses and residents.

- Include community gathering spaces such as a community center, parks and active recreation spaces, and places to eat and socialize.
- Explore grant funding opportunities for facade maintenance, block grants, redevelopment grants, etc. to assist existing property owners.
- Revisit codes and pursue reasonable code enforcement to help clean up the area.
- Promote diversity in housing types, business types, and demographics and that will attract younger families to the area.
- Pursue zoning or other that promotes an organic approach to growth - one that allows for a variety and flexibility of land uses, in general compatibility to each other.
- Create a unique signage and wayfinding design that expresses East Bottom's unique character and history.

Strategies & Actions:

5. **Create a Small Area Future Redevelopment Plan for the Civic Center and Elizabeth Campus to use space more efficiently, promote more flexible use, expand lodging and retail opportunities, events, and public space.**

   - Consider how the civic center site ties to East Bottom at 8th Street and consider the potential of a mixed use retail node.
   - Expand the program and usage of the Elizabeth Campus and integrate into plan for Civic Center nodes.

6. **Create a Small Area Future Redevelopment Plan for the "Apperson District" to integrate more mixing of uses to take advantage of the adjacency to the Roanoke River Greenway.**

   - Use ½ mile nodal pattern to create a Transit Ready pattern for the future and plan for mixed use activity nodes at key intersections such as Electric Road, Keagy Road, and East Riverside Drive that offers a diversity of housing, retail, jobs, community services, etc.
   - Explore the potential for road diets, medians, access management, transit stops, bikeways, etc. to make Apperson Drive more multi-modal, safe, and attractive
   - Consider enhancing street connectivity, when parcels are deep enough and the redevelopment plan supports it, with additional streets that run parallel to Apperson Drive and form a street grid to provide alternative routes.
   - Pursue zoning that promotes an organic approach to growth - one that allows for a variety and flexibility of land uses, in general compatibility to each other.

7. **Create a Small Area Future Redevelopment Plan for the East Main District to include extensions of streetscape improvements, and a mix of uses that include lodging, higher density residential, commercial, and retail nodes adjacent to the Greenway.**

   - Extend streetscape and multimodal designs to the City boundary.
   - Promote an activity node at Kesler Mill Road where the greenway and East Main Street come together.

8. **Elevate the business friendly attitude, and create incentives for developers to participate in district development and redevelopment.**

9. **As districts are created consider themes that would make them unique and attractive, such as entertainment, or arts, or culture.**

10. **Facilitate the development of a designated environment (public or private) for younger folks (middle school aged) to gather and enjoy themselves.**

11. **Capitalize on Roanoke College's proximity to and investment in Downtown.**

12. **Evaluate existing Urban Development Areas and Opportunity Zones to maximize their applicability.**

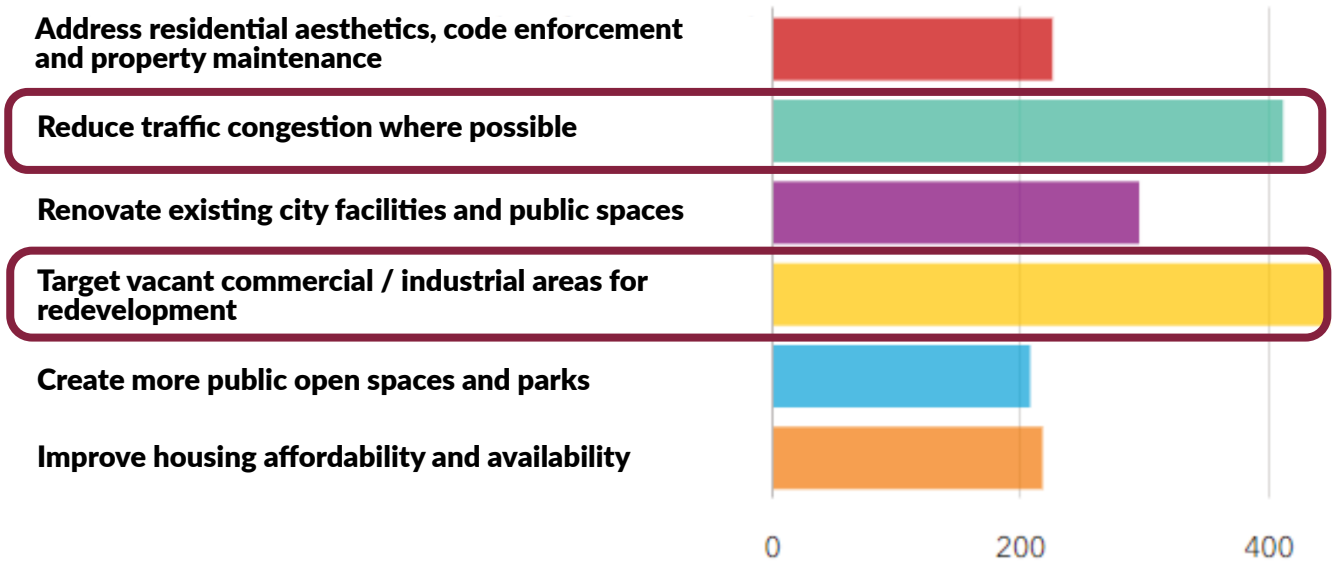
13. **Investigate methods to attract and expedite industrial development in targeted zones.**

14. **Designated Urban Development Areas (UDAs) shall incorporate principles of Traditional Neighborhood Design (TND), which may include but need not be limited to:**

- Pedestrian-friendly road design,
- Interconnection of new local streets with existing local streets and roads,
- Connectivity of road and pedestrian networks,
- Preservation of natural areas,
- Mixed-use neighborhoods, including mixed housing types, with affordable housing to meet the projected family income distributions of future residential growth,
- Reduction of front and side yard building setbacks, and reduction of subdivision street widths and turning radii at subdivision street intersections.
- Reduction of subdivision street widths and turning radii at subdivision street intersections.

What the Community Said:

How would you prioritize improvement in Salem?



Community Quotes:

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"West Main Street makes the City look and feel like a strip mall…All those parking lots sit 75% empty for 80% of the year."

"Too many vacant 'brown spaces' that need unique local businesses."

"Prioritize walkability, [it] adds to the close-knit feel of being able to go for a walk and end up somewhere interesting."

"Limit curb cuts along West Main Street."

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Additional Resources for Your Review:

The Urban Land Institute identified key characteristics that "make up a holistically healthy corridor and its surrounding area." Check them out below!

Additional Resources:

https://www.linkedin.com/advice/0/how-can-mixed-use-development-support-local-economic

https://www.digitalbluefoam.com/post/mixed-use-development-what-are-the-benefits

https://salemva.gov/212/Downtown-Plan

Improved infrastructure	» Frequent, safe, and well-marked pedestrian crossings » Safe and well-marked bike lanes » Traffic speeds that accommodate pedestrians, bicyclists, and other users » Reduced traffic congestion » Utility lines and traffic signs and signals that are underground or that blend in » Sidewalks that link adjacent neighborhoods to the corridor and that are unobstructed, wide enough for a variety of users, and buffered from the street » Streetscapes that include amenities for visual interest and safety, including seating, trees for shade, and green buffers » Lighting that improves visibility and safety for pedestrians and bicyclists » Features that improve accessibility for all types of users, in compliance with Americans with Disabilities Act standards
Design and land use patterns that support community needs	» Vibrant retail environment » Housing options for all income levels » Buildings adjacent or proximate to sidewalks » Improved parking strategies and shared parking » High-quality parks and public spaces » Healthy food options
Engaged and supported people who live, work, and travel along the corridor	» Engaged residents and local business owners » Organizations that facilitate long-term improvements and resident engagement » Regular programs in community gathering spaces » Accommodations for pets » Accommodations for vulnerable populations, including children, the elderly, and people with disabilities » A defined identity, drawing on the arts and culture of the community and supported by creative placemaking programming » Measures to address safety and perceptions of safety
Linkages to other parts of the city	» Well-connected, multimodal street networks » Safe and easily identifiable connections, including sidewalks and trails » Transit, including enhanced bus service or rail » Bike infrastructure on or adjacent to the corridor

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Housing affordability is crucial for a community's health and well-being, as it ensures that residents of varying income levels can live and work in the same area, promoting economic diversity and social cohesion. Affordable housing helps attract and retain a stable workforce, supports local businesses, and reduces financial stress on families, ultimately contributing to a more resilient and thriving community.

DIVERSE HOUSING FOR ALL STAGES OF LIFE

Goal:

Create the tools and policies that allow for and enhance housing diversity, promote affordability, enhance the character of our neighborhoods.

Context:

Salem's growth has been slow for decades. Many in the community like a steady population growth, while others wish for new housing that can replace aging/outdated homes, be attractive to broader market needs and wants, and provide a range of prices that accommodate a diverse citizenry.
The key for Salem is to install the tools, support, and zoning necessary to enable market supported housing and lot types, and to encourage, through incentives and other methods, developers/builders to pursue a variety of attractive housing types that sustain a healthy community.

Affordable housing refers to housing that is reasonably priced in relation to the income of the occupants.

Typically, housing is considered affordable if a household spends no more than 30% of its gross income on housing costs, including rent or mortgage payments, utilities, and other related expenses.



mosaichomes.com

Strategies & Actions:

1. **Maintain and enhance the character and quality of Salem's housing and neighborhoods using code enforcement and cooperation with landowners.**

   - Explore regulatory approaches using Salem's zoning and building codes to address housing quality and maintenance issues.
   - Place a priority on enforcement of existing codes and ensure that adequate staff is available to fully enforce codes designed to address housing quality and maintenance issues.
   - Initiate public educational programs on zoning standards and zoning violations and the need for compliance.

2. **Review current Zoning Code to determine its appropriateness for achieving its vision related to pursuing housing diversity and affordability.**

   - Consider Form Based approaches within targeted districts which will help to create harmony with historic neighborhood development patterns.
   - Consider and study the potential that mixed use and auxiliary dwelling units (ADUs) are allowed within existing neighborhoods targeted for growth.
   - Consider and study the potential of Inclusionary Zoning, which requires developers to provide affordable housing within new developments, to encourage diversity and affordability across the City.
   - Consider and study the allowance of unique housing types such as manufactured homes, pre-fabricated homes, and tiny homes within neighborhoods and not only within designated and enclaved parks or projects.
   - Allow for architecturally compatible infill development that respects the scale, massing, and architectural character of Salem's neighborhoods.

3. **Create metrics or measurable goals, potentially posted on City website, related to housing diversity and affordability to track progress over time, such as:**

- Housing affordability based on known HUD guidelines.
- Home ownership vs rental housing.
- Protection of property values within existing neighborhoods.
- Percentage of citizens that have access to housing that is affordable.
- Number of housing units constructed to meet demand.

4. Consider innovative strategies to better assist with housing affordability, including:

- Public-Private Partnerships: Encourage collaboration between government entities, private developers, and non-profit organizations to create affordable housing solutions.
- Preservation of Existing Affordable Housing: Invest in the maintenance and rehabilitation of existing affordable housing stock to prevent displacement and ensure long-term affordability.
- Supportive Housing Services: Provide services such as job training, financial literacy programs, and mental health support to help residents maintain stable housing and improve their economic situation.
- Streamlining Development Processes: Reduce bureaucratic hurdles and streamline the approval process for affordable housing projects to make it easier and faster to build new units.
- Infill Dwelling Design and Development Assistance: Create acceptable house plans for various home types that are pre-approved for immediate construction.
- Create a stable of builders qualified and ready to build affordable housing.

5. Consider and implement strategies to retain historic character of priority existing neighborhoods to include:

- Create a committee comprised of staff, organizational members, and citizens to consider and evaluate the following:
    - Engage the community through public forums and neighborhood surveys to

Strategies & Actions:

gather input on preservation priorities and ensure preservation strategies align with local values.

- Conduct a comprehensive survey of historic neighborhoods to identify contributing structures, key architectural features, and areas with the greatest historical significance.
- Encourage the voluntary inclusion of historic neighborhoods and districts that meets defined criteria.
- Provide educational outreach for homeowners and developers on the importance of preserving historical character, including best practices for renovations and energy efficiency improvements in historic homes.
- Partner with preservation organizations (DHR, RVPF, and Salem Historical Society and Museum) to host events, workshops, or informational sessions on the benefits of preserving historic neighborhoods.
- Assist with coordination for state and national historic preservation programs to leverage funding and technical support for preserving eligible neighborhoods.

- Offer education services about the formulation of grassroots initiatives that can encourage compatible new development that complements the scale, density, and architectural style of historic neighborhoods to prevent gentrification or inappropriate development.
- Utilize existing Historic Structures code section to prevent deterioration by neglect and ensure that maintenance standards are met for historic properties.
- Explore form-based code solutions in targeted areas that can complement the adaptive reuse of historic buildings for modern purposes while retaining key architectural features, such as converting old schools into residential or mixed-use spaces.
- Develop a marketing plan to highlight the unique qualities of historic neighborhoods, potentially boosting tourism or fostering local pride and investment.

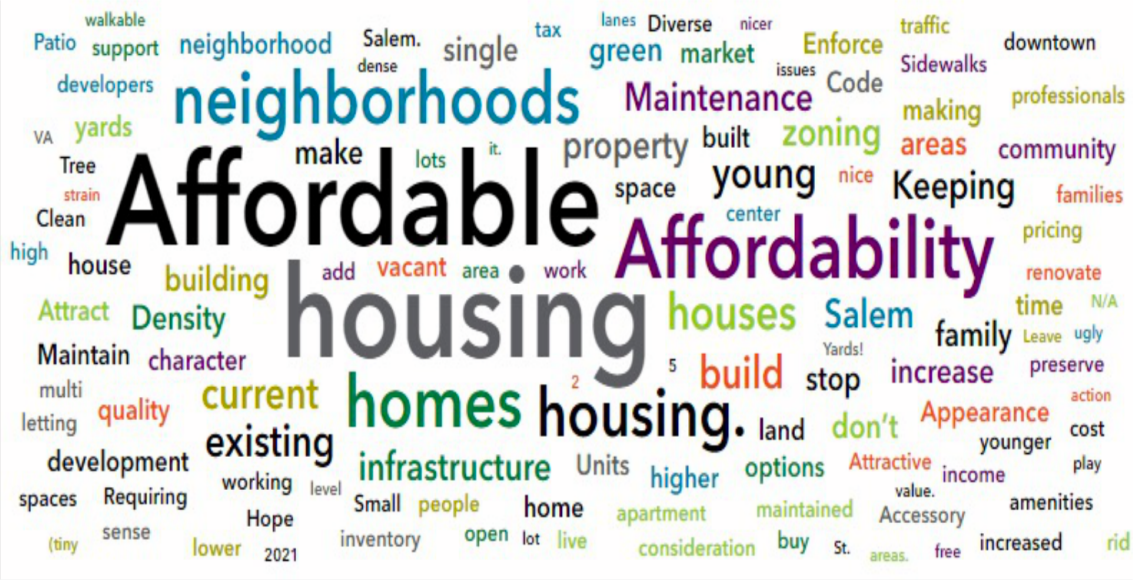


https://www.cnu.org/sites/default/files/MMH-sampler_0.jpg

"Missing middle" housing refers to housing that provides diverse options along the spectrum of affordability, which includes structures like duplexes, triplexes, and townhomes. Middle housing is not eligible for tax credits or most other federal, state or local government subsidies.
Typical middle housing types include multiunit structures such as townhomes, duplexes, triplexes and fourplexes. Other examples can include cluster homes and cottage courts.

What the Community Said:

If I could prioritize one thing related to housing it would be…



Community Quote:

" We've lived in Salem for many years and our son is a sophomore at the high school. We are still in an apartment, though, because we cannot begin to afford a house in the City limits. I don't know how this could be changed, but after our son graduates high school, we will most likely have to look for a house outside of Salem if the prices don't come down."

Additional Resources For Your Review:



Additional Resources:

https://rvarc.org/wp-content/uploads/2023/12/Regional-Housing-Market-Analysis-Study-05122021.pdf

https://rvarc.org/wp-content/uploads/2023/12/Salem-City-Report-Housing-2020.pdf

https://www.nlc.org/article/2024/01/23/what-is-missing-middle-housing/#:~:text=Solutions%20for%20Cities%20to%20Boost%20Middle%20Housing%20Supply&text=Communities%20can%20overcome%20these%20barriers,higher%20density%20in%20small%20structures.





Roanoke College is a wonderful asset that brings vitality to the City with its youthful energy. It creates a "place attachment" for Salem from its students

A RESILIENT ECONOMY FOR THE NEXT GENERATION

Goal:

Set an economic development strategy that's rooted in sustainable growth with industry diversification and real estate development, achievable goals for talent and business attraction and retention and establishing stronger regional and statewide partnerships to help our City thrive.

Context:

Salem Economic Development is charged with the responsibility of assisting in the improvement of Salem's natural and built environments. This is achieved through the Department's involvement in most major public and private development projects during the City's development review processes, long-range planning, and economic development activities. As part of that, it has created a Strategic Plan for the next 5 years.

According to Director of Economic Development Tommy Miller: "The benchmark of success will be looking back and seeing an established foundation for a proficient economic development office having successful growth, expansion, and diversification of our economy and ready to embark on the next round of even more rigorous planning."

Strategies & Actions:

1. **Refer to the Salem Department of Economic Development 2023-2028 Strategic Plan for specific strategies and actions, including:**

   - Create an existing business outreach strategy.
   - Create a new marketing brand and web presence for the office of economic development.
   - Conduct outbound marketing efforts to attract new business investment.
   - Identify and support available real estate assets for lease, sale, development, and/or redevelopment for Commercial and Industrial use.
   - Engage with state, regional and local entrepreneurial development organizations to provide resources and programming to local entrepreneurs.
   - Provide physical space in the City of Salem for local entrepreneurs to cultivate their businesses, exchange ideas, and provide access to resources.
   - Strengthen partnerships and programming with local, regional, and state workforce partners to provide opportunities for employment and skills advancement.
   - Identify opportunities to support talent attraction efforts to the Roanoke Region and the City of Salem.
   - Become a partner and resource for local, regional, and state tourism organizations.
   - Utilize Economic Development analysis and resources to evaluate future opportunities and marketing efforts related to tourism and hospitality.
   - Become a partner and resource for the City of Salem's Department of Community Development.
   - Advance the City of Salem's participation in the DHCD's Main Street Program and implement best practices.
   - Provide regular opportunities to share best practices with EDA and City leadership related to accomplishing the goals of the strategic plan.

2. **Update the Strategic Plan every 5 years to ensure economic development goals are being met and new opportunities and challenges are responded to promptly.**

3. **Continue with efforts that best position Salem's workforce. for current and future opportunities.**
   - Appoint a task force to survey adults in Salem regarding their educational needs.
   - Assess the need for improved adult job training and develop a plan to meet those needs.
   - Develop a program for comprehensive job training including workforce credentialing.
   - Promote additional collaboration with Virginia Western Community College, ITT, National College and other providers to connect Adult Basic Education provided by the school system to programs for job training.
   - Discuss with Roanoke College ways to take advantage of programs for the benefit of all Salem area residents.
   - Eliminate the "digital divide" in the city by working to provide a computer in every Salem home.
   - Assess the number of families with access to a computer in their home.
   - Identify funding sources (state, federal, private) available to provide for computer access in every home.
   - Remain connected to work force programs through the Virginia Employment Commission as well as other organizations that offer work force programs, (i.e. TAP, Goodwill, etc.).
   - Continue to collaborate Regional Workforce Board to accomplish workforce goals.
   - School Board participation in programs that prepare and educate the future workforce.

4. **Consider the following new strategies and actions when preparing the next Economic Development Strategic Plan:**
   - Focus new development opportunities into identified Districts to create vital mixed-use districts that offer diverse housing, job opportunities, and tax revenue generation.
   - Continue to work with business owners within East Bottom as it transitions into the future.

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Strategies & Actions:

- Create a market assessment to determine how the commercial environment may change as part of creating Small Area Plans for West Main Street, 4th Street, and East Main Street, Apperson Drive to anticipate how the retail environment along that corridor may change over time and to position Salem and property owners to take advantage of those changes.
- Work with Community Development on Code Enforcement policies and enforcement.
- Engage various City departments to reduce barriers to entry into development and to improve business development.
- Consider the creation of measurable goals or metrics to maintain jobs to housing balance, housing affordability, and cost of living affordability.
- Study facilities related to events and sports tourism across the region to determine best use of the Civic Center site.
- Once complete, create a plan for the Civic Center site to maximize its usage and revenue.





Downtown Salem is coming alive with new streetscapes and businesses. Downtown is a key economic driver and an essential component of the City's economic development.

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Salem has historically committed itself to providing excellent community services and investing in its infrastructure.

OUTSTANDING COMMUNITY SERVICES AND INFRASTRUCTURE

Goal:

Provide the citizens of Salem with outstanding parks and recreation, electricity, water and sewer, police, fire, EMT, street maintenance, schools, engineering services, plan reviews, and building inspections.



Context:

Salem takes great pride in the way it serves its community. Its departments are motivated to provide "best in class" services and creatively use available resources to help enable a high quality of life for its citizens. As always, there are areas of improvement and a need to continue to refine its approaches. There is also a need to continue to capture revenues to fund these services. Recognizing that these services are important, and continuing to creatively grow tax base is critical. Making land use decisions that support more efficient and economical servicing, and that are revenue positive (or at least neutral) needs to be factored in as a high priority within the plan. Future efforts can also build upon the work associated with naturalized storm water, stream restoration, tree canopy, alternative energy use, etc. as ways to pursue greater environmental stewardship.

Strategies & Actions:

Public Works

Transportation:

1. Identify transportation needs and anticipate areas of development/redevelopment with the intent to pursue/install corresponding projects that will improve capacity, connectivity, and level of service for pedestrian, and vehicular traffic.

    - Priority projects may include (list subject to administrative review and adjustment in coordination with the Virginia Department of Transportation):

        - East Main Street Improvements
        - Roanoke Boulevard Sidewalk
        - Roanoke Boulevard Bridge over Mason Creek
        - Mill Lane/Riverside Intersection Improvement
        - Route 419 at Texas Street and Lynchburg Turnpike Intersection Improvements
        - Franklin Street Widening Phase II
        - Apperson Drive Corridor – 419 to Colorado Street
        - Apperson Drive/Electric Road Intersection Improvements

    - Where the physical constraints of the built environment allow, integrate components of Complete Streets into the design of City streets.
    - Explore the options available to upgrade pedestrian and alternative transportation access across the railroad tracks.
    - Develop and install an Access Management Plan to better guide the location, spacing, and design of entrances, street intersections, median openings, and traffic signals.
    - Develop a localized Greenway Plan that intimately displays and describes ongoing and planned projects.
    - As previously utilized railways become less utilized and even abandoned, pursue Rails to Trails projects that help reimagine public spaces that create desirable, safe methods of alternative transportation and outdoor experiences.
    - Investigate opportunities to maximize both the efficiency and infrastructure associated with public transportation, including the quest for additional bus shelter installation.

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Stormwater Management:

- Create a comprehensive list of stormwater management projects to be explored, prioritized, designed, pursued, and funded.
- Activate the Resiliency Plan by identifying projects designed to reduce flooding/ stream channel erosion and obtain available grant funding.
- Enact a committee to evaluate the potential of a Stormwater Utility Fee which could catalyze projects such as stream bank stabilization, pond maintenance, storm drain maintenance, and dredging.
- Conduct a City-wide analysis of the storm system to develop a prioritized list of problem areas to address.
- Evaluate the potential for targeted flood studies to verify the accuracy of flood maps that guide development.
- Explore the processes and requirements associated with implementing a Community Rating System (CRS), a voluntary incentive program for floodplain management practices that exceed the minimum requirements of the National Flood Insurance Program (NFIP).

Streets and General Maintenance:

- Explore opportunities to return manicured areas to their natural state in designated areas to promote native plants, animals, and other environmental benefits.
- Where feasible, explore opportunities for the installation of community gardens, tree canopy, and edible landscaping on City-owned land.
- Publicize efforts related to sustainability for citizen education and appreciation.
- Over time, evaluate the possibility of utilizing alternative energy vehicles and equipment.
- Exploring ways to integrate environmental design into the design and maintenance of streets and public spaces.

Electric:

- Pursue and negotiate power supply options to provide adequate power at a price that allows the City to maintain reasonable retail rates to customers.
- Where physically and financially feasible, proactively relocate problematic overhead utility lines underground to reduce system vulnerability.

Strategies & Actions:

- Investigate the potential of relocating overhead utility lines behind properties on major corridors to reduce right-of-way usage and improve view-shed.
- Work with developers and contractors to provide appropriate service to any new residential or commercial development.
- Monitor reliability indices to locate and address any areas experiencing reliability issues.

Water & Sewer:

- Explore the most efficient ways to accommodate residents without relying on the Western Virginia Water Authority for supplementary service, especially in the Northeast quadrant of the City.
- Pinpoint and install best practice techniques to reduce rain infiltration into the sewer system.
- Install sewer system upgrades.
- Replace underperforming water lines based on existing prioritization list to improve fire flows and reduce water line breaks.

Citizen Services/Resources

Planning and Zoning:

- Initiate the formulation of a new zoning, subdivision, and sign ordinance designed to accomplish the goals set forth in this plan, notably those related to housing diversity/affordability, and business attraction/retention.
- Develop criteria for the requirement of sidewalks in new subdivisions.
- Create an inventory/map of existing sidewalks, identify priority improvement areas (based on connectivity potential and fragmentation), and explore funding sources to facilitate corresponding projects.
- Promoting environmentally friendly development and landscapes to encourage sustainable development.

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Police:

- Maintain accreditation with the Commission on Accreditation for Law Enforcement Agencies (CALEA), known as "The Gold Standard in Public Safety."
- Continue to provide quality community policing services by protecting the safety of residents' life and property.
- Expand staffing in conjunction with population growth to preserve an appropriate level of service for citizenry.
- Remain a trusted community partner and approachable resource for all citizens.

Fire and Emergency Services:

- Develop and implement a strategic plan designed to promote the protection of life and property, provision of pre-hospital care for the sick and injured, and mitigation of man-made and natural emergencies.
- As land use evolves over time, provide effective, timely, and efficient emergency response to all areas of the City in a fiscally responsible manner.

Library:

- Provide an inclusive, accessible space for residents to interact with educational materials and technology resources.
- Develop and initiate library improvements in accordance with the ongoing Capital Improvement Project initiative.

Communications:

- Explore ways to enhance effective and efficient information dissemination to residents.
- Facilitate a seamless connection between citizen inquiries and the appropriate resources.
- Ensure City website pages are up-to-date and user friendly.

Strategies & Actions:

Parks and Recreation

- Elevate community health, social interaction, and civic pride by offering professionally managed recreation programs and special events.
- Maintain Salem's position as "Championship City" by promoting active sports tournaments and having the facilities to support them.

Tourism

- Conduct a feasibility study to identify avenues to attract and situate additional hotel/meeting space within the City.
- Explore marketing opportunities to create identifiable business districts (for example, the West Main District).
- Remain at the forefront of engagement with Virginia's Blue Ridge marketing activities.
- Complete and install priorities described in the Tourism Strategic Plan.

Technology/GIS:

- Establish an economic development hub that facilitates data downloads and provides applications relevant to development in the City of Salem.
- Manage and maintain Next Generation 911 data. This GIS-based software enhances response times for first responders.
- Enhance the tools available on the GIS Web Application to provide more advanced analytics for users of the platform.
- Engage with public and/or private programs that facilitate the extension of broadband infrastructure to underserved households across the City.

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The Academy Street Condominiums have been redeveloped from the original Salem High School, exemplifying the benefits of adaptive reuse of historic structures.

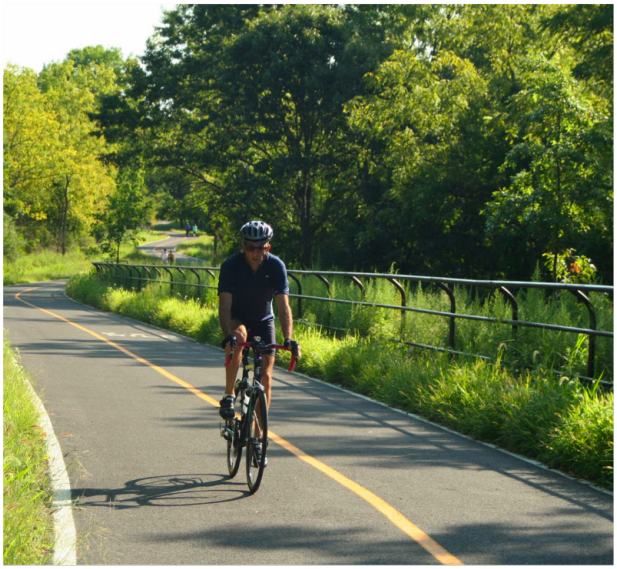


The Roanoke River provides the City and the Region with a special recreational, environmental, and economic development asset.

REGIONAL COLLABORATION TO EXPAND OPPORTUNITY

Goal:

Expand our opportunities for success by increased collaboration with regional and state partnerships that best position Salem for success.



https://tbrnewsmedia.com/tag/greenway-trail/

Context:

Salem has mostly succeeded on its own, without the need for heavy regional partnership. While emphasizing independence has been an effective strategy in years past, embracing a regional approach and partnering with neighboring localities to capitalize on Salem's individual strengths will help maximize its prosperity in the future. Moving forward, the City should consider ways to expand its position within the Mid-Atlantic and Blue Ridge Mountain region by evaluating its assets and leveraging those advantages into efficient investment within the larger regional ecosystem. Cooperation and coordination with localities that possess alternate strengths can ultimately amplify the social, environmental, and economic benefits to all.

Strategies & Actions:

1. Promote and participate in regional greenway and trail expansion projects as a highly marketable regional asset.
2. Participate in regional economic development activities to promote the region, while maintaining Salem's unique roles and advantages.
3. Be an active participant in expanding the connectivity and quality of transportation choices.
4. Collaborate on consistency with basic development standards to protect natural landscape, waterways, sense of place, character.
5. Consider approaches to housing affordability that help satisfy regional challenges and situate Salem in a position to leverage available land, market demands, and infrastructure capacity.



Salem is a hub for sports and sports tourism, hosting many national and regional events - earning it the title of "Championship City".



The Blue Ridge Mountains provide an amenity shared by tourists and residents alike, creating a draw for people to live and visit.

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FROM PLAN TO ACTION

Prioritized Actions to meet the goals of the Plan, including responsibilities, time frame, and investment.



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ACTION PLAN PLAYBOOK

IMPLEMENTATION AND INVESTMENT

Salem 2045 conveys a vision, goals, strategies and actions derived through a collaborative "community based" planning process to ensure Salem maintains and promotes its high quality of life, its unique landscape and access to nature, its history and culture, its aesthetics and expanded economic opportunities.

To realize this vision, implementation should be viewed as a shared opportunity and commitment for the City's departments, leadership, private sector interests, and citizens to hold each other accountable to act on the Comprehensive Plan and provide the capital investment, human capacity, collaboration and shared commitment that is needed for the City to manage its growth toward an even more viable and sustainable future.

Each of the strategies and actions included in this document has been determined to be important to accomplish if the City wants to achieve its aspirations and visions. In that sense, this Comprehensive Plan is a living document that needs to be worked with regularly. It describes actions to be taken by local government to implement policies that meet the requirements of Virginia State code regarding Comprehensive Planning.

The first steps include prioritizing the most critical items and creating work plans, identifying responsibilities, identifying partnerships, determining the time frame for completion, and establishing funding. It is also helpful to consider actions in terms of when they will be initiated. Typically short-term activities initiate from just after adoption to up to three years, mid-term activities begin three to 10 years after the plan's adoption, and long-term activities that extend beyond ten years and may overlap into the next Comprehensive Plan Update.

Finally, the Comprehensive Plan should be a reference tool referred to often and regularly updated as necessary, and should be the impetus for the ongoing decisions and focus of the City's internal interactions and engagements with its citizens.

FUNDING PRIORITY INVESTMENTS

Salem, Virginia, like other local governments, generates revenue through a combination of taxes, fees, and other financial mechanisms.

1. Property Taxes

Real Estate Taxes: One of the largest sources of revenue, where homeowners and businesses pay taxes based on the assessed value of their property.

Personal Property Taxes: Levied on personal property like vehicles, trailers, and other assets. The rate is set by the city and is applied to the assessed value of these items.

2. Sales and Use Taxes

The city receives a portion of the sales tax collected on retail sales. In Virginia, the statewide sales tax is 5.3%, with a portion distributed to local governments, including Salem.

3. Business and Occupation Taxes

Business License Taxes: Local businesses pay a fee or tax based on their type of operation and revenue generated.

Meals Taxes: Salem applies a meals tax on restaurant food and beverages, which is a significant revenue source, especially in cities with a tourism or dining industry.

4. Utility Taxes

Salem collects taxes from utilities, including electricity, natural gas, telephone, and cable services, either as a percentage of the service bill or a flat fee.

5. Lodging (Hotel) Taxes

A tax is levied on hotel and motel stays within Salem. This tax can be significant in areas with a tourism or business travel industry.

6. State and Federal Aid

Salem receives funds from both the Commonwealth of Virginia and the federal government. These funds often come in the form of grants or revenue sharing for public services like education, transportation, and public safety.

7. Licenses, Permits, and Fees

The City charges fees for various services, permits (e.g., building permits), and licenses. These are required for certain types of commercial and residential activities.

8. Fines and Penalties

Revenue is also generated through fines, such as parking tickets, traffic violations, and penalties for non-compliance with local laws.

9. Enterprise Funds

Some City services, like electric, water and sanitary sewer, operate as enterprise funds. Residents and businesses pay fees for using

these services, which are then used to maintain and upgrade the systems.

10. Investment Income

Salem may invest idle funds in various financial instruments, and the interest earned from these investments can provide a source of revenue.

11. Special Assessments

For specific projects, such as infrastructure improvements in certain areas, the City may levy special assessments on property owners who benefit directly from these improvements.

OPTIONS / ACTIONS TO ACCOMMODATE GROWTH & DELIVERY OF SERVICES:

1. Consider the use of development agreements, tax increment financing, and similar instruments to finance necessary infrastructure improvements that accommodate acceptable growth while limiting the financial impact on the City.

2. Seek innovative and creative funding sources (federal and state) to support investment in needed infrastructure.

3. Collaboratively work with property owners and interested developers within key growth areas to develop plans for public/private partnerships for investing in infrastructure to facilitate development.

4. Annually review, revise, and adopt a capital improvement plan as part of the City's budget to ensure that both municipal infrastructure and major departmental equipment needs are identified, planned for, and funded each fiscal year.

5. Utilize regular, recurring sources of funding to finance anticipated infrastructure maintenance and capital investment needs.

6. Prepare regular assessments of municipal infrastructure to utilize in adjusting the capital improvement plan.

7. Seek partnerships with community groups, educational institutions, governmental agencies and commercial ventures to leverage the planned investments by outside groups to support the City's infrastructure needs, such as recreational facilities.

8. Provide funding support at a level that is requisite with the departments' needs for continuing to provide high quality and efficient services to the City.

9. Actively participate in regional planning and financing initiatives to ensure that regionally-funded projects reflect the needs of Salem.

CONNECTED NEIGHBORHOODS THROUGH PARKS AND GREENWAYS

ACTION

Create a long term, holistic strategy to develop or refurbish City parks, especially in areas that are currently lacking facilities, to increase equity and improve the balance between active parks and less programmed parks.

COST REQUIRED

$$$

TIMING

LONG TERM

TEAMS

PARKS AND RECREATION DEPARTMENT

ACTION

Pursue the completion of the Roanoke Greenway, the Mason Creek Greenway, and other opportunities such as Dry Branch that extend the greenways into the City's neighborhoods and to Downtown.

COST REQUIRED

$$$

TIMING

NEAR -MID TERM

TEAMS

COMMUNITY DEVELOPMENT - ENGINEERING

ACTION

Explore mechanisms to enhance the funding available to finance park, open space, and greenway creation, development, and maintenance including impact fees and grant programs.

COST REQUIRED

$

(FOR THE PLAN)

TIMING

NEAR TERM

TEAMS

PARKS AND RECREATION DEPARTMENT

$ = Lower cost items such as coordination or simple plans/ $$ = Medium to Higher Cost such as conducting more extensive design, planning or studies / $$$ = Highest Cost such as for design, engineering and construction elements.

Safe, Multi-Modal Corridors That Support Mobility and Identity

ACTION

Create a City-wide signage and wayfinding plan that articulates and brands greenway connective elements, street names, districts, directions, locations for key City elements.

COST REQUIRED

$$

TIMING

MID TERM

TEAMS

COMMUNITY DEVELOPMENT - ENGINEERING / PLANNING AND ZONING & COMMUNICATIONS

ACTION

Work with the Roanoke Valley Alleghany Regional Commission (RVARC) to secure funding priority for needed projects within Salem on the Long-Range Transportation Plan

COST REQUIRED

$

TIMING

NEAR TERM

TEAMS

COMMUNITY DEVELOPMENT - ENGINEERING / PLANNING AND ZONING

ACTION

Continue to work with VDOT to fulfill the East Main Street project that extends existing streetscape, sidewalk, and bike lane enhancements eastward.

COST REQUIRED

$

TIMING

NEAR TERM

TEAMS

COMMUNITY DEVELOPMENT - ENGINEERING / PLANNING AND ZONING

VIBRANT REDEVELOPMENT DISTRICTS FOR GROWTH AND INNOVATION

ACTION	ACTION	ACTION
Investigate methods to attract and expedite industrial development in targeted zones.	Enhance the awareness of parking availability in the Downtown District through physical improvements (signage, colored markings, etc.) and by promoting other educational platforms (website, GIS application,	Capitalize on Roanoke College's proximity to and investment in Downtown.
COST REQUIRED	**COST REQUIRED**	**COST REQUIRED**
$	$$	$$
TIMING	**TIMING**	**TIMING**
NEAR - LONGTERM	NEAR TERM	MID TERM
TEAMS	**TEAMS**	**TEAMS**
ECONOMIC DEVELOPMENT	COMMUNITY DEVELOPMENT, COMMUNICATIONS & STREETS	ECONOMIC DEVELOPMENT, COMMUNITY DEVELOPMENT - PLANNING AND ZONING

DIVERSE HOUSING FOR ALL STAGES OF LIFE

ACTION

Review current Zoning Code to determine its appropriateness for achieving its vision related to pursuing housing diversity and affordability.

COST REQUIRED

$-$$

TIMING

MIDTERM

TEAMS

COMMUNITY DEVELOPMENT - PLANING AND ZONING

ACTION

Maintain and enhance the character and quality of Salem's housing and neighborhoods using code enforcement and cooperation with landowners.

COST REQUIRED

$-$$

TIMING

NEAR TERM

TEAMS

COMMUNITY DEVELOPMENT - PLANING AND ZONING

ACTION

Consider innovative strategies to better assist with housing affordability.

COST REQUIRED

$$

TIMING

NEAR TERM

TEAMS

COMMUNITY DEVELOPMENT - PLANING AND ZONING

OUTSTANDING COMMUNITY SERVICES AND INFRASTRUCTURE

ACTION

Identify transportation needs and anticipate areas of development/ redevelopment with the intent to pursue/ install corresponding projects that will improve capacity, connectivity, and level of service for pedestrian, active, and vehicular traffic.

COST REQUIRED

$$

TIMING

LONG TERM

TEAMS

COMMUNITY DEVELOPMENT - ENGINEERING

ACTION

Develop and install an Access Management Plan to better guide the location, spacing, and design of entrances, street intersections, median openings, and traffic signals.

COST REQUIRED

$$

TIMING

MID TERM

TEAMS

COMMUNITY DEVELOPMENT - ENGINEERING

ACTION

As previously utilized railways become less utilized and even abandoned, pursue Rails to Trails projects that help reimagine public spaces that create desirable, safe methods of alternative transportation and outdoor experiences.

COST REQUIRED

$$

TIMING

LONG TERM

TEAMS

COMMUNITY DEVELOPMENT - PLANING AND ZONING

OUTSTANDING COMMUNITY SERVICES AND INFRASTRUCTURE

ACTION	COST REQUIRED	TIMING	TEAMS
Create a comprehensive list of stormwater management projects to be explored, prioritized, designed, pursued, and funded.	$	NEAR TERM	COMMUNITY DEVELOPMENT - ENGINEERING
Conduct a city-wide analysis of the storm system to develop a prioritized list of problem areas to address.	$$	MID TERM	COMMUNITY DEVELOPMENT - ENGINEERING
Initiate the formulation of a new zoning, subdivision, and sign ordinance designed to accomplish the goals set forth in this plan, notably those related to housing diversity/ affordability, and business attraction/ retention.	$$$	NEAR TERM	COMMUNITY DEVELOPMENT - ENGINEERING / PLANING AND ZONING

OUTSTANDING COMMUNITY SERVICES AND INFRASTRUCTURE

ACTION

Where physically and financially feasible, proactively relocate problematic overhead utility lines underground to reduce system vulnerability.

COST REQUIRED

$$$

TIMING

LONG TERM

TEAMS

ELECTRIC DEPARTMENT

ACTION

Conduct a feasibility study to identify avenues to attract and situate additional hotel/ meeting space within the City.

COST REQUIRED

$

TIMING

NEAR TERM

TEAMS

ECONOMIC DEVELOPMENT, TOURISM, PLANNING AND ZONING

ACTION

Enhance the tools available on the GIS Web Application to provide more advanced analytics for users of the platform.

COST REQUIRED

$

TIMING

NEAR TERM

TEAMS

COMMUNITY DEVELOPMENT - GIS

REGIONAL COLLABORATION TO EXPAND OPPORTUNITY

ACTION

Promote and participate in regional greenway and trail expansion projects as a highly marketable regional asset.

COST REQUIRED

$$

TIMING

NEAR TERM

TEAMS

ECONOMIC DEVELOPMENT

ACTION

Participate in regional economic development activities to promote the region, while maintaining Salem's unique roles and advantages.

COST REQUIRED

$

TIMING

NEAR TERM

TEAMS

ECONOMIC DEVELOPMENT

ACTION

Be an active participant in expanding the connectivity and quality of transportation choices.

COST REQUIRED

$

TIMING

NEAR TERM

TEAMS

COMMUNITY DEVELOPMENT - ENGINEERING

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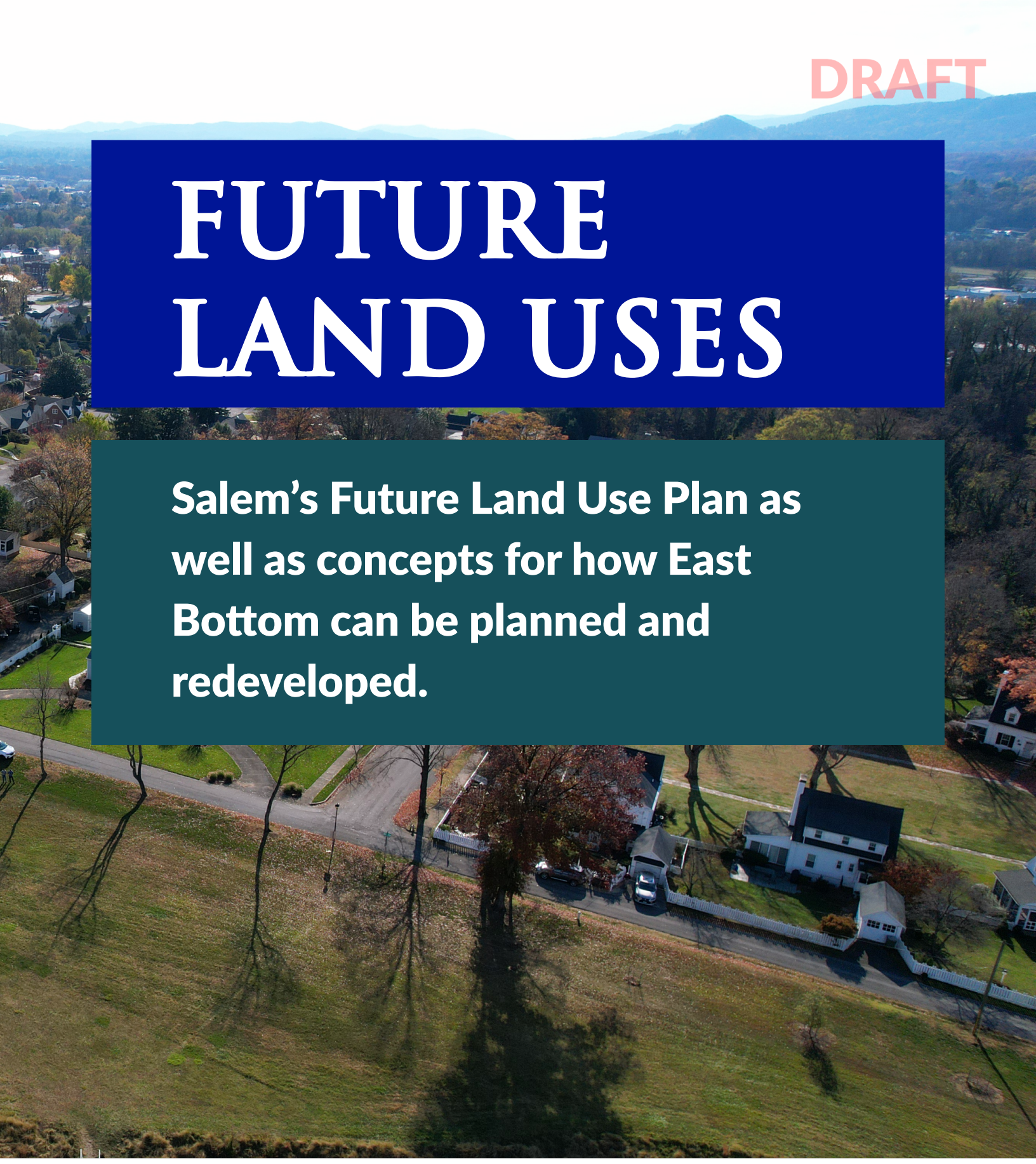

FUTURE LAND USES

Salem's Future Land Use Plan as well as concepts for how East Bottom can be planned and redeveloped.

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FUTURE LAND USE PLAN

GOAL

Create a Future Land Use Plan to serve as a strategic guide for managing Salem's growth and land use patterns over the next 20 years to accomplish Salem's Vision and Goals for housing, economic development, demographic diversity, affordability, and environmental stewardship.

PURPOSE

A Future Land Use Plan is a key component of a Comprehensive Plan and provides a framework for zoning, infrastructure planning, and decision-making. It's purpose is to:

Guide Development:

It outlines where and how different types of development (residential, commercial, industrial, recreational, etc.) should occur to meet the community's needs and vision.

- District nodes
- Redevelopment focus areas / corridors

Promote Sustainable Growth:

The plan ensures that growth is balanced with environmental conservation, infrastructure capacity, historic resources, community resources, and fostering sustainability.

Facilitate Zoning Decisions:

It informs zoning ordinances and decisions, ensuring that land use regulations align with long-term goals.

- Mixed use residential
- Mixed use commercial
- Mixed use industrial

Protect Natural Resources and Open Spaces:

The plan identifies areas that should be preserved for environmental, recreational, or aesthetic purposes.

Coordinate Infrastructure and Services:

By predicting future growth patterns, the plan helps the city prepare for roads, schools, utilities, and other essential services.

Support Economic Development:

It designates areas for commercial and industrial use, creating opportunities for job growth and economic activity.

Preserve Community Character:

The plan reflects community values and priorities, helping to maintain the desired aesthetic, historical, or cultural characteristics.

Provide a Legal Framework for Decision-Making:

It serves as a foundation for defending land-use decisions against legal challenges by demonstrating a consistent and planned approach. In essence, a Future Land Use Plan is a roadmap to help a community grow wisely while preserving its unique identity and ensuring a high quality of life for residents.

FUTURE GENERALIZED LAND USE MAP

The Future Generalized Land Use Map serves as a general guide for the future development of the Salem community. Both public and private sector decision makers may use this map. Local planning commissions and elected officials can use this future land use map as one source of information when planning public facilities or evaluating land use requests. The map also may serve as a general guide for private investment, indicating the location and type of future desired development.

This map presents a generalized overview of desired land use locations within the city. The map is not intended to be parcel specific. As a generalized map, a mixture of land uses may be found in any designation. The specific location of future land uses will be determined by the zoning ordinance, and when required, the Planning Commission and City Council will review specific land use requests. Such review will consider the compatibility and benefits of the use and land use impacts of a specific use on the surrounding neighborhood and larger community.

EIGHT FUTURE LAND USE DESIGNATIONS DEFINE THIS MAP. THEY ARE:

Commercial Areas - Commercial areas generally designate the location of existing and desired future retail, service, and office

areas. Included are downtown, highway commercial, and neighborhood commercial areas.

Industrial Areas - Industrial areas are the location of a significant portion of Salem's industrial and employment base, and are used for a variety of manufacturing, processing, and storage activities.

Economic Development Areas – These areas have been designated as possible suitable locations for productive economic uses, and may include commercial, industrial and/or residential uses. Future development in these areas will be compatible with surrounding properties with respect to land use, density, access, and site design features.

Downtown Areas – These areas have been designated for possible suitable locations for downtown uses and character. The areas would provide commercial and mixed-use commercial/residential development.

Mixed-Use Transition Areas – These areas refer to places within the City that are intended to evolve, through future planning and zoning designations, into places that integrate multiple uses within a single building, property, or district. These areas typically combine residential, commercial, cultural, institutional, or industrial uses into walkable village-like patterns. Through thoughtful programming and design, mixed-use these areas aim to promote convenience, walkability, and efficiency by allowing diverse activities—such as living, working, shopping, and recreation—to coexist within a self-supportive village. They also support economic development and enhance demographic diversity.

Institutional Areas - This category includes major publicly-owned property, and other major properties owned by tax exempt and charitable entities.

Residential Areas - Residential development is the predominant land use within this category. New residential development primarily will be located within these areas. The density and type of new residential development in these areas will be determined by zoning, and the adequacy of public facilities, access, and compatibility with surrounding land uses.

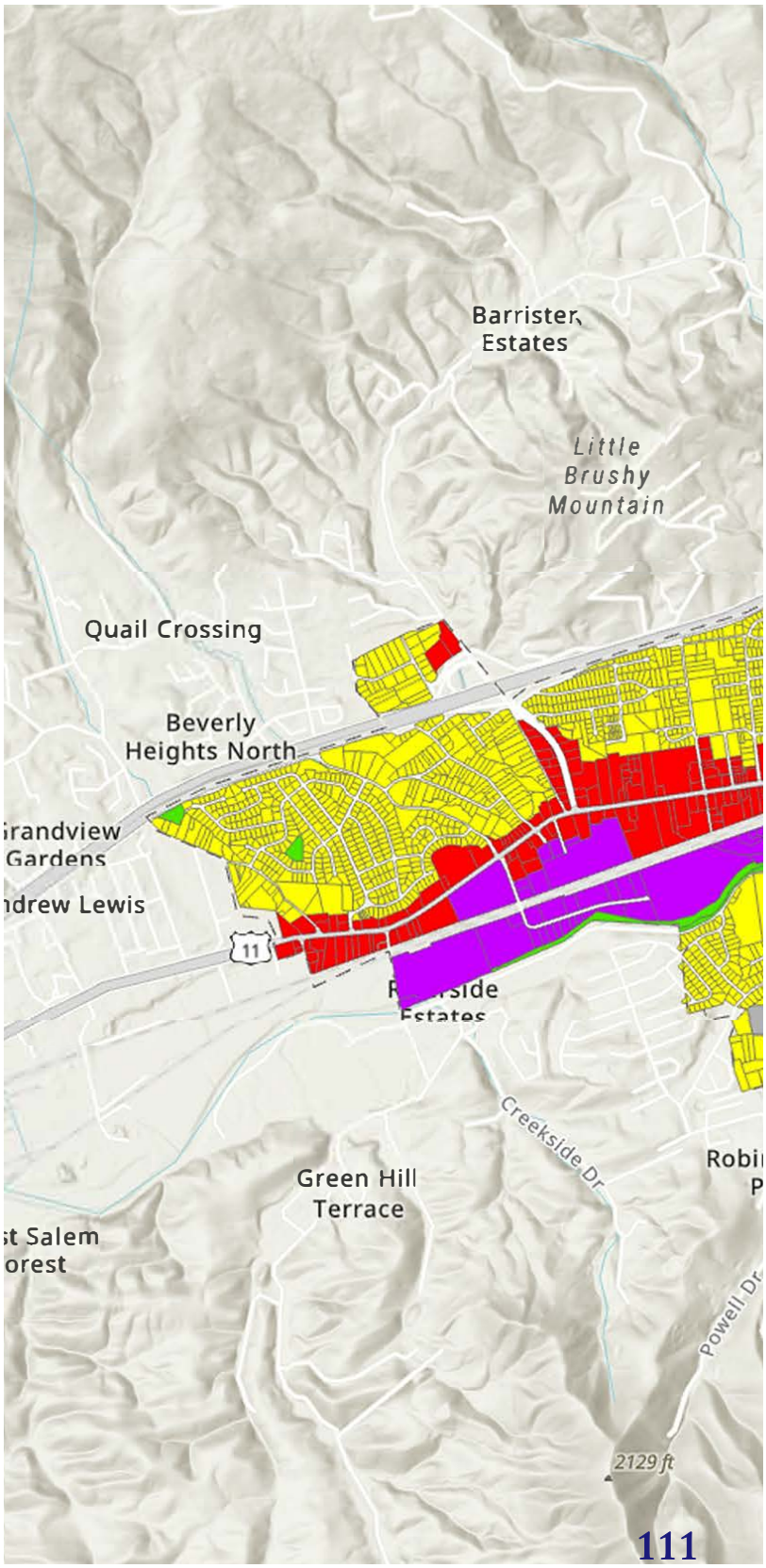
Public Parks and Recreation Areas – This category shows the location of existing and proposed public parks and recreation areas. It is inclusive of City-owned park land, proposed park land, and more active recreational facilities such as the Moyer and Salem Civic Center recreational complexes. Also included within this category are existing and proposed greenway corridors within the City of Salem.

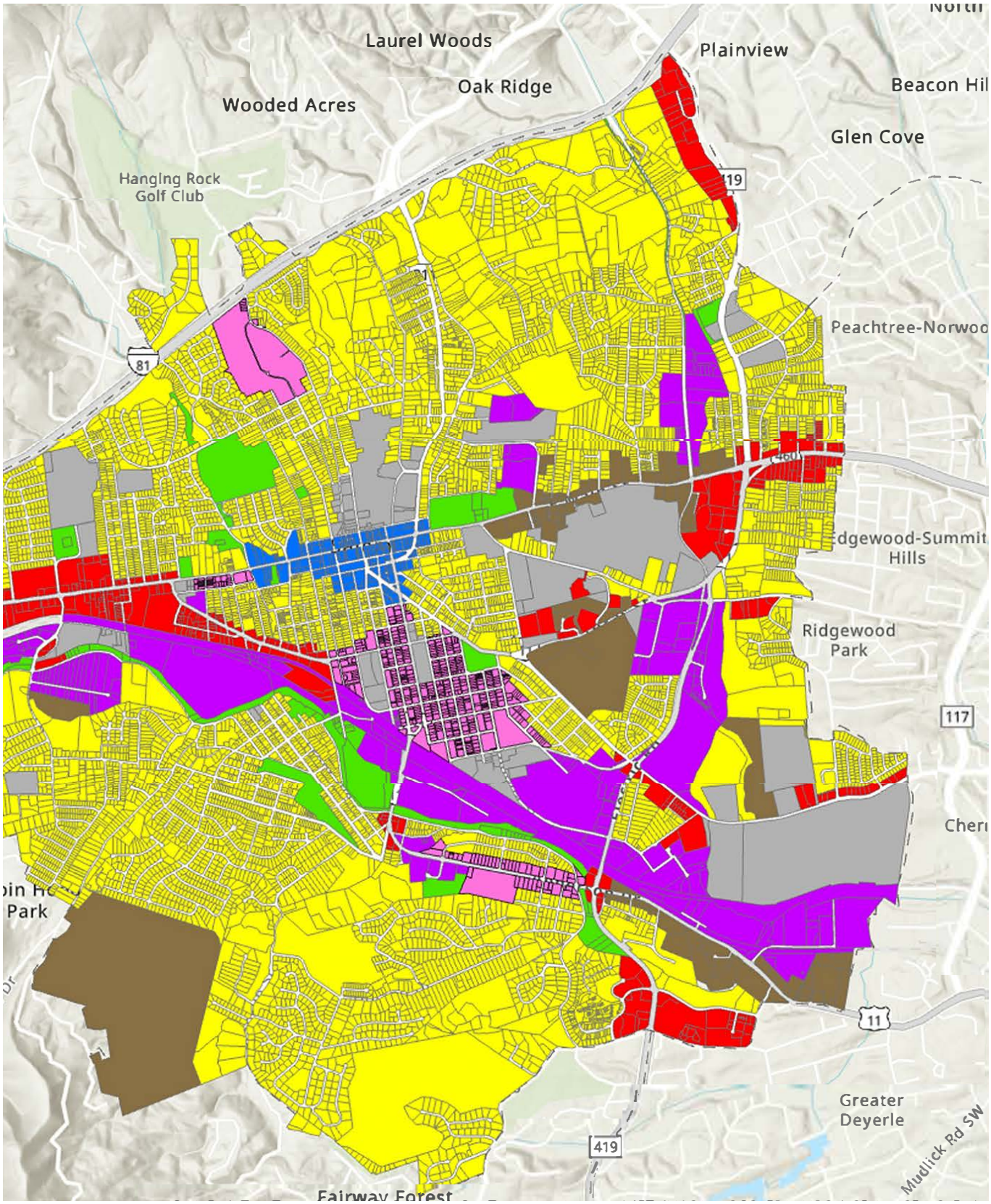
FUTURE LAND USE MAP DRAFT

The Future Land Use Map anticipates the redevelopment of key areas, such as East Bottom, into Mixed Use, which will be accomplished with future zoning changes.

LAND USE DESIGNATION

- COMMERCIAL
- DOWNTOWN
- ECONOMIC DEVELOPMENT AREA
- INDUSTRIAL
- INSTITUTIONAL
- PUBLIC PARKS AND RECREATION
- RESIDENTIAL
- MIXED-USE TRANSITION




Laurel Woods
Plainview
Oak Ridge
Wooded Acres
Beacon Hil
Glen Cove
Hanging Rock
Golf Club
119
Peachtree-Norwoo
81
Edgewood-Summit
Hills
Ridgewood
Park
117
Park
11
Greater
Deyerle
419
Mudlick Rd SW
Fairway Forest

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The East Bottom neighborhood is experiencing change. With deliberate planning, the neighborhood can evolve into a place of unique character, diversity, and mix of uses.

EAST BOTTOM CONCEPT

GOAL

Create a community supported small area plan for the East Bottom of Salem that will allow new and existing land uses to coexist harmoniously, support economic development, contribute to tax base, provide a safe and friendly place to live, and promote the special history and qualities of the area.

VISION

East Bottom is a special place within Salem that expresses its uniqueness through diverse businesses and residents, committed to neighborliness, cooperation, and pride in a shared history, sense of community, and culture.

East Bottom is a safe place to raise a family with pedestrian-friendly, bikable streets and easily accessible parks for gathering and recreation. The Neighborhood's diverse housing stock provides residents with options for living in the community whether they be first time home buyers/renters, starting a family, or beginning their retirement. East Bottom is held together by its neighborliness and a strong commitment to cooperation and shared responsibility.

PROCESS

A charrette-based workshop was conducted over three days with the residents, land owners, and business owners of East Bottom. During the workshop, discussions were facilitated on topics like areas of concern, areas of improvement, utility services, code enforcement, vision, land use, street safety, and character. A vision statement, diagrammatic mapping, and strategies were created and shared back with the community for their input and acceptance. Following the workshop, plans and strategies were refined for inclusion in the Comprehensive Plan.

WHAT THE COMMUNITY SAID:

1. Issues with traffic safety, sight distance, traffic speeds, etc., along several streets, especially 8th Street, Florida, Tennessee, and Indiana Streets.
2. Property maintenance is a concern, and the city needs to enforce codes appropriately maintain its properties and streets to a higher standard.
3. Cars that are permanently parked along streets that are part of business operations.
4. Need for beautification such as landscaping and building upgrades.
5. Incomplete sidewalks and nonexistent sidewalks on many streets.
6. Businesses need to be protected so that they remain part of the district.
7. Loss of neighborliness, history, and character with new folks coming in. Need for young families and kids again.
8. Since it is low-lying land, the area is prone to flooding.

STRATEGIES AND ACTIONS

1. Design streets into "complete streets" that include sidewalks, street trees, safe crosswalks, regulatory signage, on-street parking, bulb-outs, bike lanes, and other methods to calm traffic and enhance multiple modes of travel.

- Work within the existing right of way and curb-to-curb dimensions as much as possible to reduce costs and impacts on property owners.
- Consider expanding rights of way, in cooperation with property owners, on key streets that serve mixed-use buildings and retail uses.

2. Create a bike and pedestrian connectivity plan to ensure safe routes to school, to district and city assets, to work, and parks from residences in the district.

- Target key north-south streets where the residential uses have driveway access and may not require on-street parking on both sides.
- Make sure that bike lanes and parking are painted clearly and defined by signage.

3. Promote and incentivize community gathering spaces such as community centers, parks, places to eat and socialize.

- Consider 8th Street as a vital corridor to house gathering spaces, retail, entertainment, and restaurants.
- Consider Indiana as a secondary corridor for mixed uses.

4. Explore grant funding opportunities for façade maintenance, block grants, redevelopment grants, etc., to support existing property owners who need assistance.

5. Revisit codes and pursue reasonable code enforcement to help clean up the area.

- Consider that the industrial areas have different maintenance factors than the residential areas and may require special consideration on how to apply codes.

6. Promote and incentivize diversity in housing and business types.

- Promote housing and amenities that will attract younger families to the area.
- Promote vertical mixing of housing with retail at the ground level.
- Incentivize the development of housing that meets affordability guidelines of less than 30% of total household income devoted to housing costs.
- Allow for accessory dwelling units, duplexes, triplexes, and townhomes within residential redevelopments.
- Continue to assist property owners with targeted recruitment of businesses.

7. Pursue zoning that fosters a natural and adaptable approach to land use and growth, ensuring a diverse yet compatible mix of land uses.

8. Consider adopting form-based codes, or hybrid form-based codes within the district to better integrate a mix of compatible uses along the same street.

- Consider the creation of simple design guidelines to define architectural image and character that would promote the district.
- Reduce setback requirements and allow buildings to be built closer to the street and lots to be developed more densely.
- Minimize off-street parking requirements and utilize on-street parking.
- Promote mixed-use vs single-use zoning in areas other than the industrial areas.

9. Create a unique signage and wayfinding design for East Bottom that includes gateway signage, decorative street regulatory signage, and location signage.

- Conduct a community-based design process.
- Utilize local artists and designers that are sensitive to the districts importance to the community.
- Integrate environmental design techniques into developing new infrastructure to include naturalizing stormwater management, tree planting that includes species variety, reducing large expanses of asphalt, native landscaping, and downward directed “full cut-off” street lights.

APPLICABILITY OF ZONING

Although the current city zoning for the study area includes a variety of uses, allowing one to live, dine, work, recreate, and conduct limited shopping, it does not allow for the vertical mixing of uses that promotes an active street environment, more efficient use of land, and the increasing land values and new business associated with higher density.

- RSF zoning does not allow for a mix of uses, such as retail or office. It also has significant setback requirements of 25 feet for front and rear yards and requires a special exception permit to allow any residential use beyond a single house on the lot. The zone also does not allow for accessory dwelling units to be built on the lot. This could potentially limit the ability of developers to build to a higher residential density, and limits mixed-use – both of which would benefit the Salem economy and enable potential lower home rents and prices.

- CBD zoning is more mixed-use friendly and would provide building relationships with the street that are advantageous.

- HBD zoning within the district may be out of scale with the intent of the vision in some instances. It wouldn't allow vertical mixing of uses, however, which provides efficient use of land and promote walkability.

- Industrial zoning works for the land zoned for it. Issues with industrial uses have more to do with code enforcement.

- Parking requirements by use are generally reasonable. However, it is not clear how parking requirements are offset by the on-street parking that exists within the district. Reducing parking requirements to adjust for on-street parking would reduce asphalt and allow more efficient use of property for development.

ZONING DISTRICTS



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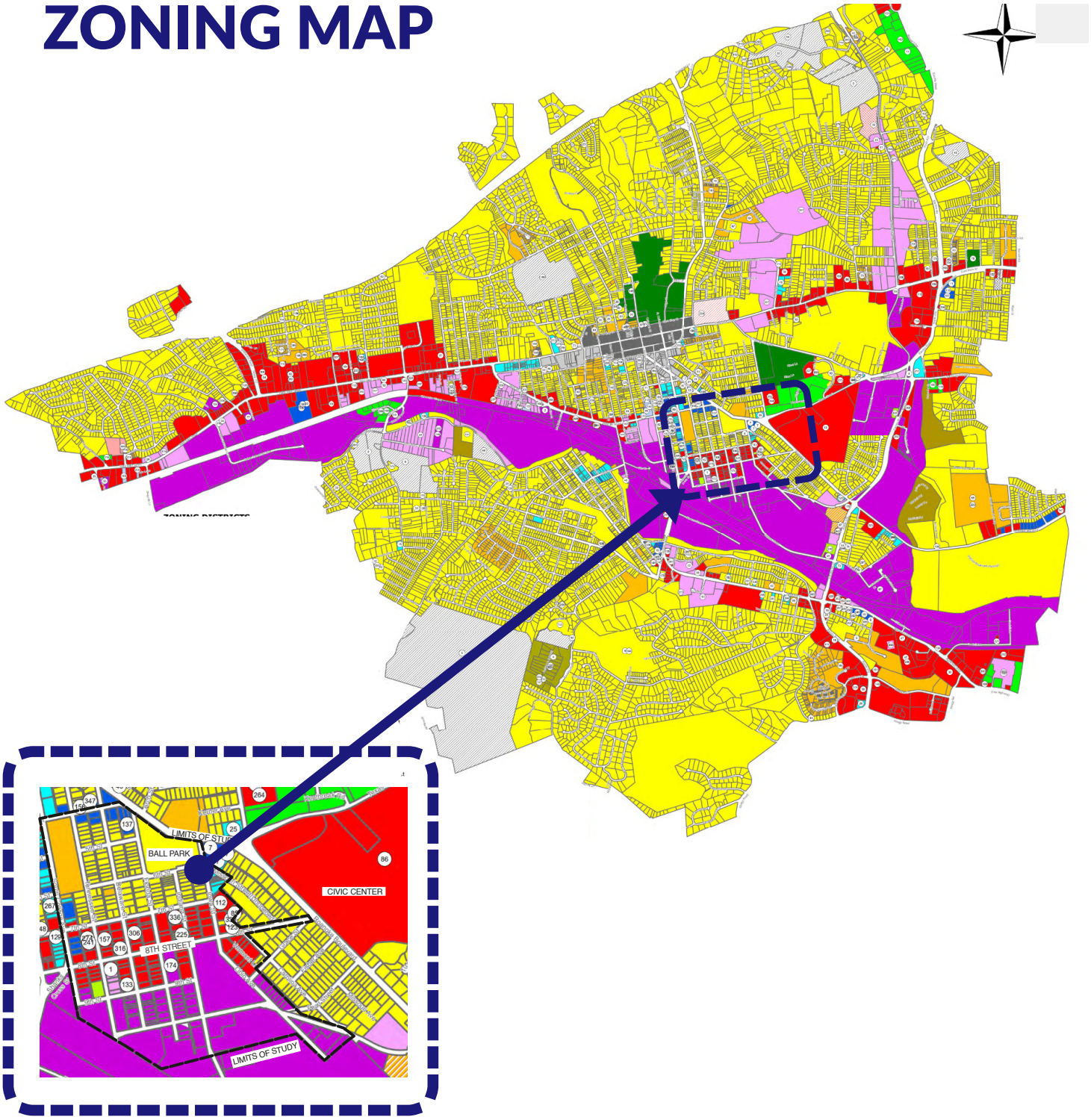
ZONING MAP



EXISTING CONDITIONS

East Bottom sits between 4th Street, Roanoke Boulevard, the Norfolk Southern Rail lines, and South College Avenue. 8th Street bisects the district and intersects with Roanoke Boulevard at the Civic Center and College Avenue. The land is generally low, sloping from North to South to the Roanoke River. Large portions of the land is within the 100-year flood plain.

The northern portion of the district is primarily single-family residential. The southern portion is mostly industrial. There are areas of business commercial along 8th St. and 7th St. Kiwanis Park, located in the northeast corner of the district houses a baseball diamond with grandstands.

The Andrew Lewis Middle School sits in the Northwest corner of the area, and includes a shared city park space. A rail depot sits in the southeast corner of the area, currently being used as Total Action for Progress. A few restaurants exist within the study area.

- The streets generally have a paved width of 40 feet and a Right of Way of 60 feet.
- Sidewalks exist on some of the streets, including portions of 6th, 7th, and 8th, and on portions of Florida, and Indiana.
- Space for on-street parking is provided on district streets. Many of the residences are also served by driveways, which leaves room within the paved area of the street for other uses, such as bike lanes.
- A traffic light exists at Indiana and 8th Streets.
- No streetscapes or street trees exist.
- Southwest corner is within floodplain and is prone to flooding.



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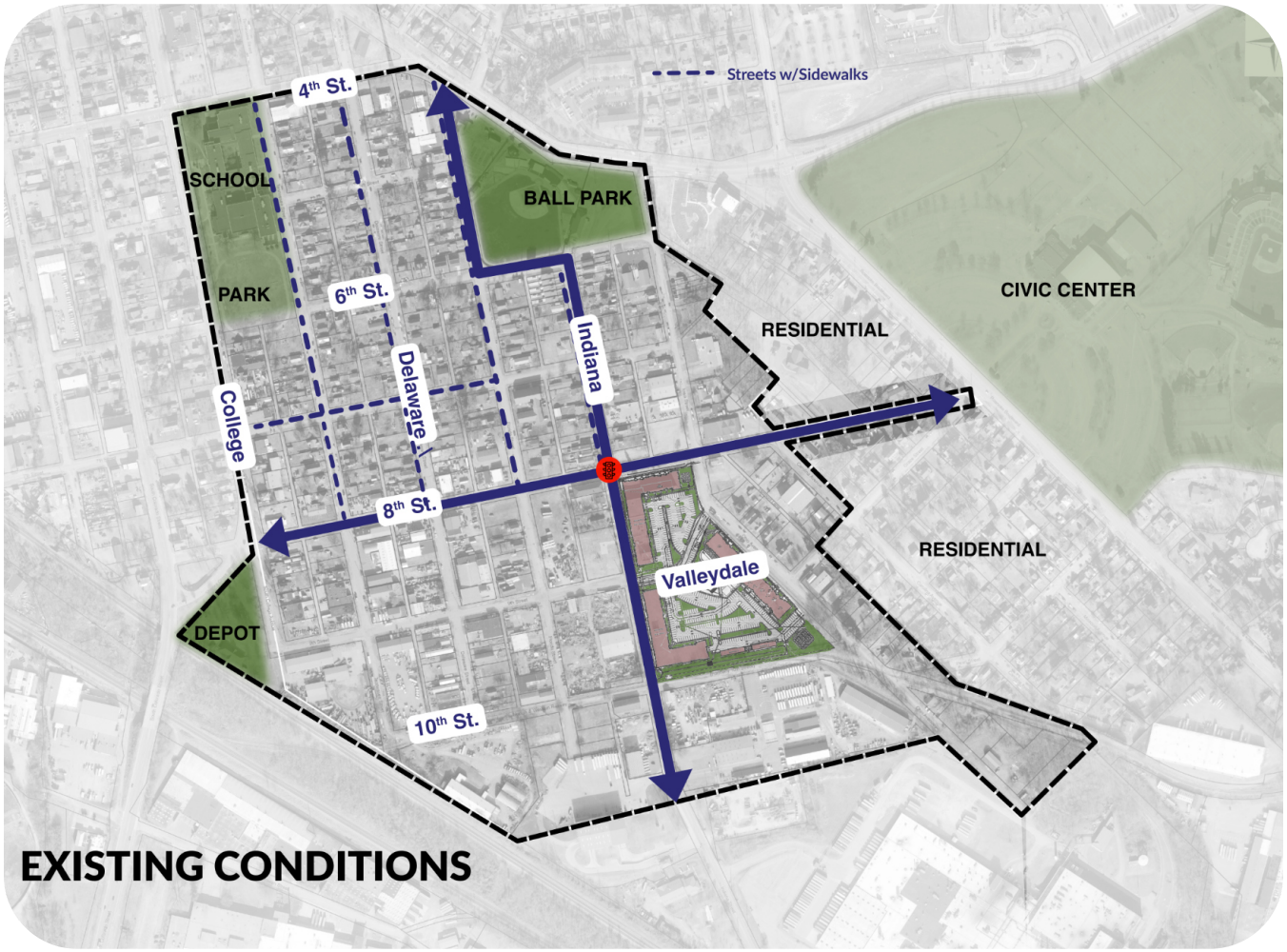
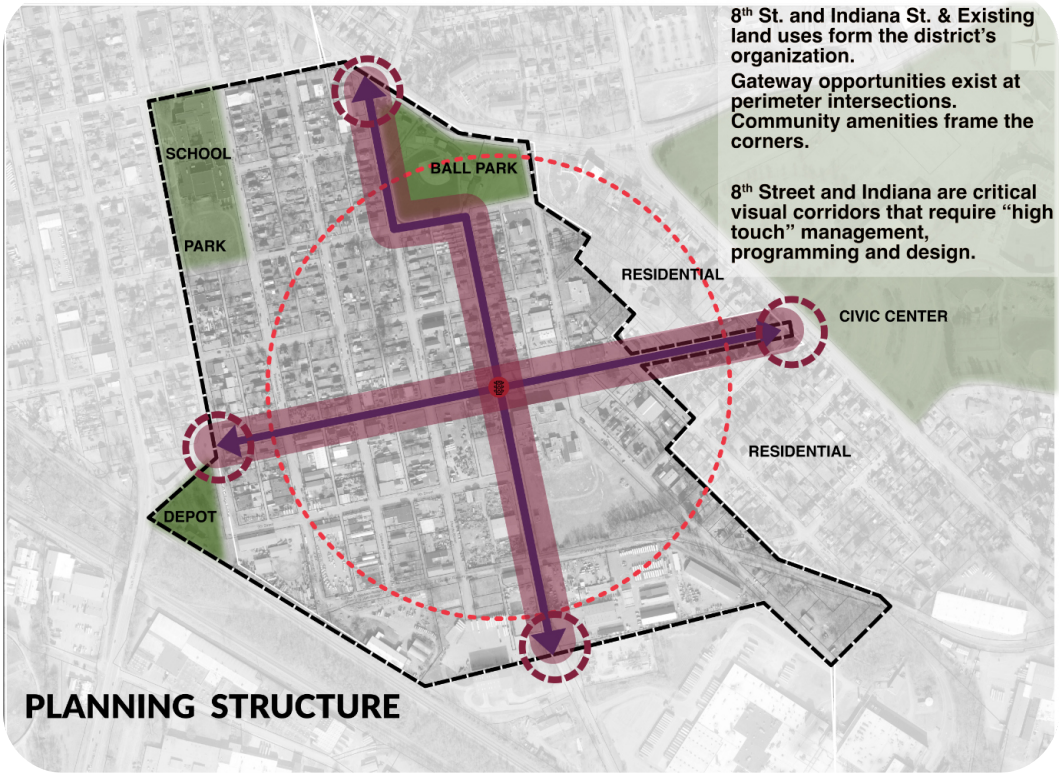
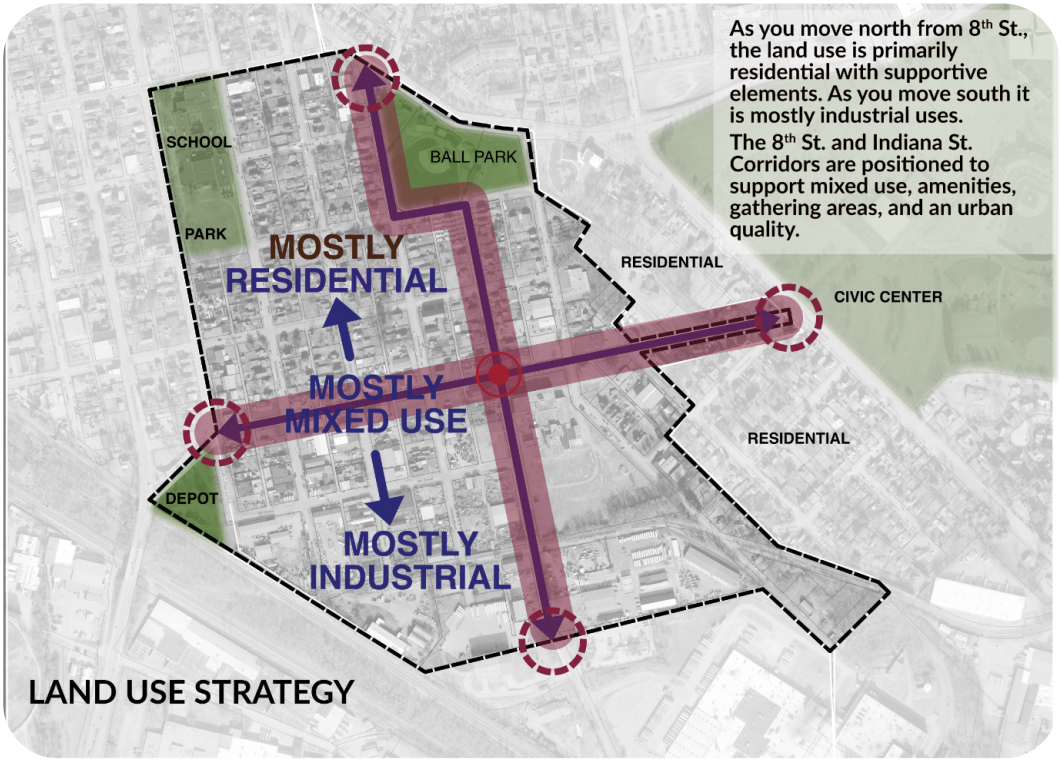
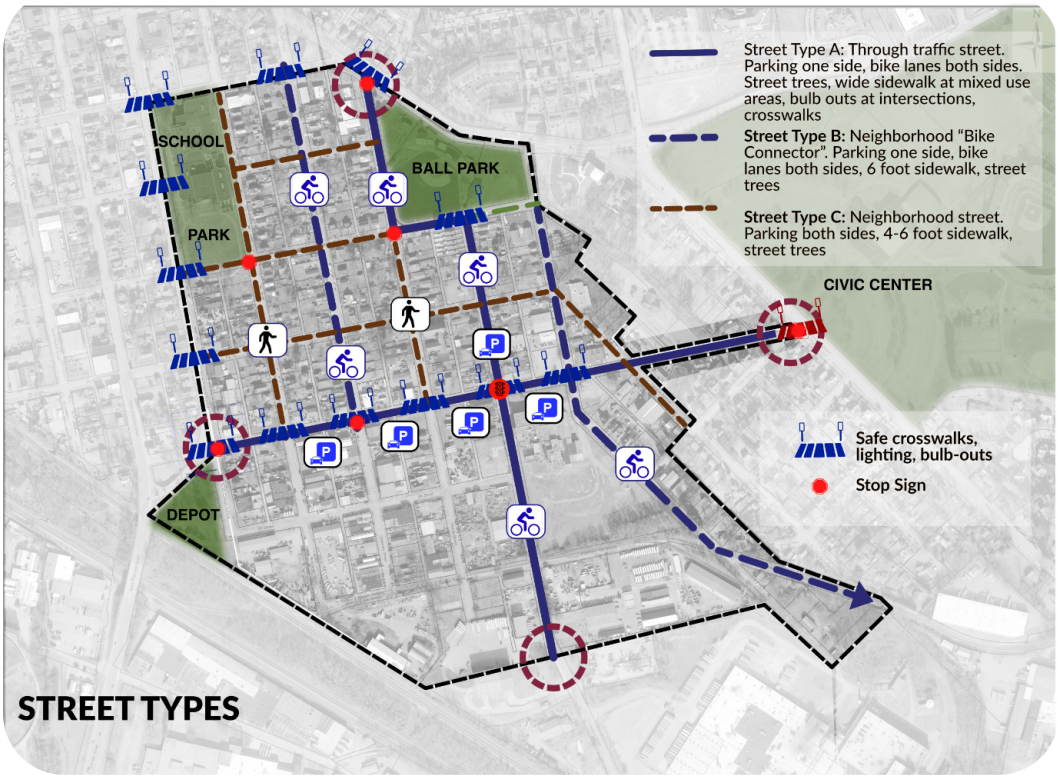


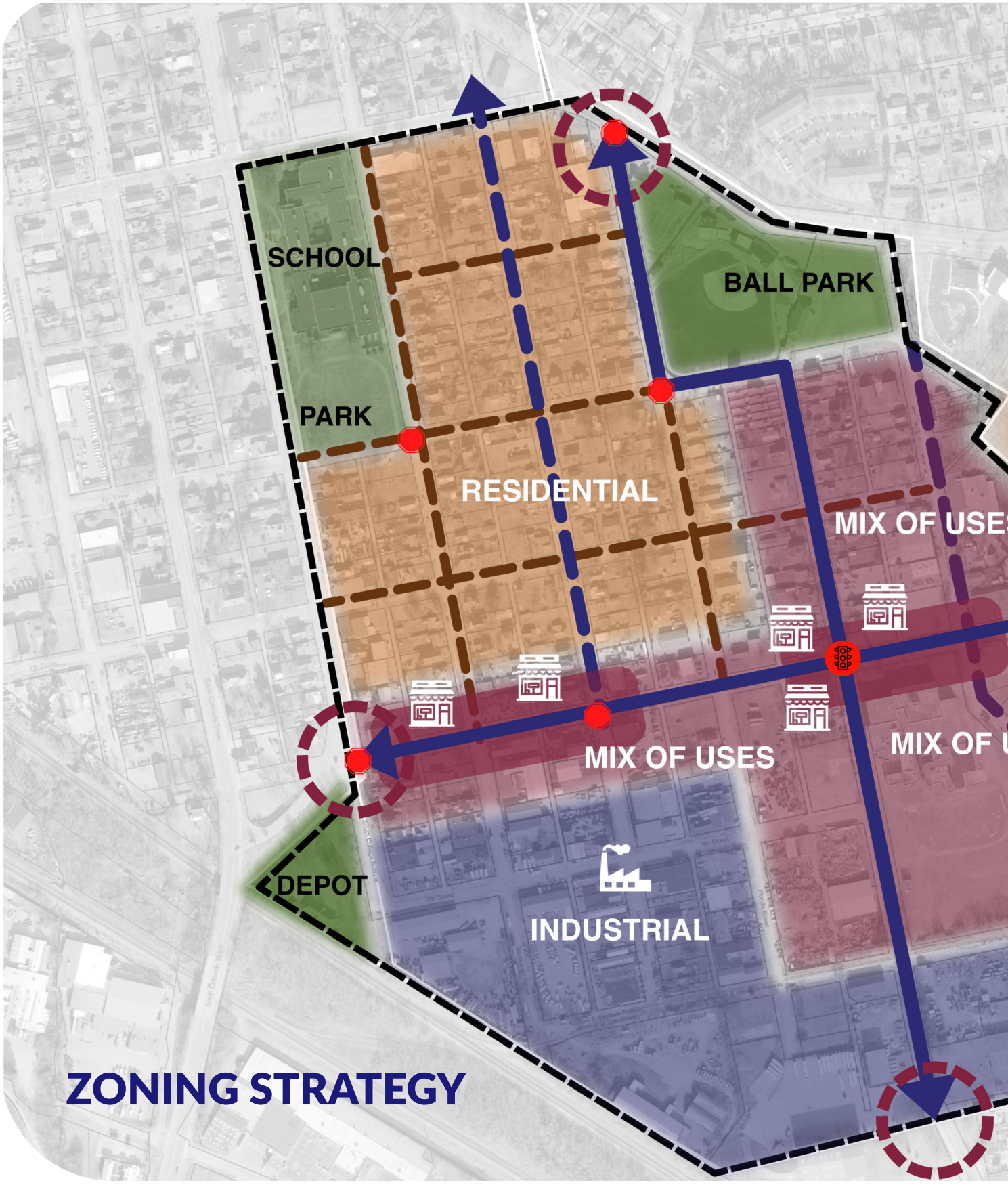
8th Street and Indiana Street form a cross axis through the district forming a set of key streets. Valleydale sits on this axis, as does the Civic Center.


8th St. and Indiana St. & Existing land uses form the district's organization.
Gateway opportunities exist at perimeter intersections. Community amenities frame the corners.
8th Street and Indiana are critical visual corridors that require "high touch" management, programming and design.
SCHOOL
BALL PARK
PARK
RESIDENTIAL
CIVIC CENTER
RESIDENTIAL
DEPOT
PLANNING STRUCTURE

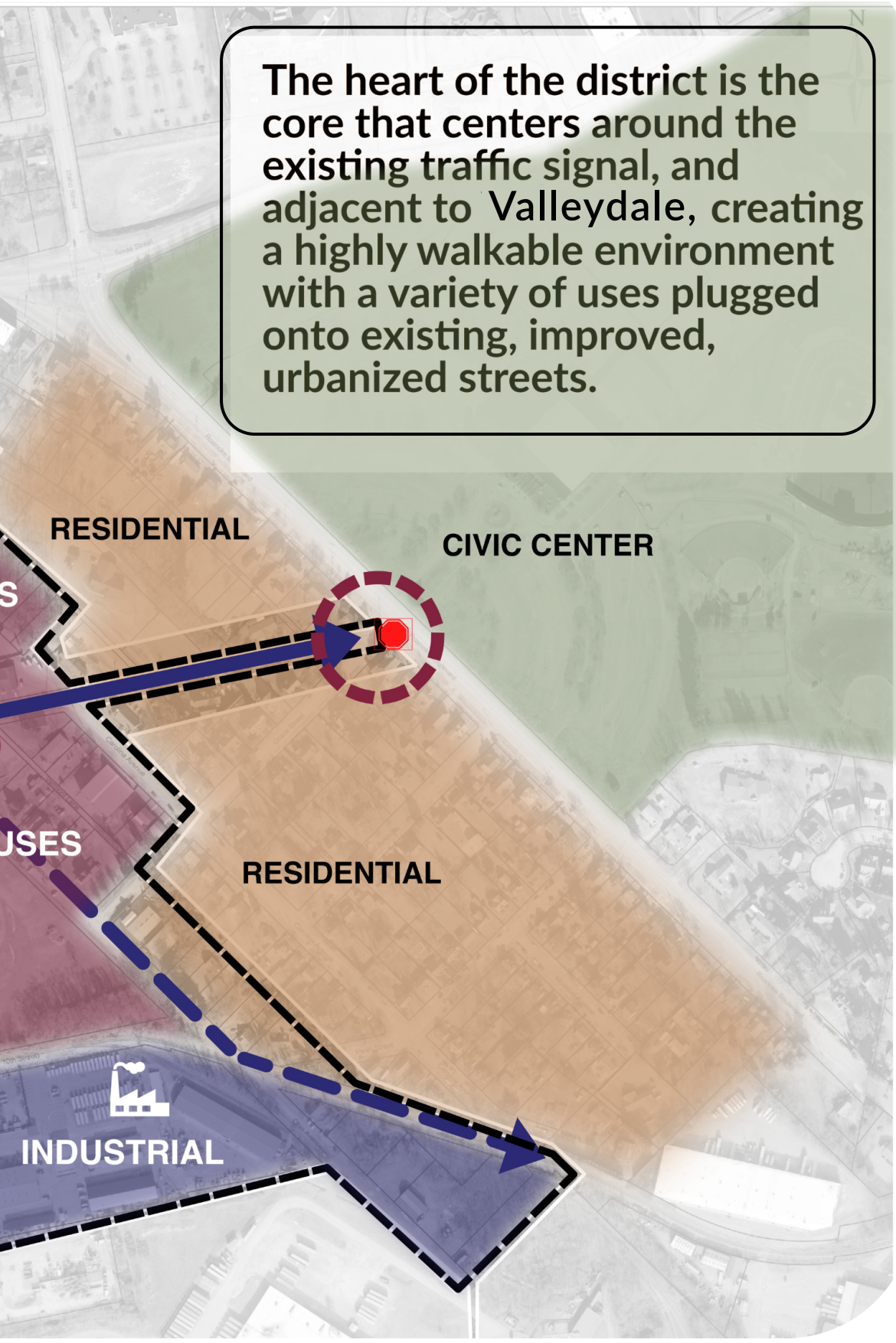

As you move north from 8th St., the land use is primarily residential with supportive elements. As you move south it is mostly industrial uses.
The 8th St. and Indiana St. Corridors are positioned to support mixed use, amenities, gathering areas, and an urban quality.
SCHOOL
BALL PARK
PARK
MOSTLY RESIDENTIAL
RESIDENTIAL
CIVIC CENTER
MOSTLY MIXED USE
RESIDENTIAL
DEPOT
MOSTLY INDUSTRIAL
LAND USE STRATEGY

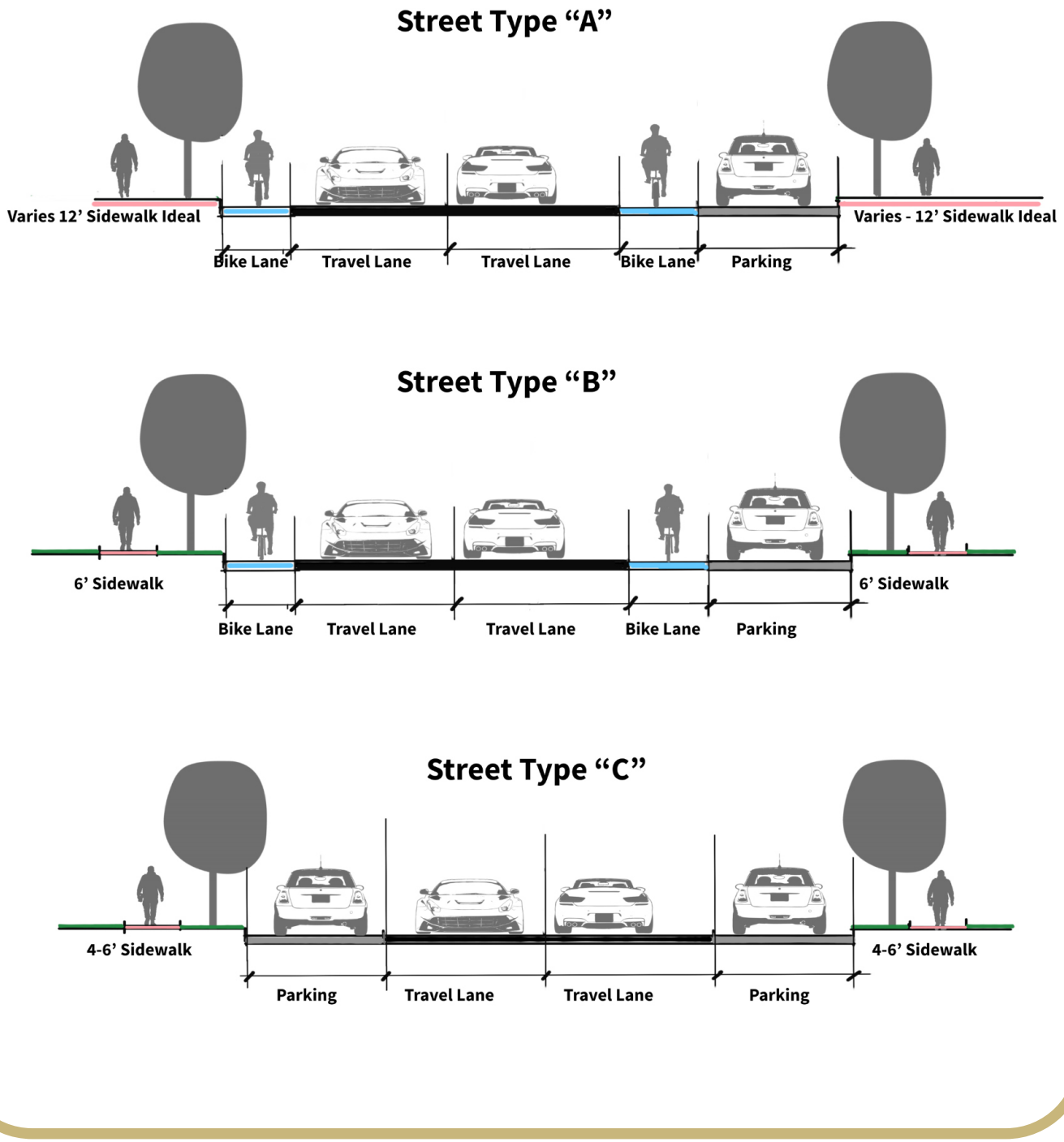

Street Type A: Through traffic street. Parking one side, bike lanes both sides. Street trees, wide sidewalk at mixed use areas, bulb outs at intersections, crosswalks
Street Type B: Neighborhood "Bike Connector". Parking one side, bike lanes both sides, 6 foot sidewalk, street trees
Street Type C: Neighborhood street. Parking both sides, 4-6 foot sidewalk, street trees
SCHOOL
BALL PARK
PARK
CIVIC CENTER
DEPOT
Safe crosswalks, lighting, bulb-outs
Stop Sign
STREET TYPES


Different parts of the District can be handled differently as it relates to code enforcement. Less visible industrial areas may use modified codes that enable more flexibility.
SCHOOL
BALL PARK
PARK
RESIDENTIAL
CIVIC CENTER
RESIDENTIAL
DEPOT
Modified Code Enforcement
Modified Code Enforcement
CODE ENFORCEMENT



ZONING STRATEGY


The heart of the district is the core that centers around the existing traffic signal, and adjacent to Valleydale, creating a highly walkable environment with a variety of uses plugged onto existing, improved, urbanized streets.
RESIDENTIAL
CIVIC CENTER
USES
RESIDENTIAL
INDUSTRIAL



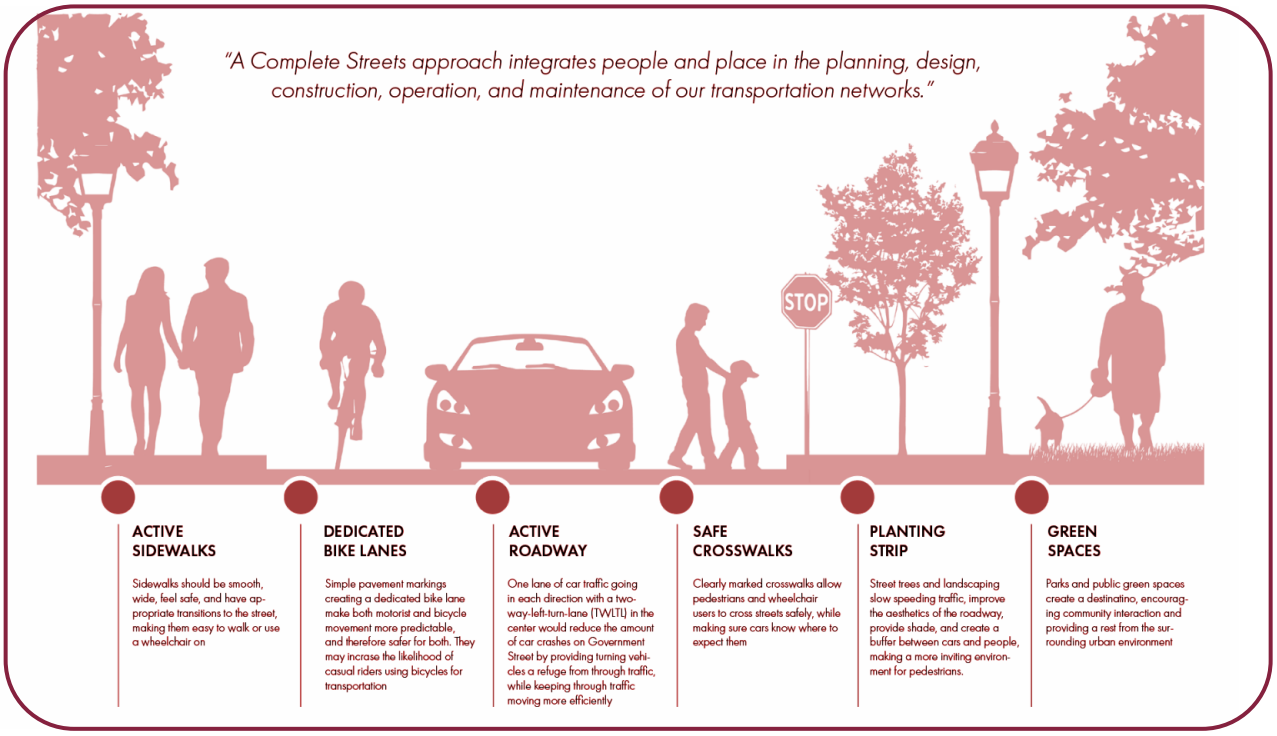
CONCEPT STREET SECTIONS

DEVELOPMENT PRINCIPLES

East Bottom will be redeveloped and maintained to a higher quality, while retaining its organic nature. Standards that will be incorporated into specific zoning codes and guidelines include:

- Development that reflects local culture, history, and community values, creating a unique identity and fostering pride among residents.
- Engaging the community stakeholders in the planning process to ensure developments meet the needs of current and future residents.
- Promoting local history, culture, and architectural styles to create a unique identity.
- A blend of residential, commercial, recreational, and cultural uses to reduce travel distances, enhance convenience, and stimulate economic diversity.
- Support the economy with small business opportunities and by supporting existing businesses within the district.
- Prioritize people over cars, with a focus on human-scaled architecture, landscaping, and streetscapes to improve social interaction, walkability, and community identity.
- Housing options to accommodate people of different income levels, ages, and family structures, fostering inclusivity and affordability in the community.
- Streamlining the planning process to provide clarity for developers, reduce costs, and encourage projects aligned with smart growth goals.
- Complete streets that include crosswalks, parking, sidewalks, street trees, lighting, and bike facilities where space allows.
- Streetscapes, signage, lighting, and architecture that creates a visually appealing and comfortable atmosphere, where buildings are oriented to the street and designed to a scale suitable for people.
- Retaining narrow travel lanes within the street grid, versus expanding streets that would encourage faster travel speeds.
- Buildings designed in harmony with the pedestrian environment that included compact buildings and developments, reduced setbacks and buildings that front the street and public realm.
- Preserving existing trees, and planting of new trees to expand the tree canopy along the street, within parking areas, and on the lot area of the development.

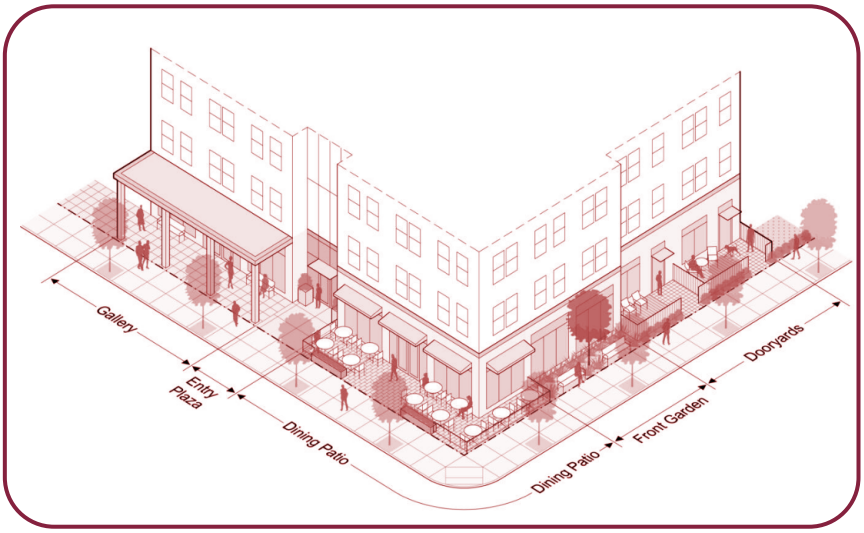
STREET / URBAN DESIGN CONCEPTS



Bentley Rysedorph

Integrate design concepts for complete streets into redeveloped corridors.

Orient new buildings to the street and include a +/- 16 foot urbanized sidewalk to promote pedestrian friendliness.



https://www.utiledesign.com/wp-content/uploads/2023/03/2022-04-06-Frontage-Definition-01-1400x803.jpg

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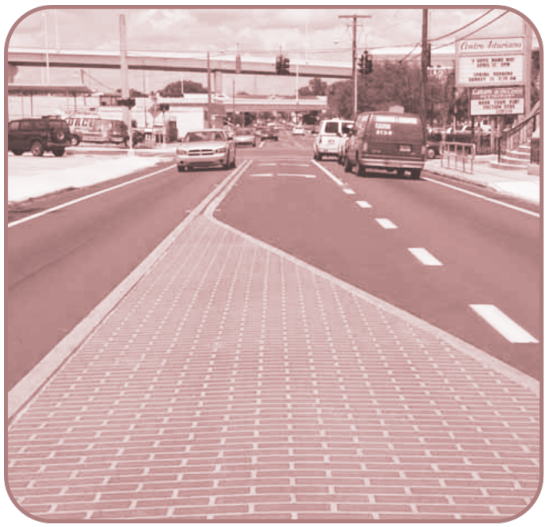
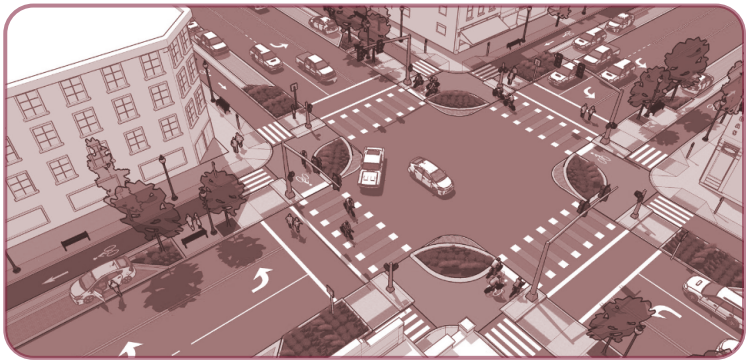


Ennis-Flint_TrafficScapes_TrafficPatterns02.jpg

Consider street paving in the center turn lanes on key streets to distinguish their purpose, create an attractive streets, and slow cars down.

Utilize curb extensions and "bulb-outs" within mixed use areas to create safer and shorter street crossings.



https://breakfastonbikes.blogspot.com/2017/03/downtown-board-to-discuss-corner-bulb-outs-curb-extensions-dab.html



https://www.cityofsanrafael.org/crosswalk-improvements/

Utilize flashing pedestrian beacons at busy street crossings.

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SALEM VA

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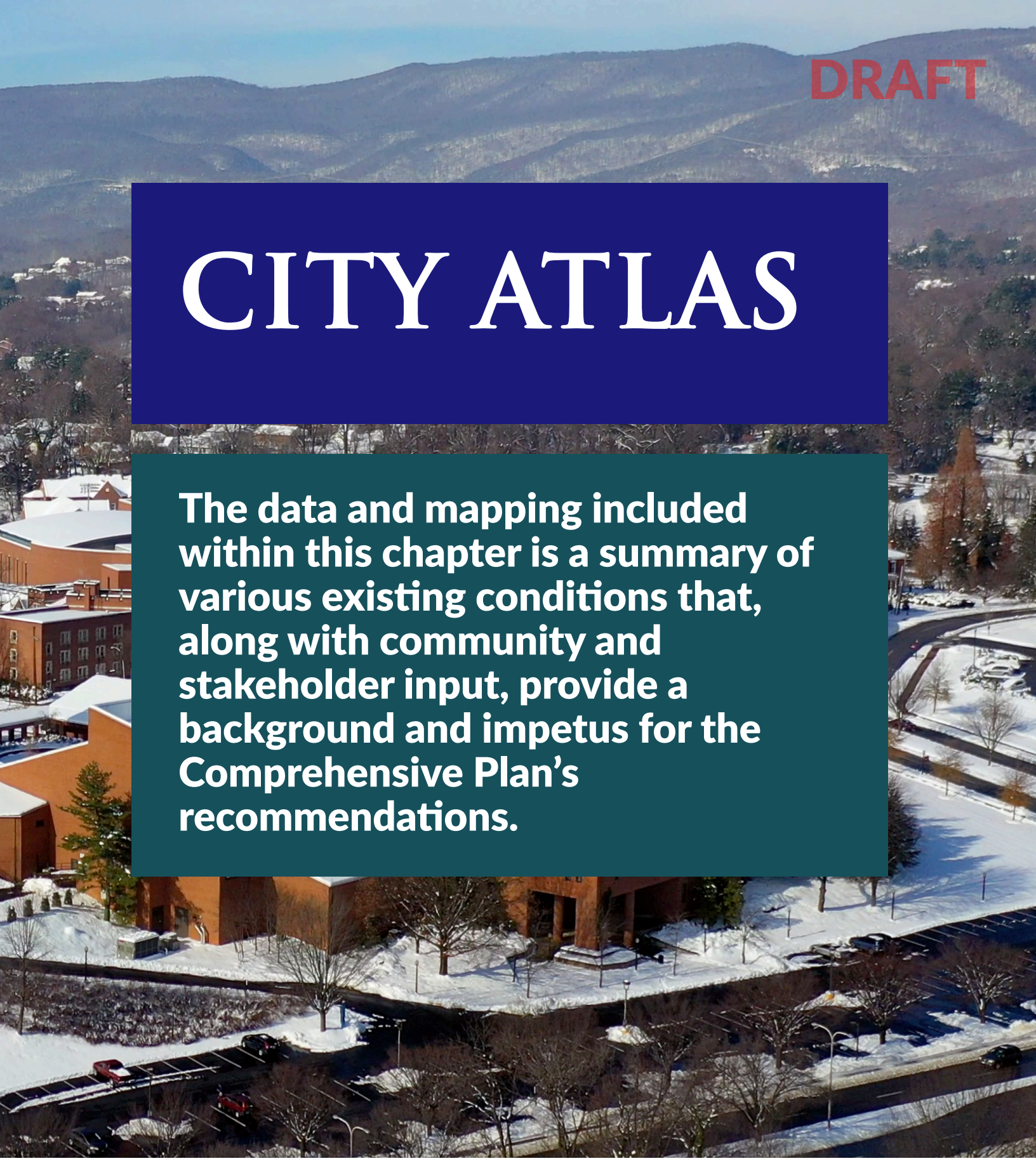

CITY ATLAS

The data and mapping included within this chapter is a summary of various existing conditions that, along with community and stakeholder input, provide a background and impetus for the Comprehensive Plan's recommendations.

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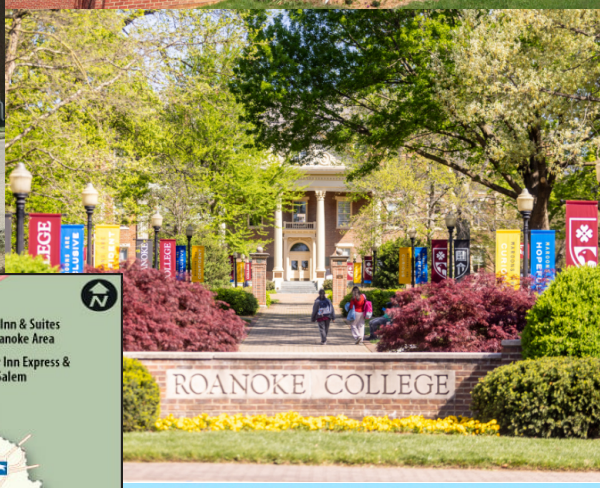
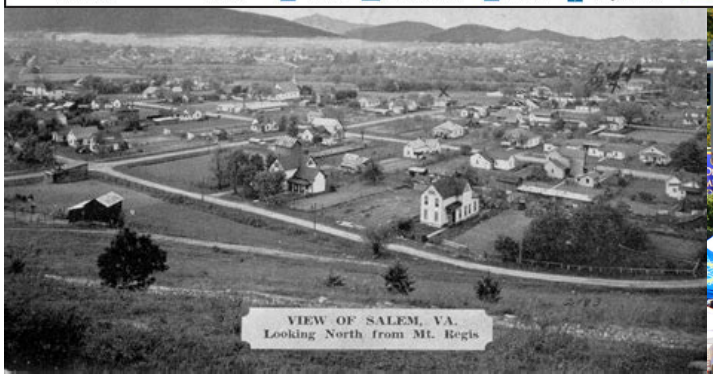

ROANOKE COLLEGE


SALEM
Virginia
LEXINGTON
CHRISTIANSBURG
ROANOKE
Baymont Inn & Suites Salem Roanoke Area
Holiday Inn Express & Suites Salem
WOODSIDE PARK
Dry Creek
Berean Christian Academy
Olin Theater
Roanoke College
Salem Museum
Salem Golf Course
Hampton Inn Salem
Salem High School
Charlotte's Web Antique Mall
LAWNDALE HEIGHTS
Comfort Suites
WHITEFIELD
Sherwood Burial Park
Brugh's Inn of Salem
Salem General District Court
Roanoke River
Fort Lewis Christian Church
Trussmark Airport
Salem Civic Center
Salem Memorial Baseball Stadium
Calvary Church
Salem Antique Market
South Salem Elementary School
Mount Regis Center
Green Hill Park
Bethel Baptist Church
Salem Veterans Affairs Medical Center
WEST CLUB FOREST
Mowles Spring Park
Ridgewood Farms Shopping Center
Lewis Gale Medical Center
Hidden Valley Country Club
0 1 KM
0 1 Miles
Copyright © 2016 www.mapsofworld.com
(Created on 28th March, 2016)
Interstate Highway
Major Road
Other Road
Railway
Hotel
Theatre
Shopping Center
Educational Inst.
Hospital
Museum
Point of Interest
Religious Place
Airport
Vegetation
Waterbody


VIEW OF SALEM, VA.
Looking North from Mt. Regis


NO TURN ON RED
OLDE SALEM DAYS

HISTORY & CULTURE

Downtown Salem's history dates back to the early 1800s when fewer than 25 families lived along the Great Road, a vital route connecting Pennsylvania to southern states like Tennessee and Georgia.

James Simpson, a local land speculator, recognized the area's potential and developed a small town called Salem. Businesses like blacksmiths, stables, and general stores flourished along Main Street, supporting the growing community. The railroad eventually fulfilled the dream of connecting Salem to broader markets.

Salem became the county seat when Roanoke County was formed in 1838, and a red-brick courthouse opened in 1841, serving as a hub for social and business gatherings. The courthouse that replaced it in 1910 now serves as Roanoke College's Francis T. West Hall. Roanoke College itself was **originally established in** 1842 **near Staunton** as **the** Virginia Institute**; it was moved to Salem in 1847 and incorporated as Roanoke College in 1853.** The college grew rapidly, attracting students from beyond the region and contributing to Salem's development as an educational and cultural center.

Further population growth led to the construction of the Carver School for Black students and Salem High School on Broad Street for white students. The school's destruction led to the prompt construction of Andrew Lewis High School, which was for white students until **full integration** in 1966. The former high school on Broad Street is now City Hall. Carver is now an elementary school, and Andrew Lewis is now Salem's middle school. Today's Salem High School opened in 1977.

As the City evolved, interstate highways eclipsed railroad in the 1960s—the first stretch of I-81 opened in 1964. Passenger rail service was discontinued and the passenger station closed. By the 1980s, three exits tied Salem to I-81, which roughly followed the historic corridor of the Great Road and its Wilderness Road extension westward.

As it has in the past, Salem continues to support its community with a variety of quality of life programs:

1. **Community Events:**
   Year-round local events, festivals, and sports activities including: Olde Salem Days, Pumpkin Fest, the Lewis Gale

Salem Half Marathon, national and regional sporting events, The Salem Fair, and several concerts at the Salem Civic Center.

2. **Scenic Landscapes:**
   Nestled in the Roanoke Valley, Salem offers picturesque views of the Blue Ridge Mountains and abundant natural beauty that includes the Roanoke River. Parks and green spaces are well-maintained, providing residents with numerous outdoor recreational opportunities.

3. **Educational and Recreational Facilities:**
   - Salem's school system is highly regarded, contributing to a family-friendly environment. Educational facilities are well-respected and play a crucial role in community life.
   - Salem is known for its dedication to sports, with high-quality facilities like Moyer Sports Complex. for both youth and adult leagues. The Salem Civic Center is a hub for entertainment and sporting events.

4. **Safety and Services:**
   - The City is well-served by its police, fire, and rescue services, which are known for their responsiveness and community involvement. This contributes to a strong sense of security among residents.
   - Salem proudly boasts the nation's second oldest all-volunteer rescue squad.

Salem, Virginia, boasts historic districts, historic areas, and neighborhoods that reflect its rich architectural and cultural heritage:

1. North Broad Street Historic District
Designated as Salem's first residential historic district in 2018, the North Broad Street Historic District showcases the City's economic prosperity from the 1880s to around 1950. This area features substantial homes in various architectural styles, including the notable Evans House. Many side streets bear the names of influential residents from that era. Its proximity to Main Street and Downtown Salem meant early access to infrastructure improvements like paved streets and electricity.

2. Downtown Salem Historic District
The Downtown Salem Historic District encompasses approximately 34 contributing buildings and one site in the City's commercial core. The district includes mixed-use commercial buildings, churches, residences, a courthouse, a post office, a library, a park, and a Farmer's Market. Architectural styles such as Greek Revival, Italianate, and Queen Anne are represented. Noteworthy structures include the Stevens House ("Old Post House"), Kizer-Webber Building, Duval-Oakey House, and the former Salem High School.

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Salem also boasts a variety of historic buildings and sites including:

1. Salem Presbyterian Church
- **Location:** 41 E. Main Street, Salem, VA
- **Built:** 1851
- **Architectural Style:** Greek Revival
- **Significance:** This church is one of the oldest in Salem and has played a significant role in the community's religious life.

2. Salem Museum and Historical Society
- **Location:** 801 E. Main Street, Salem, VA
- **Built:** 1845 (Williamson Road Building)
- **Significance:** Housed in the historic Williams-Brown House, this museum showcases the history of Salem and the surrounding areas.

3. Old Roanoke County Courthouse
- **Location:** 301 E. Main Street, Salem, VA
- **Built:** 1910
- **Architectural Style:** Beaux-Arts
- **Significance:** This courthouse served as the Roanoke County Courthouse until 1985 and is now used for various Roanoke College events.

4. Andrew Lewis School
- **Location:** 616 S. College Avenue, Salem, VA
- **Built:** 1939
- **Architectural Style:** Colonial Revival
- **Significance:** Named after the Revolutionary War hero Andrew Lewis, this building now serves as a middle school.

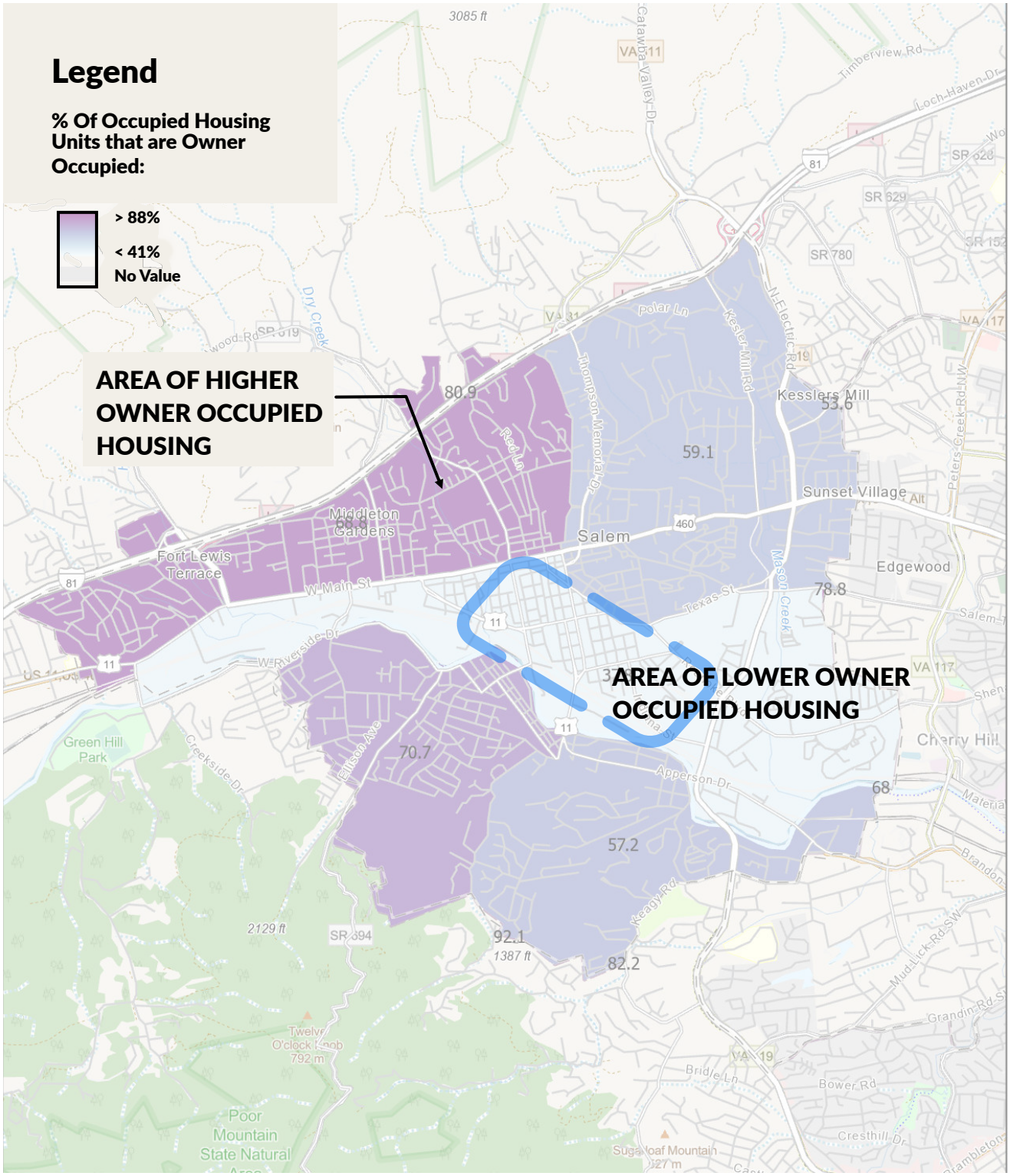
5. Salem High School (Old)
- **Location:** 114 N. Broad Street, Salem, VA
- **Built:** 1912
- **Significance:** The original high school building before the current Salem High School was constructed.

6. East Hill Cemetery
- **Location:** Main Street and Lynchburg Turnpike.
- **Built: 1869**
- **Significance:** Civil War burials, and includes the grave of Andrew Lewis.

7. East Hill North Cemetery
- **Beside the Salem Museum**
- **Built: 1868**
- **Significance:** Purchased to establish an African American burial ground.

8. GW Carver School
- **Location:** #6 Fourth Street
- **Built 1948**
- **Significance: F**rom 1940-1966 served African American students from grade 1-12.

9. Elizabeth College
- **Location:** bounded by Lynchburg Turnpike and Idaho Street, Salem, VA
- **Built:** 1915 (Rebuilt after fire in 1921)
- **Significance:** Originally a Lutheran women's college, the building now serves as part of Roanoke College.



MAP SHOWING GRADATION IN OCCUPIED HOUSING UNITS.
Various studies indicate that owner occupied housing contributes to stable neighborhoods, economic mobility, higher maintenance, and social cohesion, amongst other factors.

DEMOGRAPHIC TRENDS

Since 2000, Salem has experienced only modest population growth of approximately 3%, according to U.S. census reports.

Population Trends

According to City Data, which pulls information from United States Census Report, Salem's population grew by approximately 3.1% between 2000 and 2022, reaching 25,523 residents in 2022. In 2023 the population was recorded at 25,477, and in 2024, the estimated population reached 25,665, indicating a 1.03% increase since the 2020 census.

The City saw its most significant annual population increase between 2004 and 2005, with an addition of 306 people (a 1.25% year-on-year increase). Conversely, according to Neilsburg Research, the largest annual decrease occurred between 2009 and 2010, with a decline of 659 people (a 2.58% year-on-year decrease).

Overall, Salem's population growth has been relatively slow compared to other similarly sized cities in Virginia and the United States. The City's demographic challenges, particularly its aging population and available land, play a crucial role in shaping its population trends.

Household Data

As of the latest available census data, Salem, Virginia, exhibits the following household demographics:

Number of Households

Total households: 11,096.
Average household size: 2.51 persons.

Median Household Income

The median household income in Salem has shown variation over recent years:

- 2023: $66,716.
- 2022: $68,402.
- 2021: $66,472.
- 2020: $63,411.
- 2019: $57,165

(2023 ACS data).

Poverty Rate
As of the most recent data, the poverty rate in Salem, Virginia, stands at approximately 10.9%. This figure is lower than both the national average of 12.4% and the rate in the Roanoke, VA Metro Area, which is 12.2%. This indicates that Salem has a relatively lower percentage of individuals living below the poverty line compared to these broader regions.

Social Vulnerability

The Social Vulnerability Index provided by the CDC assembles composite data into 15 variables defined by the U.S. Census. The index was developed to assist in disaster planning, and when utilized, it can positively impact a community's resiliency.

Socioeconomic Status: Includes poverty levels, unemployment rates, income, and education levels.

Household Composition & Disability: Considers age (e.g., children and elderly), disability status, and single-parent households.

Minority Status & Language: Looks at racial and ethnic minority populations and English proficiency.

Housing Type & Transportation: Analyzes crowded housing, group quarters, vehicle access, and housing costs.

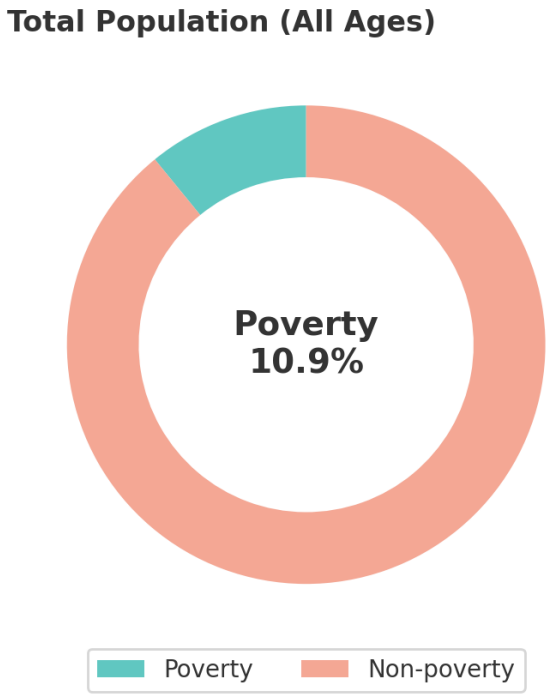
Salem's Overall SVI Score: 0.3248

Possible scores range from 0 (lowest vulnerability) to 1 (highest vulnerability).

A score of 0.3248 indicates a low to medium level of vulnerability.

Sources include: vpap.org, and datavirginia.gov

Poverty in Salem, Virginia, as of 2023.
Approximately 10.9% of the population lives below the poverty line, while 89.1% lives above it.



Age Demographics

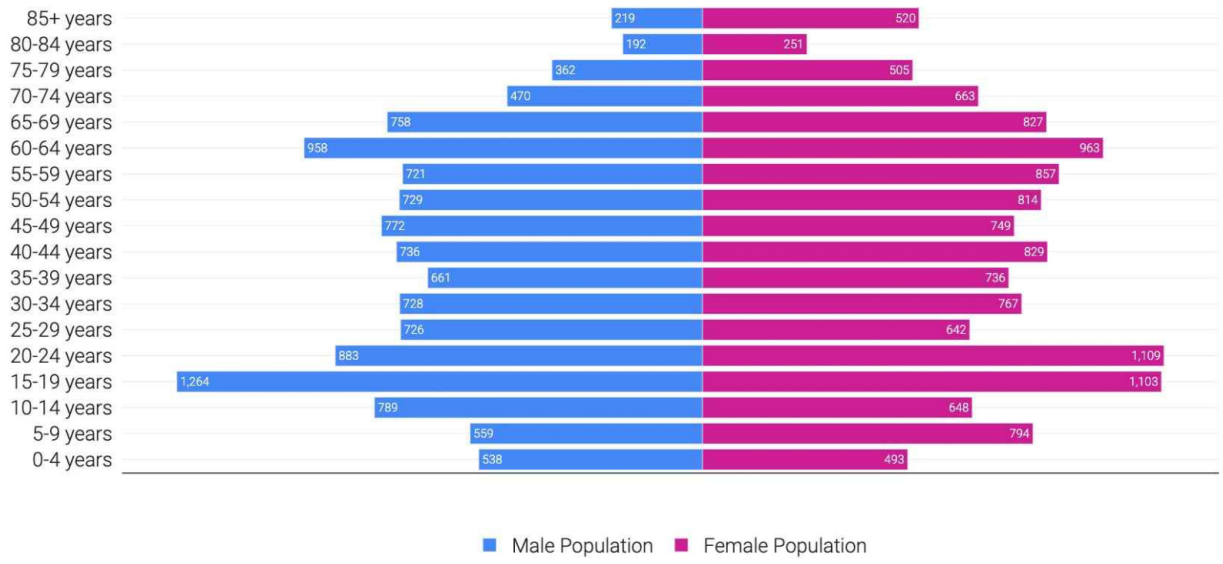
Salem's age demographics suggest a moderately aging population. Key indicators include:

- **Median Age:** The median age in Salem is approximately 40.3 years, slightly higher than Virginia's median age of 38.8 years
- **Age Distribution:** Approximately 19.32% of Salem's population is aged 65 and over, which is higher than the national average of 16.8%.
- **Between 2000 and 2020, Salem, Virginia's median age increased from 39 to 40.3 years,** indicating a slight aging trend over the two decades.

These figures indicate that a significant portion of Salem's population comprises seniors, **with nearly 20% of residents being 65 or older. By contrast, the average within Roanoke City is 18%, the USA is 17% and urban areas are typically 15%.** These statistics indicate that Salem has higher proportion of older residents compared to state and national averages, suggesting a slightly aging population, while a balanced age distribution in the range of 15% is often considered beneficial for a City's economic and social vitality. **This aging trend includes counting the student population of Roanoke College, which contributes approximately 1,800 student aged people, which skews the data toward a younger population estimate than is actual.**

Sources: datausa.org, odphp.health.gov

SALEM POPULATION PYRAMID



Source: U.S. Census Bureau, American Community Survey (ACS) 2017-2021 5-Year Estimates

As of December 2024, Salem's unemployment rate stood at 2.5%, a decrease from 2.9% in December 2023.

Employment

Salem has generally maintained a favorable employment record compared to the state average. Like the rest of the state and nation, however, Salem's employment has been affected by recessions and the Covid 19 pandemic. Notably, during the COVID-19 pandemic, Salem experienced a significant spike in unemployment, reaching 10.6% in April 2020. Prior to the pandemic, in October 1999, the City recorded its lowest unemployment rate at 1.2%.

The average unemployment rate in Salem, Virginia, for the year 2024 was approximately 2.96%. This figure is based on monthly data sourced from the U.S. Bureau of Labor Statistics via the Federal Reserve Bank of St. Louis. Over the same year, Virginia's (statewide) was 2.9% and the United States (national) was 4.0% This rate indicates a strong local labor market, as it is below both the national average and Salem's long-term average unemployment rate of 3.78%.

Affordability / Cost of Living

According to C2ER (the Council for Community and Economic Research), the cost of living in Salem is estimated to be 92.8% of the national average making it an average US City in terms of affordability.

The median household income in Salem is $66,716, which is 17% less than that of the state. The median income for an individual is $35,584, which is 17% less than that of the state.

Sources: fred.stlouisfed.org, tradingeconomics.com

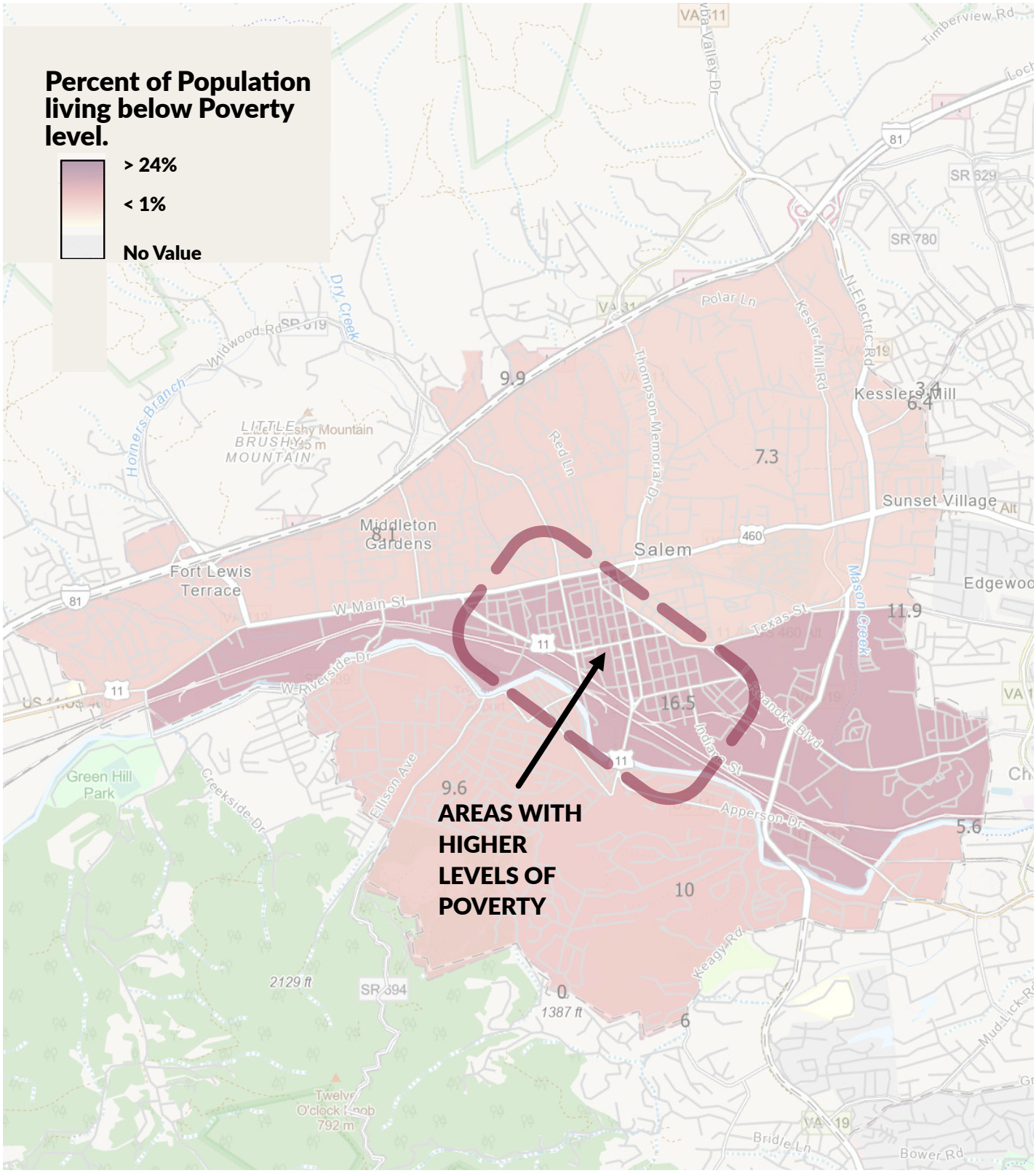
While the City's cost of living is lower than the national average, affordable housing is becoming a concern. A regional housing market analysis highlighted that lower-wage hourly positions exacerbate the need for affordable housing, indicating that many residents struggle to find housing within their financial means.

How much do I need to live in Salem, Virginia

(according to Best Places - bestplaces.net, which calculates cost of living and affordability for cities)

$4,170 / month
For a family, 22.8% less expensive than the national average - a total of $50,040 for the year for a family.

$2,967 / month
For a single person, 37.8% less expensive than the national average - a total of $35,600 for the year for a single person.



AREA OF CITY WITH HIGHER LEVELS OF POVERTY. As shown on other maps, this area of Salem has fewer owner occupied housing units than the rest of the City, which limits the ability to generate wealth and create upward economic movement.

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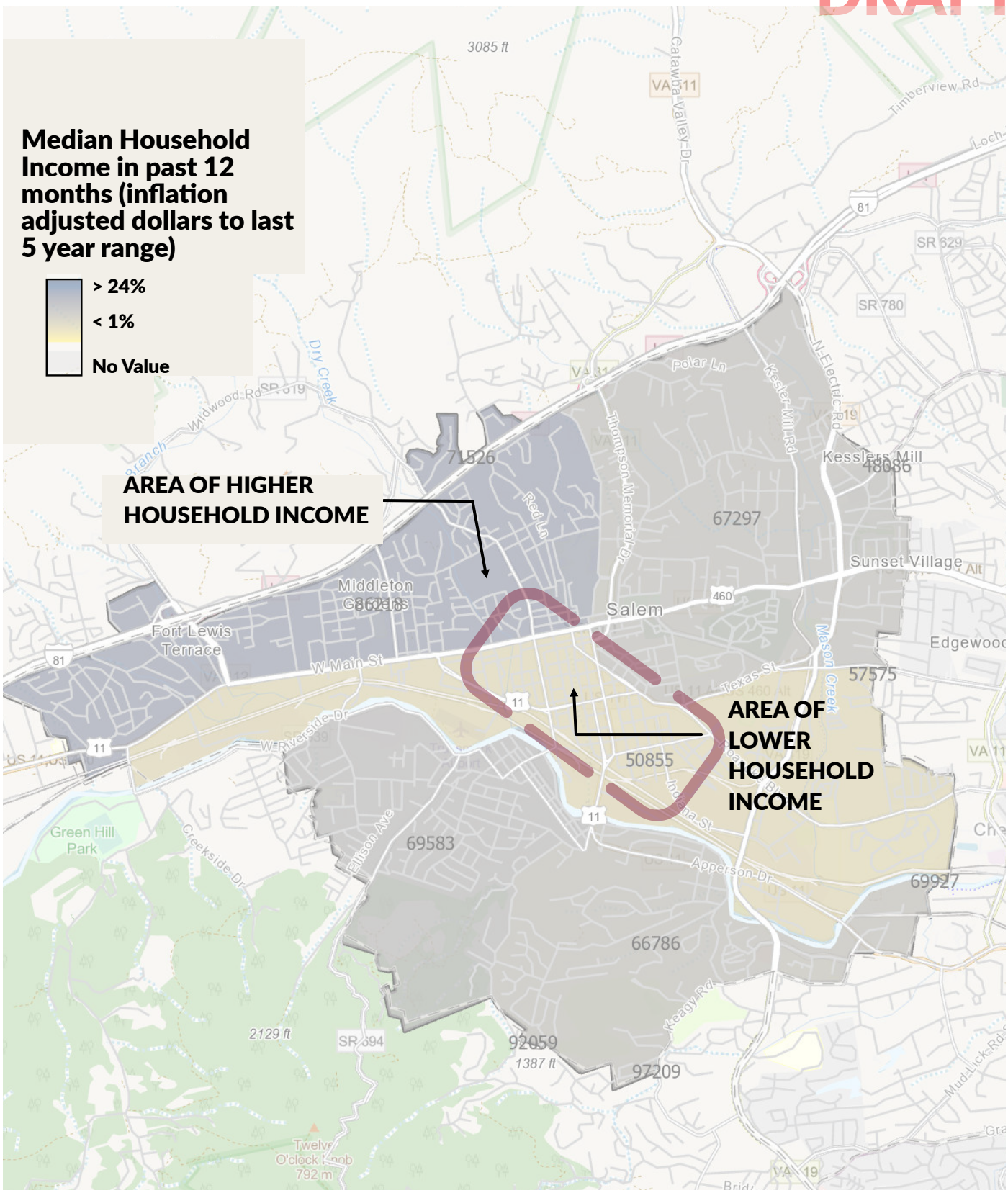

MAP OF CITY SHOWING AREAS OF HIGHER AND LOWER HOUSEHOLD INCOMES

Areas of lower household incomes could indicate areas that need assistance

HOUSING & AFFORDABILITY

While Salem remains relatively affordable, it is not immune to the broader housing affordability challenges seen across Virginia and the U.S. Rising construction costs, limited land availability and land cost, permitting hurdles, and a shortage of subsidized housing options make it increasingly difficult to provide affordable homes for middle- and lower-income groups. Salem's home prices and rents are beginning to outpace wages and wage growth, while aging housing, the slow process of new development, and an older population staying in place further impact the housing market.

Homeownership and Rental Market

- **Homeownership:** Approximately 63% of homes in Salem are owner-occupied.
- **Rental Market:** Renters make up about 37% of the population. The rental market includes a range of options from single-family homes to apartments. Rental vacancy rates are relatively low at around 5.4%.

Rental Prices

Rental prices in Salem range widely based on the size and type of the unit:

- Studio: ~$1086 - $1,659
- One-bedroom: ~ $1,058 - $1,133
- Two-bedroom: ~ $1,237 - $1,368
- Three-bedroom: ~$1,434 - $1,798

Median Home Price in Salem, VA:

The median sale price for residential in 2023 was $265,000. In 2024, that number rose to $276,000, and in 2025 (as of November 24) the figure increased to $289,950. That noticeable increase in median sale price mirrors regional and national trends of the rising costs associated with the housing market.

Income Needed to Afford a Median-Priced Home in Salem:

A common affordability metric suggests that housing expenses should not exceed 30% of a household's gross monthly income.

Utilizing 2023 data (as median income levels have not yet been released for post-2023 years) and assuming a 20% down payment with a 30-year fixed mortgage at an interest rate of 6.8%, the estimated annual household income required to afford a $265,000 home is approximately $64,880 – slightly less than the median income level of the City at approximately $66,700.

It is important to note that according to a variety of sources, including the United States Department of the Treasury, the delta between wages and housing costs has widened in recent years. Comparing assumed relatively stagnant wages to verified elevated residential costs, housing expenses continue to apply significant pressure to many families throughout the City. Moreover, the fact that other basic necessities such as utilities, car payments, and groceries have also gotten more expensive in recent times adds to the challenges associated with comfortable housing costs and/or home ownership.

ECONOMIC RESOURCES

Salem, Virginia, has a diverse economy with various income and job sectors. Key sectors include:

1. **Healthcare and Social Assistance**: This sector is a major employer in Salem, with facilities like the **LewisGale Medical Center** and the **VA Medical Center** providing numerous jobs.
2. **Education**: Salem is home to several educational institutions, including **Roanoke College and Salem City Schools,** which contributes significantly to employment in the area.
3. **Manufacturing**: There are several manufacturing companies, such as **Yokohama Tire and Integer,** in and around Salem, offering jobs in production, engineering, and related fields.
4. **Retail**: Retail businesses are prominent and include Walmart, Lowes, and Kroger, providing a range of job opportunities from sales to management positions. There are also many small businesses that add diversity.
5. **Public Administration**: Local government and public services also play a crucial role in the job market in Salem.
6. **Accommodation and Food Services**: This sector includes jobs in hotels, restaurants, and other food service establishments.
7. **Professional and Technical Services**: This sector includes various professional jobs, such as legal, accounting, engineering, and consulting services with companies such as **CMIT Solutions.**

Economic Development

Economic development in Salem, Virginia is managed through dedicated departments and authorities that collaborate to promote business growth, attract new industries, and enhance the overall economic landscape of the region.

- **Department of Economic Development:** Salem's Economic Development office is situated in City Hall at 114 N Broad Street. This department focuses on supporting local businesses, attracting new enterprises, and fostering a

conducive environment for economic growth.

- **Economic Development Authority (EDA):** Established in 2017, the EDA comprises seven members who work closely with the Department of Economic Development. The authority is empowered to acquire, lease, and manage properties to promote industrial and commercial development within the City. Meetings are held monthly at City Hall.

Salem is a member of the Roanoke Valley-Alleghany Regional Commission, which fosters regional cooperation and provides support in areas like transportation planning, environmental planning, and economic development.

MAJOR EMPLOYERS

VA Medical Center: 2,000 - 2,499
Lewis-Gale Hospital: 1,000 - 1,499
Yokohama Industries: 500 - 999
Lewis-Gale Physicians: 500 - 999
City of Salem Schools: 500 - 999

POTENTIAL CHALLENGES:

Like many communities, Salem faces several economic challenges that impact its growth and stability. Here are some key issues:

1. **Dependence on Healthcare and Manufacturing**
2. **Aging population and talent leaving for other locations**
3. **Retail and small business struggles**
4. **Revenue and budget constraints**
5. **Competition from Roanoke and nearby areas**
6. **Limited housing diversity**
7. **Growing housing affordability issues**
8. **Workforce development and workforce fit with new industries**
9. **Limited community desire to accommodate growth of housing and population**
10. **Limited land upon which to accommodate growth**

Sources included articles from cardinalnews.com, pubs.ext.vt.edu

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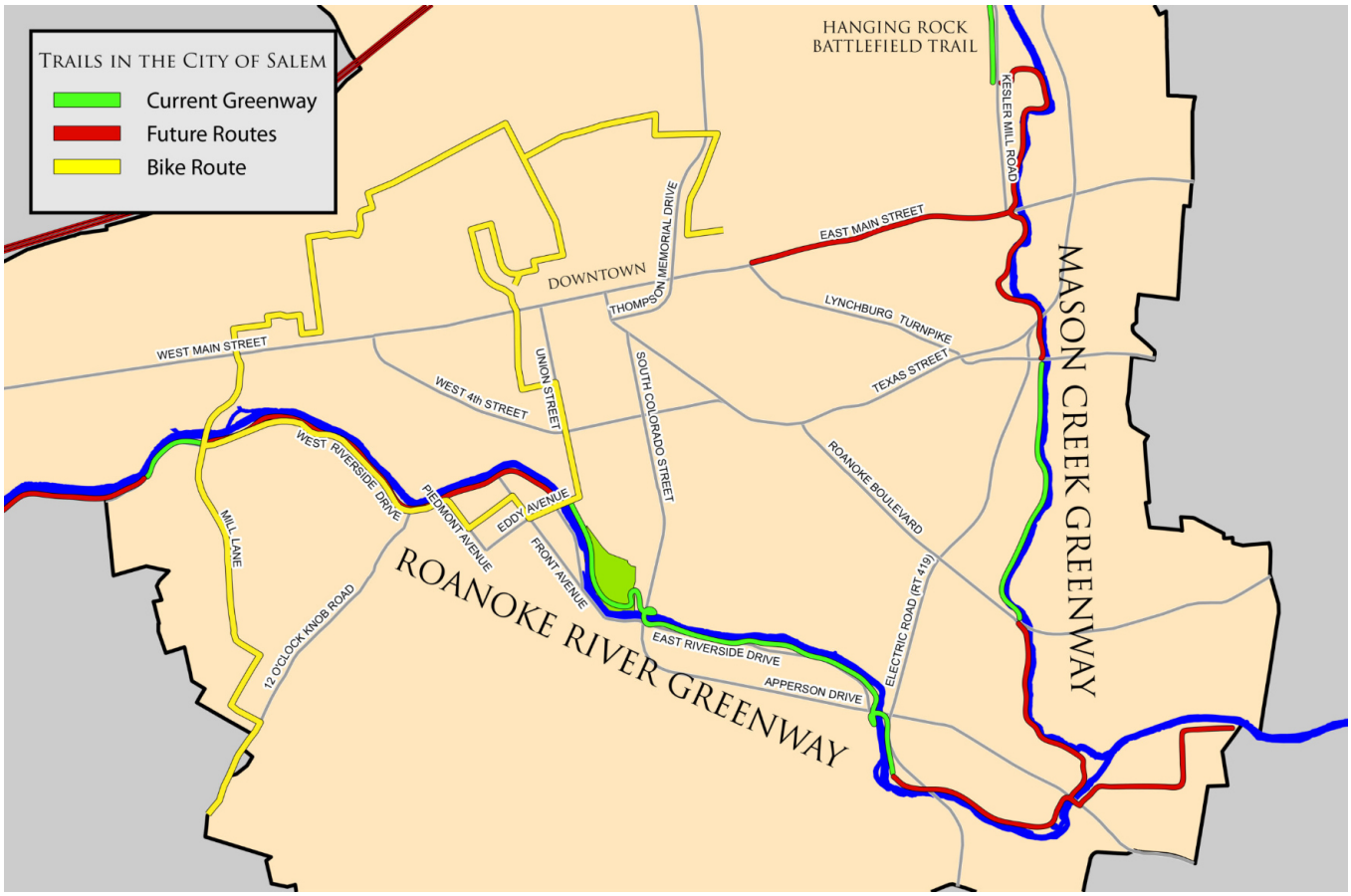

SALEM TRAILS AND GREENWAYS

The Roanoke River Greenway and the Mason Creek Greenway are major investments and assets for Salem to capitalize on.

TRANSPORTATION

Salem's long-range transportation plan is part of a broader regional effort coordinated by the Roanoke Valley Alleghany Regional Commission (RVARC).

The RVARC handles transportation planning for the region, including Salem, and develops various plans and studies to address transportation needs.

The statewide transportation plan, VTrans, also influences Salem's planning. VTrans outlines Virginia's long-term transportation vision, focusing on improving safety, accessibility, and mobility while supporting economic growth.

Connectivity

Salem is organized on an urban grid system of streets, which provides high levels of connectivity for cars, bikes, and walkers. A bike network plan has been discussed to create bike lanes and shared streets to link community assets. Sidewalks exist on many streets but do not represent a complete system.

Several major roadways pass through Salem, creating issues for pedestrian crossings, cycle safety, and traffic congestion. Additionally, Salem's major roadways carry burdens when I-81 is closed or limited. Salem generally experiences moderate traffic congestion, especially during peak hours. Key areas of congestion typically include:

1. **Main Thoroughfares**: West Main Street, East Main Street, and Electric Road (Route 419) often see higher traffic volumes.
2. **Interstate Access**: The intersections near I-81, particularly exits 137 and 140, can be congested during rush hours.
3. **Commercial Areas**: Areas around the Salem Civic Center, Roanoke College, and large retail centers may experience congestion, particularly during events or weekends.

WALK SCORE

Walk Scores are provided by walkscore.com. These scores summarize the walkability and public transit options. Salem's walk score varies across the City, with downtown being very walkable at a score of 83, but an overall average of 27, which means it is a car dependent city.

MAJOR STREETS

East Main Street

East Main Street connects Salem with Roanoke City It is an important gateway into the City. As such it must accommodate not only automotive traffic, but the safe and efficient use by transit, cyclists, and pedestrians, along the entire corridor within the City.

A long stretch of the roadway as it leaves downtown, from Thompson Memorial Drive to Brand Avenue, has been improved with streetscape elements, bus stops, decorative lighting, bike lanes, and sidewalks.

Development along the corridor includes Longwood Park, Oakey Field Complex, automobile dealerships, and smaller commercial users. Topography confines the corridor, making expansive changes to land use difficult. A wide continuous center turn lane does provide an opportunity for select interventions aimed at improving the character and safety of the roadway, such as median pockets for landscape and pedestrian refuge.

From Brand Avenue to Parkdale Drive, East Main Street narrows in cross section to two wide lanes that service smaller commercial users of various types. No sidewalks, bike lanes, or streetscape elements exist on this portion of the roadway. A few potential redevelopment sites are located along the roadway, including one adjacent to the Sherwood Memorial Park.

From Parkdale Drive to Electric Road, the roadway widens back to included a continuous center turn lane, servicing large commercial users such as automobile dealerships. Streetscape elements such as bike/ped infrastructure and gateway landscape plantings, are absent.

From Electric Road to East City limits, two travel lanes each direction at 12 feet each, with a continuous intermittent turn median. A non-contiguous sidewalk exists along the edge of the roadway on both sides. Walkers are not buffered from moving cars. Crosswalks occur at several major intersections but not all of them.

Current Average Daily Trips (ADT)*: The highest ADT is between Kessler Mill Road and Electric Road at 13,000 ADT.

West Main Street

West Main Street, west of Downtown serves as the gateway into Salem from the west. The street section consists of two 2 lanes of travel in each direction and a continuous center turn lane with similar dimensions.

West Main Street functions as a relief route for drivers during congestion events on I-81. It is most traveled during early morning and late afternoon.

***Average Daily Trips (ADT) is the average number of vehicle trips generated to and from a location or roadway segment per day, typically calculated over a 24-hour period.**

The width of the corridor ROW in places makes it difficult to consider continuous and adequate bike and pedestrian infrastructure. Sidewalks do exist, but are narrow and located directly along the roadway. Additionally, utility poles run alongside the road, making it difficult to widen sidewalks. Crosswalks are infrequent, which makes crossing the road safely a challenge.

West Main Street has limited near term redevelopment potential along most of its corridor. Larger commercial sites as well as pad retail and food sites dominate development between 4th Street and Diuguids Lane. Further to the west to the City Boundary the corridor becomes more rural in character.

Current ADT: The highest ADT is between Wildwood Road and 4th Street at 23,000 ADT.

See Revisioning West Main Street: Creating a Multimodal Corridor in Salem, Virginia, April 2024, School of Public and International Affairs, Virginia Tech.

Apperson Drive / Lee Highway / Colorado Street (Apperson Corridor)

The Apperson Corridor stretches from East City Limits to Colorado Street. It is a wide roadway with a continuous center turn lane that serves as a gateway into the City from the southeast, traveling through commercial and residential areas.

The Corridor currently does not include pedestrian and bicycle infrastructure, however the current ADT suggests all or portions of it could be redesigned to add on street parking, planted center medians, and/or bike/ped infrastructure.

This roadway can play a larger role within the City, as a gateway. The provision of cycle infrastructure to leverage the nearby Roanoke Greenway would serve to link River Road and Downtown.

Current ADT: Varies along its length from 13,000 to 20,000

Wildwood Road:

Wildwood Road is a short segment of road that connects I-81 and northern parts of the city, to West Main Street, west of Downtown. The existing ROW has no sidewalks, cycle infrastructure, and limited landscape elements. The Section includes 2 lanes of travel each way, with center turn pockets at intersections and a central median servicing pad retail sites and lodging. Wildwood Road should serve as another Gateway into Salem, but currently lacks any of the defining elements that would establish it as such. Current ADT counts suggest it is oversized for the capacity it handles. Wildwood Road is an excellent candidate for redesign to include narrower travel lanes, cycle and ped infrastructure, and streetscape improvements.

Current ADT: 19,000 ADT

Thompson Memorial Drive

Similar to Wildwood Road, Thompson Memorial Drive connects Salem to I-81 east of Downtown. It has two travel lanes each direction, with a planted median and turn pockets at intersections and major curb cuts. The ROW does include sidewalks placed separate from the curb, but still close to the travel lanes. Thompson Memorial Drive provides access to residential areas as well as Roanoke College along a tree canopied corridor. Similar to Wildwood, the section is oversized based on Average Daily Trips. A redesign to take advantage of the existing tree canopy would reinforce and establish a green gateway into Salem. The redesign would include additional landscape, gateway signage, and a reduction in travel lanes and/or lane widths

Current ADT: 12,000 ADT

4th Street

4th Street connects Roanoke Boulevard to West Main Street and serves truck traffic that would otherwise use Main Street from Thompson Memorial Drive to Lake Spring Park. The section consists of two lanes in each direction with a concrete median down in the center. Sidewalks are present on each side that are separated from the back of curb. Portions support street trees. There is no bicycle infrastructure.

4th Street services commercial developments of various types and several sites exist along it that over time could be developed to support the shopping needs of nearby neighborhoods. A well designed streetscape plan and future zoning changes would help to transform 4th Street into an urban corridor, encouraging neighborhood based business, and pedestrian access.

Current ADT: 17,000 ADT (varies)

Main Street Downtown

Main Street Downtown has been upgraded with streetscape, enhanced crosswalks, plantings, and parking. It provides an urbanizing and pedestrian friendly zone within the retail area of downtown.

Current ADT:13,000 ADT

Public Transportation

The primary public transportation option in Salem is the Valley Metro bus service. Valley Metro operates several bus routes within Salem, Virginia, primarily serving major streets such as Main Street, Apperson Drive, and Electric Road (Route 419).

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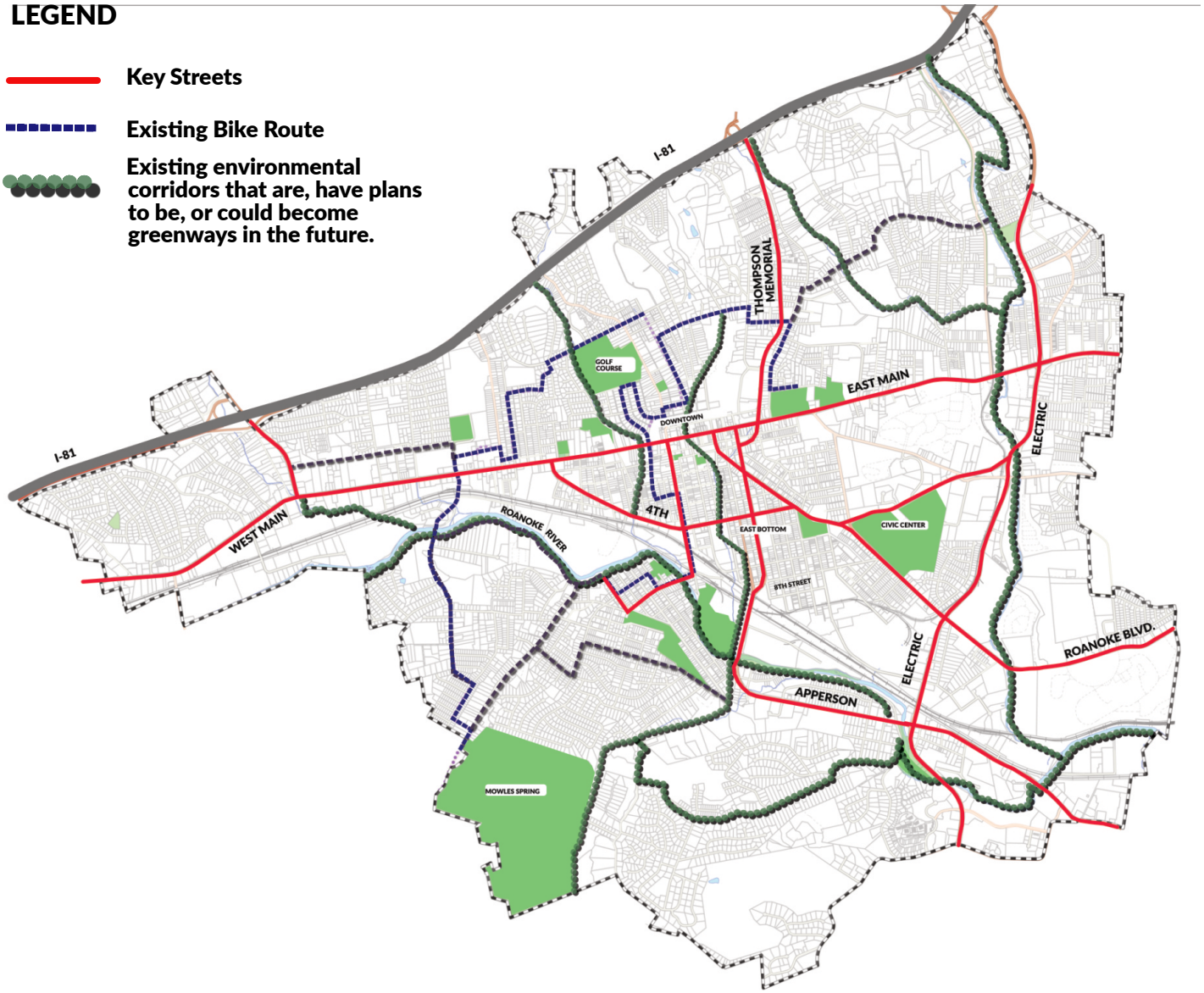

KEY STREETS, TRAILS AND GREENWAYS

These corridors provide broad connectivity across Salem and can be improved and added to over time to support multi-modal connectivity.

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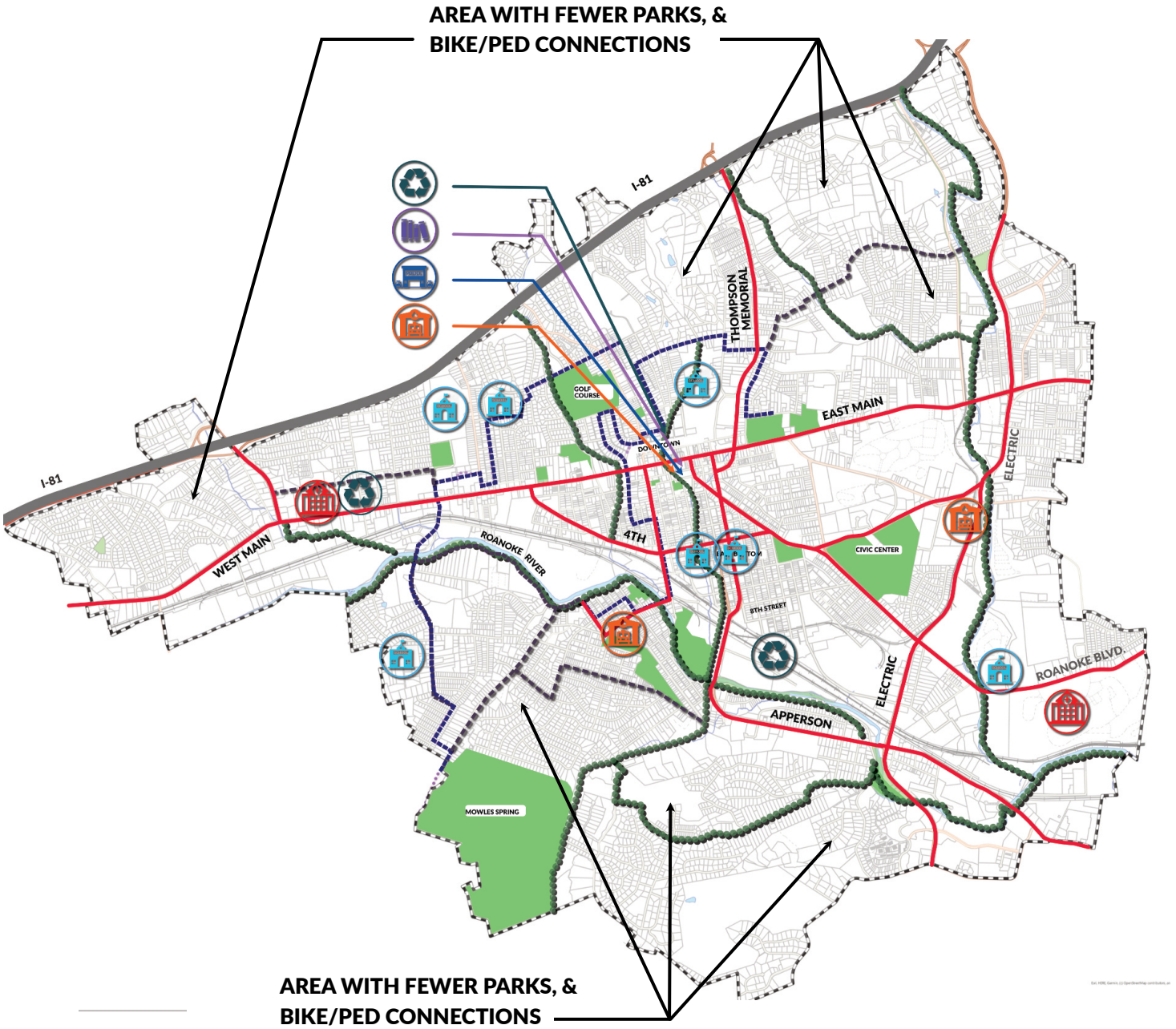

SALEM COMMUNITY SERVICES

As the diagram indicates, Salem is well served with community services. There is a need for parks, however, in portions of the city that neighborhood residents can walk to easily, especially in the north east portion and southwest portion of Salem.

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COMMUNITY SERVICES

Public Utilities

Storm Water Management

The City of Salem (Salem) operates a Stormwater Management Program in compliance with the Virginia General Permit for Discharges of Stormwater from Small Municipal Separate Storm Sewer Systems (MS4 General Permit).

The City of Salem (City) Program Plan when implemented constitutes compliance with the standard of reducing pollutants to the maximum extent practicable (MEP) of the VAR04 General Virginia Pollutant Discharge Elimination System (VPDES) Permit for Discharges of Stormwater from Small Municipal Minimum Control Measures.

The General Permit requires the Program Plan to include Best Management Practices (BMP) to address the requirements of six minimum control measures (MCMs) described in Part I.E of the General Permit. The MCMs are summarized as:

- MCM 1: Public Education and Outreach on Stormwater Impacts
- MCM 2: Public Involvement and Participation
- MCM 3: Illicit Discharge Detection and Elimination
- MCM 4: Construction Site Stormwater Runoff Control
- MCM 5: Post-construction Stormwater Management
- MCM 6: Pollution Prevention/Good Housekeeping for Operations

By integrating these elements, Salem, Virginia, aims to effectively manage stormwater, reduce flooding, protect water quality, and enhance the resilience of its infrastructure.

Water / Sewer

The City of Salem Water and Sewer Department's mission is to provide a high level of customer satisfaction by providing reliable, high-quality water and sewer service in an efficient, cost-effective, and environmentally sensitive manner.

The City of Salem owns and operates a 10 Million Gallon per Day water treatment plant and approximately 175 miles of water distribution pipe, providing service to approximately 9,500 customers. The City's

main source of water is the Roanoke River. However, it also draws from multiple groundwater sources. This water is treated and distributed to several water storage tanks in and around the City. The commitment to Salem of the Water Department is to provide a continual source of high-quality drinking water to local residents, businesses and industries.

The City of Salem owns and operates approximately 200 miles of sewer pipe, providing service to approximately 9,400 customers. In partnership with the Western Virginia Water Authority (WVWA), the City's wastewater is sent to the Roanoke Regional Water Pollution Control Plant (RRWPCP). The WVWA operates the RRWPCP. For more information concerning how wastewater is treated, please visit Western Virginia Water Authority (WVWA).

Like many municipalities nationwide, the City is currently under a Department of Environmental Quality (DEQ) Consent Order and is in the process of working to repair or replace much of its aging wastewater system.

Transportation

The City's Engineering staff works closely with VDOT and RVARC to identify transportation needs and anticipates areas of development with the intent to ensure that there is adequate capacity, connectivity, and level of service for pedestrian, bicycle and vehicular traffic.

Streets and General Maintenance

The City of Salem Street and General Maintenance Department provides services to improve the quality of life for citizens and the community. It is responsible for professionally maintaining and improving landscaped areas, various municipal facilities, schools along with their grounds, the City's motor vehicle fleet, refuse collection, public streets, sidewalks, storm drains, street signs, and pavement markings.

Electric

The City of Salem owns and operates its own electricity distribution system. The Electric Department was established in 1892. It purchases energy wholesale from American Electric Power (AEP). Salem also receives a small portion of its energy from an allocation of federal hydropower from the U.S. Army Corps of Engineers Philpott Hydro Project through the Southeastern Power Administration. Blue Ridge Power Agency assists the City with securing and administering its wholesale power supply arrangements. Approximately 13,300 electric customers are served by the City.

The Electric Department presently operates and maintains 11 substations and one transmission switching station. The transmission system consists of a network of approximately 20 miles of lines that tie the

substations together and to the four tie points with the AEP system. The distribution system originates at the 11 substations and consists of about 160 miles of overhead and 30 miles of underground distribution. The department also furnishes streetlights and dusk-to-dawn lights and maintains traffic signals at 37 intersections in the City.

The Electric Department is an active member of the Municipal Electric Power Association of Virginia, Blue Ridge Power Agency, and the American Public Power Association. Through these agencies, the Electric Department has been actively participating in both Federal and State deregulation efforts.

Planning and Zoning

The Planning and Zoning Division is responsible for all planning efforts within the City of Salem, such as the Downtown Plan and the Comprehensive Plan. The division is also responsible for ensuring public input and participation in the planning process.The division also manages the activities of the Planning Commission and handles applications for rezoning, Special Exception Permits (SEP), and other matters requiring the review of the Commission. It is also responsible for the approval and issuance of zoning permits, sign permits, and the enforcement of zoning related matters.

Citizen Services / Resources

Police

The Salem Police Department provides law enforcement services to the city of Salem, Virginia. They are responsible for maintaining public safety, enforcing laws, and providing various community programs. The department typically includes several divisions such as patrol, investigations, and special operations. They often engage in community policing efforts to build strong relationships with residents.
Salem Staffing: 2.63 officers per 1,000 population.

Fire & EMS

The Salem Fire-EMS Department provides fire suppression, emergency medical services, rescue operations, and fire prevention education. The department is equipped to handle various emergencies and disasters, ensuring the safety and well-being of Salem's residents and visitors. Both departments play a critical role in the community, offering various programs and services beyond their emergency response duties, including community education, safety training, and public outreach.
Salem Staffing: 2.95 full time, .98 Part time, 3.93 total per 1,000 population.

Network Connectivity

The average Salem home can get up to 4,988 Mbps on their fiber internet plan. The fastest fiber download speed in the City is 5,000

Mbps, which 69.13% of residents can get. Some homes and apartments do not have access to these speeds. On the slower end, for example, less than 1% of homes can only purchase plans up to 940 Mbps. The City of Salem WIFI network is publically available in central parts of the City.

Fiber internet speeds tend to be faster in the northeast parts of Salem, and slower in the northwest areas of the City.

- Fiber is the fastest internet type for 69.24% of Salem homes.
- Cable is fastest for 28.82% of the City.
- DSL is fastest for less than 1%.
- Fixed wireless is fastest for less than 1%.
- Satellite internet may be the only option for 1.75% of Salem homes.

Several broadband providers offer a range of internet services:

1. **Xfinity**: Another major cable provider, Xfinity offers speeds up to 1200 Mbps and is available to around 82% of Salem residents. They also provide an Affordable Connectivity Program for eligible customers .
2. **Lumos Networks**: Specializes in DSL internet, though their coverage in Salem is limited, reaching about 16% of homes. They are expanding their network, so availability might increase in the future .
3. **HughesNet**: Offers satellite internet services, covering nearly 99% of Salem. This is a good option for those in rural areas where other forms of internet might not be available .
4. **T-Mobile Home Internet**: Provides home internet with speeds up to 245 Mbps, available to about 79% of Salem residents. They have promotional offers, including a prepaid Mastercard for new customers .
5. **Glo Fiber:** Glo Fiber, operated by Shentel, offers high-speed fiber-optic internet services in Salem, providing symmetrical speeds up to 2 Gbps. Their offerings include internet, TV, and phone services for both residential and business customers.
6. **B2X Online:** B2X Online is a locally owned provider based in Salem, specializing in fixed wireless broadband services. They serve residential and business customers in Southwest and Central Virginia, particularly in areas where wired connections are limited.

Education

Salem, Virginia, has its own independent school system known as the Salem City School Division. Its mission is to create an atmosphere where children become competent learners, creative thinkers, and responsible, involved citizens.
The Salem City School Division is governed by a School Board, which is responsible for policy-making and ensuring the smooth operation of the schools. Specifically, the Salem City School Board:

- Provides the necessary trained and dedicated leadership, qualified personnel, equipment and materials to assure an appropriate education for every student;
- Treats all members of the school community equitably with the highest degree of respect;
- Demonstrates good stewardship of resources through fair and efficient allocation.

The Division's central office oversees the implementation of policies and supports the schools in delivering quality education.

Parks and Recreation

The Department of Parks and Recreation provides the citizens of Salem with year-round programs and activities, which are geared for all ages. Programs are operated with a full-time staff of 22 and a number of part-time staff such as field maintenance workers, instructors, game officials, summer special event workers, summer interns, sports clinic leaders, and volunteer coaches. The mission is to make a positive difference in the lives of citizens through professionally managed recreation programs, tournaments, and special events that foster economic impact, promote healthy lifestyles, social interaction, and civic pride among participants.

Virginia's Championship City

Salem has a proud history of showcasing carious NCAA collegiate events. Through May 2025, the City has hosted 108 National Championships.

Senior Center

The Salem Senior Center program began in 1972 under the Salem Department of Parks and Recreation, led by Jerry Gwaltney, with Gertrude Harris overseeing senior programming. Initially based at 620 Florida Street, the program received federal and City of Salem funding. By 1976, the City fully supported it. In 1974, the Center moved into its current home at 110 Union Street, with an addition built in 1979. Since then, the Center has remained a welcoming space for all seniors.

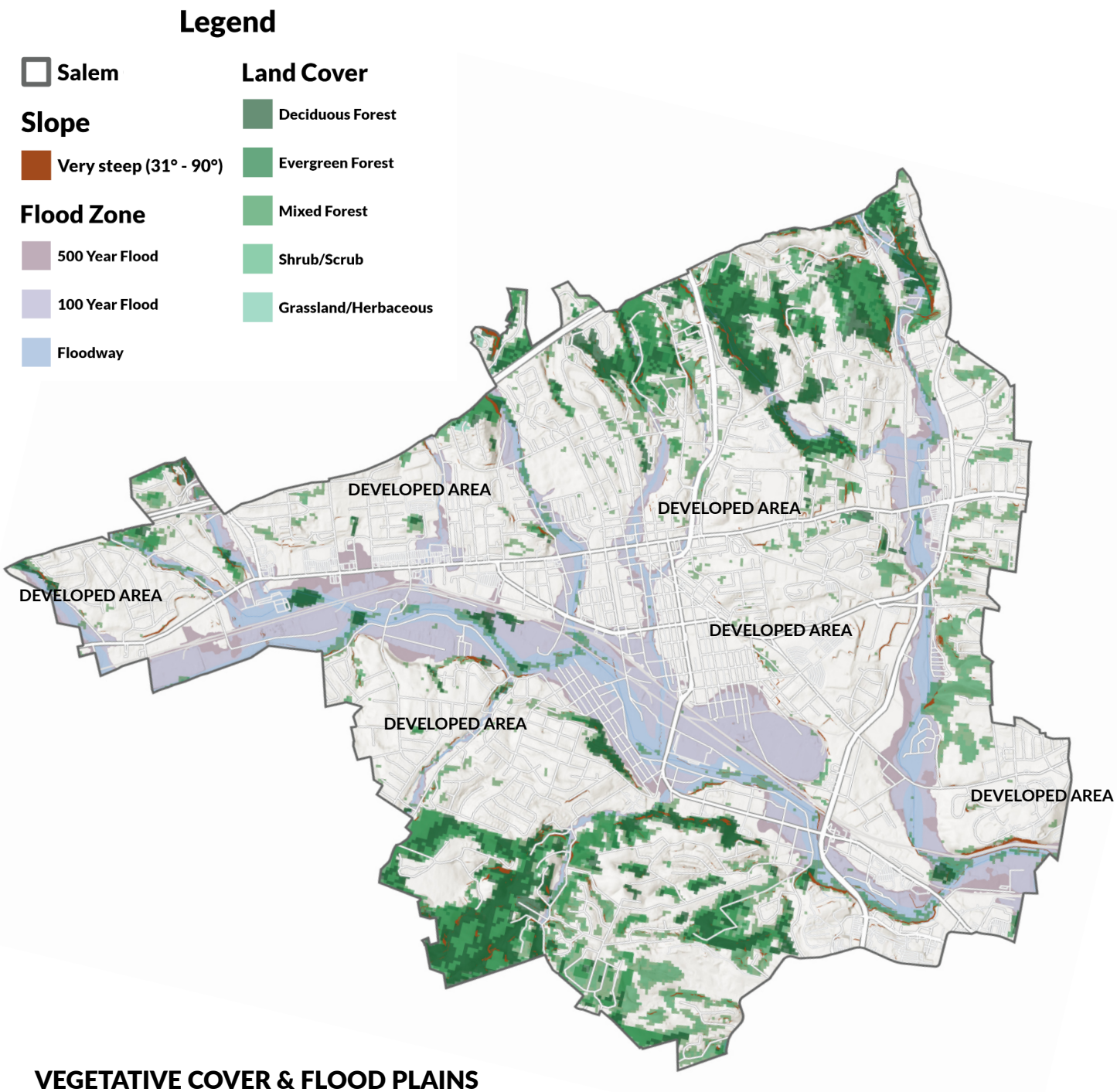
Library

Within the 16,000-square-foot building thousands of items are available for circulation, including books, audiobooks, DVDs, and more. There are 12 public computers available for free use. Technology also includes the free use of a scanner; documents can be scanned to a USB, sent as an email, or printed (per-page fee).
The library acts as a hub for downtown activity, with free wireless available throughout the building and grounds.

Recycling Center

Salem Citizens have three recycling drop-off centers in the City. One is located in east Salem at 1271 Indiana Street just across from the Street and General Maintenance Department near the Dog Park. The second one is in the west end of the Walmart parking lot on West Main Street. The remaining collection site is centrally located at 114 N Broad Street, in the parking lot behind City Hall near Roanoke College.

DRAFT



VEGETATIVE COVER & FLOOD PLAINS

As the diagram indicates, there is very little natural areas left within Salem. Protection and promotion of tree cover, protection of flood plains, and protection / regeneration of stream corridors would enable higher levels of biodiversity.

NATURAL RESOURCES

Salem is mostly developed, with some remaining vacant and unbuildable land. The City's rolling terrain has many creeks and streams, which feed into the Roanoke River. Together, this system of watercourses and accompanying riverine flood plains define a contiguous natural open space network that supports bio-diverse vegetation and habitat.

Creeks, Streams, and Rivers

The Roanoke River cuts through the City and represents an important natural resource for habitat and recreation. It is a significant river stretching from the eastern edge of the Blue Ridge Mountains in Montgomery County VA, southeast across to the Albemarle Sound in the Coastal Plain of North Carolina. Within the City of Salem, the City of Roanoke, Roanoke County, and the Town of Vinton, the Roanoke Greenway, currently under construction, will provide access to the River, increasing recreational opportunities for the four communities and showcasing the region's natural setting.

Connecting to the Roanoke River are several streams and creeks and their vegetated buffers. These drain upland areas and feed water into the river. This secondary natural system offers opportunities to connect and integrate the Roanoke Greenway directly into the City.

According to The Roanoke River Blueway Committee, a coalition of local governments and agencies dedicated to the stewardship and promotion of the Blueway, "the Roanoke River is home to a range of fauna, including the Roanoke logperch (Percina rex), a federally and state-endangered species native to the Roanoke River. The largest populations inhabit the upper Roanoke River from the City of Roanoke into the lower reaches of its main tributaries. The Upper Roanoke River watershed is also home to numerous species of birds and waterfowl, wildlife, and game fish.

Many contributing streams have been buried or altered by urban development. Restoring and daylighting these waterways should be considered to support natural water management.

DRAFT

Flood Plain and Flood Way

Supporting the river, stream, and creek system are riverine floodplains. These areas have generally been open for development. With development into the floodplain and an increase in major storm events, low-lying land is subject to increased flooding potential from upland properties.

Duck Pond at Lake Spring Park

Lake Spring Park, located at 700 West Main Street in Salem, Virginia, is a cherished urban green space offering a blend of natural beauty and historical significance. Originally the Lake Spring Hotel in the 1800s, the parks history is deeply intertwined with the City's growth and development, playing a significant role in Salem's recreational and cultural landscape. Spanning over three acres, the park features two tranquil ponds inhabited by ducks and geese, making it a popular spot for families and photographers alike. Children under 12 can enjoy fishing in the ponds, except during the Ernest "Pig" Robertson Fishing Rodeo held in May.

Vegetative Cover

Most of Salem is developed into residential, commercial, industrial, and institutional uses. Site landscaping over time has created a tree canopy in many areas. Native vegetation within the buffers of rivers, streams, and creeks also provides a natural habitat system that connects across the City. However, these systems have been impacted by non-native or invasive species, which impacts the health of the native vegetation and the biodiversity of the system.

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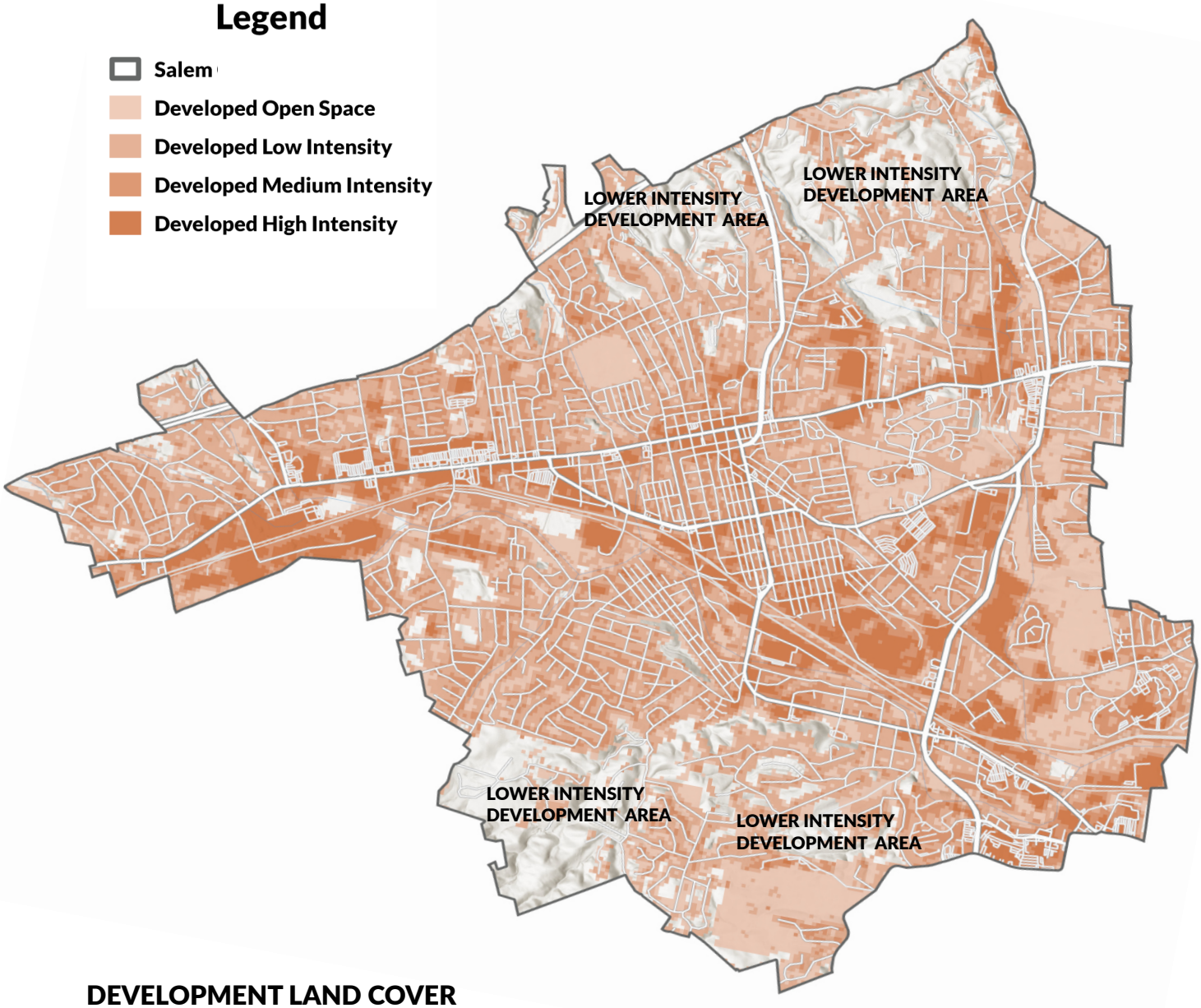
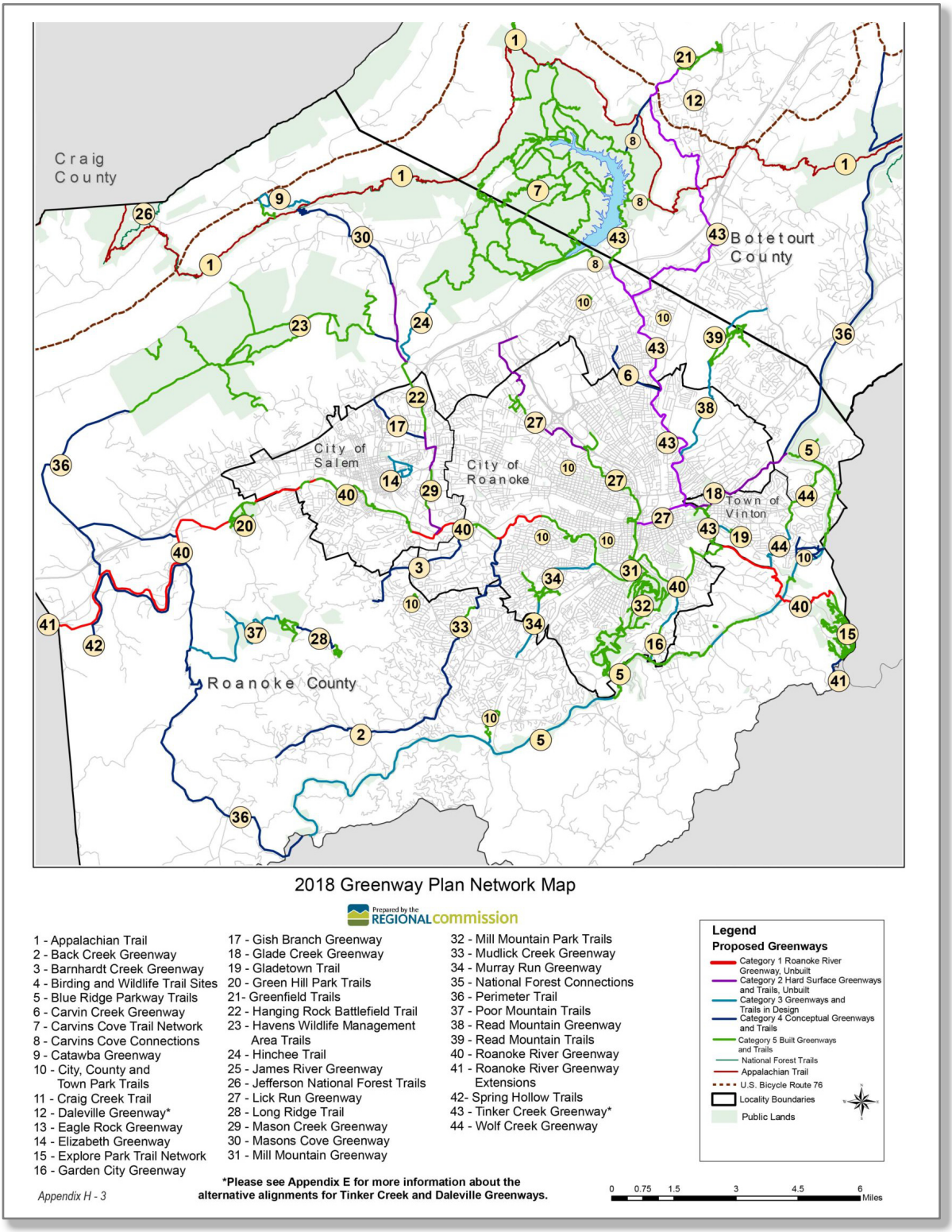


DEVELOPMENT LAND COVER

As the diagram indicates, there is very little undeveloped land in Salem that can accommodate growth. Infill and redevelopment of previously developed areas is required.



2018 Greenway Plan Network Map

Prepared by the REGIONAL commission

1 - Appalachian Trail
2 - Back Creek Greenway
3 - Barnhardt Creek Greenway
4 - Birding and Wildlife Trail Sites
5 - Blue Ridge Parkway Trails
6 - Carvin Creek Greenway
7 - Carvins Cove Trail Network
8 - Carvins Cove Connections
9 - Catawba Greenway
10 - City, County and Town Park Trails
11 - Craig Creek Trail
12 - Daleville Greenway*
13 - Eagle Rock Greenway
14 - Elizabeth Greenway
15 - Explore Park Trail Network
16 - Garden City Greenway
17 - Gish Branch Greenway
18 - Glade Creek Greenway
19 - Gladetown Trail
20 - Green Hill Park Trails
21- Greenfield Trails
22 - Hanging Rock Battlefield Trail
23 - Havens Wildlife Management Area Trails
24 - Hinchee Trail
25 - James River Greenway
26 - Jefferson National Forest Trails
27 - Lick Run Greenway
28 - Long Ridge Trail
29 - Mason Creek Greenway
30 - Masons Cove Greenway
31 - Mill Mountain Greenway
32 - Mill Mountain Park Trails
33 - Mudlick Creek Greenway
34 - Murray Run Greenway
35 - National Forest Connections
36 - Perimeter Trail
37 - Poor Mountain Trails
38 - Read Mountain Greenway
39 - Read Mountain Trails
40 - Roanoke River Greenway
41 - Roanoke River Greenway Extensions
42- Spring Hollow Trails
43 - Tinker Creek Greenway*
44 - Wolf Creek Greenway

*Please see Appendix E for more information about the alternative alignments for Tinker Creek and Daleville Greenways.

Appendix H - 3

REGIONAL GREENWAY TRAIL NETWORKS

Working regionally to maximize greenway connectivity will create economic, social, and health benefits. Salem can become a hub of trails within the region and brand itself as a "trail town".

REGIONAL RESOURCES

The Roanoke Valley influences Salem by providing resources, in addition to the wonderful resources found within Salem, that citizens can use and benefit from. It also offers the opportunity to create synergies that can lift economies and quality of life, such as shared events, regional trail assets, economic development coordination, and coordinated branding. Significantly, the region has trail and park resources that can be highly capitalized on to attract tourism.

Natural Resources

Blue Ridge Parkway: Known as "America's Favorite Drive," this scenic route provides access to breathtaking mountain vistas, hiking trails, and abundant wildlife. It's a hub for outdoor activities like hiking, birdwatching, and picnicking.
Mill Mountain: This natural landmark is home to the iconic Roanoke Star and Mill Mountain Park, with trails, picnic areas, and the Mill Mountain Zoo. The mountain offers views of the City and the surrounding valley.
Appalachian Trail: Part of this famous hiking trail passes through the Roanoke Valley, attracting hikers and nature lovers. It offers routes ranging from easy day hikes to more challenging treks.
Carvins Cove Natural Reserve: This is the second-largest municipal park in the United States, with over 12,000 acres of forest and a large reservoir. It's a prime location for mountain biking, kayaking, and fishing.
Smith Mountain Lake: Although slightly outside Roanoke Valley, this large lake is a popular spot for boating, fishing, and water sports, with miles of shoreline and recreational facilities.
Roanoke River Greenway: A series of green spaces and trails along the Roanoke River, ideal for biking, jogging, and enjoying the outdoors close to the City.

Regional Trails

1. Appalachian Trail (AT)
The Appalachian Trail runs through the Roanoke Valley, offering world-class hiking opportunities. Popular segments include the trails leading to McAfee Knob, Tinker Cliffs, and Dragon's Tooth, known collectively as the "Triple Crown" of Virginia hiking. These trails are challenging but reward hikers with panoramic mountain views.

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2. Mill Mountain Park Trails
Mill Mountain Star Trail: A 3.5-mile round-trip trail that climbs from the Roanoke River up to the iconic Roanoke Star. It offers City views and connects to other Mill Mountain trails.
Ridgeline Trail: A 1.5-mile trail on Mill Mountain that connects to the Star Trail and other trails in the park, providing a network for varied hikes.
Watchtower Trail: A shorter but scenic trail with excellent views of the Roanoke Valley, good for a less intense hike on Mill Mountain.
3. Carvins Cove Natural Reserve
With over 40 miles of trails, Carvins Cove is a top destination for mountain biking, as well as hiking and trail running. Trails range from beginner-friendly paths to challenging single tracks. **Popular trails include the Bennett Springs Loop, Brushy Mountain, and Buck and Pole.**
Enchanted Forest Trail: A favorite for mountain bikers, this trail winds through the forest and is known for its gentle curves and scenic beauty.
4. Explore Park Trails
Located along the Blue Ridge Parkway, Explore Park offers several trails for hiking and mountain biking. The trails are well-marked and vary from easy to moderately difficult.
Journey's End Trail: A picturesque trail offering views of the Roanoke River, popular for families and easy hikes.
Riverside Loop: A beginner-friendly loop along the river, suitable for hiking and biking, with picnic spots nearby.
5. Read Mountain Preserve
Buzzards Rock Trail: This 3.5-mile trail leads to a stunning overlook on Buzzards Rock, with panoramic views of the valley. It's a moderate-to-difficult hike due to its elevation gain, making it popular with more experienced hikers.
6. Chestnut Ridge Trail
Located near the Blue Ridge Parkway and Roanoke's Mill Mountain, this 5.4-mile loop trail is primarily used for hiking and trail running. It's known for its wooded scenery and is a favorite for those seeking a peaceful experience close to the City.
7. Catawba Greenway
Near Catawba, this trail links with portions of the Appalachian Trail, serving as a scenic route for accessing the AT or exploring local views. It's a good starting point for hikers heading to McAfee Knob or Dragon's Tooth.

These trails are maintained by a mix of local government agencies and volunteer organizations, including the Roanoke Valley Greenway Commission and the Pathfinders for Greenways.

Cultural Resources

Taubman Museum of Art: This museum features modern and traditional art, with a focus on American art and artists from the Appalachian region. Its unique architecture is also a highlight in downtown Roanoke.
Virginia Museum of Transportation: Reflecting the valley's railroad heritage, this museum has an impressive collection of locomotives, rail cars, and exhibits on Virginia's transportation history.
Center in the Square: A cultural center that houses multiple attractions, including the Science Museum of Western Virginia, the Harrison Museum of African American Culture, and a living coral reef aquarium.
History Museum of Western Virginia: Located within the Center in the Square, this museum explores the history of the region with exhibits on indigenous cultures, early settlers, and industrial development.
Mill Mountain Theatre: A well-regarded regional theater offering a variety of performances, from plays to musicals, and serving as a cultural focal point for the community.
Jefferson Center: This is a venue for music, performing arts, and community events. It hosts concerts, plays, and lectures, supporting the arts in Roanoke.
Festivals: Roanoke Valley celebrates a variety of cultural events, including the Virginia Blue Ridge Wine Festival, Festival in the Park, and the Blue Ridge Folklife Festival, celebrating music, food, and local traditions.

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Community Engagement at Glance

1. **<u>Online Engagement</u>**
    a. Two public polls (available online for specified period) to garner public sentiment on various plan-related topics
    b. Website - a reference for important materials, documents, and upcoming meeting notifications
    c. Various social media posts through City accounts to advertise meetings
    d. "Newsblast" for folks to receive email notification of important announcements

2. **<u>Public Meetings</u> –** hundreds of participants in total
    a. **Weekly Open Houses/"Office Hours" with Planning and Zoning staff**
    b. **October 27, 2023**
        i. City staff/employee targeted welcome/"meet and greet"
    c. **December 12, 2023**
        i. Introductory "Kickoff" (Salem Civic Center)
    d. **February 5, 2024**
        i. Parks, Greenways, Open Space (East Salem Elementary)
    e. **April 9, 2024**
        i. Housing and Neighborhoods (Andrew Lewis Middle)
    f. **East Bottom Workshop Series:**
        i. June 26, 2024 (Chip and Jo's) – problem identification and City feedback
        ii. June 27, 2024 (Calvary Baptist Church) – problem solving and design workshop
        iii. June 28, 2024 (Parks and Rec Office) – "pin up" for preliminary results
    g. **August 13, 2024**
        i. Open House
    h. **February 18, 2025**
        i. Open House
    i. **February 19, 2025**
        i. Open House

3. **Pop Ups/Other Stakeholder Involvement**
    a. Pumpkin Fest
    b. Salem Red Sox
    c. First Baptist Church
    d. East Bottom business meetings
    e. Salem High School staff and students
    f. Salem School Board
    g. Roanoke Valley Association of Realtors
    h. Roanoke Regional Home Builders Association
    i. Citywide mailer (varying degrees of success due to issues with address list)
    j. Utility Billing mailer

4. **Supporting Committees**
    a. **Subcommittees** - comprised of interested City staff, Board of Zoning Appeals Members, Planning Commissioners, City Council Members, and interested citizens.
        i. Over 30 participants
        ii. Six separate meetings
    b. **Citizen's Advisory Committee** – guiding the general direction of plan and providing regular feedback on plan direction
        i. Between 9 and 12 members throughout lifespan with several meetings
    c. **Departmental Review** – key departments met iteratively to discuss ongoing practices and procedures, with conversation about future goals and corresponding strategies.

COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION
731 HARRISON AVENUE
SALEM, VIRGINIA 24153

Stephen Brich, P.E.
COMMISSIONER

September 4, 2025

To: Max Dillon
City of Salem

From: William Crawford, Strategic Planner
VDOT Salem District Planning

Subject: RE: City of Salem Comprehensive Plan Review

VDOT received a request to review the above referenced comprehensive plan to ensure local/state plan and program consistency as required under §15.2-2223, Chapter 729 of the 2012 Acts of Assembly. VDOT's reviews of the plans are to ensure that they are consistent with the Commonwealth Transportation Board's (CTB) statewide transportation plan (VTrans, created in accordance with §33.2-353), the Six Year Improvement Program (created in accordance with subsection B of §33.2-214), and locations of routes approved by the Board (in accordance with subsection A of §33.2-208). Comments on these specific criteria are as follows:

Statewide Transportation Plan (VTrans):

- Urban Development Area (UDA)
  - The comprehensive plan has a section describing UDAs on Page 57, and shows a map of the UDAs on page 58.
  - The comprehensive plan references §15.2-2223.1 of the Code of Virginia regarding Urban Development Areas on page 57.
  - Traditional Neighborhood Design (TND) principles are recommended on Page 62.
- Regional Network (RN)
  - The comprehensive plan identifies the Roanoke Regional Network on page 29.
  - The Plan references VTrans Regional Network needs on page 29.
- Corridors of Statewide Significance (CoSS)
  - The comprehensive plan identifies all Corridors of Statewide Significance in Salem on page 29.
  - The Plan references CoSS Needs on page 29.
- The Plan is consistent with VTrans.

Six-Year Improvement Program (SYIP):

- The Plan does include a list of SYIP projects within the City on pages 29.
- The Plan is consistent with the SYIP.

Routes Designated by the CTB:

- There are no routes designated by the CTB, other than the CoSS referenced above, in Salem.
- The Plan is consistent with Routes Designated by the CTB.

The City of Salem Comprehensive Plan is consistent with State Plans. If you have questions or need additional information, please call me at (540) 818-3225.

cc: Michael Gray
Brian Blevins
Ashley Mothena
Will Simpson
Joshua Pratt
Mary Wines

Notable Comprehensive Plan Draft Changes (since 8/13 PC work session)

Acknowledgements - Adjustments to display of staff members and titles

Page 6 - Edited text to clarify the guiding nature of the document, not necessarily regulatory and binding

Pages 7-8 - Added "Salem in a Snapshot" that provides glimpse into Salem statistics, compares to other regional/state metrics, and references City Atlas for additional information

Page 10 - Edited text to adjust "dominated by cars" phrasing and added spacing break

Page 28 - Replaced complex "Compliance visual" with more understandable "Compliance table"

Page 29 - Added information to explicitly reference coordination/project development with VDOT

Page 30 - Added/adjusted relevant supplemental plans

Page 43 - Capitalization correction ("Installation")

Page 47 - Changed "competed" to "completed"

Pages 59-62 - Edited list of strategies to ensure all major ideas are effectively represented

Page 61 - Edited 3rd bullet under #6 for language clarity

Page 74 - Added "Director of Economic Development" reference and eliminated text box cutoff

Page 82 – Updated SWM Utility Fee phrase to City's current position

Page 142 – Updated example math for accurate context

Page 147 – defined "ADT" for readers

General Document Changes:

- Replaced references to "Appalachian Mountains" with "Blue Ridge Mountains"
- Added sources below images/graphics where appropriate
- Updated Action Plan items based on conversation during PC work session
    - Replaced "Investment" with "Cost Required" for clarity
    - Replaced "High/Med/Low" scale with "$$$/$$/$" for clarity
- Added Police and Fire/EMS staffing numbers to City Atlas

IN THE PLANNING COMMISSION OF THE CITY OF SALEM, VIRGINIA, September 10, 2025:

RESOLUTION

A RESOLUTION RECOMMENDING "Back to Salem's Future, Plan 2045" AS THE COMPREHENSIVE PLAN FOR THE CITY OF SALEM

WHEREAS, §15.2-2223 of the Code of Virginia requires that every governing body shall adopt a comprehensive plan for the territory under its jurisdictions; and

WHEREAS, the Comprehensive Plan – 2045 is a major update to the City's existing comprehensive plan, which was last updated in 2019.

WHEREAS, at a regularly scheduled meeting on the above date there was presented the Comprehensive Plan for approval, amendment and approval, or disapproval, as required by the provisions of §15.2-2225 of the 1950 Code of Virginia, as amended; and

WHEREAS, notice has been given, in accordance with §15.2-2204 of the 1950 Code of Virginia, as amended, that a public hearing on the Comprehensive Plan shall be held at the regularly scheduled meeting on the above date; and

WHEREAS, the public hearing, as required, has been held.

BE IT RESOLVED BY THE PLANNING COMMISSION FOR THE CITY OF SALEM, VIRGINIA, that:

(1) The current Comprehensive Plan is hereby replaced as presented.

(2) The "Back to Salem's Future, Plan 2045" is hereby recommended for approval to the Council of the City of Salem, Virginia.

(3) A certified copy of this Resolution shall be presented to the Council of the City of Salem, Virginia.

Upon a call for an aye and a nay vote, the same stood as follows:

Nathan A. Routt – Aye
Mark W. Henrickson - Aye
N. Jackson Beamer, III – Aye
Reid A. Garst - Aye
Denise P. King - Aye

ATTEST:

Christopher J. Dorsey
Executive Secretary, Planning Commission
City of Salem, Virginia

IN THE COUNCIL OF THE CITY OF SALEM, VIRGINIA, December 11, 2025:

RESOLUTION 1513

A RESOLUTION ADOPTING "Back to Salem's Future, Plan 2045" AS THE COMPREHENSIVE PLAN FOR THE CITY OF SALEM

WHEREAS, §15.2-2223 of the Code of Virginia requires that every governing body shall adopt a comprehensive plan for the territory under its jurisdiction; and

WHEREAS, the Comprehensive Plan – 2045 is intended to replace the City's 2012 Comprehensive plan, last updated in 2019.

WHEREAS, at a regularly scheduled meeting on the above date there was presented the Comprehensive Plan for approval, amendment and approval, or disapproval, as required by the provisions of §15.2-2225 of the 1950 Code of Virginia, as amended; and

WHEREAS, notice has been given, in accordance with §15.2-2204 of the 1950 Code of Virginia, as amended, that a public hearing on the Comprehensive Plan shall be held at the regularly scheduled meeting on the above date; and

WHEREAS, the public hearing, as required, has been held.

NOW THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SALEM, VIRGINIA, that:

(1) The "Back to Salem's Future, Plan 2045" is hereby adopted as the Comprehensive Plan for the City of Salem, Virginia.

(2) This Resolution is effective upon its adoption.

Upon a call for an aye and a nay vote, the same stood as follows:

John Saunders –
H. Hunter Holliday –
Byron Randolph Foley –
Anne Marie Green –
Renée F. Turk –

ATTEST:

_____
H. Robert Light
Clerk of Council

Item #: 6.A.

AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF SALEM, VIRGINIA HELD AT CITY HALL

MEETING DATE: December 11, 2025

AGENDA ITEM: **Use Not Provided For Permit**
Hold public hearing and consider the request of Poindexter SW Florida LLC, property owner, and Salem Area Ecumenical Ministries, lessee, for a Use Not Provided for Permit to allow the relocation of Mrs. Dorsey's Clothes Closet, a ministry of Salem Area Ecumenical Ministries, that provides free clothing to local individuals and families facing a variety of challenging life circumstances, to the property located at 2121 Apperson Drive (Tax Map #281-1-2.2).(Advertised in the November 20 and 27 issues of the *Salem Times-Register*.)(Planning Commission recommended approval.)

SUBMITTED BY: Maxwell Dillon, Planner

SUMMARY OF INFORMATION:

Zoning: HBD Highway Business District
Land Use Plan Designation: Commercial
Existing Use: Vacant
Proposed Use: Clothes Closet

The subject property (2121 Apperson Drive) consists of a 1.162-acre tract of land which currently sits within the HBD Highway Business District zoning designation. This parcel contains a multi-tenant building, with various retail stores and service-oriented businesses operating in those units throughout the past several years. Salem Ecumenical Ministries, lessee, and Poindexter SW Florida LLC, property owner, are seeking a Use Not Provided For Permit to allow for the operation of a clothes closet ministry.

Mrs. Dorsey's Clothes Closet, a ministry of Salem Area Ecumenical Ministries, is requesting to relocate to 2121 Apperson Drive from its current operations at 825 South Colorado Street due to lease arrangements. The ministry's operations involve providing free clothing and shoes to families and individuals facing hardship throughout Salem and the surrounding areas. The proposed location would better suit operations and client services due to HVAC capabilities and additional space allowance.

Salem Area Ecumenical Ministries has serviced the community in this fashion for over 40 years, providing great assistance to folks in times of need. Their continued operations would continue to serve the community at large, with thousands of families benefiting from their mission.

FISCAL IMPACT:

STAFF RECOMMENDATION:
Staff recommends Council consider this Use Not provided for Permit request.

ATTACHMENTS:
1. Application
2. Affidavit
3. November 12 2025 PC mins draft
4. Legal Ad 11.20
5. Legal Ad 11.27
6. Council meeting owner notification letter - 2121 Apperson Drive

SALEM VA
COMMUNITY DEVELOPMENT

Application Data for Application Number: Z25-30060

Application Type Zoning

Application Sub-Type Special Exception

Applicant Salem Area Ecumenical Ministries

Location 2121 APPERSON DR SALEM VA 24153

Applicant Address 440 High Street
Salem,VA,24153

Property Owner POINDEXTER SW FLORIDA LLC

Owner Address 2014 ELECTRIC RD #236
ROANOKE, VA,24018

Tax Parcel 281-1-2.2

Application Information

Section	Question	Answer
Details and Scope of Work	Please provide a detailed description of the work associated with this application.	Salem Area Ecumenical MInistries is requesting a Special Exception for a "Use Not Provided." The current zoning is HBD and we are requesting to "Mercantile." Organized in 1997, Salem Area Ecumenical Ministries (SAEM) is a group of representatives from Salem and western Roanoke County churches and local service agencies that strives to Invite, Involve, Inspire, Educate, and Strengthen our communities by putting our faith into action. Mrs. Dorsey's Clothes Closet is a ministry of Salem Area Ecumenical Ministries and is one of the largest all-free clothing closets in southwest Virginia. After 7 years on S Colorado Street, SAEM will be moving to 2121 Apperson Drive in Salem. This location will allow our shoppers to have access to parking, including additional handicapped spaces, access to bus routes, more secure surroundings and increased space for clothing distribution.
Existing Structure Info	Year Built	1966
	Property Description	Retail
	Number of Stories	1
	Number of Rooms	
	Number of Bedrooms	
	Number of Bathrooms	
	Type of Roof	Rubber
	Type of Exterior	Dryvit
	Type of Basement	Slab

Existing	Finished Square footage of Primary Building	8076.00
Parcel Information	Lot Size Acres	1.16
	Lot Size SQFT	50615.00
	Zoning Classification	HBD
	Legal Description	LT 2 1.1619 AC LEWIS-GALE MEDICAL CENTE
	PID	26245
Special Exception Details	Please advise Current Zoning type	
	Please advise current use	
	Please advise future use	
	Please advise designation from the future land use map	
	Is the building or parcel in a district currently designated as historic	No
	If yes, describe the proposed measures for meeting the standards of the Department of Historic Resources	
	This Special Exception/Use Not Provided For is being requested in order to?	
	Describe in detail how you plan to develop the property for the proposed use and any associated uses	
	Describe why the proposed use or exception is desirable and appropriate for the area	
	What measures will be taken to assure that the proposed use or exception will not have a negative impact on the surrounding vicinity?	
	Is the subject property located within the Floodplain District?	No
	If yes, describe the proposed measures for meeting the standards of the Floodplain Ordinance	
	Have you provided a conceptual plan of the proposed development, including general lot configurations and road locations?	No
	Are the proposed lot sizes compatible with existing parcel sizes in the area?	

AFFIDAVIT OF MAILING PURSUANT TO S15.2-2204
CODE OF VIRGINIA

PLANNING COMMISSION **ITEM #4A**
NOVEMBER 12, 2025

1. This is to certify that I mailed letters in reference to the request Consider the request of Poindexter SW Florida LLC, property owner, and Salem Area Ecumenical Ministries, lessee, for a Use Not Provided for Permit to allow the relocation of Mrs. Dorsey's Clothes Closet, a ministry of Salem Area Ecumenical Ministries, that provides free clothing to local individuals and families facing a variety of challenging life circumstances, to the property located at 2121 Apperson Drive (Tax Map #281-1-2.2) to the following property owners and adjacent property owners on October 24, 2025, in the 2:00 p.m. mail:

Parcel ID	Owner Name	Address 1	City	State	Zip
279-1-2-1	SBA COMMUNICATIONS INC	8051 CONGRESS AVE	BOCA RATON	FL	33487-1310
280-1-1	VIRGINIA VARSITY STORAGE-APPERSON LLC	2087 APPERSON DR	SALEM	VA	24153
281-1-2	LAYMAN REAL ESTATE HOLDINGS LLC	PO BOX 1015	SALEM	VA	24153
281-1-2.1	TWO BOYS REALTY II LLC	5010 CELL TOWER DR	ROANOKE	VA	24018
281-1-3	CAO MING HUA	1750 KALAKAUA AVE APT 3502	HONOLULU	HI	96826
282-4-1	ALINA LLC	97 DOE DR	ROANOKE	VA	24012
282-4-2	BROWN WILLIAM E JR	3767 HARBORWOOD RD	SALEM	VA	24153
281-1-2.2	POINDEXTER SW FLORIDA LLC	2014 ELECTRIC RD #236	ROANOKE	VA	24018
281-1-2.3	SMALL STEPS LEARNING ACADEMY INC	1224 PETERS CREEK RD NW	ROANOKE	VA	24017
281-1-2.4	LEWIS-GALE MEDICAL CENTER LLC	PO BOX 80610	INDIANAPOLIS	IN	46280
	MOORE PHILLIP ZONING ADMINISTRATOR CITY OF ROANOKE	215 CHURCH AVE SW ROOM 166 SOUTH	ROANOKE	VA	24011
5140208	BANDY DONALD W	PO BOX 4143	ROANOKE	VA	24015

5170101	HODGES PAUL M	4330 BRANDON AVE SW	ROANOKE	VA	24018
5170102	HODGES PAUL M	4330 BRANDON AVE SW	ROANOKE	VA	24018
5170103	BOB IT ENTERPRISES LLC	4324 BRANDON AVE	ROANOKE	VA	24015
5170111	CAI QILIN	4310 BRANDON AVE SW	ROANOKE	VA	24018
5170116	AHUERO MICHAEL M & PENNIE L	1301 BELLE AIRE LN SW	ROANOKE	VA	24018
5170117	TURNER WILLIAM G III & LINDA K	1302 BELLE AIRE LN SW	ROANOKE	VA	24018

Signed _____ Date 10/24/25

City of Salem
Commonwealth of Virginia
The foregoing instrument was acknowledged before me this 24th day of October, 2025 by

Tammy Dunn

Tammy Dunn
Notary Public
My commission expires: 10/31/2028

TAMMY DUNN NOTARY PUBLIC REG # 00272427 COMMISSION EXPIRES 10/31/28 COMMONWEALTH OF VIRGINIA

PLANNING COMMISSION
MINUTES

Work Session, 5:30 PM, Council Chambers Conference Room, City Hall,
114 North Broad Street, Salem, Virginia 24153
Regular Session, 6:30 PM, City Hall, 114 North Broad Street, Salem, Virginia 24153

WORK SESSION

1. Call to Order

A work session meeting of the Planning Commission of the City of Salem, Virginia, was held in the Council Chambers Conference Room, City Hall, 114 North Broad Street, at 5:30 p.m., on Wednesday, November 12, 2025, there being present the following members of said Commission, to wit: Denise P. King, Reid Garst, Mark Henrickson, and Nathan Routt, constituting a legal quorum, with Chair King, presiding; together with Robert Light, Assistant City Manager and Deputy Executive Secretary, ex officio member of said Commission, Charles Van Allman, Director Community Development, Mary Ellen Wines, Planning & Zoning Administrator, Maxwell S. Dillon, Planner, and Jim Guynn, City Attorney; and the following business was transacted:

Chair Denise King reported that this date, place, and time had been set in order for the Commission to hold a work session. The work session meeting was called to order at 5:30 p.m.

2. New Business

A discussion was held regarding the items on the current agenda as well as the December agenda as follows:

A. 2121 Apperson Drive – Use Not Provided For Permit
B. RVAR Hazard Mitigation Plan
C. Items on the December agenda
    1. 1000 Electric Road rezoning
    2. Dalewood Avenue Cluster Housing Overlay addition
    3. PC Bylaw amendment

3. Adjournment

Chair King adjourned at 6:17 p.m.

REGULAR SESSION

1. Call to Order

A regular meeting of the Planning Commission of the City of Salem, Virginia, was held in the Council Chambers Conference Room, City Hall, 114 North Broad Street, at 6:30 p.m., on Wednesday, November 12, 2025, there being present the following members of said Commission, to wit: Denise P. King, Reid Garst, Mark Henrickson, and Nathan Routt, constituting a legal quorum, with Chair King, presiding; together with Robert Light, Assistant City Manager and Deputy Executive Secretary, ex officio member of said Commission, Charles Van Allman, Director of Community Development, Mary Ellen Wines, Planning & Zoning Administrator, Maxwell S. Dillon, Planner, and Jim Guynn, City Attorney; and the following business was transacted:

Chair Denise King called the November` meeting of the City of Salem Planning Commission to order at 6:30 p.m. Chair King reported that this date, place, and time had been set in order for the Commission to hold a public meeting.

A. Pledge of Allegiance

B. Roll call

Mr. Routt - Here
Mr. Henrickson - Here
Mr. Beamer - Absent
Vice-Chair Garst - Here
Chair King – Here

2. Consent Agenda

A. Minutes

Consider acceptance of the minutes from October 15th, 2025, regular meeting.

Chair King stated that under the consent agenda, they have the minutes of the October 15th, 2025, Commission work session and regular meeting. Chair King asked the Commission if anyone had any questions, additions, or comments. Hearing none the minutes will be considered accepted.

3. Old Business

Chair King asked if there was any old business to discuss. Hearing none, Chair King continued to New Business.

4. New Business

A. Use Not Provided For Permit

Hold a public hearing to consider the request of Poindexter SW Florida LLC, property owner, and Salem Area Ecumenical Ministries, lessee, for a Use Not Provided for Permit to allow the relocation of Mrs. Dorsey's Clothes Closet, a ministry of Salem Area Ecumenical Ministries, that provides free clothing to local individuals and families facing a variety of challenging life circumstances, to the property located at 2121 Apperson Drive (Tax Map #281-1-2.2).

Chair King invited anyone present representing the applicant on this matter to come forward to provide information regarding this petition. Mr. Henrickson stated that due to the relationship with family and this organization, he felt he should recuse himself from this vote.

Chair King asked Mr. Carey Harveycutter Jr to come forward and state his address and relationship with the applicant. Mr. R. Carey Harveycutter Jr. stated he resides at 644 Joan Circle, City of Salem. He continued by stating that he is the Chairman of the Board of the Salem Area Ecumenical Ministries. The organization has been helping people since 1997, when Joan Dorsey started the Clothes Closet, and it has grown exponentially. He mentioned the Clothes Closet is currently located at the property provided by Mc Clung Lumber Company and to their credit they need the space for the lumber yard. Mrs. Dorsey's Clothes Closet is looking to move to 2121 Apperson Drive. The Clothes Closet is currently serving over 1400 people a month, not only during the regular business hours Mondays, Wednesdays, and Fridays for 3 hours, but Social Services and the jails bring a lot of people there. He explained that 80% of the people that come visit the Clothes Closet have a household income of less than $25,000 a year; with a lot of them with a household less than $10,000 a year. The Clothes Closet is closing November 15th, 2025, boxing up, moving, and preparing to open Monday, January 5th, 2026. Mr. Harveycutter wanted to add that two people in the city have been very helpful, one being Mary Ellen Wines and the other being Troy Loving, Building Official for the City of Salem. He finished by offering to answer any questions from the Board.

Chair King asked for further questions or input from the Board. Hearing none, she opened the public hearing at 6:34 p.m. she also inquired if there had been any other correspondence received on this matter. Hearing none and no additional speakers came forward, and the public hearing was closed at 6:34 p.m.

Chair King entertained a motion on the matter. Vice-Chair Garst made a motion to recommend approval, and Mr. Routt seconded the motion.

Roll Call Vote.

Mr. Routt – Aye
Mr. Beamer - Absent
Vice-Chair Garst – Aye
Chair King – Aye
Mr. Henrickson – abstained

B. RVAR Hazard Mitigation Plan

Hold a public hearing to consider recommendation of resolution accepting the Roanoke Valley – Alleghany Regional Hazard Mitigation Plan – 2025 Update.

Chair King stated that someone from the Regional Commission was present. Chair King asked that she come forward and state her name and address.

Amanda McGee introduced herself as the Director of the Community Development for the Roanoke Valley – Alleghany Regional Commission, stating that she resides at 1933 Cambridge Avenue SW, Roanoke, Virginia. Ms. McGee started the presentation on the Hazard Mitigation Plan for the Roanoke Valley – Alleghany Region explaining what this project is and why her department has undertaken it. There is a required Federal Document that covers the core members of the regional commission. This document does not cover Franklin County nor Rocky Mount; they are dual members with West Piedmont Plan. The Hazard Mitigation Plan, new this year, also covers Western Virginia Water Authority and the Roanoke Valley Resource Authority. There was a 49-person steering committee, which had a lot of different representatives, and a lot of regional input was obtained for this document. The staff in the City of Salem were very helpful in providing their input on projects in your area. Ms. McGee had a slide presentation showing different aspects of the Hazard Mitigation Plan. One slide showed the timeline of work that the grant was awarded in 2023, it was originally a two-year grant, and the grant is in an extension. The first steering committee meeting was held in 2024. They were able to move through the process quickly; we were delayed due to staffing issues at the Regional Commission. The main contents of the plan can be found in chapters 3 through 7. The Hazard Risk Assessment can be found mainly in chapters 3 and 4, in chapter 5 there is a Capabilities Assessment that is specific to each adopting jurisdiction. Salem has a section in chapter 5. General region wide goals and strategies along with the mitigation action plans which list projects included in the plan, making this eligible for FEMA and VDEM funding pots associated with disasters. Ms. McGee continued by stating the hazards accessed in the plan include earthquake, extreme temperature, flooding, hurricanes, tropical storms, geological hazards. The region had a couple of hazards that occurred and included but were not assessed. That is a requirement to include anything that had a federal disaster declaration, which included Covid 19 and consultations were made with organizations about their Covid 19 response. A public survey was conducted, to which 251 responses were received across the regions and Salem's count was 80 responses out of 251. The main concerns across the regions were flooding, winter weather, and wind. In terms of mitigation goals and strategies for the region, there are 3 goals, and the strategies are for the whole region. National Flood Insurance Program is a large part of the mitigation. Salem joined in 1978 and has had 592 plans paid out in the community, which is over $18 million. Salem has 2592 structures at risk for flooding, proving Salem does have a high flood impact. Staff in Salem have noticed the program has constraints due to staffing and funding, which is typical throughout all the regions. The City of Salem is at risk from Spring Hollow Reservoir as a potential impact from a high hazard dam should it fail. The City of Salem maintains its own critical infrastructure, which is a unique situation and its own water/sewer service and its own electrical sub-station. The plan has been submitted to FEMA and expects a determination by November 29th, 2025.

Chair King inquired if any of the other jurisdictions had approved the plan. Ms. McGee answered not at this time.

Chair King stated that this was not a public hearing. This was for the commission to consider a recommendation of the resolution that will go on to City Council. Chair King asked for a motion. Vice-Chair Garst made a motion to recommend approval, and Mr. Henrickson seconded the motion.

Roll call vote.

Mr. Routt – Aye
Mr. Henrickson – Aye
Mr. Beamer – Absent
Vice-Chair Garst – Aye
Chair King – Aye

5. Adjournment

Chair King stated there was no additional business for the Planning Commission and the meeting was adjourned at 6:49 p.m.

MAIN STREET CLASSIFIEDS

Marketplace

The Fincastle Herald · The Vinton Messenger · The New Castle Record · Salem Times-Register · News Messenger · Radford News Journal · ourvalley.org

Handyman Services

Handyman Services
Any and all deck building and repair, staining, ramps and pressure washing. Any and all other home repair needs.
Call James at 540.583.2468

Auctions

LEGAL NOTICE
A public auction will be held on
Wed
November 26, 2025
at 10 a.m.
at Grand Storage of Vinton
1119 Vinyard Rd,
Vinton, VA 24179,
to sell personal property in the following units:
Unit E12-Justin West

Legals - Craig County

Pursuant to the Single-Family Mortgage Foreclosure Act of 1994, 12 U.S.C. Chapter 38A and the Secretary's Foreclosure Commissioner designation, a COMMISSIONER'S SALE of 160 Hickory Brook Drive, New Castle, VA 24127

(Short Legal Description: CRAIG CREEK 5.00 AC LOT 1 DB 69/587 will occur at public auction outside the main entrance to the *building of the Circuit Court of Craig County, VA* located at 182 Main Street, New Castle, VA 24127 on December 8, 2025 at 9:00 A.M. , pursuant to a default of a note secured by a deed of trust executed by Hattie D. Clifton recorded 11/4/2009, in the Circuit Court for Craig County, VA, in Book 176, Page 562, and the Assignment in favor of the Secretary of HUD recorded 3/20/2019, in the Circuit Court for Craig County, VA as Instrument No. 190000119. THIS IS A COMMUNICATION FROM A DEBT COLLECTOR AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE. TERMS OF SALE can be reviewed by the recorded notice of default on file with the Craig County Circuit Court, for which all terms are incorporated herein into this notice. A 10% deposit payable to Secretary of Housing and Urban Development is immediately required for winning bidder in certified funds. Third party certified checks will not be accepted. Full Terms of Sale and opening bids are listed at http://www.virginialawoffice.com/hud .
Anderson Law, 2492 N. Landing Rd, #104, Va Beach, VA 23456.

Legals - Botetourt County

NOTICE OF TRUSTEE'S SALE
4427 Lee Highway
Troutville, Virginia 24175
Tax Map/Parcel ID No. 101D-111
BOTETOURT COUNTY, VIRGINIA

In execution of a credit line deed of trust dated July 13, 2015 (the "Deed of Trust"), recorded in the Office of the Circuit Court of Botetourt County, Virginia, as Instrument No. 15002481, the undersigned Substitute Trustees, any or all of whom may act, will offer for sale at the front steps of the Botetourt County Circuit Court Clerk's Office, 5 West Main Street, Fincastle, Virginia 24090-0219, on November 21, 2025, at 12 o'clock p.m., property located at or near 4427 Lee Highway, Troutville, Virginia 24175, which property is more particularly described as follows:
LOCATED IN THE COUNTY OF BOTETOURT, STATE OF VIRGINIA

Beginning at an iron pipe on the western side of U.S. Highway No. 11, a corner to the John H. Martin land; thence with said highway No. 31 22' E. 100 feet to a stake; thence, thence, leaving said highway and with a new line, N. 58 38' W. 322.34 feet to a stake which bears S. 53 W. 4.5 feet from a mulberry tree; thence S. 53 W. 107.57 feet to a steel pin in the line of the lands of John H. Martin; thence with the latter S. 58 38' E. 362 feet to the place of beginning on U.S. Highway No. 11, and containing 0.786 of an acre, more or less.

LESS, AND EXCEPT, HOWEVER, all that certain tract or parcel of land being 0.4692 acres, more or less, as shown on plat of survey prepared by Reid McMurry, LS, dated March 13, 2000, and being New Botetourt County Tax Map #101D-111A, and a copy of which plat is recorded in Deed Book 583, at Page 1090.

AND BEING a the same property conveyed to Jimmy Wayne Huffman, by deed dated March 5, 2002, and recorded in the Clerk's Office of the Circuit Court of Botetourt County, Virginia, as Instrument # 0203137

This sale is subject to all liens, easements, restrictions, conditions, and reservations of record affecting the title to the property hereinabove described, to the extent any of them have priority over the lien of the Deed of Trust.
TERMS OF SALE: A bidder's deposit of up to ten percent (10%) of the successful bid in certified funds required (certified or cashier's check made payable to Spilman, Thomas & Battle, PLLC or cash). Settlement within thirty (30) days of sale with balance of purchase price paid in cash. Additional terms may be announced at the time of sale. The successful bidder will be required to execute a Memorandum of Trustee's Sale outlining additional terms of sale and settlement that will be available for review prior to the announcement of sale.
For Information Contact:
Timothy J. Lovett, Esquire
tlovett@spilmanlaw.com
Spilman Thomas & Battle, PLLC
P.O. Box 90
Roanoke, Virginia 24002
540-512-1800 Telephone

Peter M. Pearl,
Bryson J. Hunter, and
Timothy J. Lovett,
Substitute Trustees

VIRGINIA:
IN THE CIRCUIT COURT OF BOTETOURT COUNTY
IN RE: ESTATE OF DOUGLAS MARKEY GIMBERT, DECEASED
NOTICE

Having been requested to do so by Lindsey Coley, attorney for Mary Barbara Gimbert, executrix of the estate of Douglas Markey Gimbert, Deceased, and in accordance with Section 64.2-550 of the 1950 Code of Virginia, as amended, all creditors of Douglas Markey Gimbert, and all persons in any way interested in his estate, are hereby notified that I have fixed the 15th day of December, 2025 at 10 o'clock a.m., at my office at 13 South Roanoke Street, Fincastle, Virginia as the time and place for determining an account of the debts and demands against said Douglas Markey Gimbert or his estate, the priorities among them, and the names of the persons to whom they are due.
All creditors of Douglas Markey Gimbert, deceased, and persons interested in her estate should appear at the time and place named, or any other time or place to which the proceedings may be adjourned, and protect their interest.
Given under my hand this the 10th day of November, 2025.
Malcolm McL. Doubles
Commissioner of Accounts

Legals - City of Salem

Order of Publication
Commonwealth of Virginia
VA Code§§ 1-211.1; 8.01-316, -317,20-104
Case No. CL25-98
VIRGINIA: IN THE CIRCUIT COURT FOR THE CITY OF SALEM COMMONWEALTH OF VIRGINIA
v.
CL25-98
JOSE A. GARCIA MARTINEZ
NOTICE: ELVIRE MARTINEZ GARCIA, SURETY
3957 HERSHBERGER RD. ROANOKE, VA 24017
ORDER
The object of this suit is to forfeit to the Commonwealth of Virginia, a $600.00 surety bond which was posted by ELVIRE MARTINEZ GARCIA to ensure the appearance of JOSE A. GARCIA MARTINEZ in this Court as JOSE A. GARCIA MARTINEZ failed to appear in accordance with the terms and conditions of said bond. Service of process was attempted on ELVIRE MARTINEZ GARCIA at her last known address as listed herein, with the return of service being marked as "not found" at said address.
ELVIRE MARTINEZ GARCIA is directed to appear before this Court on January 15, 2026 at 9:00 A.M. to show cause why said bond should not be forfeited.
Therefore, it is ORDERED that the Clerk of this court mail a copy of this ORDER to ELVIRE MARTINEZ GARCIA at her address listed herein and that a copy of this ORDER be posted at the Salem City Courthouse as required by law along with a copy of the accompanying affidavit. It is further ORDERED that this ORDER be published once each week for four successive weeks in the Salem Times Register or equivalent newspaper.
ENTER This 16th day of October, 2025.
G. CHANCE CRAWFORD, CITY OF SALEM CIRCUIT COURT CLERK

NOTICE OF PUBLIC HEARING

Notice is hereby given to all interested persons that the Council of the City of Salem, at its regular meeting on Monday, December 8, 2025, at 6:30 p.m., in Council Chambers, City Hall, 114. N. Broad Street, in the City of Salem, Virginia, will hold a public hearing, pursuant to Sections 15.2-2204 and 15.2-2285 of the Code of Virginia, as amended, to consider the following requests relative to the CODE OF THE CITY OF SALEM, VIRGINIA:

Consider the request of Poindexter SW Florida LLC, property owner, and Salem Area Ecumenical Ministries, lessee, for a Use Not Provided for Permit to allow the relocation of Mrs. Dorsey's Clothes Closet, a ministry of Salem Area Ecumenical Ministries, that provides free clothing to local individuals and families facing a variety of challenging life circumstances, to the property located at 2121 Apperson Drive (Tax Map #281-1-2.2).

Copies of the proposed plans, ordinances or amendments may be examined in the Office of Community Development, 21 South Bruffey Street, Salem, Virginia.
At said hearing, parties in interest and citizens shall have an opportunity to be heard relative to the said requests.
THE COUNCIL OF THE CITY OF SALEM, VIRGINIA
BY:
H. Robert Light
Clerk of Council

Legals - Montgomery County

Order of Publication
Commonwealth of Virginia
VA Code§§ 1-211.1; 8.01-316-317,20-104
CASE NO. CL25-652
VIRGINIA:
IN THE CIRCUIT COURT OF THE CITY OF RADFORD
JOSEPH L. KESSINGER
Case No. CL21-652
PATRICIA G. KESSINGER
ORDER OF PUBLICATION
The object of this suit is equitable distribution in the final divorce of the parties, along with other such relief as the Court may order. An affidavit having been filed that diligence has been used, without effect, to ascertain the location of the named Patricia G. Kessinger, it is hereby ORDERED that the named defendant appear on or before January 31, 2026 at 8:30 a.m , and do what is necessary to protect her interest therein.
Rebecca Price
DEPUTY CLERK
It is further ORDERED that this Order of Publication be published once a week for four (4) successive weeks in the Radford News Journal, a newspaper of general circulation in the City of Radford, Virginia, with a copy of this Order to be posted at the front door of the Courthouse, and a copy mailed to those Defendants named in this Order whose last addresses are known, if any. It is further ORDERED that Radford News Journal provide a Certificate of Publication and an invoice to counsel for the Plaintiff, as named below.
Entered:
Rebecca Price, Deputy
Circuit Court Clerk

Requested:
Gregory M. Kallen,
vsb #23303
325 West Main St.
Radford, Va. 24141
540-838-2222
gmkallenlaw@yahoo.com
Counsel for Plaintiff

Legals - Montgomery County

LEGAL NOTICE OF PUBLIC HEARING OF THE TOWN OF CHRISTIANSBURG PLANNING COMMISSION

The Town of Christiansburg Planning Commission will hold a Public Hearing on Monday, December 1, 2025, at 7:00 PM in the Council Chambers of the Christiansburg Town Hall, 100 E. Main Street, Christiansburg, Virginia 24073, pursuant to Sections 15.2-2204 and 15.2-2285 of the Code of Virginia, as amended. The purpose of the public hearing is to receive public comments concerning:
A. Conditional Use Permit request by Clayco, LLC, Property Owner and Applicant ,to allow a Planned Housing Development of 28 multi-family residential dwelling units on approximately 2.031 acres located northwest of the intersection of Chrisman Street SW and First Street SW, between 101 Chrisman Street SW and 400 W Main Street; consisting of all of Tax Parcel 526-((A))-138 (Parcel ID 013446); zoned Multifamily Residential District (R-3). The property is designated as Residential on the Future Land Use Map of the 2013 Christiansburg Comprehensive Plan.
Town Hall will be open and available to receive public comment in-person at the time of this Public Hearing. A copy of the application, the Town's Zoning Map, Zoning Ordinance, and Future Land Use Map may be viewed in the Planning Department Office, 100 E. Main Street, Christiansburg, VA 24073, during normal office hours of 8:00 a.m. – 5:00 p.m. Monday through Friday. Contact the Planning Department, by phone at (540) 382-6128, Ext. 1902 or by email at planning@christiansburg.org, with any questions or if you require reasonable accommodations.

Legals - Montgomery County

Order of Publication
Commonwealth of Virginia
VA Code§§ 1-211.1; 8.01-316,-317,20-104
Case No.CL25-2185
VIRGINIA: IN THE CIRCUIT COURT FOR THE COUNTY OF MONTGOMERY
IN RE: ESTATE OF LAWRENCE C. TABOR
SHOW CAUSE ORDER AGAINST DISTRIBUTION
It appearing that a report of the accounts of ATLANTIC UNION BANK, Executor of the Estate of Lawrence C. Tabor, deceased, of the debts and demands against his Estate has been filed in the Office of the Clerk of the Circuit Court of the County of Montgomery, and that six (6) months have elapsed since the qualification of the Executor, on motion of ATLANTIC UNION BANK, Executor,

IT IS HEREBY ORDERED that the creditors of, and all others interested in, the Estate of Lawrence C. Tabor, do show cause, if any they can, at 9:00 am on the 4th day of December, 2025, before this Court at its courtroom located at 55 E. Main Street, 1 st Floor, Christiansburg, Virginia 24073, against the payment and delivery of the Estate of Lawrence C. Tabor, deceased, to the beneficiaries of the Estate without requiring refunding bonds.
IT IS FURTHER ORDERED that the foregoing portion of this Order be published once a week for two successive weeks in News Messenger, a publication in the County of Montgomery, Virginia, and of general circulation in this jurisdiction.
Entered this 3rd day of November, 2025.
Honorable Judge Robert M.D. Turk

We request entry of this Order:
Neil V. Birkhoff
(VSB No. 20091)
Tyler S. Butt
(VSB No. 99278)
Neil.Birkhoff@woodsrogers.com
Tyler.Butt@woodsrogers.com
Woods Rogers Vandeventer Black PLC
10 South Jefferson Street, Suite 1800
Roanoke VA 24011
Telephone: (540) 983-7600
Facsimile: (540)983-7711

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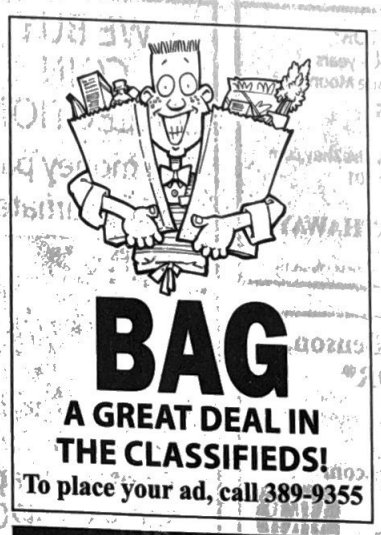



STATEWIDE ADS

AUCTIONS

REAL ESTATE AUCTION. 139+/- acres, Robersonville, NC. 5 tracts land, 2 tracts timber 4000 ft. of road frontage. Sat. 11/22/25, 11AM. Visit: StoneAuctionAndRealty.com

ATTN. AUCTIONEERS: Promote your upcoming auctions statewide! Affordable Print and Digital Solutions reaching your target audience. Call this paper or Landon Clark at Virginia Press Services 804-521-7576, landonc@vpa.net

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Replace your roof with the best looking and longest lasting material steel from Erie Metal Roofs! Three styles and multiple colors available. Guaranteed to last a lifetime! Limited Time Offer – up to 50% off installation + Additional 10% off install (for military, health workers & 1st responders.) Call Erie Metal Roofs: 1-844-902-4611

The bathroom of your dreams in as little as 1 day. Limited Time Offer - $1000 off or No Payments and No Interest for 18 months for customers who qualify. BCI Bath & Shower. Many options available. Quality materials & professional installation. Senior & Military Discounts Available. Call Today! 1-844-945-1631

LIVESTOCK SALES

TOTAL PERFORMANCE BULL SALE. Friday, December 5, 2025 at Noon. 180 Angus, Hereford, Gelbvieh and Balancer bulls. Knoll Crest Farm 167 Bull Hill Road, Red House, VA. knollcrestfarm.com 434-376-3567

SERVICES

DIVORCE-Uncontested, $475+$86 court cost. WILLS-$295.00. No court appearance. Estimated completion time twenty-one days. Hilton Oliver, Attorney (Facebook). 757-490-0126. Se Habla Espanol. BBB Member. https://hiltonoliverattorneyva.com.

Portable Oxygen Concentrator May Be Covered by Medicare! Reclaim independence and mobility with the compact design and long-lasting battery of Inogen One. Free information kit! Call 888-608-4974

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safestep
*Free toilet with purchase and installation of a walk-in tub or walk-in shower only. Offer available while supplies last. No cash value. Must present offer at time of purchase. Cannot be combined with any other offer. Retail restrictions may apply. Offer available in select markets only. CSLB 1082185 HIC# 0685999 0083445- CSP#13060000

Stop cleaning-out your gutters this season
LeafFilter
EXPIRES: 11/30/2025
15% OFF + AN ADDITIONAL 10%
LeafFilter Discount For Seniors + Military
Get a FREE full gutter inspection and estimate: 1-877-614-6667 Promo:285

Be prepared before the next power outage.
It's not just a generator. It's a power move.
Receive a free 5-year warranty with qualifying purchase* - valued at $535.
Call 844-947-1479 to schedule your free quote!
GENERAC

MAIN STREET CLASSIFIEDS

Marketplace

ourvalley.org

The Fincastle Herald · The Vinton Messenger · The New Castle Record · Salem Times-Register · News Messenger · Radford News Journal

Handyman Services

Handyman Services

Any and all deck building and repair, staining, ramps and pressure washing. Any and all other home repair needs. Call James at 540.583.2468

Legals - Craig County

Pursuant to the Single-Family Mortgage Foreclosure Act of 1994, 12 U.S.C. Chapter 38A and the Secretary's Foreclosure Commissioner designation, a COMMISSIONER'S SALE of 160 Hickory Brook Drive, New Castle, VA 24127

(Short Legal Description: CRAIG CREEK 5.00 AC LOT 1 DB 69/587 will occur at public auction outside the main entrance to the building of the Circuit Court of Craig County, VA located at 182 Main Street, New Castle, VA 24127 on December 8, 2025 at 9:00 A.M. , pursuant to a default of a note secured by a deed of trust executed by Hattie D. Clifton recorded 11/4/2009, in the Circuit Court for Craig County, VA, in Book 176, Page 562, and the Assignment in favor of the Secretary of HUD recorded 3/20/2019, in the Circuit Court for Craig County, VA as Instrument No. 190000119. THIS IS A COMMUNICATION FROM A DEBT COLLECTOR AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE. TERMS OF SALE can be reviewed by the recorded notice of default on file with the Craig County Circuit Court, for which *all terms are incorporated herein into this notice. A 10% deposit payable to Secretary of* Housing and Urban Development is immediately required for winning bidder in certified funds. Third party certified checks will not be accepted. Full Terms of Sale and opening bids are listed at http://www.virginialawoffice.com/hud . Anderson Law, 2492 N. Landing Rd, #104, Va Beach, VA 23456.

Case No. CL25-4 ORDER OF PUBLICATION

VIRGINIA: IN THE CIRCUIT COURT FOR THE COUNTY OF CRAIG
THE COUNTY OF CRAIG, VIRGINIA a political subdivision of the Commonwealth of Virginia, Plaintiff,
V.
UNKNOWN HEIRS AND ASSIGNS OF C. D. ABBOTT, DECEASED,
UNKNOWN HEIRS AND ASSIGNS OF CURTIS R. ABBOTT, DECEASED,
UNKNOWN HEIRS AND ASSIGNS OF JUNE ABBOTT LUGAR a/k/a JUNE ESTELLE ABBOTT LUGAR, DECEASED,
UNKNOWN HEIRS AND ASSIGNS OF RUSSELL BROWN LUGAR, DECEASED,
DAVID RUSSELL LUGAR a/k/a DAVID LUGAR,
ALAN RAY LUGAR a/k/a ALAN LUGAR,
FRANCES CAROL ALDERMAN a/k/a CAROL ALDERMAN,
DORIS ANN BEAUCHEMIN a/k/a ANN BEAUCHEMIN,
RANDOLPH PRESTON ABBOTT,
JAMES REED ABBOTT,
CHRISTOPHER S. SWINGLE, SR. a/k/a CHRIS SWINGLE,
JAMES L. SWINGLE, JR., and
PARTIES UNKNOWN,
Defendant(s).
The object of this suit is to enforce a lien for delinquent real estate taxes against the property known as Parcel Nos. 47A3-124-4 and 47A3-124-5. An Affidavit having been filed stating that due diligence has been used, without effect, to ascertain the location of the named Defendant(s), that the Defendant(s) may be non-residents of Virginia and maintain no domicile within the borders of the Commonwealth, or are deceased, or that there may be parties who have an interest in the property but are unknown, namely, the heirs, devisees, and successors in title of the named Defendant(s) and their predecessors in title, made Defendants by the general description of Parties

Legals - Craig County

Unknown, it is hereby **ORDERED** that the named Defendant(s) and all Parties Unknown appear on or before January 13, 2026, and do what may be necessary to protect their interests in this cause.
Entered 11/18/2025
Sharon P. Oliver, Clerk

I Ask For This:
N. Reid Broughton
(VSB No. 38899)
Katie M. DeCoster, Esq.
(VSB No. 82696)
Sands Anderson PC
P.O. Box 2009
Christiansburg, Virginia
24068-2009
(540) 260-9011
(540) 260-0022 (facsimile)

Legals - City of Salem

Order of Publication

Commonwealth of Virginia
VA Code§§ 1-211.1; 8.01-316, -317,20-104
Case No. CL25-98
VIRGINIA: IN THE CIRCUIT COURT FOR THE CITY OF SALEM
COMMONWEALTH OF VIRGINIA
v.
CL25-98
JOSE A. GARCIA MARTINEZ
NOTICE: ELVIRE MARTINEZ GARCIA, SURETY
3957 HERSHBERGER RD. ROANOKE, VA 24017
ORDER
The object of this suit is to forfeit to the Commonwealth of Virginia, a $600.00 surety bond which was posted by ELVIRE MARTINEZ GARCIA to ensure the appearance of JOSE A. GARCIA MARTINEZ in this Court as JOSE A. GARCIA MARTINEZ failed to appear in accordance with the terms and conditions of said bond. Service of process was attempted on ELVIRE MARTINEZ GARCIA at her last known address as listed herein, with the return of service being marked as "not found" at said address.
ELVIRE MARTINEZ GARCIA **is directed to appear before this Court on January 15, 2026 at 9:00 A.M. to show cause why said bond should not be forfeited.**
Therefore, it is ORDERED that the Clerk of this court mail a copy of this ORDER to ELVIRE MARTINEZ GARCIA at her address listed herein and that a copy of this ORDER be posted at the Salem City Courthouse as required by law along with a copy of the accompanying affidavit. It is further ORDERED that this ORDER be published once each week for four successive weeks in the Salem Times Register or equivalent newspaper.
ENTER This 16th day of October, 2025.
G. CHANCE CRAWFORD, CITY OF SALEM CIRCUIT COURT CLERK

Order of Publication

Commonwealth of Virginia
VA Code§§ 1-211.1; 8.01-316, -317,20-104
Case No.CL25001443
VIRGINIA: IN THE CIRCUIT COURT FOR THE COUNTY OF ROANOKE
COUNTY OF ROANOKE, VIRGINIA, Complainant,
vs.
FAYE K. EANES, aka LUDEAN FAYE EANES, *et al*,
Respondents.

TO: THE RESPONDENTS:

The object of this suit is to: enforce the lien for taxes assessed by the County of Roanoke, Virginia against certain real property designated as Tax Map Parcel No. 039.01-01-02.00-000.
An affidavit having been made and filed that diligence has been used without effect to ascertain the location of Faye K. Eanes, aka Ludean Faye Eanes and that there are or may be persons with an interest in the subject property, including heirs, devisees, and successors in title of Faye K. Eanes, who may be deceased, whose names and addresses are unknown, it is hereby ORDERED that each of the parties appear on or before the January 1, 2026, and do whatever is necessary to protect their interests in said land.
It is further ORDERED, pursuant to Va. Code Ann.§8.01-317, that this Order of Publication be published once a week for four successive weeks in the *Salem Times Register*, a newspaper of general circulation in the County of Roanoke, and that a copy be posted at the front door of the Courthouse in County of Roanoke, Virginia.

Legals - City of Salem

Entered this 12th day of November, 2025.
Honorable James R. Swanson, Judge
I ask for this
Mark D. Kidd, Esquire
VSB #24149
OPN Law
3140 Chaparral Drive Suite 200-C
Roanoke VA 24018
Roanoke, VA 24018
Phone: (540)725-4700
Fax (540)772-0126
Email: mkidd@opnlaw.com
Counsel for Complainant

NOTICE OF PUBLIC HEARING

Notice is hereby given to all interested persons that the Council of the City of Salem, at its regular meeting on Monday, December 8, 2025, at 6:30 p.m., in Council Chambers, City Hall, 114. N. Broad Street, in the City of Salem, Virginia, will hold a public hearing, pursuant to Sections 15.2-2204 and 15.2-2285 of the Code of Virginia, as amended, to consider the following requests relative to the CODE OF THE CITY OF SALEM, VIRGINIA:

Consider the request of Poindexter SW Florida LLC, property owner, and Salem Area Ecumenical Ministries, lessee, for a Use Not Provided for Permit to allow the relocation of Mrs. Dorsey's Clothes Closet, a ministry of Salem Area Ecumenical Ministries, that provides free clothing to local individuals and families facing a variety of challenging life circumstances, to the property located at 2121 Apperson Drive (Tax Map #281-1-2.2).

Copies of the proposed plans, ordinances or amendments may be examined in the Office of Community Development, 21 South Bruffey Street, Salem, Virginia.
At said hearing, parties in interest and citizens shall have an opportunity to be heard relative to the said requests.
THE COUNCIL OF THE CITY OF SALEM, VIRGINIA
BY:
H. Robert Light
Clerk of Council

Legals - Montgomery County

Order of Publication

Commonwealth of Virginia
VA Code§§ 1-211.1; 8.01-316-317,20-104
VIRGINIA:
IN THE CIRCUIT COURT OF THE CITY OF RADFORD
JOSEPH L. KESSINGER
Case No. CL21-652
PATRICIA G. KESSINGER
ORDER OF PUBLICATION
The object of this suit is equitable distribution in the final divorce of the parties, along with other such relief as the Court may order. An affidavit having been filed that diligence has been used, without effect, to ascertain the location of the named Patricia G. Kessinger, it is hereby ORDERED that the named defendant appear on or before January 31, 2026 at 8:30 a.m , and do what is necessary to protect her interest therein.
Rebecca Price
DEPUTY CLERK
It is further ORDERED that this Order of Publication be published once a week for four (4) successive weeks in the Radford News Journal, a newspaper of general circulation in the City of Radford, Virginia, with a copy of this Order to be posted at the front door of the Courthouse, and a copy mailed to those Defendants named in this Order whose last addresses are known, if any. It is further ORDERED that Radford News Journal provide a Certificate of Publication and an invoice to counsel for the Plaintiff, as named below.
Entered:
Rebecca Price, Deputy Circuit Court Clerk

Requested:
Gregory M. Kallen,
vsb #23303
325 West Main St.
Radford, Va. 24141
540-838-2222
gmkallenlaw@yahoo.com
Counsel for Plaintiff

NOTICE IS HEREBY GIVEN,

By the Board of Supervisors of the County of Montgomery, Virginia that the Board of Supervisors intent to consider a proposed Ordinance Establishing a Separate Classification for Tangible Personal Property Taxation for Motor Vehicles Owned or Leased by Certain Members of a Volunteer Rescue Squad or Volunteer Fire Department in the County of Montgomery,

Legals - Montgomery County

Virginia, at their regularly scheduled meeting on Monday, December 15, 2025, at 7:15 p.m., or as soon thereafter at the Montgomery County Government Center, 2nd Floor Board Room, 755 Roanoke Street, Christiansburg, Virginia.
A copy of the proposed Ordinance is available for inspection and/or copying in the County Administrator's suite in the County Government Center Monday through Friday from 8:30 5:00 pm.

BY ORDER OF THE BOARD OF SUPERVISORS

Angela M. Hill
County Administrator

REQUEST FOR PROPOSALS OPERATION & MAINTENANCE OF PRETREATMENT SYSTEM FOR DISCHARGE TO SANITARY SEWER RFP 25-04 MONTGOMERY REGIONAL SOLID WASTE AUTHORITY

The Montgomery Regional Solid Waste Authority (the "Authority") is soliciting proposals for professional engineering services from qualified offerors for the operation and maintenance of pretreatment system for discharge to sanitary sewer. The Request for Proposal may be obtained from Montgomery Regional Solid Waste Authority, 555 Authority Drive, Christiansburg, VA 24073; by mail at P.O. Box 2130, Christiansburg, VA 24068-2130; by phone, (540) 381-2820; or by fax, (540) 381-2826.
To be considered, sealed proposals, one original and two copies, should be forwarded to the Montgomery Regional Solid Waste Authority at the above address in an envelope marked "RFP 25-04 - MRSWA Sanitary Sewer Discharge Pretreatment System Operation and Maintenance" and showing the date of the proposal. Proposals must be received no later than Friday, December 19, 2025, at 2:00 p.m. The Authority reserves the right to reject any and all proposals or to accept the proposal or any item of the proposal deemed most advantageous to the Authority.

REQUEST FOR PROPOSALS FOR PROFESSIONAL ENGINEERING SERVICES GROUNDWATER MONITORING AND REPORTING RFP 25-02 MONTGOMERY REGIONAL SOLID WASTE AUTHORITY

The Montgomery Regional Solid Waste Authority (the "Authority") is soliciting proposals from qualified offerors for professional services to be limited specifically to groundwater monitoring and reporting in accordance with Virginia Solid Waste Management regulations. The Request for Proposal may be obtained from Montgomery Regional Solid Waste Authority, 555 Authority Drive, Christiansburg, VA 24073; by mail at P.O. Box 2130, Christiansburg, VA 24068-2130; by phone, (540) 381-2820; or by fax, (540) 381-2826.
To be considered, sealed proposals, one original and two copies, should be forwarded to the Montgomery Regional Solid Waste Authority at the above address in an envelope marked "RFP 25-02 - Groundwater Monitoring and Reporting" and showing the date of the proposal.
Proposals must be received no later than Friday, December 19, 2025, at 2:00 p.m.
The Authority reserves the right to reject any and all proposals or to accept the proposal
or any item of the proposal deemed most advantageous to the Authority.

REQUEST FOR PROPOSALS FOR PROFESSIONAL ENGINEERING SERVICES COMPRHENSIVE SOLID WASTE MANAGEMENT RFP 25-01 MONTGOMERY REGIONAL SOLID WASTE AUTHORITY

The Montgomery Regional Solid Waste Authority (the "Authority") is soliciting proposals from qualified offerors for professional engineering services for the Authority's engineering and solid waste management needs in accordance with Virginia Solid Waste Management regulations. The Request for Proposals may be obtained from Montgomery Regional Solid Waste Authority, 555 Authority Drive, Christiansburg, VA 24073; by mail at P.O. Box 2130, Christiansburg, VA 24068-2130; by phone, (540) 381-2820; or by fax, (540) 381-2826.
To be considered, sealed proposals, one original and three copies, should be forwarded to the Montgomery Regional Solid Waste Authority at the above address in an envelope marked "RFP 25-01- Comprehensive Solid Waste Management Services" and showing the date of the proposal. Proposals must be received no later than December 19, 2025, at 2:00 p.m.
The Authority reserves the right to reject any and all proposals or to accept the proposal or any item of the proposal deemed most advantageous to the Authority.

REQUEST FOR PROPOSALS FOR PROFESSIONAL ENGINEERING SERVICES LANDFILL GAS MONITORING AND REPORTING RFP 25-03 MONTGOMERY REGIONAL SOLID WASTE AUTHORITY

The Montgomery Regional Solid Waste Authority (the "Authority") is soliciting proposals from qualified offerors for professional engineering services to be limited specifically to landfill gas monitoring and reporting in accordance with Virginia Solid Waste Management regulations. The Request for Proposal may be obtained from Montgomery Regional Solid Waste Authority, 555

Legals - Montgomery County

2130; by phone, (540) 381-2820; or by fax, (540) 381-2826.
To be considered, sealed proposals, one original and two copies, should be forwarded to the Montgomery Regional Solid Waste Authority at the above address in an envelope marked "RFP 25-02 - Groundwater Monitoring and Reporting" and showing the date of the proposal.
Proposals must be received no later than Friday, December 19, 2025, at 2:00 p.m.
The Authority reserves the right to reject any and all proposals or to accept the proposal
or any item of the proposal deemed most advantageous to the Authority.

Legals - Montgomery County

Authority Drive, Christiansburg, VA 24073; by mail at P.O. Box 2130, Christiansburg, VA 24068-2130; by phone, (540) 381-2820; or by fax, (540) 381-2826.
To be considered, sealed proposals, one original and two copies, should be forwarded to the Montgomery Regional Solid Waste Authority at the above address in an envelope marked "RFP 25-03 - Landfill Gas Monitoring and Reporting" and showing the date of the proposal.
Proposals must be received no later than December 19, 2025, at 2:00 p.m.
The Authority reserves the right to reject any and all proposals or to accept the proposal or any item of the proposal deemed most advantageous to the Authority.

STATEWIDE ADS

AUCTIONS

REAL ESTATE AUCTION. 139+/- acres, Robersonville, NC. 5 tracts land, 2 tracts timber 4000 ft. of road frontage. Sat 11/22/25, 11AM. Visit: StoneAuctionAndRealty.com

ATTN. AUCTIONEERS: Promote your upcoming auctions statewide! Affordable Print and Digital Solutions reaching your target audience. Call this paper or Landon Clark at Virginia Press Services 804-521-7576, landonc@vpa.net

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No more cleaning out gutters. Guaranteed! LeafFilter is backed by a no-clog guarantee and lifetime transferrable warranty. Call today 1-877-614-6667 to schedule a FREE inspection and no obligation estimate. Get 15% off your entire order. Plus, Military & Seniors get an additional 10% off. Limited time only. Restrictions apply, see representative for warranty and offer details.

Prepare for power outages today with a Generac Home Standby Generator. Act now to receive a FREE 7-Year warranty with qualifying purchase. Call 1-844-947-1479 today to schedule a free quote. It's not just a generator. It's a power move.

Safe Step. North America's #1 Walk-In Tub. Comprehensive lifetime warranty. Top-of-the-line installation and service. Now featuring our FREE shower package and $1600 Off for a limited time! Call today! Financing available. Call Safe Step 1-877-591-9950

Replace your roof with the best looking and longest lasting material steel from Erie Metal Roofs! Three styles and multiple colors available. Guaranteed to last a lifetime! Limited Time Offer – up to 50% off Installation + Additional 10% off Install (for military, health workers & 1st responders) Call Erie Metal Roofs: 1-844-902-4611

The bathroom of your dreams in as little as 1 day. Limited Time Offer - $1000 off or No Payments and No Interest for 18 months for customers who qualify. BCI Bath & Shower. Many options available. Quality materials & professional installation. Senior & Military Discounts Available. Call Today! 1-844-945-1631

LIVESTOCK SALES

TOTAL PERFORMANCE BULL SALE. Friday, December 5, 2025 at Noon. 180 Angus, Hereford, Gelbvieh and Balancer bulls. Knoll Crest Farm 167 Bull Hill Road, Red House, VA. knollcrestfarm.com 434-376-3567

SERVICES

DIVORCE-Uncontested, $475+$86 court cost. WILLS-$295.00. No court appearance. Estimated completion time twenty-one days. Hilton Oliver, Attorney (Facebook). 757-490-0126. Se Habla Espanol. BBB Member. https://hiltonoliverattorneyva.com.

Portable Oxygen Concentrator May Be Covered by Medicare! Reclaim independence and mobility with the compact design and long-lasting battery of Inogen One. Free information kit! Call 888-608-4974

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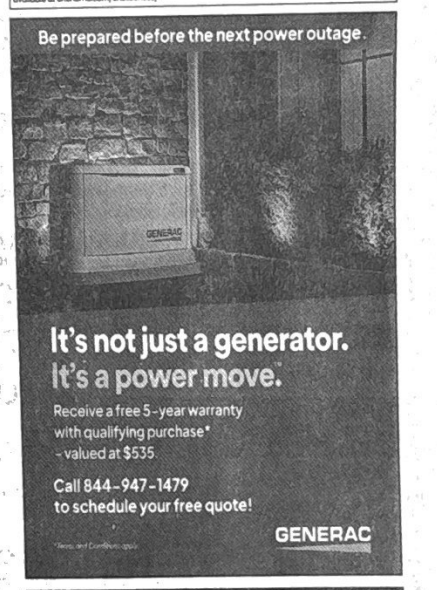

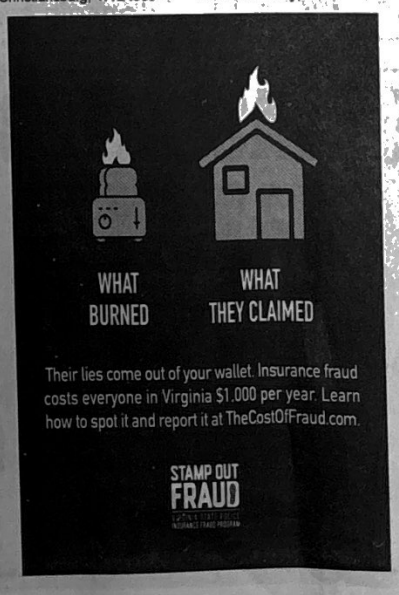



CITY OF SALEM, VIRGINIA
SALEM CITY COUNCIL
114 NORTH BROAD STREET
P.O. BOX 869
SALEM, VIRGINIA 24153-0869

November 13, 2025

Poindexter SW Florida LLC
2014 Electric Road #236
Roanoke, VA 24018

RE: Petition For Use Not Provided For Permit
2121 Apperson Drive
Salem VA 24153
Tax Map # 281-1-2.2

To Whom It May Concern:

You and/or your agent shall appear before City Council on **Monday, December 8, 2025, at 6:30 p.m.** in the **Council Chambers, First Floor, Salem City Hall, 114 North Broad Street, Salem, Virginia** for consideration of your Use Not Provided For request for the above-referenced property.

If you have any questions regarding this matter, please contact our office at (540) 375-3016.

Sincerely,

H. Robert Light

H. Robert Light
Assistant City Manager/Clerk of Council

Item #: 6.B.

AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF SALEM, VIRGINIA HELD AT CITY HALL

MEETING DATE: December 11, 2025

AGENDA ITEM: **Annual Comprehensive Financial Report**
Presentation of the Annual Comprehensive Financial Report for the Year Ended June 30, 2025 . Audit - Finance Committee

SUBMITTED BY: Rosemarie Jordan, Director of Finance

SUMMARY OF INFORMATION:
All Virginia localities are required to have an annual audit and the auditor is required to present the report and any findings in a public meeting before December 31st of each year. John Aldridge, with the firm of Brown, Edwards & Company, LLC, has reviewed the audit report with the City's Audit-Finance committee and will formally present the report and any findings to Council.

FISCAL IMPACT:

STAFF RECOMMENDATION:
Staff recommends that Council accept the Annual Comprehensive Audit Report as presented.

ATTACHMENTS:
1. 2025 ACFR Final with Cover with Letterhead

SALEM VA



CITY OF SALEM, VIRGINIA

Annual Comprehensive Financial Report

Year Ended June 30, 2025

Cover photo courtesy of Vikki Branscome

CITY OF SALEM, VIRGINIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2025

DEPARTMENT OF FINANCE

CITY OF SALEM, VIRGINIA
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INTRODUCTORY SECTION

The Introductory Section of the City of Salem, Virginia's Annual Comprehensive Financial Report contains the Letter of Transmittal, which presents an overview of the profile of the City of Salem government, the local economic condition and outlook, major initiatives and accomplishments, and financial policies and financial planning. Also included in this section are an organizational chart and the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association of the United States and Canada (GFOA) for the Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. It is the highest form of recognition in governmental financial reporting.

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CITY OF SALEM, VIRGINIA

November 24, 2025

The Honorable Mayor, Members of City Council
and Citizens of Salem, Virginia

We are pleased to present the City of Salem, Virginia (City) Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2025, as required by state law. This report was prepared by the Department of Finance in accordance with the standards of financial reporting as prescribed by the Governmental Accounting Standards Board (GASB). Brown, Edwards & Company, L.L.P., has issued unmodified opinions on the City's basic financial statements as of and for the fiscal year ended June 30, 2025.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with City management. To the best of our knowledge and belief, the data as presented is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City as measured by the financial activity of various funds and component units. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City has established a comprehensive internal control framework designed to both safeguard the government's assets against loss from unauthorized use or theft and to properly record and adequately document transactions in order to compile information for the presentation of the City's financial statements. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

Management's discussion and analysis (MD&A) beginning on page 18 provides a narrative introduction, overview, and analysis to assist users in interpreting the basic financial statements. This letter is meant to complement the MD&A and should be read in conjunction with it.

Profile of the Government

Salem is located in Virginia's Blue Ridge Mountains, approximately 190 miles west of Richmond and 250 miles southwest of Washington, DC. The City lies at the region's crossroads of major rail and highway systems, making it a part of the principal trade, industrial, transportation, medical and cultural center of western Virginia.

Chartered by the Commonwealth of Virginia as a town in 1806 and as a city in 1968, Salem encompasses a land area of 14.4 square miles. The City's 2025 population, 25,346, accounts for approximately 8.1% of the population in its metropolitan statistical area (MSA), which includes the neighboring City of Roanoke and Counties of Botetourt, Craig, Franklin, and Roanoke.

The City of Salem operates under a Council-Manager form of government. Under this form of government, City Council is elected by the voters and is comprised of five members, who elect two of their members as Mayor and Vice-Mayor for a two-year term. The City Council employs a City Manager who is responsible for administration of the City government. The primary government provides a full range of services including general government administration, judicial administration, public safety, public works, health and welfare, parks and recreation, community development activities and support for education. The City also owns and operates an electric distribution system, water and sewage facilities and a civic center.

The financial reporting entity reflected in the Annual Comprehensive Financial Report includes all funds of the City as well as its component units. Component units are legally separate entities for which the primary government is financially accountable. The City's reporting entity includes two discretely presented component units, the City of Salem School Division and the Economic Development Authority of the City of Salem (EDA). The discretely presented component units are presented in a separate column in the government-wide financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position and results of operations from that of the primary government. Additional information concerning these legally separate organizations can be found in Note 1 to the financial statements.

There are several commissions and authorities where the City's accountability is limited to appointments to, or seats on, the respective boards. The City does not exercise financial or administrative control over these entities, so they are excluded from this report.

Local Economic Condition and Outlook

Salem continues to offer a strong environment and a high quality of life that supports both families and businesses. The City has long maintained stable property values, consistent tax rates, a strong public school system, and access to a skilled regional workforce within a market where the cost of doing business remains highly competitive. As of the second quarter of 2025, the region's cost-of-living index was 9.3% below the national average (Cost of Living Index, Q2 2025), offering a clear advantage to employers choosing to locate and grow in Salem.

As of June 2025, Salem's unemployment rate stood at 3.8%, an increase of 0.6% from the prior year. Despite this rise, Salem continues to outperform the national unemployment rate of 4.4% and remains closely aligned with the Virginia state average of 3.9%.

A key contributor to Salem's economic resilience is its diverse industry base, which includes healthcare, manufacturing, higher education, retail trade, and government. Local manufacturers produce a broad range of products—from high-tech medical devices and biopharmaceuticals to tires, steel, railroad equipment, and concrete materials.

Healthcare remains a cornerstone of Salem's economy. The Salem Veterans Affairs Medical Center is the City's largest employer with more than 1,700 employees, followed by LewisGale Medical Center, part of the HCA Health System, with over 1,200 employees. Over the past two years, the City has celebrated three state-supported business announcements, totaling more than $70 million in capital investment and the creation of over 190 new jobs, with average annual wages exceeding $50,000.

Downtown Salem continues to attract private investment and revitalization. Since the adoption of the Downtown Plan and Façade Grant Program in 2016, these tools have supported adaptive reuse of historic structures and reinvestment in key commercial properties. Recent public improvements include updated streetscaping, landscaping, and lighting throughout the downtown area. In fiscal year 2025, Phase 4 improvements from Thompson Memorial Drive to North Market Street were completed. Engineering is now underway for Phase 5, which extends from White Oak Alley to North Market Street and is targeted for completion in fiscal year 2026.

Salem experienced continued momentum in new and existing business activity in fiscal year 2025, further contributing to the City's growing economic vitality. Notable examples include:

- QualiChem Inc. will invest $9 million to expand operations into a new 48,500-square-foot facility, creating 12 new jobs. The company is a leading producer of metalworking fluids used in the production and fabrication of metal components.

- Developers Joe Thompson and Ed Walker partnered to redevelop the former Valleydale meat-packing site. The $50 million project will include three new multi-family buildings totaling over 300 upscale apartments. Amenities will feature a rooftop lounge, a two-story club room, a state-of-the-art fitness center, pickleball courts, a resort-style infinity pool, a game room with a sports simulator, a coworking lounge, meeting space, outdoor gathering areas, and fenced dog parks. The first building has reached 60% capacity, and groundwork has begun on the remaining two. The City has committed $1.5 million to streetscape and utility improvements in the area.

- Novonesis, a global biotechnology leader specializing in enzymes and microbial BioSolutions, announced a $5 million expansion at its Salem facilities to enhance spore production. The 18-month investment will upgrade three of its five local facilities and create five new jobs.

- Integer, a global medical contract development and manufacturing company, will expand its Salem operations over the next five years. The company plans to lease an additional facility to increase production of catheter components, adding 83 new jobs.

- Wawa, the Pennsylvania-based convenience store chain, announced its expansion into Southwest Virginia with a new Salem location on West Main Street, scheduled to open in 2026.

- Roanoke College has continued construction on a new $30 million facility. Phase One is expected to be completed in fall 2026.

- Shrewd Outdoors, a 12,000-square-foot experiential retail store located on Main Street, officially opened, offering a wide selection of gear and expert support for archery, hiking, trail running, and other outdoor activities. The store has created 10 new jobs in downtown Salem.

In addition to these projects, fiscal year 2025 saw the opening of several locally owned retail and restaurant establishments. Several national chains also announced expansion plans and began construction in Salem, with openings anticipated in fiscal year 2026. Examples include 7 Brew, Cook Out, and First Watch.

With most developable land already built out, the City has prioritized strategic partnerships to support future growth. As a founding member of the Western Virginia Regional Industrial Facility Authority (WVRIFA), Salem works collaboratively with neighboring localities to expand regional development opportunities. One key project is Wood Haven Technology Park, a 109-acre site near the intersection of I-81 and I-581. Fully graded by the end of 2022, the site has since seen a significant increase in interest from manufacturers considering investments ranging from tens to hundreds of millions of dollars.

The City acquired a 12-acre site off Mill Lane, adjacent to the Southside Drive industrial park. This property was secured to retain local control over future commercial development. The Economic Development Department is actively marketing the site and conducting engineering analysis to prepare it for investment.

As permitted under the Code of Virginia, the City and its Economic Development Authority (EDA) may enter into performance-based agreements with qualifying businesses. These agreements, which may include grant funding, are carefully structured to ensure public investment yields long-term returns in the form of new jobs, real estate improvements, and capital investment.

Major Initiatives and Accomplishments

Salem City Council and management are committed to making Salem a great place to live, work and raise a family. To that end, the City and School Board work diligently to provide one of the finest school systems, not only in the region, but throughout the Commonwealth.

Salem students demonstrated high levels of performance in academic, extracurricular, and athletic activities. All six Salem schools were fully accredited by the Virginia Department of Education. The City of Salem School Division has one of the highest on-time graduation rates in the area at 93.4%. Approximately 78% of Salem High School graduates attend a 2-year or 4-year college or university.

Renovations at Fire Station #2 were underway in fiscal year 2025, which were a two-part process with the addition of an auxiliary building and station renovations. The on-site auxiliary building is heated which allows for the storage of emergency vehicles and houses the department's second personal protective gearing washing machine. This building will provide needed storage space for the swift water and technical rescue assets. The station renovations included the replacement of front and rear concrete pads, improvements to the interior of the station to include sound deafening windows, new air conditioning and heating systems, renovated restroom, renovated dayroom, renovations of two sleeping quarters and asbestos abatement. This renovation will replace original systems that were 50 years or older.

The jury room at the Salem City Courthouse was expanded in fiscal year 2025. Restrooms were renovated and a small kitchenette area was added. Technology upgrades, construction of a fence for added security and a roof over the walkway from the Courthouse to the jury room were also completed.

Work continued on the Colorado Street bridge replacement project. Construction was completed in the fall of 2025. Replacement of the Apperson Drive bridge began in fiscal year 2025 and is expected to be complete by the end of December 2026. The estimated cost of the project is $9 million.

Substantial water infrastructure work was done in fiscal year 2025. Due to frequent line failures, two major water line replacement projects were completed. Approximately 4,700 feet of aging galvanized water pipe was replaced with new 6-inch water mains to enhance system durability and fire flow capacity. The projects also included installation of copper service lines, fire hydrants, valves and related appurtenances.

To supplement flow to the water treatment plant and ensure a reliable supply during drought conditions, two new wells are being constructed to produce up to an additional 3 million gallons of water per day. The project is scheduled for completion in November 2025.

The Franklin Street water tank replacement project was completed in fiscal year 2025. A 500,000 gallon painted steel water tank is being replaced with a 256,000 gallon bolted glass-fused-to-steel storage tank. After evaluating the condition of the old tank, it was determined that a complete replacement with a smaller tank was comparable in price to rehabilitating the original structure which was constructed in 1976. The new tank will not require painting, is expected to have a lower overall life cycle cost and will reduce the risk of water quality issues.

Investment in Salem Civic Center infrastructure included work on a roof replacement project, which began in fiscal year 2025. Equipment purchases included an outdoor electronic message center marquee, a weapons detection system and a scoreboard for the arena.

Salem hosts hundreds of high school, collegiate and amateur tournaments, and championships. In fiscal year 2025, the City hosted Old Dominion Athletic Conference (ODAC) men's and women's basketball, softball and indoor track. Virginia High School League (VHSL) championships in volleyball, football, wrestling, baseball, softball and soccer were held. Salem also hosted the Central Intercollegiate Athletic Association (CIAA) championships in football and cross country. The City, in conjunction with ODAC and Roanoke College, hosted the NCAA Division II and III women's lacrosse championship, Division III women's and men's volleyball along with DIII women's basketball. While all NCAA events are streamed, women's basketball and volleyball were streamed on ESPN+ with increased exposure for Salem. Approximately

29,000 people traveled to Salem to attend events in fiscal year 2025 with an estimated economic impact of $8 million.

The NCAA awarded Salem and its long-time partners, ODAC and Roanoke College, fifteen national championship events beginning in fiscal year 2023, including Division III championships in men's and women's soccer, women's basketball, softball, lacrosse and men's and women's volleyball. The historic 50th annual Amos Alonzo Stagg Bowl, NCAA Division III football championship, was held in Salem in December 2023 and returns January 2027. Salem previously hosted the Stagg Bowl for 25 consecutive years, from 1993 to 2017. By the end of fiscal year 2025, the City celebrated hosting 108 NCAA National Championships, a feat unmatched in the country.

Financial Policies and Financial Planning

City management is responsible for establishing and maintaining internal controls. Internal controls are designed to provide reasonable, but not absolute, assurance that City assets are safeguarded against unauthorized use or disposition and that financial transactions are conducted properly and in accordance with City policy.

City Council adopted a formal fund balance policy to establish guidelines to maintain a prudent level of financial resources to ensure that a strong financial position is maintained. The policy establishes a minimum acceptable level of unassigned fund balance as 10% of the sum of General Fund, Debt Service Fund and School Division operating expenditures, net of the General Fund transfer to School Division. As of June 30, 2025, unassigned fund balance is 41.3%, well in excess of this minimum.

The City's annual budget is based on the financial policies of the City and reflects the balance between anticipated revenues and proposed expenditures. As required by City Code, the City Manager submits a recommended budget to City Council at least thirty days prior to the last Council meeting in May of each year for the fiscal year beginning July 1st. After an extensive study process and a public hearing to receive citizen input, City Council adopts the budget on or before June 30th.

The budget function is used as a management tool, including performance objectives, goals, and long-range planning, as well as maintaining budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by City Council. For activities of the General Fund, which incorporates debt service, budgetary compliance is established at the fund level (that is, the level at which expenditures cannot legally exceed the appropriated amount.) The City also utilizes encumbrance accounting as a way to accomplish budgetary control. Encumbered amounts lapse at year-end but are re-appropriated as part of the following year's budget.

In fiscal year 2024, the City adopted a Capital Planning and Reserve Policy to define guidelines and goals for capital planning and capital asset replacement reserves. The policy defines how annual contributions to capital reserve are calculated, while maintaining a healthy fund balance in the General Fund. The City prepares a six-year capital improvement plan, which identifies and prioritizes major City projects and includes cost estimates and potential funding sources. The City utilizes this plan as a tool for capital planning and use of capital reserve. The City closely monitors available funding and proceeds with capital purchases only as funds become available. The City may issue debt obligations to finance the construction or acquisition of capital assets or major renovations to existing capital assets within the guidelines established in the debt management policy.

Independent Audit

Virginia law and the Charter of the City of Salem require that the financial statements of the City be audited by a certified public accountant. Brown, Edwards & Company, L.L.P., has performed an annual audit of the basic financial statements and other supplementary information contained within the City's Annual Comprehensive Financial Report. Their audit was conducted in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the

Specifications for Audits of Counties, Cities and Towns and *Specifications for Audits of Authorities, Boards, and Commissions* issued by the Auditor of Public Accounts of the Commonwealth of Virginia. The report of the independent auditor, which includes their opinion on the financial statements of the City, is contained in the Financial Section of this report. Other auditor's reports are included in the Compliance Section.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the City for its Annual Comprehensive Financial Report for 2024. This represents the thirty-seventh year Salem has earned this distinction. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. We believe this report conforms to the Certificate of Achievement Program requirements and standards and are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

We would like to express our appreciation to the staff of the Department of Finance for the dedication and professionalism demonstrated daily assuring the financial integrity of the City and the preparation of this report. We would also like to express our appreciation to you, City Council, for the continued insight you bring to this City and the strong commitment you have made to its fiscal integrity and financial leadership. Lastly, we would like to express our appreciation to our independent auditing firm, Brown, Edwards & Company, L.L.P., for their cooperation and input in our efforts.

Respectfully submitted,





Christopher J. Dorsey
City Manager

Rosemarie B. Jordan
Director of Finance

CITY OF SALEM, VIRGINIA
DIRECTORY OF PRINCIPAL OFFICIALS
JUNE 30, 2025

MEMBERS OF CITY COUNCIL

Renée F. Turk	Mayor
Anne Marie Green	Vice-Mayor
Byron R. Foley	Member
H. Hunter Holliday, III	Member
John E. Saunders	Member

ELECTED OFFICERS

Danielle C. Crawford	Treasurer
Kristie D. Chittum	Commissioner of the Revenue
Thomas E. Bowers	Commonwealth's Attorney
Gary Chance Crawford	Clerk of Circuit Court
Christopher G. Shelor	City Sheriff

GENERAL CITY GOVERNMENT

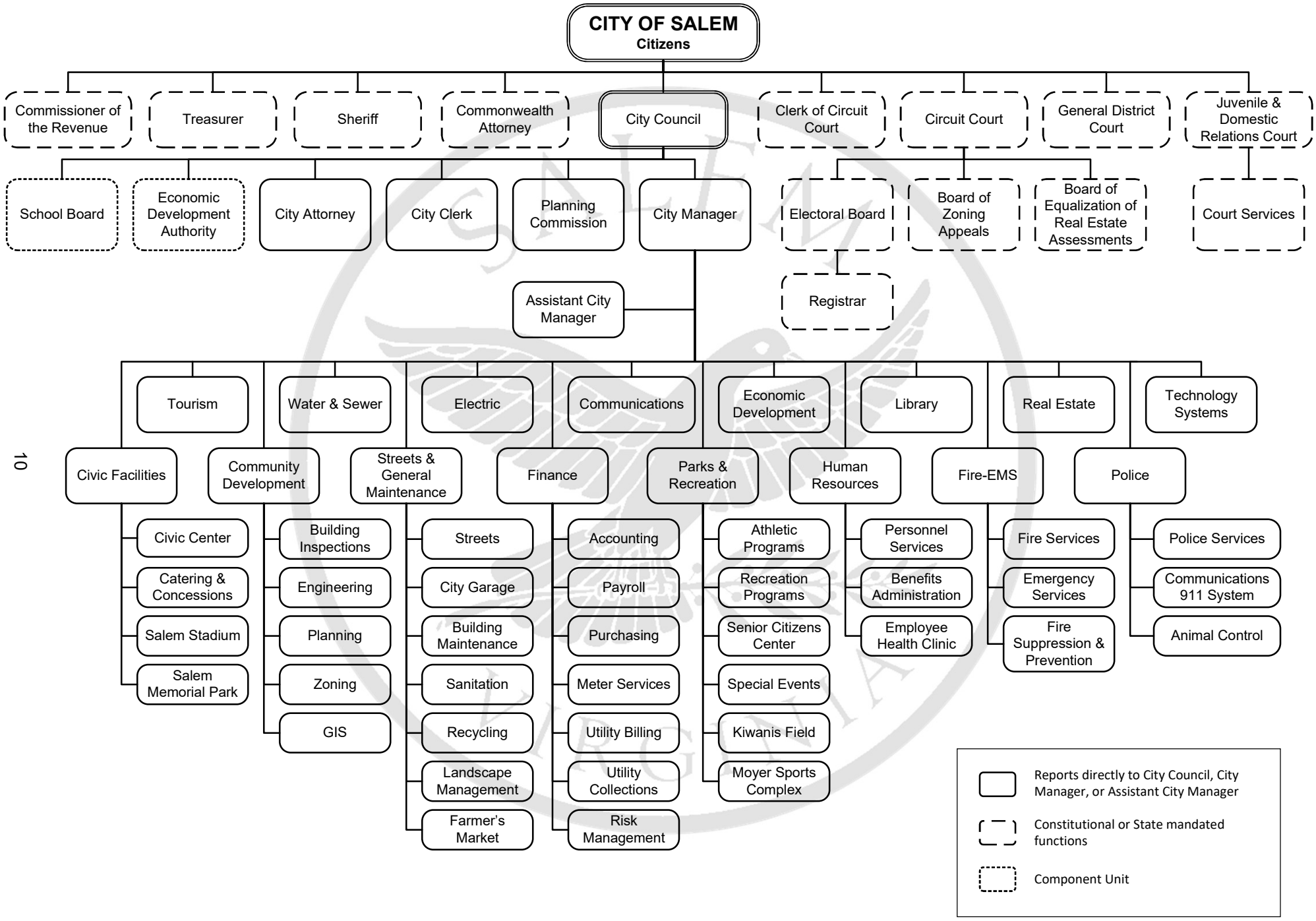
Christopher J. Dorsey	City Manager
H. Robert Light	Assistant City Manager
Rosemarie B. Jordan, CPA	Director of Finance
Jim H. Guynn, Jr.	City Attorney
Beth A. Rodgers	Director of Human Resources
Patrick W. Morton	Director of Technology Systems
Derek M. Weeks	Police Chief
Stephen G. Simon	Fire Chief
Charles E. Van Allman, Jr.	Director of Community Development
Todd W. Sutphin.	Director of Streets and General Maintenance
John P. Shaner	Director of Parks and Recreation
Ann G. Tripp	Library Director
Benjamin E. Leeson	Director of Elections
A. K. Briele, III	Director of Electric Department
Larado M. Robinson	Director of Water and Sewer Department
Justin W. Kuzmich	Real Estate Assessor
Troy D. Loving	Building Official
Thomas J. Miller	Director of Economic Development
Wendy S. Delano	Director of Civic Facilities
R. Carey Harveycutter, Jr.	Director of Tourism
Mike Stevens	Director of Communications

MEMBERS OF SCHOOL BOARD

John A. (Andy) Raines	Chairman
Teresa E. Sizemore	Vice Chairman
Stacey G. Danstrom	Member
Macel H. Janoschka	Member
Christopher M. King	Member

SCHOOL ADMINISTRATION

Dr. Curtis N. Hicks	Superintendent of Schools
Jennifer P. Dean	Assistant Superintendent
Kirstine M. Barber	Executive Director of Human Resources
Mandy C. Hall	Chief Financial Officer
Dr. Randy L. Jennings	Director of Student Services
Dr. Forest I. Jones	Director of Administrative Services
Mark A. Thompson	Director of Technology and Data Management
Rosemarie B. Jordan, CPA	Director of Finance


CITY OF SALEM
Citizens
Commissioner of the Revenue
Treasurer
Sheriff
Commonwealth Attorney
City Council
Clerk of Circuit Court
Circuit Court
General District Court
Juvenile & Domestic Relations Court
School Board
Economic Development Authority
City Attorney
City Clerk
Planning Commission
City Manager
Electoral Board
Board of Zoning Appeals
Board of Equalization of Real Estate Assessments
Court Services
Assistant City Manager
Registrar
Tourism
Water & Sewer
Electric
Communications
Economic Development
Library
Real Estate
Technology Systems
Civic Facilities
Community Development
Streets & General Maintenance
Finance
Parks & Recreation
Human Resources
Fire-EMS
Police
Civic Center
Catering & Concessions
Salem Stadium
Salem Memorial Park
Building Inspections
Engineering
Planning
Zoning
GIS
Streets
City Garage
Building Maintenance
Sanitation
Recycling
Landscape Management
Farmer's Market
Accounting
Payroll
Purchasing
Meter Services
Utility Billing
Utility Collections
Risk Management
Athletic Programs
Recreation Programs
Senior Citizens Center
Special Events
Kiwanis Field
Moyer Sports Complex
Personnel Services
Benefits Administration
Employee Health Clinic
Fire Services
Emergency Services
Fire Suppression & Prevention
Police Services
Communications 911 System
Animal Control
Reports directly to City Council, City Manager, or Assistant City Manager
Constitutional or State mandated functions
Component Unit

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Salem
Virginia

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

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FINANCIAL SECTION

The Financial Section of the City of Salem, Virginia's Annual Comprehensive Financial Report includes the independent auditor's report, management's discussion and analysis, and basic financial statements, including accompanying notes, required supplementary information, notes to required supplementary information, and other supplementary information.

BROWNEDWARDS
certified public accountants

Independent Auditor's Report

To the Honorable Members of the City Council
City of Salem, Virginia
Salem, Virginia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Salem, Virginia (the "City"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and *Specifications for Audits of Counties, Cities, and Towns and the Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 21 to the financial statements, in 2025, the City adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management, and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, other supplemental schedules, and statistical section, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the

basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
November 24, 2025

The following discussion and analysis of the City of Salem, Virginia's (the City) financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2025. It should be read in conjunction with the transmittal letter and the City's basic financial statements.

FINANCIAL HIGHLIGHTS

- As of June 30, 2025, the primary government had $291.3 million in total net position, an increase of $27.3 million from prior year. Unrestricted net position available to fund future expenses was $90.5 million or 31.1% of total net position.
- As of June 30, 2025, the governmental activities had $151.3 million in total net position, which increased $20.6 million from prior year. Unrestricted net position was $31.6 million or 20.9% of total net position.
- As of June 30, 2025, the business-type activities had $140 million in total net position, an increase of $6.8 million from prior year. Unrestricted net position available to fund future expenses was $58.9 million or 42.1% of total net position.
- As of June 30, 2025, the General Fund had $68.6 million in total fund balance, which increased by $3.3 million from prior year. Unassigned fund balance was $60 million or 87.5% of total fund balance.

OVERVIEW OF THE FINANCIAL STATEMENTS

Our discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's financial statements present two types of statements, each with a different focus on the City's finances. The government-wide financial statements focus on the City as a whole and provide both short-term and long-term information about the City's overall financial status. The fund financials focus on the individual parts of City government, reporting the City's operations in more detail than the government-wide statements. Presentation of both perspectives provides the user with a broader overview, enhances the basis for comparisons and better reflects the City's accountability.

Government-Wide Financial Statements

The government-wide financial statements begin on page 34 and include the Statement of Net Position and the Statement of Activities. These statements provide information about the City as a whole using the accrual basis of accounting, which is the method used by most private-sector enterprises. All current year revenues and expenses are reported in the Statement of Activities regardless of when cash is received or paid. These statements allow readers to answer the question, "Is the City's financial position, as a whole, better or worse as a result of the year's activities?"

One of the main goals of these two statements is to report the City's net position and changes that affected net position during the fiscal year. The change in the City's net position, which is the difference between assets and deferred outflows and liabilities and deferred inflows, is one way to measure the City's financial health or financial position. Increases or decreases in net position are indicators of whether the City's financial health is improving or declining. Other non-financial factors, such as changes in the City's property tax base and the condition of the City's infrastructure, should also be considered in assessing the overall financial health of the City.

In the Statement of Net Position and the Statement of Activities, the City's fund-based activity is classified as follows:

Governmental activities – Most of the City's basic services are reported here including general government, judicial administration, public safety, public works, health and welfare, education, parks and recreation and community development. Property taxes, other local taxes, and federal and state grants finance most of these activities.

Business-type activities – The City's electric distribution system, water and sewer systems, Civic Center and catering and concessions are reported here as the City charges a fee to customers designed to cover all or most of the cost of services it provides.

Component units – Because of the City's financial accountability for these organizations, the City includes two discretely presented component units in this report, the City of Salem School Division (School Division) and the Economic Development Authority of the City of Salem (Economic Development Authority).

Fund Financial Statements

The fund financial statements begin on page 36 and provide detailed information about the most significant funds, rather than the City as a whole. The City has three types of funds:

Governmental funds – Most of the City's basic services are presented as governmental funds. Fund based statements for these funds focus on how resources flow into and out of the funds and the balances left at year-end that are available for future spending. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. These funds are reported on the modified accrual basis of accounting, which measures cash and other liquid assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term overview that helps the reader determine the financial resources that can be spent in the near future to finance the City's programs. The City's governmental funds include the General Fund, Special Revenue Fund, Debt Service Fund and Capital Projects Fund. The differences between governmental activities as reported in the government-wide and fund financial statements are reconciled in Exhibits 4 and 6.

Proprietary funds – When the City charges customers for the services it provides, whether to outside customers or to other units of the City, these services are generally reported in proprietary funds which, like the government-wide statements, utilize the accrual basis of accounting, and their statements provide both short-term and long-term financial information.

The City's enterprise funds, one type of proprietary fund, are accounted for in the same manner as the government-wide business-type activities; however, the fund financial statements provide more detail and additional information, such as cash flows. The City's enterprise funds include the Electric Fund, Water and Sewer Fund, Civic Center Fund and Catering and Concessions Fund.

The City utilizes an internal service fund to account for health and dental insurance coverage for employees and retirees.

Fiduciary funds – Resources held for other governments or agencies not part of the City are reported as fiduciary funds. These activities are excluded from the government-wide financial statements because the City cannot use these assets to finance its operations. The accounting used for fiduciary funds is much like that used for proprietary funds. The City reports resources for other postemployment benefits (OPEB) related to its healthcare plan for retirees in an OPEB trust fund and accounts for resources held on behalf of the Cardinal Criminal Justice Academy and the Court-Community Corrections Program in custodial funds. In custodial funds, the City recognizes liabilities when events occur that compel the City to disburse fiduciary resources.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

A comparative analysis of government-wide information follows beginning on the next page.

Summary of Net Position

The following table presents a condensed summary of net position:

Summary of Net Position
(In Millions)

	Governmental Activities		Business-type Activities		**Total Primary Government**		**Component Units**	
	2025	2024	2025	2024	2025	2024	2025	2024
Current and other assets	$ 118.2	$ 112.7	$ 81.9	$ 77.6	$ 200.1	$ 190.3	$ 37.7	$ 39.3
Capital assets, net	141.1	131.2	104.3	101.5	245.4	232.7	71.8	73.1
Total assets	259.3	243.9	186.2	179.1	445.5	423.0	109.5	112.4
Deferred outflows of resources	10.8	7.8	3.1	2.3	13.9	10.1	11.4	10.7
Current and other liabilities	8.9	9.6	10.2	8.8	19.1	18.4	16.6	17.2
Long-term liabilities	101.3	107.0	36.7	38.1	138.0	145.1	40.0	43.9
Total liabilities	110.2	116.6	46.9	46.9	157.1	163.5	56.6	61.1
Deferred inflows of resources	8.6	4.4	2.4	1.3	11.0	5.7	6.6	4.4
Net investment in capital assets	113.8	100.3	81.1	75.2	194.9	175.5	71.7	73.0
Restricted	5.9	7.6	-	-	5.9	7.6	1.4	0.8
Unrestricted	31.6	22.8	58.9	58.0	90.5	80.8	(15.4)	(16.2)
Total net position	$ 151.3	$ 130.7	$ 140.0	$ 133.2	$ 291.3	$ 263.9	$ 57.7	$ 57.6

The primary government net position increased from $263.9 million, as restated, to $291.3 million. Net position of governmental activities increased $20.6 million, and net position of business-type activities increased $6.8 million. A detailed description of the changes in revenues and expenses that create the differences in net position is discussed in the next section. Beginning net position was restated due to the implementation of GASB Statement 101, *Compensated Absences*.

Net investment in capital assets represents the amount of capital assets owned by the City, including infrastructure, net of accumulated depreciation and amortization, net of outstanding debt issued to fund the asset purchase or construction, and net of other capital-related liabilities.

The primary government's unrestricted net position, the portion of net position that can be used to finance the daily operations of the City, was $90.5 million. Debt totaling $792,000 issued for Civic Center improvements is being repaid by governmental activities while the related asset is recorded in business-type activities. The City also assumed $31.3 million of debt including premiums issued for school improvements while the School Division recorded the related asset. As such, $32.1 million is included in governmental activities long-term liabilities, which directly reduced unrestricted net position.

Net position is reported as restricted when constraints on asset use are externally imposed by creditors, grantors, contributors, regulators, or are imposed by law through constitutional provisions or enabling legislation. The City had restricted net position totaling $5.9 million as of June 30, 2025, for governmental activities. Approximately $3.3 million in state funding was received, but not yet spent, on highway maintenance. Federal and state grant funding totaling $605,000 was received, but not yet spent, for fire programs, asset forfeiture and four for life grants. Unspent donations totaling $234,000 were restricted for law enforcement and public safety programs. Opioid settlement funds totaling $1.8 million were also restricted.

As of June 30, 2025, the component units had $57.7 million in total net position, an increase of $71,000. Unrestricted net position (deficit) available to fund future expenses was ($15.4) million. Net investment in capital assets was $71.7 million, a decrease of $1.3 million. Restricted net position was $1.4 million.

Summary of Changes in Net Position

The following table presents a condensed summary of changes in net position.

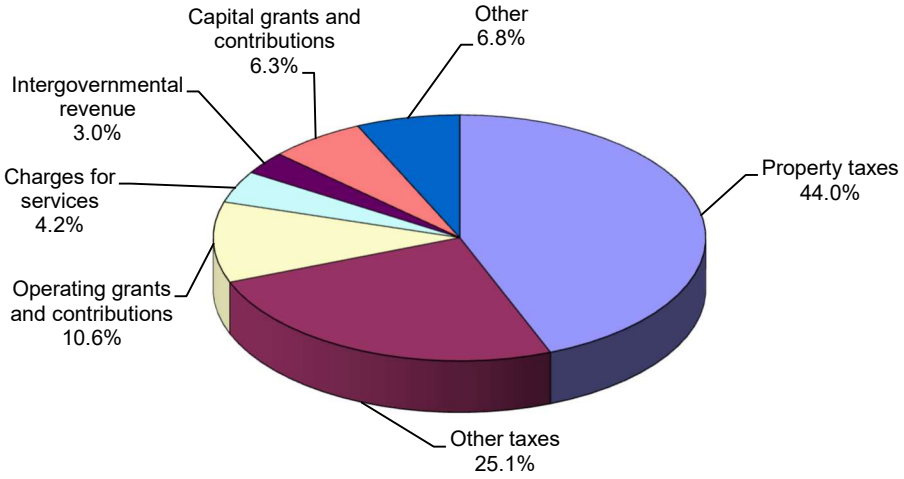
Summary of Changes in Net Position
(In Millions)

	Governmental Activities		Business-type Activities		**Total Primary Government**		**Component Units**	
Revenues	2025	2024	2025	2024	2025	2024	2025	2024
Program Revenues:								
Charges for services	$ 5.2	$ 5.7	$ 72.1	$ 66.3	$ 77.3	$ 72.0	$ 2.0	$ 1.9
Operating grants and contributions	12.9	12.1	-	-	12.9	12.1	18.3	18.5
Capital grants and contributions	7.7	4.6	-	-	7.7	4.6	-	0.8
General Revenues:								
Property taxes	53.6	49.0	-	-	53.6	49.0	-	-
Local sales and use taxes	9.8	9.7	-	-	9.8	9.7	-	-
Business license taxes	8.0	7.2	-	-	8.0	7.2	-	-
Meals taxes	6.8	6.8	-	-	6.8	6.8	-	-
Utility taxes	1.2	1.2	-	-	1.2	1.2	-	-
Lodging taxes	1.9	1.9	-	-	1.9	1.9	-	-
Other taxes	2.8	2.8	-	-	2.8	2.8	-	-
Intergovernmental revenue	3.6	9.2	-	-	3.6	9.2	-	-
Investment earnings	7.3	8.3	0.2	0.1	7.5	8.4	0.6	0.4
Gain on disposal of capital assets	-	0.1	-	-	-	0.1	-	-
Payments from City of Salem	-	-	-	-	-	-	24.2	24.1
State aid	-	-	-	-	-	-	21.1	19.3
Other	1.0	0.9	-	0.2	1.0	1.1	0.7	1.0
Total revenues	121.8	119.5	72.3	66.6	194.1	186.1	66.9	66.0
Expenses								
General government	11.8	10.3	-	-	11.8	10.3	-	-
Judicial administration	3.0	2.8	-	-	3.0	2.8	-	-
Public safety	24.0	22.1	-	-	24.0	22.1	-	-
Public works	15.8	12.4	-	-	15.8	12.4	-	-
Health and welfare	7.7	6.7	-	-	7.7	6.7	-	-
Education	23.8	24.1	-	-	23.8	24.1	65.9	64.8
Parks, recreation and cultural	9.9	7.8	-	-	9.9	7.8	-	-
Community development	4.3	3.2	-	-	4.3	3.2	0.9	0.4
Interest	1.5	1.8	-	-	1.5	1.8	-	-
Electric	-	-	46.2	44.5	46.2	44.5	-	-
Water and sewer	-	-	12.3	11.3	12.3	11.3	-	-
Civic center	-	-	5.4	5.9	5.4	5.9	-	-
Catering and concessions	-	-	1.0	0.9	1.0	0.9	-	-
Total expenses	101.8	91.2	64.9	62.6	166.7	153.8	66.8	65.2
Excess before transfers	20.0	28.3	7.4	4.0	27.4	32.3	0.1	0.8
Transfers	0.6	(2.7)	(0.6)	2.7	-	-	-	-
Increase in net position	20.6	25.6	6.8	6.7	27.4	32.3	0.1	0.8
Net position, beginning*	130.7	105.1	133.2	126.5	263.9	231.6	57.6	56.8
Net position, ending	$ 151.3	$ 130.7	$ 140.0	$ 133.2	$ 291.3	$ 263.9	$ 57.7	$ 57.6

* Restated, due to implementation of the guidance in GASB Statement 101, *Compensated Absences*

Governmental Activities – Revenues

The following graph presents revenues generated for governmental activities by category:



Property taxes, which were 44% of total governmental activities revenue, include real estate tax, the local portion of personal property tax, machinery and tools tax and public service corporation taxes. Property taxes in total increased $4.6 million or 9.4% from the previous year. Current year real estate tax revenue was up approximately $3.3 million or 9.9% from the prior year due to higher assessments and new construction. In fiscal year 2025, vehicle values remained relatively flat but tangible business property assessments increased which resulted in growth of $863,000 or 7.6% in current year personal property tax revenue. Machinery and tools tax increased $174,000 or 5%. Public service corporation tax was up $356,000.

Intergovernmental revenue not restricted, which was 3% of total governmental activities revenue, decreased $5.6 million. The City was awarded $31.2 million in American Rescue Plan Act (ARPA) funding. In fiscal year 2024, the City recognized the remaining $5.3 million in ARPA revenue to cover the amount expended on general government services.

Capital grants and contributions, which comprised 6.3% of governmental activities revenue, was up $3 million. Reimbursement for the Colorado Street bridge replacement project was higher in the Public Works function. In the Community Development function, grant reimbursements were higher for downtown improvement projects.

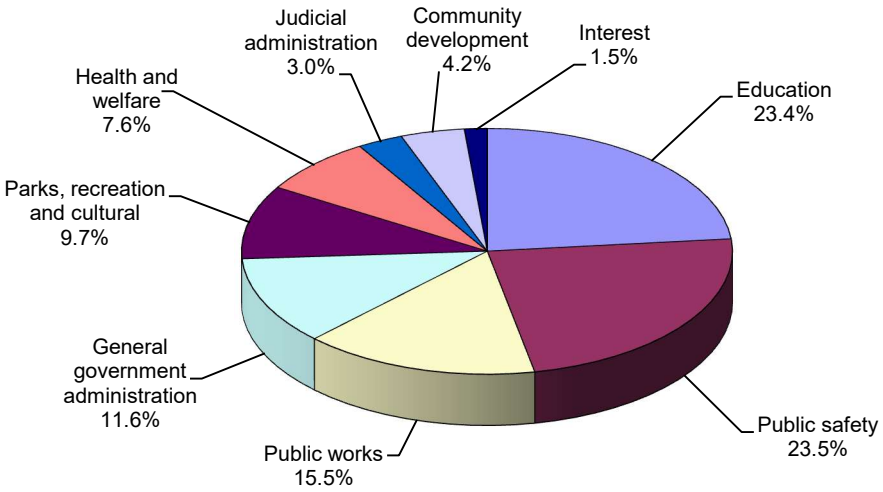
Unrestricted investment earnings, which comprised 6% of governmental activities revenue, decreased $1 million from the previous year. Declining interest rates resulted in lower interest earnings.

Operating grants and contributions, which were 10.6% of governmental activities revenue, increased $783,000. In the Public Works function, highway maintenance funding from the state was $154,000 higher than the prior year. Children's Services Act revenue increased by $404,000 but there was a corresponding increase in health and welfare expenses. In the Community Development function, the City received a brownfield restoration grant in fiscal year 2025 in addition to a higher amount of tourism grants.

Business license tax, which is based on gross receipts for the previous calendar year, increased $877,000 or 12.2%. Local sales and use, utility and lodging taxes remained relatively flat, with less than 1% growth from the prior year. After several years of steady growth, meals tax showed a slight decrease of 0.1%.

Governmental Activities – Expenses

Expenses of the governmental activities are shown below by functional area:



Pension expenses increased across all functions due to higher expenses for differences between expected and actual experience in the total pension liability, partially offset by lower expenses from differences between projected and actual earnings on plan investments. The allocation of internal service fund activity resulted in an increase in expense of $1.4 million. In fiscal year 2024, the internal service fund had a positive change in net position of $1 million but had a decrease in net position of $408,000 in fiscal year 2025 due to higher claims expenses. These increases are partially offset by a decrease in OPEB expense.

General government expenses were 11.6% of total governmental activities expenses and increased $1.5 million or 14.3%. Pension expense was $331,000 higher than the prior year. Depreciation expense was $294,000 higher than the prior year. Allocation of internal service fund activity resulted in a $273,000 increase in expenses. Salary costs were $171,000 higher than the previous year. Bank charges grew by $131,000 due to more customers paying by credit card.

Public safety expenses, which were 23.5% of total governmental activities expenses, increased $1.9 million or 8.5%. Pension expense was $731,000 higher than the prior year. Allocation of internal service fund activity resulted in a $647,000 increase in expenses. Depreciation expense was up by $327,000. Salary costs grew by $241,000.

Public works expenses, which were 15.5% of governmental activities expenses, increased $3.4 million or 27.2%. Highway maintenance costs were $2.4 million higher than the prior year. More paving and bridge repairs were done in fiscal year 2025. Salary costs increased $232,000. Depreciation expense was up $220,000. Pension expense was $250,000 higher than the prior year. Allocation of internal service fund activity resulted in a $328,000 increase in expenses.

Education expenses, which were 23.4% of governmental activities expenses, decreased $272,000 or 1.1%. Operating support totaled $23.8 million, an increase of $885,000 or 3.9%. In fiscal year 2024, $801,000 was transferred to cover Salem High School renovation costs. The project was completed in fiscal year 2024, so no transfers were necessary in fiscal year 2025. Meals tax revenue is shared with the School Division and $356,000 was transferred in fiscal year 2024. No meals tax revenue was transferred in fiscal year 2025.

Parks, recreation and cultural expenses, which were 9.7% of governmental activities expenses, increased $2.1 million or 26.3%. Depreciation expense was $1 million higher than the prior year due to capitalization

of the $27 million renovation project at James I. Moyer Sports Complex. Operating expenses also increased. Pension expense was $175,000 higher than the prior year. Allocation of internal service fund activity resulted in a $134,000 increase in expenses.

Business-type Activities
The proprietary funds provide the same type of information reported in the government-wide financial statements for business-type activities, but in more detail. Please refer to the MD&A's section on Financial Analysis of the City's Funds - Proprietary Funds for detailed analysis of the business-type activities major funds.

Component Units
Payments from the City to the School Division totaled $23.8 million and were down $272,000 or 1.1% from the previous year. Operating support totaled $23.8 million, an increase of $885,000 or 3.9%. In fiscal year 2024, funds totaling $801,000 were transferred to cover Salem High School renovation costs. Meals tax revenue is shared with the School Division and $356,000 was transferred in fiscal year 2024. No funding was transferred for projects or meals tax in fiscal year 2025. Funding from the City to the Economic Development Authority totaled $393,000 and increased $344,000 from the previous year due to higher incentive payments.

Unrestricted state aid increased $1.8 million or 9.3% due to higher basic aid payments. Capital grants and contributions decreased $779,000 due to receipt of Coronavirus Response and Relief Supplemental Appropriation Act funding and American Rescue Plan Act funding used for capital in the prior fiscal year. The EDA earned $616,000 in interest from the loans provided to private companies.

The School Division incurred expenses of $65.9 million for the fiscal year ended June 30, 2025, an increase of $3.4 million or 5.5% from the prior year. Salary costs were $2.5 million higher than the prior year. Depreciation expense was up $569,000. These increases are partially offset by a decrease in online tuition costs due to lower enrollment. Expenses of the Economic Development Authority totaled $979,000 and increased $576,000 due to higher interest expense on the 2023 bonds and higher incentive payments.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds
As of June 30, 2025, the governmental funds had $102.3 million in total fund balance, an increase of $6.6 million from prior year. Unassigned fund balances available to fund future expenditures were $60 million or 58.6% of total fund balance. Unassigned fund balance, which contains all amounts not included in other classifications, is available to pay for future years' capital expenditures and provide for unforeseen circumstances. Restricted fund balance totaled $4.8 million and can be spent only for specific purposes stipulated by grantors and donors. Assigned fund balance totaled $36.1 million and represents $33.8 million appropriated for future capital projects and $2.3 million set aside to liquidate encumbrances. Committed fund balance totaled $203,000 and represents funds appropriated for the E-summons program and stormwater management. Nonspendable fund balance totaled $1.2 million and represents inventories and prepaid assets that are non-liquid in form and cannot be spent.

General Fund
The General Fund is the chief operating fund of the City. As of June 30, 2025, the General Fund had $68.6 million in total fund balance, which increased $3.3 million from the prior year. Unassigned fund balance available to fund future expenditures was $60.1 million or 87.7% of total fund balance and increased $4.3 million from the previous year. As a measure of the General Fund's liquidity, it may be useful to compare both total fund balance and unassigned fund balance to total fund expenditures. Total fund balance to total fund expenditures decreased from 71.9% to 69.3%. Unassigned fund balance to total fund expenditures decreased from 61.5% to 60.6%.

Property taxes, which were 47.3% of total General Fund revenue, increased $4.5 million or 9.2% from the prior year. Much of this increase was attributable to real estate tax. Higher assessed values and new construction resulted in $3.1 million or 9.3% growth in current year real estate tax revenue. Public service corporation tax was up $373,000. Current year personal property tax revenue increased $800,000 or 7.4%. In fiscal year 2025, vehicle values showed modest growth of 2% compared to the prior year while tangible business property assessments increased 10.8%. Machinery and tools tax increased $174,000 or 5%.

Other local taxes, which comprised 26.8% of total General Fund revenue, increased $948,000 or 3.2% from the previous year. Business license tax, which is based on gross receipts of businesses, showed growth of $877,000 or 12.2%. Sales and lodging tax revenues remained relatively flat, with growth of less than 1% from the prior year. As has been the trend for several years, cigarette tax revenue declined $107,000 or 19.7%. After years of growth, meals tax revenue showed a slight decrease of 0.1%.

Revenue from use of money and property decreased $928,000 or 11% due to declining interest rates.

Intergovernmental revenue increased $963,000 or 6.1%. Children's Services Act revenue from the state increased $404,000 but there was a corresponding increase in program costs in health and welfare expenditures. Program costs can fluctuate significantly from year to year based on the number of children requiring services and the type of services needed. The City was awarded a Preservation Trust Fund Program grant to purchase property for a downtown pocket park. Grant revenue of $179,000 was received in fiscal year 2025. Highway maintenance funding from the state was $154,000 higher than the prior year. Reimbursement from Virginia Compensation Board for constitutional offices increased $106,000. Tourism grant revenue was $61,000 higher than the prior year.

Public works expenditures, which were 14.3% of total General Fund expenditures, increased $2.7 million or 23.1%. Highway maintenance spending increased $2.3 million. Costs for paving were $1 million higher than the prior year, $572,000 more in bridge repair work was done and sidewalk repairs were $571,000 higher than the prior year. Local funding of $376,000 was also spent on paving in fiscal year 2025. Salary and benefits increased $249,000 in this function.

Public safety expenditures, which were 25.2% of total General Fund expenditures, increased $1.7 million or 7.4%. Salary and benefit costs increased $293,000 or 1.7%. Capital outlay for the inception of subscriptions for Police and Fire totaled $1.2 million and capital outlay for financed purchases totaled $303,000 in the Police Department.

Parks, recreation and cultural expenditures, which were 8.9% of General Fund expenditures, increased $1.2 million or 16.4%. Renovation of pickleball courts totaled $155,000. Playground equipment was purchased at a cost of $149,000. Capital purchases at Salem Memorial Park and Salem Stadium were $355,000 higher than the prior year and included the purchase of a mower, seating, wall pad, netting system, restroom partitions and HVAC work. A new passenger bus was purchased for the Senior Center at a cost of $132,000. Salary and benefit costs were $125,000 higher than the prior year. Operating costs of the James I. Moyer Sports Complex were higher than the prior year as the complex re-opened after renovations were completed.

Education expenditures comprised 24% of total General Fund expenditures and increased $529,000 or 2.3%. Local operating support of $23.8 million was provided in fiscal year 2025, an increase of $885,000. Meals tax revenue is shared with the School Division and $356,000 was transferred in fiscal year 2024. No meals tax was transferred in fiscal year 2025.

Transfers in were significantly lower than the prior year. The City was allocated $31.2 million in ARPA funding. City Council determined that these funds should be used to provide general government services. In fiscal year 2024, transfers from the Special Revenue fund totaled $5.3 million and were transferred to cover the amount of ARPA funds expended on general government services. No transfers from the Special

Revenue Fund were made in fiscal year 2025 as all ARPA funding was expended by the end of fiscal year 2024.

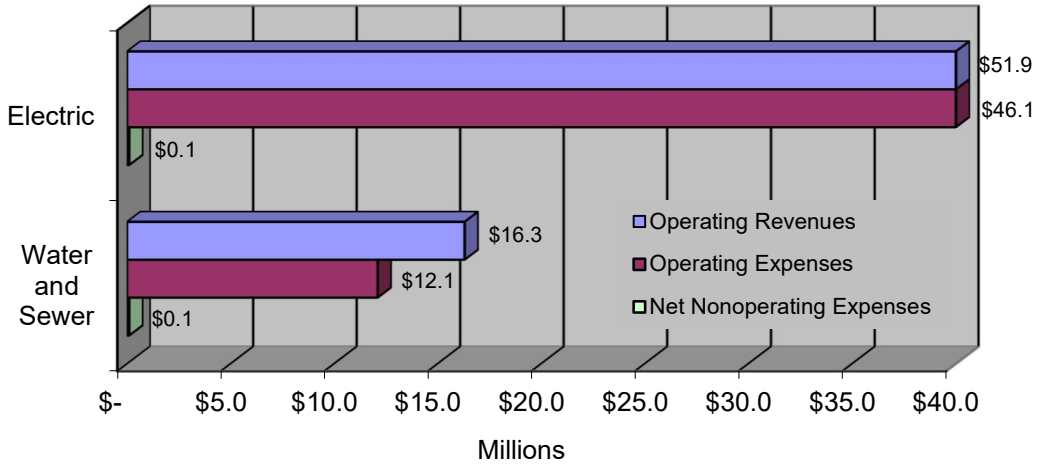
Transfers out were lower in fiscal year 2025. In fiscal year 2024, the City adopted a Capital Planning and Reserve Policy to define guidelines and goals for capital planning and asset replacement. Based on the policy, $17 million was transferred to the Capital Projects Fund in fiscal year 2024. Only $6.2 million was transferred to the Capital Projects Fund pursuant to the policy in fiscal year 2025. In addition, $3.4 million was transferred to the Water and Sewer Capital Fund and $1.9 million was transferred to the Capital Projects Fund in fiscal year 2024 as a result of the use of ARPA funds for general government services, which freed up local funding for various capital projects. In addition, a larger amount of General Fund funding was transferred to Capital Projects Fund in fiscal year 2024 to provide local match for several grant-funded projects and to provide funding for other projects.

Capital Projects Fund

During fiscal year 2025, Capital Projects Fund expenditures were $12.6 million, which was $8.5 million lower than the previous year. Renovation of the Moyer Sports Complex was substantially completed in fiscal year 2024 with $14.5 million expended. Only $286,000 was expended on this project in fiscal year 2025. Bond proceeds and interest totaling $15.5 million were allocated to this project along with $12.2 million in cash funding. Downtown improvements continued with $3.1 million expended in fiscal year 2025 compared to $1.2 million in the prior fiscal year. Grant funding covered $2.9 million in replacement work on the Colorado Bridge project and $1.3 million of the Apperson Drive bridge replacement project. Renovation of Fire Station #2 continued, with $1.1 million expended in fiscal year 2025. Expenditures were incurred for several other large projects including Valleydale streetscape improvements, jury room expansion at the Courthouse, Elizabeth Campus Greenway and new restrooms at Longwood Park and Civic Center Fields.

Proprietary Funds

Revenues and expenses of the major enterprise funds are shown below:



Electric Fund

As of June 30, 2025, the Electric Fund had $59.6 million in total net position, which increased by $2.5 million from the prior year. Net investment in capital assets was $34.3 million or 57.5% of total net position. Unrestricted net position available to fund future expenses was $25.4 million or 42.5% of total net position.

In fiscal year 2025, operating revenue increased $5.7 million or 12.3% compared to the previous fiscal year due to higher charges for services. Rates were increased to cover rising purchased power costs. In addition, consumption rose approximately 5%. Operating expenses were $46.1 million and were $1.8

million or 4.0% higher than the prior year. Purchased power includes both the cost of purchasing electricity, which was $2.1 million or 7.6% higher than the prior year, and transmission costs which decreased by $483,000.

Water and Sewer Fund

As of June 30, 2025, the Water and Sewer Fund had $79.2 million in total net position, an increase of $3.9 million from prior year. Net investment in capital assets was $43.1 million or 54.5% of total net position. Unrestricted net position available to fund future expenses was $36.0 million or 45.5% of total net position.

For fiscal year 2025, operating revenue was $16.3 million, which was $847,000 or 5.5% higher than the previous year. Charges for services were up $694,000 or 4.7% due to higher consumption and a rate increase that was effective January 1, 2025. Operating expenses were $12.1 million, an increase of $1.2 million or 11.2% from the prior year. Salary and fringe benefit costs grew $259,000 from the prior year. Maintenance costs increased $273,000. Treatment of sewage costs increased $490,000 or 32.7% due to a 7.2% rate increase and a 4.2% increase in the number of gallons treated.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City's budget is prepared in accordance with the *Code of Virginia*. The chart below is a condensed version of the budgetary comparison of the General Fund original budget, amended budget and actual amounts.

Budgetary Highlights for 2025
(In Millions)

	Original Budget	Budget As Amended	Actual
Revenues	$ 108.0	$ 108.7	$ 113.9
Expenditures	(105.0)	(108.9)	(99.0)
Other financing sources except transfers	-	0.1	2.1
Transfers in	3.3	3.3	3.3
Transfers out	(9.3)	(17.3)	(17.0)
Use of fund balance	$ (3.0)	$ (14.1)	$ 3.3

During the year, the City amended the original budget primarily for the following purposes:

- To re-appropriate monies for encumbrances established prior to July 1, 2024.
- To re-appropriate grants, donations and other revenues authorized in fiscal year 2024 or earlier but not expended or encumbered as of June 30, 2024.
- To appropriate grants, donations and other revenues accepted or adjusted in fiscal year 2025 when official notice of approval was received.

The Statement of Revenues, Expenditures and Changes in Fund Balances Budget and Actual - General Fund is shown on page 40. Property taxes exceeded budget by $2 million or 3.8% largely due to personal property tax revenue. Because the City assesses and bills personal property in late spring, no current assessment data is available at the time revenue estimates are developed for the subsequent fiscal year. The Finance Department works with other City departments to determine reasonable revenue estimates based on the information that is available. Current year personal property tax exceeded budget by $1.2 million. Current year real estate tax revenue achieved 101% of the budgeted amount. Public service corporation tax, which is assessed by the State Corporation Commission, exceeded budget by $377,000.

Other local taxes revenue exceeded budget by $1.4 million or 4.9%. Business license tax, which is based on gross receipts, exceeded budget by $1 million. The 2025 budget included an anticipated increase of 11.5% for business license tax. Sales tax revenue was $230,000 or 2% higher than budget. Bank franchise tax exceeded budget by $118,000 but was lower than prior year revenue. This revenue source has fluctuated historically and is budgeted conservatively as a result.

While interest rates declined during fiscal year 2025, revenue from use of money and property still exceeded the budget by $1.1 million. Interest revenue was budgeted very conservatively because of economic uncertainties.

Several functions ended the year with expenditures less than budget. Public works expenditures were under budget by $4.6 million or 24.7%. Amounts totaling $2.7 million were encumbered but not spent as of June 30, 2025. Highway maintenance spending was $595,000 under budget as some planned projects weren't completed in fiscal year 2025. Unspent highway maintenance funds are re-appropriated and spent in subsequent years. Salary and fringe benefit costs were $399,000 below budget due to vacant positions.

General Government expenditures were under budget by $1.5 million. Funds totaling $744,000 were encumbered but not spent as of June 30, 2025. Salary and fringe costs were $344,000 lower than budgeted due to vacant positions.

Public safety expenditures were under budget by $1.4 million. Amounts totaling $781,000 were encumbered but not spent as of June 30, 2025. Salary and fringe benefit costs were under budget due to vacant positions.

Parks, recreation and cultural expenditures were $1.2 million or 12.3% under budget. Amounts totaling $430,000 were encumbered but not spent as of June 30, 2025. Funding of $401,000 was budgeted but not spent on various capital items in this function.

CAPITAL ASSETS

The City's total primary government capital assets, net of accumulated depreciation and amortization, increased 5.4% from $232.7 million to $245.4 million. This investment includes land, construction in progress, development in progress, machinery and equipment, buildings and improvements, public domain infrastructure, distribution and transmission, utility plant, sewage treatment contract, intangible right-to-use leased assets and subscription-based information technology arrangements.

The table on the next page presents a summary of capital asset balances at the end of the year. The changes in each category of capital assets, along with other important information regarding capital assets, are presented in Note 7 of the financial statements.

Capital Assets, Net of Depreciation and Amortization
(In Millions)

	Governmental Activities		Business-type Activities		**Total Primary Government**		**Component Unit**	
	2025	2024	2025	2024	2025	2024	2025	2024
Land	$ 7.5	$ 7.4	$ 1.6	$ 1.6	$ 9.1	$ 9.0	$ 1.1	$ 1.1
Construction in progress	13.3	35.0	6.4	5.9	19.7	40.9	0.6	0.3
Development in progress	-	0.7	-	-	-	0.7	-	-
Machinery and equipment	12.6	11.2	2.7	2.1	15.3	13.3	3.3	3.0
Buildings and improvements	33.6	18.7	12.7	13.2	46.3	31.9	66.6	68.5
Public domain infrastructure	71.9	57.6	-	-	71.9	57.6	-	-
Distribution and transmission	-	-	28.2	28.4	28.2	28.4	-	-
Utility plant	-	-	35.0	34.0	35.0	34.0	-	-
Sewage treatment contract	-	-	17.7	16.3	17.7	16.3	-	-
Right-to-use leased assets	0.1	-	-	-	0.1	-	0.1	0.1
Subscription-based information technology arrangements	2.1	0.6	-	-	2.1	0.6	0.1	0.1
Total	$ 141.1	$ 131.2	$ 104.3	$ 101.5	$ 245.4	$ 232.7	$ 71.8	$ 73.1

Major capital asset additions in the *governmental activities* included:

- Renovations to the Moyer Sports Complex were completed at a capitalized cost of $27.1 million.
- Work on Downtown projects continued with $3.9 million capitalized for the Market Street to Thompson Memorial Drive section of Downtown.
- Repair work on the Colorado Street Bridge continued with $6.7 million included in construction in progress.
- Work on the Apperson Drive Bridge Replacement project continued with $2.3 million included in construction in progress.
- The renovation of Fire Station #2 continued, with $1.2 million included in construction in progress.
- The jury room expansion project at the Courthouse was completed at a capitalized cost of $855,000.
- New restrooms were installed at Longwood Park and the Civic Center Fields at a total cost of $461,000.

Major capital asset additions in the *business-type activities* included:

- In the Electric Fund, work continued on the new Valleydale development with $1.1 million included in construction in progress.
- The Franklin Street water tank replacement project was completed with a capitalized cost of $686,000.
- Two major water line replacement projects were completed at a capitalized cost of $1.8 million.
- Construction of two new wells continued with $2.6 million included in construction in progress.
- The City's share of the renovation of the anaerobic digestion facilities at the Western Virginia Water Authority Regional Wastewater Treatment Plant was capitalized at a cost of $2.3 million.

LONG-TERM DEBT

At June 30, 2025, the City's long-term liabilities, excluding financed purchase obligations, lease liabilities, subscription liabilities, compensated absences, net pension liabilities, net OPEB liabilities, bond premiums, and bond discounts, totaled $75.6 million. This amount was comprised of $52.8 million related to

governmental activities (including $28.6 million for debt held on behalf of the School Division) and $22.8 million related to business-type activities. The City issued $3.8 million of new debt, made $7.8 million in principal payments and amortized $772,000 in discounts and premiums. Detailed information regarding these changes in long-term debt is disclosed in Note 9 to the financial statements. Bonds payable decreased net of $4.8 million during the fiscal year.

With its most recent rating in May 2020, the City received a rating of Aa2 from Moody's Investor Service, an upgrade from the previous Aa3 rating. The City received a rating of AA+ from S&P Global Ratings.

The City Charter and the *Code of Virginia* limit the City's net debt to 10% of the assessed valuation of real estate within the City limits. This limit applies to governmental fund tax supported debt and certain long-term liabilities of proprietary funds. The City considers long-term debt of its electric, water and sewer funds to be self-supporting. The City's tax-supported debt of $56.6 million is below the legal debt limit of $260.0 million. Table 11 of the statistical section provides additional information related to the legal debt margin.

The School Division relies upon the City to provide full faith and credit for any debt obligations incurred. Therefore, the City reports School Division long-term liabilities, other than financed purchase obligations, lease liabilities, subscription liabilities, compensated absences, net pension liabilities and net OPEB liabilities as its own. In addition to bonded debt, the City's long-term obligations include financed purchase obligations, lease liabilities, subscription liabilities, compensated absences, net pension liabilities and net OPEB liabilities. Additional information concerning the City's long-term liabilities is presented in Note 9 of the financial statements and Tables 9 and 10 of the statistical section.

Interest and other fiscal charges for fiscal year 2025 were $1.5 million or 1.5% of total governmental activities expenses.

FACTORS INFLUENCING FUTURE BUDGETS

The City continues to face challenges related to future budgets. A slowdown in the economy could negatively impact tax revenue. Several local tax revenue streams that are more reflective of economic trends, including sales, meals and lodging tax revenue, reflected much slower growth in fiscal year 2025 than previous years. Higher tariffs along with continued high inflation will result in higher prices for equipment and supplies.

The City has signed a new contract for a majority of the electric requirements for our customers beginning in June 2026. There will be additional costs incurred with the new process to include paying for transmission and capacity costs. Additionally, the City has authorized a contract for the installation of a battery storage facility to be located within one of the City's substations. This project will help to offset some of the transmission and capacity cost increases.

In the Water and Sewer Fund, a rate study was completed in fiscal year 2024. A rate increase of 7% for water and 3% for sewer was effective January 1, 2025, with additional increases of 3% in fiscal year 2026 to keep up with rising operating costs and to cover needed capital improvements. A slight increase in consumption is anticipated in fiscal year 2025. The rate the City pays for sewage treatment increased 19.6% in fiscal year 2026.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the resources it receives. If you have any questions about this report or need additional information, contact the Director of Finance, City of Salem, 114 North Broad Street, Salem, Virginia 24153, (540) 375-3061, or visit the City's website at www.salemva.gov.

Additional information on the Component Unit can be obtained from the Chief Financial Officer, Salem City Schools, 510 South College Avenue, Salem, Virginia 24153, or visit the School Division's website at www.salem.k12.va.us.

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BASIC FINANCIAL STATEMENTS

The Basic Financial Statements subsection of the City of Salem, Virginia's Annual Comprehensive Financial Report includes the government-wide Statement of Net Position and Statement of Activities. Government-wide statements incorporate governmental and business-type activities of the City and activities of the component unit to provide an overview of the financial position and change in net position for the reporting entity. Also, this section includes the fund financial statements for governmental, proprietary, and fiduciary funds and the accompanying notes to the financial statements.

CITY OF SALEM, VIRGINIA
STATEMENT OF NET POSITION
JUNE 30, 2025

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Cash and cash equivalents	$ 100,235,808	$ 57,472,526	$ 157,708,334	$ 18,972,260
Receivables, net	6,266,159	9,976,697	16,242,856	14,706,923
Lease receivable	879,035	351,079	1,230,114	462,770
Due from component unit	-	8,384,699	8,384,699	-
Due from other governmental units	9,609,271	-	9,609,271	1,758,233
Net pension asset	-	-	-	825,010
Net OPEB asset	-	-	-	546,393
Inventories	992,825	3,180,013	4,172,838	63,718
Prepaid items	179,079	361,156	540,235	385,915
Restricted assets:				
Cash and cash equivalents	65,785	2,220,651	2,286,436	-
Capital assets:				
Nondepreciable and nonamortizable	20,829,739	7,972,582	28,802,321	1,680,988
Depreciable and amortizable, net	120,238,818	96,281,516	216,520,334	70,144,226
Total assets	259,296,519	186,200,919	445,497,438	109,546,436
DEFERRED OUTFLOWS OF RESOURCES	10,753,926	3,070,675	13,824,601	11,383,096
LIABILITIES				
Accounts payable and accrued liabilities	6,194,819	6,874,000	13,068,819	878,776
Accrued payroll and related liabilities	1,334,833	403,241	1,738,074	6,624,044
Accrued interest	358,332	127,003	485,335	40,302
Self-insurance claims liability	540,202	-	540,202	528,038
Due to primary government	-	-	-	8,060,478
Due to component unit	324,221	-	324,221	-
Unearned revenues	168,567	1,710,336	1,878,903	495,038
Customer security deposits	-	1,102,222	1,102,222	-
Long-term liabilities due in less than one year:				
Bonds payable	4,172,276	4,745,355	8,917,631	517,000
Financed purchase obligation	57,720	-	57,720	-
Lease liability	43,827	5,440	49,267	43,097
Subscription liability	545,156	9,476	554,632	54,896
Compensated absences	2,739,611	691,974	3,431,585	2,436,460
Long-term liabilities due in more than one year:				
Bonds payable	52,177,153	19,757,750	71,934,903	5,825,618
Financed purchase obligation	181,537	-	181,537	-
Lease liability	47,843	7,135	54,978	31,853
Subscription liability	553,205	-	553,205	-
Compensated absences	106,438	118,297	224,735	520,798
Net pension liability	32,030,850	8,583,268	40,614,118	25,983,974
Net OPEB liability	8,593,676	2,788,232	11,381,908	4,624,909
Total liabilities	110,170,266	46,923,729	157,093,995	56,665,281
DEFERRED INFLOWS OF RESOURCES	8,561,154	2,391,324	10,952,478	6,587,735
NET POSITION				
Net investment in capital assets	113,797,282	81,028,131	194,825,413	71,695,368
Restricted for:				
Grant programs and donations	839,690	-	839,690	-
Highway maintenance	3,264,355	-	3,264,355	-
Opioid abatement	1,843,072	-	1,843,072	-
Net pension asset	-	-	-	825,010
Net OPEB asset	-	-	-	546,393
Unrestricted (deficit)	31,574,626	58,928,410	90,503,036	(15,390,255)
Total net position	$ 151,319,025	$ 139,956,541	$ 291,275,566	$ 57,676,516

The Notes to Financial Statements are an integral part of this statement.

CITY OF SALEM, VIRGINIA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: *Governmental Activities*	Primary Government: *Business-type Activities*	Primary Government: Total	**Component Units**
Primary Government								
Governmental activities:								
General government	$ 11,817,347	$ 231,293	$ 446,479	$ -	$ (11,139,575)		$ (11,139,575)	
Judicial administration	3,015,798	193,138	1,577,127	-	(1,245,533)		(1,245,533)	
Public safety	23,960,886	1,930,505	1,322,767	45,497	(20,662,117)		(20,662,117)	
Public works	15,791,472	1,922,468	5,749,018	4,122,611	(3,997,375)		(3,997,375)	
Health and welfare	7,699,952	-	3,350,399	-	(4,349,553)		(4,349,553)	
Education	23,781,130	-	-	-	(23,781,130)		(23,781,130)	
Parks, recreation and cultural	9,905,247	810,227	304,182	545,965	(8,244,873)		(8,244,873)	
Community development	4,274,139	55,754	156,258	2,936,618	(1,125,509)		(1,125,509)	
Interest	1,523,071	-	-	-	(1,523,071)		(1,523,071)	
Total governmental activities	101,769,042	5,143,385	12,906,230	7,650,691	(76,068,736)		(76,068,736)	
Business-type activities:								
Electric	46,231,865	51,854,469	-	-		$ 5,622,604	5,622,604	
Water and sewer	12,329,606	16,261,188	11,780	-		3,943,362	3,943,362	
Civic Center	5,362,694	2,970,633	-	-		(2,392,061)	(2,392,061)	
Catering and concessions	1,028,923	1,020,691	-	-		(8,232)	(8,232)	
Total business-type activities	64,953,088	72,106,981	11,780	-		7,165,673	7,165,673	
Total primary government	$ 166,722,130	$ 77,250,366	$ 12,918,010	$ 7,650,691	(76,068,736)	7,165,673	(68,903,063)	
Component Units	$ 66,885,056	$ 2,029,947	$ 18,322,104	$ 16,895				$ (46,516,110)
General revenues:								
Property taxes					53,589,523	-	53,589,523	-
Local sales and use taxes					9,779,960	-	9,779,960	-
Business license taxes					8,041,846	-	8,041,846	-
Meals taxes					6,763,479	-	6,763,479	-
Utility taxes					1,233,253	-	1,233,253	-
Lodging taxes					1,930,051	-	1,930,051	-
Other taxes					2,796,728	-	2,796,728	-
Intergovernmental revenue not restricted					3,607,269	-	3,607,269	-
Unrestricted investment earnings					7,280,654	155,969	7,436,623	616,387
Gain on disposal of capital assets					40,766	-	40,766	-
Payments from City of Salem					-	-	-	24,174,469
Unrestricted state aid					-	-	-	21,137,461
Other					995,275	21,707	1,016,982	658,360
Transfers					580,275	(580,275)	-	-
Total general revenues and transfers					96,639,079	(402,599)	96,236,480	46,586,677
Change in net position					20,570,343	6,763,074	27,333,417	70,567
Net position, beginning*					130,748,682	133,193,467	263,942,149	57,605,949
Net position, ending					$ 151,319,025	$ 139,956,541	$ 291,275,566	$ 57,676,516

* Restated, due to implementation of the guidance in GASB Statement 101, *Compensated Absences*

The Notes to Financial Statements are an integral part of this statement.

CITY OF SALEM, VIRGINIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 64,440,759	$ -	$ -	$ 31,860,995	$ 96,301,754
Cash and cash equivalents, restricted	65,785	-	-	-	65,785
Receivables, net	6,196,511	3,625	-	-	6,200,136
Lease receivable	879,035	-	-	-	879,035
Due from other governmental units	5,642,039	-	-	3,967,232	9,609,271
Inventories	992,825	-	-	-	992,825
Prepaid items	179,079	-	-	-	179,079
Total assets	$ 78,396,033	$ 3,625	$ -	$ 35,828,227	$ 114,227,885
LIABILITIES					
Accounts payable and accrued liabilities	$ 4,098,192	$ 3,625	$ -	$ 2,039,488	$ 6,141,305
Accrued payroll and related liabilities	1,328,145	-	-	-	1,328,145
Due to component unit	324,221	-	-	-	324,221
Unearned revenues	109,485	-	-	-	109,485
Total liabilities	5,860,043	3,625	-	2,039,488	7,903,156
DEFERRED INFLOWS OF RESOURCES	3,978,341	-	-	-	3,978,341
FUND BALANCES					
Nonspendable	1,171,904	-	-	-	1,171,904
Restricted	4,840,767	-	-	-	4,840,767
Committed	202,757	-	-	-	202,757
Assigned	2,349,089	-	-	33,788,739	36,137,828
Unassigned	59,993,132	-	-	-	59,993,132
Total fund balances	68,557,649	-	-	33,788,739	102,346,388
Total liabilities, deferred inflows of resources, and fund balances	$ 78,396,033	$ 3,625	$ -	$ 35,828,227	$ 114,227,885

The Notes to Financial Statements are an integral part of this statement.

CITY OF SALEM, VIRGINIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS' BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2025

Total fund balance of governmental funds	$ 102,346,388
Capital assets used in governmental activities are not considered current financial resources and, therefore, are not reported in the governmental funds.	141,068,557
Some long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.	
Deferred inflows of resources for unavailable revenues	3,008,363
For debt refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt should be reported as a deferred outflow of resources or a deferred inflow of resources.	
Deferred amounts on refunding	142,739
Long-term liabilities related to governmental fund activities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Bonds payable	(52,788,568)
Bond premiums	(3,560,861)
Financed purchase obligation	(239,257)
Lease liability	(91,670)
Subscription liability	(1,098,361)
Accrued interest	(358,332)
Compensated absences	(2,839,024)
Financial statement elements related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds.	
Deferred outflows of resources related to pension	8,623,381
Deferred inflows of resources related to pension	(4,195,887)
Net pension liability	(31,763,283)
Financial statement elements related to OPEB are applicable to future periods and, therefore, are not reported in the governmental funds.	
Deferred outflows of resources related to OPEB	1,933,479
Deferred inflows of resources related to OPEB	(3,365,115)
Net OPEB liability	(8,571,928)
The internal service fund is used by management to charge the costs of health and dental insurance to individual funds. The assets, liabilities and net position of the internal service fund are included with governmental activities in the Statement of Net Position.	3,068,404
Net position of governmental activities	$ 151,319,025

The Notes to Financial Statements are an integral part of this statement.

CITY OF SALEM, VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
REVENUES					
Property taxes	$ 53,851,355	$ -	$ -	$ -	$ 53,851,355
Other local taxes	30,545,318	-	-	-	30,545,318
Permits, fees and licenses	545,820	-	-	-	545,820
Fines and forfeitures	109,894	-	-	-	109,894
Revenue from use of money and property	7,474,225	-	-	-	7,474,225
Charges for services	3,969,716	-	-	-	3,969,716
Other	672,236	-	-	-	672,236
Intergovernmental	16,685,610	10,450	-	7,458,454	24,154,514
Total revenues	113,854,174	10,450	-	7,458,454	121,323,078
EXPENDITURES					
Current:					
General government	11,953,962	10,450	-	-	11,964,412
Judicial administration	3,081,753	-	-	-	3,081,753
Public safety	24,980,954	-	-	-	24,980,954
Public works	14,129,162	-	-	-	14,129,162
Health and welfare	7,699,952	-	-	-	7,699,952
Education	23,781,130	-	-	-	23,781,130
Parks, recreation and cultural	8,797,570	-	-	-	8,797,570
Community development	3,943,657	-	-	-	3,943,657
Capital projects	-	-	-	12,634,947	12,634,947
Debt service:					
Principal retirement	591,790	-	4,170,609	-	4,762,399
Interest	18,820	-	1,830,299	-	1,849,119
Total expenditures	98,978,750	10,450	6,000,908	12,634,947	117,625,055
Excess (deficiency) of revenues over (under) expenditures	14,875,424	-	(6,000,908)	(5,176,493)	3,698,023
OTHER FINANCING SOURCES (USES)					
Issuance of long-term debt	302,674	-	-	-	302,674
Proceeds from sale of capital assets	27,809	-	-	-	27,809
Inception of leases	74,697	-	-	-	74,697
Inception of subscriptions	1,640,647	-	-	-	1,640,647
Insurance recoveries	107,676	-	-	-	107,676
Transfers in	3,310,575	-	6,000,908	8,840,530	18,152,013
Transfers out	(17,011,485)	-	-	(391,738)	(17,403,223)
Total other financing sources (uses), net	(11,547,407)	-	6,000,908	8,448,792	2,902,293
Net change in fund balances	3,328,017	-	-	3,272,299	6,600,316
Fund balances, beginning	65,229,632	-	-	30,516,440	95,746,072
Fund balances, ending	$ 68,557,649	$ -	$ -	$ 33,788,739	$ 102,346,388

The Notes to Financial Statements are an integral part of this statement.

CITY OF SALEM, VIRGINIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS' STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

Net changes in fund balances of governmental funds	$ 6,600,316
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense and amortization expense to allocate the costs of those assets over the lives of the assets.	
Capital outlay	18,701,998
Depreciation and amortization expense	(7,947,210)
The net effect of various transactions involving capital assets does not provide or use current financial resources and is not reported as revenues or expenditures in the governmental funds.	(838,084)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in governmental funds.	73,906
Issuance of debt and other obligations provides current financial resources to governmental funds but increases long-term liabilities in the Statement of Net Position. Repayment of bond, financed purchase obligation, lease, and subscription principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position. Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, but these amounts are deferred and amortized in the Statement of Activities.	
Issuance of financed purchase obligations	(302,674)
Inception of leases	(74,697)
Inception of subscriptions	(1,640,647)
Principal payments	4,762,399
Amortization of current year bond premiums	337,524
Amortization of current year deferred amounts on refunding	(29,974)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Change in accrued interest payable	18,498
Change in compensated absences	(43,011)
Governmental funds report employer pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.	
Employer pension contributions	4,909,364
Pension expense	(4,801,159)
Governmental funds report employer OPEB contributions as expenditures. However, in the Statement of Activities, the cost of OPEB benefits earned is reported as OPEB expense.	
Employer OPEB contributions	1,559,701
OPEB expense	(308,037)
The internal service fund is used by management to charge the costs of health and dental insurance to individual funds. The change in net position of the internal service fund is reported with governmental activities.	(407,870)
Change in net position of governmental activities	$ 20,570,343

The Notes to Financial Statements are an integral part of this statement.

CITY OF SALEM, VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES				
Property taxes	$ 51,890,783	$ 51,890,783	$ 53,851,355	$ 1,960,572
Other local taxes	29,110,800	29,110,800	30,545,318	1,434,518
Permits, fees and licenses	359,440	359,440	545,820	186,380
Fines and forfeitures	128,500	128,500	109,894	(18,606)
Revenue from use of money and property	6,342,391	6,342,391	7,474,225	1,131,834
Charges for services	3,755,697	3,790,697	3,969,716	179,019
Other	331,500	424,500	672,236	247,736
Intergovernmental	16,088,949	16,661,192	16,685,610	24,418
Total revenues	108,008,060	108,708,303	113,854,174	5,145,871
EXPENDITURES				
Current:				
General government	14,497,851	13,472,848	11,953,962	1,518,886
Judicial administration	3,135,634	3,261,978	3,081,753	180,225
Public safety	24,140,564	26,339,647	24,980,954	1,358,693
Public works	18,369,255	18,762,585	14,129,162	4,633,423
Health and welfare	7,137,055	7,718,129	7,699,952	18,177
Education	23,781,130	23,781,130	23,781,130	-
Parks, recreation and cultural	8,993,936	10,027,073	8,797,570	1,229,503
Community development	3,845,624	4,327,050	3,943,657	383,393
Contingency	1,060,475	599,922	-	599,922
Debt service:				
Principal retirement	-	591,790	591,790	-
Interest	-	18,821	18,820	1
Total expenditures	104,961,524	108,900,973	98,978,750	9,922,223
Excess (deficiency) of revenues over (under) expenditures	3,046,536	(192,670)	14,875,424	15,068,094
OTHER FINANCING SOURCES (USES)				
Issuance of long-term debt	-	-	302,674	302,674
Proceeds from sale of capital assets	-	-	27,809	27,809
Inception of leases	-	-	74,697	74,697
Inception of subscriptions	-	-	1,640,647	1,640,647
Insurance recoveries	-	107,605	107,676	71
Transfers in	3,307,696	3,307,696	3,310,575	2,879
Transfers out	(9,399,027)	(17,343,951)	(17,011,485)	332,466
Total other financing uses, net	(6,091,331)	(13,928,650)	(11,547,407)	2,381,243
Net change in fund balances	$ (3,044,795)	$ (14,121,320)	$ 3,328,017	$ 17,449,337

The Notes to Financial Statements are an integral part of this statement.

CITY OF SALEM, VIRGINIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

	Enterprise Funds				
	Electric	Water and Sewer	Nonmajor Proprietary Funds	Total	Internal Service Fund
ASSETS					
Current assets:					
Cash and cash equivalents	$ 16,966,367	$ 38,588,685	$ 1,917,474	$ 57,472,526	$ 3,934,054
Cash and cash equivalents, restricted	-	2,220,651	-	2,220,651	-
Receivables, net	7,551,737	2,327,259	97,701	9,976,697	66,023
Lease receivable	-	113,627	-	113,627	-
Due from other funds	-	200,000	-	200,000	-
Due from component unit	184,587	-	-	184,587	-
Inventories	2,701,246	422,289	56,478	3,180,013	-
Prepaid items	78,856	50,148	232,152	361,156	-
Total current assets	27,482,793	43,922,659	2,303,805	73,709,257	4,000,077
Noncurrent assets:					
Due from component unit	8,200,112	-	-	8,200,112	-
Lease receivable	-	237,452	-	237,452	-
Capital assets:					
Nondepreciable and nonamortizable	3,612,441	4,002,688	357,453	7,972,582	-
Depreciable and amortizable, net	38,333,116	54,710,981	3,237,419	96,281,516	-
Total capital assets	41,945,557	58,713,669	3,594,872	104,254,098	-
Total noncurrent assets	50,145,669	58,951,121	3,594,872	112,691,662	-
Total assets	77,628,462	102,873,780	5,898,677	186,400,919	4,000,077
DEFERRED OUTFLOWS OF RESOURCES	1,239,221	1,286,086	545,368	3,070,675	54,327
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	4,955,920	1,365,056	553,024	6,874,000	53,514
Accrued payroll and related liabilities	135,917	158,854	108,470	403,241	6,688
Accrued interest	52,204	74,799	-	127,003	-
Self-insurance claims liability	-	-	-	-	540,202
Due to other funds	-	-	200,000	200,000	-
Unearned revenues	19,260	-	1,691,076	1,710,336	59,082
Customer security deposits	1,102,222	-	-	1,102,222	-
Bonds payable	1,444,153	3,301,202	-	4,745,355	-
Lease liability	-	2,414	3,026	5,440	-
Subscription liability	9,476	-	-	9,476	-
Compensated absences	282,020	257,147	152,807	691,974	7,025
Total current liabilities	8,001,172	5,159,472	2,708,403	15,869,047	666,511
Noncurrent liabilities:					
Bonds payable	6,460,305	13,297,445	-	19,757,750	-
Lease liability	-	4,040	3,095	7,135	-
Compensated absences	58,482	26,791	33,024	118,297	-
Net pension liability	3,233,269	3,587,094	1,762,905	8,583,268	267,567
Net OPEB liability	798,974	1,556,904	432,354	2,788,232	21,748
Total noncurrent liabilities	10,551,030	18,472,274	2,231,378	31,254,682	289,315
Total liabilities	18,552,202	23,631,746	4,939,781	47,123,729	955,826
DEFERRED INFLOWS OF RESOURCES	666,490	1,336,627	388,207	2,391,324	30,174
NET POSITION					
Net investment in capital assets	34,297,709	43,141,671	3,588,751	81,028,131	-
Unrestricted (deficit)	25,351,282	36,049,822	(2,472,694)	58,928,410	3,068,404
Total net position	$ 59,648,991	$ 79,191,493	$ 1,116,057	$ 139,956,541	$ 3,068,404

The Notes to Financial Statements are an integral part of this statement.

CITY OF SALEM, VIRGINIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2025

	Enterprise Funds				
	Electric	Water and Sewer	Nonmajor Proprietary Funds	Total	Internal Service Fund
OPERATING REVENUES					
Charges for services	$ 51,293,153	$ 15,553,048	$ 3,930,870	$ 70,777,071	$ 6,833,658
Connections and transfers	20,650	310,498	-	331,148	-
Penalties	181,002	172,424	-	353,426	-
Pole rentals	275,374	-	-	275,374	-
Commissions	-	-	14,924	14,924	-
Other	84,290	236,998	45,530	366,818	257,847
Total operating revenues	51,854,469	16,272,968	3,991,324	72,118,761	7,091,505
OPERATING EXPENSES					
Salaries	-	2,687,499	1,854,584	4,542,083	142,706
Fringe benefits	-	1,082,706	573,917	1,656,623	55,834
Show expenses	-	-	2,242,103	2,242,103	-
Maintenance	-	1,293,922	270,603	1,564,525	7,334
Billing and collection	692,087	649,282	-	1,341,369	-
Professional services	9,291	169,191	76,026	254,508	306,504
Insurance	30,308	84,780	32,092	147,180	-
Purchased water	-	43,084	-	43,084	-
Purchased power	39,054,564	-	-	39,054,564	-
Distribution - operations	1,064,029	-	-	1,064,029	-
Distribution - maintenance	2,362,044	-	-	2,362,044	-
Administration	707,238	473,643	175,042	1,355,923	1,764
Travel and training	35,943	21,435	16,084	73,462	-
Materials and supplies	-	363,295	381,412	744,707	5,091
Expendable equipment and small tools	171,204	49,350	18,353	238,907	-
Utilities	-	566,566	391,911	958,477	6,771
Miscellaneous	171,361	18,235	7,747	197,343	2,202
Depreciation	1,760,176	2,613,040	333,442	4,706,658	-
Amortization	7,837	4,308	3,027	15,172	-
Treatment of sewage	-	1,991,233	-	1,991,233	-
Claims	-	-	-	-	7,136,188
Total operating expenses	46,066,082	12,111,569	6,376,343	64,553,994	7,664,394
Operating income (loss)	5,788,387	4,161,399	(2,385,019)	7,564,767	(572,889)
NONOPERATING REVENUES (EXPENSES)					
Investment income	62,095	91,340	2,534	155,969	165,019
Interest expense	(165,609)	(129,673)	(210)	(295,492)	-
Bond issuance costs	-	(80,544)	-	(80,544)	-
Loss on disposal of capital assets	(174)	(7,820)	(15,064)	(23,058)	-
Miscellaneous	9,179	1,000	11,528	21,707	-
Net nonoperating revenues (expenses)	(94,509)	(125,697)	(1,212)	(221,418)	165,019
Income (loss) before contributions and transfers	5,693,878	4,035,702	(2,386,231)	7,343,349	(407,870)
Capital contributions	-	-	168,515	168,515	-
Transfers in	-	-	2,561,785	2,561,785	-
Transfers out	(3,160,000)	(150,575)	-	(3,310,575)	-
Change in net position	2,533,878	3,885,127	344,069	6,763,074	(407,870)
Net position, beginning*	57,115,113	75,306,366	771,988	133,193,467	3,476,274
Net position, ending	$ 59,648,991	$ 79,191,493	$ 1,116,057	$ 139,956,541	$ 3,068,404

* Restated, due to implementation of the guidance in GASB Statement 101, *Compensated Absences*

The Notes to Financial Statements are an integral part of this statement.

CITY OF SALEM, VIRGINIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2025

	Enterprise Funds				
	Electric	Water and Sewer	Nonmajor Proprietary Funds	Total	Internal Service Fund
OPERATING ACTIVITIES					
Receipts from customers	$ 52,515,152	$ 16,087,022	$ 5,411,169	$ 74,013,343	$ 6,824,393
Payments to suppliers	(41,210,141)	(5,352,151)	(3,313,849)	(49,876,141)	(303,371)
Payments to employees	(3,201,210)	(3,961,657)	(2,465,517)	(9,628,384)	(198,578)
Payments for claims	-	-	-	-	(6,748,775)
Other receipts	84,290	236,154	45,530	365,974	257,847
Nonoperating revenue	9,179	1,000	11,528	21,707	-
Net cash provided by (used in) operating activities	8,197,270	7,010,368	(311,139)	14,896,499	(168,484)
NONCAPITAL FINANCING ACTIVITIES					
Interfund loan	-	(25,000)	25,000	-	-
Component unit loan	170,395	-	-	170,395	-
Transfers in	-	-	2,561,785	2,561,785	-
Transfers out	(3,160,000)	(150,575)	-	(3,310,575)	-
Net cash provided by (used in) noncapital financing activities	(2,989,605)	(175,575)	2,586,785	(578,395)	-
CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchases of capital assets	(2,973,928)	(4,846,421)	(511,329)	(8,331,678)	-
Proceeds from capital debt	-	3,767,393	-	3,767,393	-
Payment of bond issuance costs	-	(80,544)	-	(80,544)	-
Principal paid on capital debt	(1,174,535)	(2,906,684)	(2,957)	(4,084,176)	-
Interest paid on capital debt	(360,541)	(351,686)	(210)	(712,437)	-
Net cash used in capital and related financing activities	(4,509,004)	(4,417,942)	(514,496)	(9,441,442)	-
INVESTING ACTIVITIES					
Interest received	62,095	91,340	2,534	155,969	165,019
Net cash provided by investing activities	62,095	91,340	2,534	155,969	165,019
Net increase (decrease) in cash and cash equivalents	760,756	2,508,191	1,763,684	5,032,631	(3,465)
Cash and cash equivalents, beginning	16,205,611	38,301,145	153,790	54,660,546	3,937,519
Cash and cash equivalents, ending	$ 16,966,367	$ 40,809,336	$ 1,917,474	$ 59,693,177	$ 3,934,054
CASH AND CASH EQUIVALENTS AT END OF YEAR IS COMPRISED OF THE FOLLOWING:					
Cash and cash equivalents	$ 16,966,367	$ 38,588,685	$ 1,917,474	$ 57,472,526	$ 3,934,054
Cash and cash equivalents, restricted	-	2,220,651	-	2,220,651	-
Total	$ 16,966,367	$ 40,809,336	$ 1,917,474	$ 59,693,177	$ 3,934,054
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating income (loss)	$ 5,788,387	$ 4,161,399	$ (2,385,019)	$ 7,564,767	$ (572,889)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Depreciation and amortization	1,768,013	2,617,348	336,469	4,721,830	-
Nonoperating revenue	9,179	1,000	11,528	21,707	-
Pension expense, net of employer contributions	(7,385)	(16,323)	(5,540)	(29,248)	(1,523)
OPEB expense, net of employer contributions	(95,548)	(160,752)	(58,915)	(315,215)	(2,442)
Decrease (increase) in assets:					
Receivables, net	712,857	50,208	61,841	824,906	(16,654)
Inventories	(172,936)	(1,183)	(17,738)	(191,857)	-
Prepaid items	(19,106)	(4,460)	(139,464)	(163,030)	222,842
Increase (decrease) in liabilities:					
Accounts payable and accrued liabilities	155,209	377,508	454,726	987,443	26,295
Accrued payroll and related liabilities	(9,150)	(4,934)	13,134	(950)	(532)
Self-insurance claims liability	-	-	-	-	164,571
Unearned revenues	5,555	-	1,403,534	1,409,089	7,389
Customer security deposits	26,561	-	-	26,561	-
Compensated absences	35,634	(9,443)	14,305	40,496	4,459
Net cash provided by (used in) operating activities	$ 8,197,270	$ 7,010,368	$ (311,139)	$ 14,896,499	$ (168,484)
Noncash investing, capital, and financing activities					
Capital assets financed with accounts payable	$ -	$ 457,531	$ -	$ 457,531	$ -
Capital assets financed with leases	$ -	$ 6,811	$ -	$ 6,811	$ -
Capital assets financed with subscriptions	$ 18,941	$ -	$ -	$ 18,941	$ -

The Notes to Financial Statements are an integral part of this statement.

CITY OF SALEM, VIRGINIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2025

	Custodial Funds	OPEB Trust Fund
ASSETS		
Cash and cash equivalents	$ 2,341,694	$ -
Investments held by trustee, fair value of pooled funds	-	12,867,399
Receivables, net	596	-
Due from Commonwealth of Virginia	37,133	-
Total assets	2,379,423	12,867,399
LIABILITIES		
Accounts payable and accrued liabilities	216,565	-
Accrued payroll and related liabilities	36,546	-
Due to City of Salem	15,755	-
Unearned revenues	22,313	-
Total liabilities	291,179	-
NET POSITION		
Restricted for:		
Individuals, organizations, and other governments	2,088,244	-
OPEB	-	12,867,399
Total net position	$ 2,088,244	$ 12,867,399

The Notes to Financial Statements are an integral part of this statement.

CITY OF SALEM, VIRGINIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2025

	Custodial Funds	OPEB Trust Fund
ADDITIONS		
Funds received for benefit of other organizations	$ 2,685,225	$ -
Employer contributions - City	-	1,811,496
Employer contributions - Custodial entities	-	44,588
Investment income		
Increase in fair value of investments	-	1,027,338
Total additions	2,685,225	2,883,422
DEDUCTIONS		
Funds disbursed for benefit of other organizations	2,783,955	-
Administrative	-	12,091
Retirement benefits - City	-	1,576,566
Retirement benefits - Custodial entities	-	41,088
Total deductions	2,783,955	1,629,745
Change in fiduciary net position	(98,730)	1,253,677
Net position, beginning	2,186,974	11,613,722
Net position, ending	$ 2,088,244	$ 12,867,399

The Notes to Financial Statements are an integral part of this statement.

CITY OF SALEM, VIRGINIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
JUNE 30, 2025

	School Division	Economic Development Authority	Total
ASSETS			
Cash and cash equivalents	$ 18,024,373	$ 947,887	$ 18,972,260
Receivables	74,124	14,632,799	14,706,923
Lease receivable	462,770	-	462,770
Due from other governmental units	1,758,233	-	1,758,233
Net pension asset	825,010	-	825,010
Net OPEB asset	546,393	-	546,393
Inventories	63,718	-	63,718
Prepaid items	385,915	-	385,915
Capital assets:			
Nondepreciable and nonamortizable	1,680,988	-	1,680,988
Depreciable and amortizable, net	70,144,226	-	70,144,226
Total assets	93,965,750	15,580,686	109,546,436
DEFERRED OUTFLOWS OF RESOURCES	11,383,096	-	11,383,096
LIABILITIES			
Accounts payable and accrued liabilities	538,290	340,486	878,776
Accrued payroll and related liabilities	6,624,044	-	6,624,044
Accrued interest	-	40,302	40,302
Self-insurance claims liability	528,038	-	528,038
Due to primary government	-	8,060,478	8,060,478
Unearned revenues	454,736	40,302	495,038
Long-term liabilities due in less than one year:			
Bonds payable	-	517,000	517,000
Lease liability	43,097	-	43,097
Subscription liability	54,896	-	54,896
Compensated absences	2,436,460	-	2,436,460
Long-term liabilities due in more than one year:			
Bonds payable	-	5,825,618	5,825,618
Lease liability	31,853	-	31,853
Compensated absences	520,798	-	520,798
Net pension liability	25,983,974	-	25,983,974
Net OPEB liability	4,624,909	-	4,624,909
Total liabilities	41,841,095	14,824,186	56,665,281
DEFERRED INFLOWS OF RESOURCES	6,587,735	-	6,587,735
NET POSITION			
Net investment in capital assets	71,695,368	-	71,695,368
Restricted for:			
Net pension asset	825,010	-	825,010
Net OPEB asset	546,393	-	546,393
Unrestricted (deficit)	(16,146,755)	756,500	(15,390,255)
Total net position	$ 56,920,016	$ 756,500	$ 57,676,516

The Notes to Financial Statements are an integral part of this statement.

CITY OF SALEM, VIRGINIA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: *School Division*	Net (Expense) Revenue and Changes in Net Position: Primary Government: *Economic Development Authority*	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total Component Units
School Division	$ 65,906,036	$ 1,992,772	$ 18,322,104	$ 16,895	$ (45,574,265)	$ -	$ (45,574,265)
Economic Development Authority	979,020	37,175	-	-	-	(941,845)	(941,845)
Total component units	$ 66,885,056	$ 2,029,947	$ 18,322,104	$ 16,895	(45,574,265)	(941,845)	(46,516,110)
General revenues:							
Unrestricted investment earnings					-	616,387	616,387
Payments from City of Salem					23,781,130	393,339	24,174,469
Unrestricted state aid					21,137,461	-	21,137,461
Other					658,360	-	658,360
Total general revenues					45,576,951	1,009,726	46,586,677
Change in net position					2,686	67,881	70,567
Net position, beginning*					56,917,330	688,619	57,605,949
Net position, ending					$ 56,920,016	$ 756,500	$ 57,676,516

* Restated, due to implementation of the guidance in GASB Statement 101, *Compensated Absences*

The Notes to Financial Statements are an integral part of this statement.

1. Summary of Significant Accounting Policies

The Financial Reporting Entity

The Town of Salem was established by act of the Virginia General Assembly in 1806. The City of Salem, Virginia (City) was established by act of the Virginia General Assembly in 1968. It is a political subdivision of the Commonwealth of Virginia, operating under the council-manager form of government. The City Council is elected by the voters and is comprised of five members, who elect two of their members Mayor and Vice-Mayor for a two-year term. The City is not part of a county and has taxing powers subject to statewide restrictions and tax limits. The City is the primary government of the reporting entity.

The City provides a full range of services including general government administration, judicial administration, public safety, public works, health and welfare, parks and recreation, community development activities and support for education. The City also owns and operates an electric distribution system, water and sewer facilities and a civic center.

Discretely Presented Component Units

The City of Salem discretely presents two component units: the City of Salem School Division and the Economic Development Authority of the City of Salem.

The City of Salem School Division (School Division) is a legally separate entity, which operates four elementary schools, a middle school, a high school, and an alternative education center. School Board members are appointed by City Council. City Council also provides fiscal guidance because it levies taxes for the School Division's operations and issues debt for its capital projects. Based on these facts, the City reports the School Division as a discretely presented component unit. Separately issued financial statements may be obtained by contacting the City of Salem Schools, Chief Financial Officer, 510 South College Avenue, Salem, Virginia 24153.

During the current year, the City provided $23,781,130 of operating support to the School Division and made debt service payments of $2,757,671 on behalf of the School Division.

The Economic Development Authority of the City of Salem (Economic Development Authority) is a legally separate entity, which operates under the direction of City Council. The City provides financial resources to the Economic Development Authority, which it then uses for economic development incentives for local businesses and other operating costs. Based on these facts, the City reports the Economic Development Authority as a discretely presented component unit. During the current year, the City provided $393,339 in operating support to the Economic Development Authority. Separate financial statements are not issued for the Economic Development Authority.

Government-wide Financial Statements

The government-wide financial statements report information on all nonfiduciary activities of the primary government and its component unit. *Governmental activities*, which are normally supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The **Statement of Net Position** presents both governmental and business-type activities on the accrual basis of accounting, which incorporates long-term assets and receivables, as well as long-term debt and obligations.

1. Summary of Significant Accounting Policies (Continued)

Government-wide Financial Statements (Continued)

The **Statement of Activities** demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions, including special assessments that are clearly identifiable with a specific function. Taxes, internally dedicated resources, and other items not reported among program revenues are reported instead as *general revenues*.

Fund Financial Statements

These statements are organized based on funds, each of which is considered a separate accounting entity. The emphasis is on major governmental and proprietary funds. The operation of each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances/net position, revenues and expenditures/expenses, as appropriate.

Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the basic financial statements into three broad fund categories as follows:

Governmental Funds account for expendable financial resources, other than proprietary fund types. The City reports the following major governmental funds:

- The *General Fund* is the government's primary operating fund and accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Special Revenue Fund* accounts for resources received from revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. The revenue source for this fund is federal Coronavirus State and Local Fiscal Recovery Funds received under the American Rescue Plan Act, which was signed into law on March 11, 2021.
- The *Debt Service Fund* accounts for the accumulation of resources and payments made for principal and interest on long-term general obligation debt not being financed by the proprietary funds.
- The *Capital Projects Fund* accounts for resources to be used for the acquisition or construction of major capital facilities not being financed by the proprietary funds.

Proprietary Funds account for operations that are financed and operated in a manner similar to private business enterprises.

Enterprise Funds account for the financing of services to the general public where all or most of the operating expenses involved are recovered in the form of charges to users of such services. The City reports the following major enterprise funds:

- The *Electric Fund* accounts for the activities of the electric distribution operations.
- The *Water and Sewer Fund* accounts for the activities of the water and sewer operations.

1. Summary of Significant Accounting Policies (Continued)

Fund Financial Statements (Continued)

Internal Service Funds account for the financing of goods or services provided solely to other departments within the City government on a cost-reimbursement basis. The City reports the following internal service fund:

- The *Health Insurance Fund* accounts for funding, claims, and operating costs of the City's health and dental self-insurance program and the employee health clinic. This fund is included in governmental activities for government-wide reporting purposes.

Fiduciary Funds account for assets held by the City in a trustee or custodial capacity for individuals, other governmental units or other funds. The City reports the following fiduciary funds:

- The *OPEB Trust Fund* accounts for the receipt and disbursement of assets held in trust for the other postemployment benefit (OPEB) plan of the City.
- The *Custodial Funds* account for monies held in a custodial capacity on behalf of the Cardinal Criminal Justice Academy and the Court-Community Corrections Program. Since these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide financial statements.

Measurement Focus and Basis of Accounting

Government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized when they become susceptible to accrual; that is, when they become both measurable and available to finance expenditures of the current period. General fund tax revenues are considered measurable when they have been levied and available if collected within 60 days of year-end. Interest revenues are considered measurable and available if collected within 60 days of year-end. Grant revenues are considered measurable when the legal and contractual requirements have been met and available if collected within one year of the end of the current fiscal period. All other revenue items are considered measurable and available when cash is received by the City. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, long-term debt service, compensated absences, pension, and other postemployment benefit expenditures, as well as expenditures related to claims and judgments are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the government right-to-use lease assets and subscription assets, are reported as expenditures. Proceeds of long-term debt, financing through leases, financing through subscriptions, and insurance recoveries are reported as other financing sources.

As a result of the different measurement focus and basis of accounting used in preparing the government-wide statements versus the governmental funds' financial statements, a reconciliation between the government-wide and fund financial statements is necessary. The reconciliations are presented following the governmental funds' financial statements.

1. Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting (Continued)

Proprietary fund financial statements are reported using the *economic financial resources measurement focus* and the *accrual basis of accounting.* These statements distinguish *operating* from *nonoperating* revenues and expenses. Operating revenues and expenses generally result from providing goods and services in connection with a fund's principal ongoing operations. Operating revenues include charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources, as they are needed.

Fiduciary Fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. In custodial funds, a liability is recognized when an event occurs that compels the City to disburse fiduciary resources.

Budgets and Budgetary Accounting

The City's budget is presented and adopted in accordance with accounting principles generally accepted in the United States of America (GAAP). The following procedures are used by the City in establishing the budgetary data reflected in the financial statements:

Annual Budget Adoption – Not less than thirty days before the last regular meeting of City Council in May, the City Manager submits to City Council a proposed operating and capital budget for the fiscal year commencing July 1. This budget includes proposed expenditures and the means of financing them. A public hearing is conducted to obtain citizen comments. Prior to June 30, the budgets are legally adopted through passage of an appropriation ordinance by City Council.

Projects/Grants – The Capital Projects Fund utilizes a project length budget, and the Special Revenue Fund utilizes a grant length budget. These budgets are not legally enacted on an annual basis; therefore, budgetary comparison statements are not presented.

Amendment – The City Manager is authorized to transfer amounts within and between departments and categories within the same fund. City Council must approve budget amendments between funds and any budget amendments increasing or decreasing appropriations. During the year, City Council approved $11,884,373 of additional appropriations primarily for grants, capital outlay, capital reserve, unforeseen operating expenditures and the reappropriation of fund balances for encumbrances.

Integration – Formal budgetary integration is employed as a management control device for the General Fund. Formal budgetary integration is not employed for the Debt Service Fund because effective budgetary control is alternatively achieved through budgeted transfers from the General Fund to the Debt Service Fund for debt payments.

Legal Compliance – Legal budgetary control is maintained at the fund level. Department heads may use discretion to transfer from one category to another within departments under their control within the same fund as long as the total for the departments under their control does not change. The City Manager may authorize a transfer of any unencumbered balance or portion thereof from one department to another within a fund. All other transfers require approval of City Council. Actual expenditures and operating transfers out may not legally exceed budget appropriations at the fund level. All appropriations lapse on June 30 except for in the Capital Projects Fund and Special Revenue Fund, which carry unexpended balances through a project's life or the end of the grant period.

1. Summary of Significant Accounting Policies (Continued)

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in order to reserve the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Fund, and Capital Projects Fund. Encumbrances outstanding at year-end are reported as part of the restricted, committed, or assigned fund balances since they do not constitute expenditures or liabilities. These encumbrances are subject to reappropriation by City Council in the subsequent fiscal year. Significant encumbrances as of June 30, 2025, total $4,678,394 in the General Fund and $7,875,472 in the Capital Projects Fund.

Deposits and Investments

For purposes of the Statement of Cash Flows, cash and cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and investments with maturities of 90 days or less. Cash includes unrestricted and restricted, if any, cash and cash equivalents. Investments are recorded at fair value.

Allowance for Uncollectible Accounts

The City calculates its allowance for uncollectible accounts using historical collection data and specific account analysis.

Property Taxes

The City levies real estate taxes on all real estate within its boundaries, except that exempted by statute, each year as of July 1 based on 100% of estimated fair market value of the property. The City reassesses all property annually. Real estate taxes are due in equal semiannual payments on December 5 and June 5 and are considered delinquent after each due date. Real estate taxes become a lien on real property the first day of the levy year. The tax rate for 2025 was $1.20 per $100 of assessed value.

The City levies personal property taxes on motor vehicles and business and other tangible personal property each year as of January 1. Personal property taxes are due the following May 31 and are considered delinquent after the due date. Personal property taxes do not create a lien on property; however, a penalty of 10% of delinquent personal property tax or $10, whichever is greater, is due for late payment. Interest on delinquent taxes is accrued monthly at a rate of 0.83%, or 10% annually. Personal property transactions during the year are taxed on a prorated basis. The tax rate for personal property for 2025 was $3.40 per $100 of assessed value. The tax rate for machinery and tools for 2025 was $3.20 per $100 of assessed value.

Interfund Balances

Outstanding balances between funds are reported as due to/from other funds. Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide statements as internal balances. Outstanding balances between the City and its component units are reported as due to/from component unit or due to/from primary government. Flows of cash or goods between funds without a requirement of repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds.

Inventory

Governmental fund inventories consist of street and building materials and general supplies held for consumption. Inventories are valued at cost using the first-in, first-out (FIFO) method. The cost of materials and supplies is recorded as an expenditure at the time inventory is withdrawn for use.

1. Summary of Significant Accounting Policies (Continued)

Inventory (Continued)
Enterprise fund inventories consist primarily of spare parts held for consumption. Electric fund inventories are valued at cost using the average cost method. All other enterprise fund inventories are valued at cost using the FIFO method. The cost of spare parts is recorded as an expense at the time inventory is withdrawn for use.

Prepaid Items
Governmental fund prepaid items consist primarily of software maintenance and support for a subsequent period. The payments are recorded as expenditures in the fiscal year related to the service period.

Proprietary fund prepaid items consist primarily of fees for civic and community events held after year-end and software maintenance and support for a subsequent period. These costs are expensed in the subsequent fiscal year for proper matching of revenues and expenses.

Leases
City as Lessee – The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the applicable governmental or business-type activities column in the government-wide financial statements. Proprietary fund lease liabilities and intangible right-to-use lease assets are reported in the applicable fund financial statements. The City recognizes lease liabilities with initial values of $10,000 or more, individually or in aggregate.

At the commencement of a lease, the City measures the lease liability initially at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is measured initially as the amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset, but if the lease contains a purchase option the City is reasonably certain to exercise, the lease asset is amortized over the useful life of the underlying asset. If the underlying asset is nondepreciable, the lease asset is not amortized.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) the lease term, and (3) lease payments. The City makes determinations as follows:

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for equipment leases and prime for building and infrastructure leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and any purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Right-to-use lease assets are reported with other capital assets, and lease liabilities are reported with long-term debt on the statement of net position.

1. Summary of Significant Accounting Policies (Continued)

Leases (Continued)

City as Lessor – The City recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental fund, and proprietary fund financial statements. At the commencement of a lease, the City measures the lease receivable initially at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is measured initially as the amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The City makes determinations as follows:

- The City uses its estimated incremental borrowing rate as the discount rate for equipment leases and prime for building and infrastructure leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-Based Information Technology Arrangements

The City recognizes a subscription liability and a subscription-based information technology arrangement asset (subscription asset) in the applicable governmental or business-type activities column in the government-wide financial statements. Proprietary fund subscription liabilities and subscription assets are reported in the applicable fund financial statements. The City recognizes subscription liabilities with initial, individual values of $10,000 or more and subscription terms greater than twelve months, including any options to extend.

At the commencement of a subscription term, the City measures the subscription liability initially at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is measured initially as the amount of the subscription liability, plus any payments made to the subscription vendor at the commencement of the subscription term associated with the contract and any capitalizable initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying asset.

Key estimates and judgments related to subscriptions include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) the subscription term, and (3) subscription payments. The City makes determinations as follows:

- The City uses the interest rate charged by the subscription vendor as the discount rate. When the interest rate charged by the subscription vendor is not provided, the City uses its estimated incremental borrowing rate as the discount rate.

1. Summary of Significant Accounting Policies (Continued)

Subscription-Based Information Technology Arrangements (Continued)

- The subscription term includes the noncancellable period of the subscription, plus periods covered by the City's or the subscription vendor's option to extend if it is reasonably certain the City or subscription vendor will extend, and periods covered by the City's or subscription vendor's option to terminate if it is reasonably certain the City or subscription vendor will not terminate. Periods for which both the City and subscription vendor have the option to terminate without permission from the other party, or for which both parties have to agree to extend, are excluded from the subscription term.

The City monitors changes in circumstances that would require a remeasurement of its subscriptions and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription asset or liability. Subscription assets are reported with other capital assets, and subscription liabilities are reported with long-term debt on the statement of net position.

Capital Assets

Capital assets, which include property, plant and equipment, infrastructure, right-to-use lease assets, and subscription-based information technology arrangement assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Proprietary fund capital assets are reported in the applicable fund financial statements. Capital assets are defined by the City as assets with initial individual costs in excess of $0 for land, $10,000 for machinery and equipment, $15,000 for buildings, plant and infrastructure, or aggregate costs of at least $100,000 when acquired, and estimated useful lives of at least five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value on the date of donation. The leases section of this note provides additional information about right-to-use lease assets. The subscription-based information technology arrangements section of this note provides additional information about subscription assets. The City includes the costs of other intangible assets with definite lives in the appropriate asset classes.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are completed. Depreciable capital assets are depreciated using the straight-line method over the following estimated useful lives:

Machinery, furniture and equipment	5-25 years
Buildings and improvements	10-50 years
Distribution and transmission systems	35 years
Utility plant	35 years
Sewage treatment contract	40 years
Public domain infrastructure	25-50 years

Right-to-use lease assets and subscription assets are amortized as described in the leases and subscription-based information technology arrangements sections of this note. Other amortizable capital assets are amortized using the straight-line method over the estimated useful lives of the underlying assets. Depreciation expense and amortization expense are identified with functions, whenever possible, and included as direct expenses. Upon the sale or retirement of a capital asset, the cost and related accumulated depreciation or accumulated amortization, if applicable, are eliminated from the respective accounts, and any resulting gain or loss is included in the results of operations.

1. Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

According to the *Code of Virginia*, when a local government incurs a financial obligation payable over more than one fiscal year to fund an acquisition, construction or improvement of public school property, the local government acquires title to the school property as a tenant in common with the local school board for the term of the financial obligation. For financial reporting purposes, the local government may report the school property and related financial obligation. In these cases, at the time the financial obligation is paid in full, the net value of the school property is transferred to the local school board and reflected as program revenue and expense in the government-wide financial statements for the local school board and the local government, respectively. In the City's case, the City reports this debt in its Statement of Net Position, while the School Division reports the capital asset on its Statement of Net Position.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements that present net position report a separate section for deferred outflows of resources. These items represent a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statements that present net position report a separate section for deferred inflows of resources. These items represent an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

The City and School Division have the following items that qualify for reporting as deferred outflows and/or deferred inflows:

- A deferred loss on refunding is a deferred outflow that results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- A deferred gain on refunding is a deferred inflow that results from the difference in the reacquisition price of refunded debt and its carrying value. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Property taxes and lease inflows collected in advance of the periods of service are deferred inflows, which will be recognized as revenue over the periods of service.
- Pension and OPEB deferred outflows and deferred inflows are as follows:
    - Differences between expected and actual experience of economic or demographic factors in the measurement of the total pension or OPEB liability are deferred outflows or deferred inflows, which will be recognized in pension or OPEB expense over the expected average remaining service life of all employees provided with benefits in the plan.
    - Differences between projected and actual earnings on pension and OPEB plan investments are deferred inflows or deferred outflows, which will be recognized in pension or OPEB expense over a closed five-year period.
    - Changes in assumptions about future economic factors, demographic factors, or other inputs into the measurement of the net pension or OPEB liability are deferred outflows or deferred inflows, which will be recognized in pension or OPEB expense over the expected average remaining service life of all employees provided with benefits in the plan.
    - Changes in the employer's proportionate share of collective net pension and OPEB liabilities and differences between employer contributions and the employer's proportionate share of contributions for pension and OPEB are deferred outflows or deferred inflows, which will be recognized in pension or OPEB expense over the expected average remaining service life of all employees provided with benefits in the plan.

1. Summary of Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources (Continued)

- Employer contributions subsequent to the measurement date for pension and OPEB are always deferred outflows and will be applied to the net pension or OPEB liability in the next fiscal year.

- At the fund level, property taxes and charges for services and fees that are not yet available to finance expenditures of the current period are reported as deferred inflows. These will be recognized as revenue when they become available to finance expenditures of the reporting period.

Surety Bond Payable

Deposits may be received in lieu of bond insurance or letters of credit for a performance bond. The amount is included in restricted cash and accounts payable and accrued liabilities since the funds will be returned upon successful completion of the performance bond.

Unearned Revenues

Unearned revenues arise when assets are recognized before revenue recognition criteria can be satisfied. Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue. Unearned revenues consist primarily of retiree health insurance premiums billed in advance, event deposits, and rentals.

Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds' Statement of Net Position. Bonds payable are reported net of the applicable bond premiums and discounts. Gains or losses on bond refundings are reported as deferred outflows or inflows, respectively. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Deferred amounts on refunding are deferred and amortized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the period incurred. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences

The City and the School Division have policies to allow the accumulation and vesting of limited amounts of paid leave and extended illness leave until termination or retirement. The government-wide financial statements include an accrual for leave attributable to services already rendered that accumulates and is more likely than not to be used for time off or otherwise settled in the future. The governmental fund financial statements report a liability when leave is due for payment.

Pensions

The Virginia Retirement System (VRS) Retirement Plan is a multi-employer, agent plan. The VRS Teacher Retirement Plan is a multiple-employer, cost-sharing plan. For purposes of measuring the net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the plans and the additions to/deductions from the plans' fiduciary net positions have been determined on the same basis as they were reported by VRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

1. Summary of Significant Accounting Policies (Continued)

Other Postemployment Benefits – Retiree Health Plan

In connection with the City's funding of other postemployment benefits (OPEB) obligations, the City participates in the Virginia Pooled OPEB Trust (OPEB Trust Fund). The City's policy is to fully fund actuarially determined OPEB costs, which include both normal costs and amortization of unfunded accrued liability. The OPEB Trust Fund assets and investments are recorded at fair value. The OPEB Trust Fund's Board of Trustees establishes investment objectives and risk tolerance and asset allocation policies based on the investment policy, market and economic conditions and generally prevailing prudent investment practices.

Other Postemployment Benefits – Group Life Insurance and Health Insurance Credit

The VRS Group Life Insurance Program and VRS Teacher Employee Health Insurance Credit Program are multiple-employer, cost-sharing plans. The VRS Political Subdivision Health Insurance Credit Program is a multiple-employer, agent defined benefit plan. The VRS Group Life Insurance Program was established pursuant to §51.1-500 et seq. of the *Code of Virginia*, as amended, which provides the authority under which benefit terms are established or may be amended. The VRS Political Subdivision Health Insurance Credit Program and VRS Teacher Employee Health Insurance Credit Program were established pursuant to §51.1-1400 et seq. of the *Code of Virginia*, as amended, which provides the authority under which benefit terms are established or may be amended.

The VRS Group Life Insurance Program is a defined benefit plan that provides a basic group life insurance benefit for employees of participating employers. The VRS Political Subdivision Health Insurance Credit Program and VRS Teacher Employee Health Insurance Program are defined benefit plans that provide credits toward the cost of health insurance coverage for retired political subdivision employees of participating employers and retired teachers. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources, and OPEB expense related to each plan, information about the fiduciary net position and the additions to/deductions from fiduciary net position for each plan have been determined on the same basis as they were reported by VRS. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position is divided into three components:

- **Net investment in capital assets** – consists of the historical cost of capital assets, less accumulated depreciation and accumulated amortization, less any debt that remains outstanding which was used to finance those assets, less other capital-related liabilities.
- **Restricted** – consists of assets where there are limitations imposed on their use through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.
- **Unrestricted** – all other net position is reported in this category.

Net investment in capital assets for governmental activities excludes $31,085,084 of School Division debt and $792,110 of Civic Center debt reported by the City because the related assets are reported by the School Division and Civic Center, respectively. Noncapital debt of $777,173, $1,894, and $192,914 is also excluded from the net investment in capital assets for governmental activities, the Electric Fund, and the Water and Sewer Fund, respectively.

The Catering and Concessions Fund, a Non-Major Proprietary Fund, has a deficit of $574,520 in total net position as of June 30, 2025, because sales revenues have not covered operating expenses in that fund in prior years.

1. Summary of Significant Accounting Policies (Continued)

Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** – Amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.
- **Restricted** – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- **Committed** – Amounts constrained to specific purposes by the City, using its highest level of decision making authority; to be reported as committed, amounts cannot be used for any other purposes unless the same highest level of action is taken to remove or change the constraint.
- **Assigned** – Amounts the City intends to use for a specified purpose; intent can be expressed by the governing body (City Council) or by an official or body to which the governing body designates the authority.
- **Unassigned** – Amounts that are available for any purpose; positive amounts are reported only in the General Fund.

City Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance. This is typically done through amendment of the budget. Assigned fund balance is established by City Council as amounts intended for a specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes). City Council has also delegated to the City Manager and Director of Finance the authority to assign fund balance; however, before the assigned funds can be spent, such amounts, excluding appropriations related to encumbrances that are carried forward to the subsequent fiscal year, must be appropriated by City Council.

Restricted Amounts

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Minimum Fund Balance

The City's fund balance policy establishes a minimum acceptable level of unassigned fund balance in the General Fund equal to ten percent of the sum of the General Fund, Debt Service Fund, and School Division operating expenditures net of the General Fund transfer to the School Division. For the purposes of this calculation, the operating expenditures are the budget as originally adopted for the current fiscal year.

Other governmental funds of the City do not have specified fund balance targets. Recommended levels of committed and/or assigned fund balance will be determined on a case by case basis, based on the needs of each fund and as recommended by officials and approved by the City Council.

Reclassifications

Certain amounts in the prior-year comparison information have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

1. Summary of Significant Accounting Policies (Continued)

Estimates

Management uses estimates and assumptions in preparing its financial statements. Those estimates and assumptions affect the reported amounts of assets and deferred outflows of resources, liabilities and deferred inflows of resources, the disclosure of contingent liabilities, and reported revenues, expenditures and expenses. Actual results could differ from those estimates.

2. Deposits and Investments

The City maintains a concentration bank account used by all nonfiduciary funds, including the School Division. Each fund's portion of this account is presented in the basic financial statements as cash and cash equivalents.

Deposits

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the "Act") Section 2.2-4400 et. seq. of the *Code of Virginia*. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

Statutes authorize local governments and other public bodies to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development, the Asian Development Bank, the African Development Bank, prime quality commercial paper and certain corporate notes, bankers' acceptances, repurchase agreements, the State Non-Arbitrage Program (SNAP), and the Local Government Investment Pool (LGIP).

Investments

Pursuant to Sec. 2.1-234.7 of the *Code of Virginia,* the Treasury Board of the Commonwealth sponsors the LGIP and has delegated certain functions to the State Treasurer. The LGIP reports to the Treasury Board at their regularly scheduled monthly meetings and the carrying value of the position in LGIP is the same as the value of the pool shares (i.e., the LGIP maintains a stable net asset value of $1 per share) in accordance with GASB Statement No. 79.

All deposits and investments are reflected in the statements as follows:

	Primary Government	Component Units	Total
Cash and cash equivalents	$ 157,708,334	$ 18,972,260	$ 176,680,594
Cash and cash equivalents, restricted	2,286,436	-	2,286,436
	$ 159,994,770	$ 18,972,260	$ 178,967,030

2. Deposits and Investments (Continued)

Investments (Continued)

As of June 30, 2025, the City's deposits and investments consisted of the following:

Investment Type	Fair Value	S&P Credit Rating
Primary Government		
Demand & time deposits	$ 50,612,879	unrated
Cash on hand	9,660	unrated
Local Government Investment Pool (LGIP)	107,151,580	AAAm
VA State Non-Arbitrage Program (SNAP)	2,220,651	AAAm
Total primary government	159,994,770	
Component Units		
Demand & time deposits	12,275,801	unrated
Cash on hand	515	unrated
Local Government Investment Pool (LGIP)	6,695,944	AAAm
Total component units	18,972,260	
Grand Total	$ 178,967,030	

The City's investments are subject to credit risk, concentration of credit risk, interest rate risk, and custodial risk as described below.

Credit Risk

Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. The City's investment policy states that the City shall invest only in securities allowed under the *Code of Virginia*, Virginia Security of Public Deposits Act, Section 2.2-4400 through 2.2-4411 and the *Code of Virginia*, Investment of Public Funds Act, Section 2.2-4500 through 2.2-4518.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributable to the magnitude of a government's investment in a single issuer. The City endeavors to diversify its investment portfolio to avoid incurring unreasonable risks regarding an individual financial institution or issuing entity. Target asset allocation strategies are developed by the Director of Finance to provide guidance as to appropriate levels of diversification. The City's investment policy states that, with the exception of U.S. Treasury securities and authorized pools/funds, no more than 50% of the City's total investment may be the obligation of a single financial institution.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City endeavors to diversify its investment portfolio to avoid incurring unreasonable risks regarding maturity. To the extent possible, the City attempts to match its investments with anticipated cash flow requirements. The City's investment policy states that unless matched to a specific cash flow, the City will not directly invest in securities maturing more than one year from the date of purchase.

2. Deposits and Investments (Continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that all securities purchased for the City be secured through third-party custody and safekeeping procedures. Ownership shall be protected through third-party custodial safekeeping. The securities must be in the City's name or in the custodian's nominee name and identifiable on the custodian's books as belonging to the City. Further, the custodian must be a third party, not a counterparty (buyer, issuer, or seller) to the transaction. This requirement does not apply to excess checking account funds invested overnight in a bank "sweep" agreement or similar vehicle authorized under the City's investment policy.

3. Receivables

Receivables, Net

Receivables other than lease receivables are aggregated into a single receivables line net of allowances for uncollectible accounts. Details of receivables other than lease receivables are as follows:

		Business-type Activities			
	Governmental Activities	Electric	Water and Sewer	Nonmajor Proprietary	Component Units
Tax receivables	$ 4,400,985	$ -	$ -	$ -	$ -
Opioid abatement receivables	1,209,179	-	-	-	-
Interest receivables	208,073	-	-	-	-
Account receivables	66,023	7,691,238	2,359,023	106,546	-
Other receivables	1,327,543	-	-	-	14,706,923
Gross receivables	7,211,803	7,691,238	2,359,023	106,546	14,706,923
Allowance for uncollectibles	(945,644)	(139,501)	(31,764)	(8,845)	-
Receivables, net	$ 6,266,159	$ 7,551,737	$ 2,327,259	$ 97,701	$ 14,706,923

Lease Receivable

The City, as a lessor, has entered into lease agreements involving City-owned office space and space on certain City-owned water tanks and property. The total amount of inflows of resources, including lease revenue, interest revenue, and other lease-related inflows, recognized during the fiscal year was $312,852. This total includes $4,410 of variable payments and other payments not previously included in the measurement of the lease receivable. Future payments included in the measurement of the lease receivable are as follows:

	Governmental Activities		Business-type Activities	
Fiscal Year	Principal	Interest	Principal	Interest
2026	$ 156,350	$ 2,840	$ 113,627	$ 8,621
2027	157,278	1,911	96,941	5,385
2028	158,238	951	79,883	2,854
2029	141,989	105	48,442	804
2030	129,884	-	12,186	62
2031-2035	135,296	-	-	-
	$ 879,035	$ 5,807	$ 351,079	$ 17,726

3. Receivables (Continued)

Lease Receivable (Continued)

The School Division, as a lessor, has entered into a lease agreement involving School Division-owned broadband channels. The total amount of inflows of resources, including lease revenue, interest revenue, and other lease-related inflows, recognized during the fiscal year was $39,675. There were no variable payments or other payments related to the leases not previously included in the measurement of the lease receivable. Future payments included in the measurement of the lease receivable are as follows:

	Component Unit - School Division	
Fiscal Year	Principal	Interest
2026	$ 12,466	$ 15,302
2027	13,736	14,866
2028	15,073	14,386
2029	16,487	13,860
2030	17,973	13,285
2031-2035	114,974	55,936
2036-2040	165,406	32,720
2041-2045	106,655	4,769
	$ 462,770	$ 165,124

4. Interfund Balances and Transfers

The composition of the interfund balances is as follows:

		Due from (fund)
		Nonmajor Proprietary
Due to (fund)	Water and Sewer	$ 200,000

The amount due to the Water and Sewer Fund from the Nonmajor Proprietary Funds is a short-term loan to fund operations in the Catering and Concessions Fund.

The composition of the interfund transfers is as follows:

		Transfer out (fund)				
		General	Capital Projects	Electric	Water and Sewer	Total
Transfer in (fund)	General	$ -	$ -	$ 3,160,000	$ 150,575	$ 3,310,575
	Debt Service	5,609,170	391,738	-	-	6,000,908
	Capital Projects	8,840,530	-	-	-	8,840,530
	Nonmajor Proprietary	2,561,785	-	-	-	2,561,785
	Total	$ 17,011,485	$ 391,738	$ 3,160,000	$ 150,575	$ 20,713,798

Transfers to the General Fund are payments in lieu of taxes. Transfers to the Debt Service Fund include principal and interest payments for general government and school debt. Transfers to the Capital Projects Fund are funding for current projects. Transfers to Nonmajor Proprietary Funds include funding assistance for operating expenses and building improvements.

5. Due from/to Primary Government and Component Unit

The amount due to a component unit from governmental activities of $324,221 is due from the General Fund to the Economic Development Authority for tax rebate payments due as of the end of the fiscal year. The amount due from a component unit to business-type activities is a loan from the Electric Fund to the Economic Development Authority. The Economic Development Authority used these funds to provide loans to three developers for rehabilitation projects within the City. The loan balance outstanding as of June 30, 2025, is $8,384,699. The loan is being repaid as follows:

- $1,903,631 over twenty years maturing February 1, 2039, with an interest rate of 3.79%.
- $1,481,068 over twenty years maturing July 22, 2040, with an interest rate of 3.72%.
- $5,000,000 at the end of six years maturing November 15, 2028, with an interest rate of 0%.

6. Due from Other Governmental Units

Amounts due from other governmental units are as follows:

	Governmental Activities	Component Units
Commonwealth of Virginia		
Personal property tax relief	$ 2,588,707	$ -
Local sales tax	1,619,699	-
Capital projects funding	3,967,232	-
Sales tax	-	795,906
Children's Services Act	649,995	-
Medicaid reimbursement	-	145,790
Communications tax	110,655	-
Compensation Board reimbursement	151,944	-
Preservation Trust Fund Program Grant	179,237	-
Other	325,942	15,111
Federal government		
School funds	-	801,426
Lease payment from General Services Administration	11,147	-
Other	4,713	-
	$ 9,609,271	$ 1,758,233

7. Capital Assets

Capital asset activity for the year for the primary government is as follows:

	Beginning Balance	Transfers and Additions	Transfers and Retirements	Ending Balance
Governmental Activities				
Capital assets, nondepreciable and nonamortizable				
Land	$ 7,360,369	$ 153,694	$ -	$ 7,514,063
Construction in progress	35,022,312	12,797,433	(34,546,569)	13,273,176
Development in progress	682,582	141,976	(782,058)	42,500
Capital assets, nondepreciable and nonamortizable	43,065,263	13,093,103	(35,328,627)	20,829,739

(Continued)

7. Capital Assets (Continued)

	Beginning Balance	Transfers and Additions	Transfers and Retirements	Ending Balance
Governmental Activities (Continued)				
Capital assets, depreciable and amortizable				
Machinery and equipment	31,606,459	3,762,273	(585,378)	34,783,354
Buildings and improvements	42,730,851	17,057,151	(618,283)	59,169,719
Leasehold improvements	42,806	-	-	42,806
Public domain infrastructure	122,268,281	17,955,847	(297,527)	139,926,601
Right-to-use leased machinery and equipment	97,632	74,697	(29,200)	143,129
Subscription-based information technology arrangements	841,342	2,110,232	(162,440)	2,789,134
Capital assets, depreciable and amortizable	197,587,371	40,960,200	(1,692,828)	236,854,743
Accumulated depreciation and accumulated amortization				
Machinery and equipment	(20,424,795)	(2,202,949)	395,919	(22,231,825)
Buildings and improvements	(24,081,592)	(1,625,713)	73,370	(25,633,935)
Leasehold improvements	(23,306)	(2,853)	-	(26,159)
Public domain infrastructure	(64,700,778)	(3,498,540)	193,815	(68,005,503)
Right-to-use leased machinery and equipment	(54,488)	(27,250)	29,200	(52,538)
Subscription-based information technology arrangements	(215,822)	(612,583)	162,440	(665,965)
Accumulated depreciation and accumulated amortization	(109,500,781)	(7,969,888)	854,744	(116,615,925)
Capital assets, depreciable and amortizable, net	88,086,590	32,990,312	(838,084)	120,238,818
Capital assets, net	$ 131,151,853	$ 46,083,415	$ (36,166,711)	$ 141,068,557
Business-type Activities				
Capital assets, nondepreciable and nonamortizable				
Land	$ 1,585,417	$ 16,000	$ -	$ 1,601,417
Construction in progress	5,857,535	5,787,645	(5,274,015)	6,371,165
Capital assets, nondepreciable and nonamortizable	7,442,952	5,803,645	(5,274,015)	7,972,582
Capital assets, depreciable and amortizable				
Machinery and equipment	10,198,725	1,107,937	(70,044)	11,236,618
Buildings and improvements	28,257,147	180,074	(238,297)	28,198,924
Distribution and transmission	53,414,320	859,041	(6,803)	54,266,558
Utility plant	91,983,443	2,515,218	(103,733)	94,394,928
Sewage treatment contract	31,955,606	2,285,715	-	34,241,321
Right-to-use leased machinery and equipment	27,887	6,811	(6,125)	28,573

(Continued)

7. Capital Assets (Continued)

	Beginning Balance	Transfers and Additions	Transfers and Retirements	Ending Balance
Business-type Activities (Continued)				
Capital assets, depreciable and amortizable (Continued)				
Subscription-based information technology arrangements	-	18,941	-	18,941
Capital assets, depreciable and amortizable	215,837,128	6,973,737	(425,002)	222,385,863
Accumulated depreciation and accumulated amortization				
Machinery and equipment	(8,122,116)	(503,288)	70,044	(8,555,360)
Buildings and improvements	(15,020,475)	(755,412)	223,233	(15,552,654)
Distribution and transmission	(24,979,543)	(1,085,934)	6,629	(26,058,848)
Utility plant	(58,000,138)	(1,503,079)	89,093	(59,414,124)
Sewage treatment contract	(15,643,010)	(858,945)	-	(16,501,955)
Right-to-use leased machinery and equipment	(12,359)	(7,335)	6,125	(13,569)
Subscription-based information technology arrangements	-	(7,837)	-	(7,837)
Accumulated depreciation and accumulated amortization	(121,777,641)	(4,721,830)	395,124	(126,104,347)
Capital assets, depreciable and amortizable, net	94,059,487	2,251,907	(29,878)	96,281,516
Capital assets, net	$ 101,502,439	$ 8,055,552	$ (5,303,893)	$ 104,254,098

Depreciation expense and amortization expense are charged to functions/programs of the primary government as follows:

Governmental Activities		
General government	$	1,002,362
Judicial administration		60,389
Public safety		1,471,275
Public works		3,293,268
Parks, recreation and cultural		2,100,767
Community development		19,149
Total depreciation and amortization expense	$	7,947,210
Business-type Activities		
Electric	$	1,768,013
Water and sewer		2,617,348
Civic Center		332,901
Catering and concessions		3,568
Total depreciation and amortization expense	$	4,721,830

7. Capital Assets (Continued)

Current year increases to accumulated depreciation and accumulated amortization shown in the capital asset table for governmental activities exceed depreciation expense by $22,678 because the table includes accumulated depreciation for machinery and equipment transferred from the Electric Fund to Governmental Activities.

Capital asset activity for the year for the component unit is as follows:

	Beginning Balance	Transfers and Additions	Transfers and Retirements	Ending Balance
Component Unit - School Division				
Capital assets, nondepreciable and nonamortizable				
Land	$ 1,123,637	$ -	$ -	$ 1,123,637
Construction in progress	346,597	639,096	(428,342)	557,351
Capital assets, nondepreciable and nonamortizable	1,470,234	639,096	(428,342)	1,680,988
Capital assets, depreciable and amortizable				
Machinery and equipment	10,202,333	938,115	(1,031,633)	10,108,815
Buildings and improvements	99,082,977	1,201,167	-	100,284,144
Right-to-use leased machinery and equipment	131,663	32,942	-	164,605
Subscription-based information technology arrangements	165,556	60,111	(34,059)	191,608
Capital assets, depreciable and amortizable	109,582,529	2,232,335	(1,065,692)	110,749,172
Accumulated depreciation and accumulated amortization				
Machinery and equipment	(7,235,250)	(569,889)	1,025,692	(6,779,447)
Buildings and improvements	(30,610,403)	(3,050,093)	-	(33,660,496)
Right-to-use leased machinery and equipment	(49,374)	(42,291)	-	(91,665)
Subscription-based information technology arrangements	(63,647)	(43,750)	34,059	(73,338)
Accumulated depreciation and accumulated amortization	(37,958,674)	(3,706,023)	1,059,751	(40,604,946)
Capital assets, depreciable and amortizable, net	71,623,855	(1,473,688)	(5,941)	70,144,226
Capital assets, net	$ 73,094,089	$ (834,592)	$ (434,283)	$ 71,825,214

Intangible Right-to Use Assets

As of June 30, 2025, the City and School Division recognized right-to-use assets for the value of copiers leased under long-term contracts as part of capital assets. The intangible right-to-use assets are being amortized over the lease terms for each lease. Terms of the leases are described in Note 9.

7. Capital Assets (Continued)

Subscription-Based Information Technology Arrangements

As of June 30, 2025, the City and School Division recognized subscription-based information technology arrangement assets for the value of software subscriptions under subscription contracts as part of capital assets. The subscription-based information technology arrangement assets are being amortized over the subscription terms for each subscription. Terms of the subscriptions are described in Note 9.

8. Deferred Outflows/Inflows of Resources

Deferred outflows/inflows of resources reported in the Statement of Net Position are as follows:

	Governmental Activities	Business-type Activities	Component Units
Deferred outflows of resources			
Deferred loss on refunding of debt	$ 142,739	$ 264,192	$ -
Pension	8,673,095	2,290,846	10,115,322
OPEB	1,938,092	515,637	1,267,774
Total deferred outflows of resources	$ 10,753,926	$ 3,070,675	$ 11,383,096
Deferred inflows of resources			
Deferred gain on refunding of debt	$ -	$ 43,166	$ -
Property taxes collected in advance	93,157	-	-
Leases	876,821	335,591	422,270
Pension	4,219,633	1,114,412	4,914,208
OPEB	3,371,543	898,155	1,251,257
Total deferred inflows of resources	$ 8,561,154	$ 2,391,324	$ 6,587,735

Deferred inflows of resources reported in the governmental funds are as follows:

	General
Deferred inflows of resources	
Unavailable revenue - property taxes	$ 1,637,415
Property taxes collected in advance	93,157
Unavailable revenue - charges for services and fees	1,370,948
Leases	876,821
Total deferred inflows of resources	$ 3,978,341

Deferred outflows/inflows of resources reported in the proprietary funds are as follows:

	Electric	Water and Sewer	Nonmajor Proprietary Funds	Internal Service Fund
Deferred outflows of resources				
Deferred loss on refunding of debt	$ 264,192	$ -	$ -	$ -
Pension	817,660	1,026,086	447,100	49,714
OPEB	157,369	260,000	98,268	4,613
Total deferred outflows of resources	$ 1,239,221	$ 1,286,086	$ 545,368	$ 54,327

(Continued)

8. Deferred Outflows/Inflows of Resources (Continued)

	Electric	Water and Sewer	Nonmajor Proprietary Funds	Internal Service Fund
Deferred inflows of resources				
Deferred gain on refunding of debt	$ -	$ 43,166	$ -	$ -
Leases	-	335,591	-	-
Pension	399,266	497,565	217,581	23,746
OPEB	267,224	460,305	170,626	6,428
Total deferred inflows of resources	$ 666,490	$ 1,336,627	$ 388,207	$ 30,174

9. Long-Term Liabilities

Summary of Changes in Long-Term Liabilities

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. These bonds are direct obligations and pledge the full faith and credit of the government and are subject to the provisions of the Internal Revenue Code of 1986 related to arbitrage, interest and income tax regulations.

In May 2023, the City's component unit, the Economic Development Authority, issued taxable revenue bonds in order to obtain a drawdown loan from a financial institution to provide economic incentives to a private company in the form of a loan. Drawdowns occurred in the first twelve months, and the interest rate was variable for the first twelve months. The Economic Development Authority made interest-only payments during the first year of the loan. At the one-year anniversary of the loan, the principal amount and interest rate became fixed. The Economic Development Authority makes principal and interest payments to the financial institution and is reimbursed by the private company for these payments.

The following is a summary of changes in long-term liabilities:

	Beginning Balance*	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
General obligation bonds	$ 56,504,023	$ -	$ (3,715,455)	$ 52,788,568	$ 3,834,752
Bond premiums	3,898,385	-	(337,524)	3,560,861	337,524
Bonds payable	60,402,408	-	(4,052,979)	56,349,429	4,172,276
Financed purchase obligation	-	302,674	(63,417)	239,257	57,720
Lease liability	44,281	74,697	(27,308)	91,670	43,827
Subscription liability	413,933	1,640,647	(956,219)	1,098,361	545,156
Compensated absences**	2,798,578	47,471	-	2,846,049	2,739,611
Net pension liability	30,544,147	11,009,775	(9,523,072)	32,030,850	-
Net OPEB liability	12,779,139	2,951,156	(7,136,619)	8,593,676	-
	$ 106,982,486	$ 16,026,420	$ (21,759,614)	$ 101,249,292	$ 7,558,590

* Restated, due to implementation of the guidance in GASB Statement 101, *Compensated Absences*

** Net change in compensated absences shown

9. Long-Term Liabilities (Continued)

Summary of Changes in Long-Term Liabilities (Continued)

The Debt Service Fund liquidates most long-term liabilities of governmental activities as shown above. However, portions of compensated absences, the pension plan and other postemployment benefits (OPEB) are liquidated by the Internal Service Fund. The remaining portions of compensated absences, other postemployment benefits, and leases are liquidated by the General Fund.

	Beginning Balance*	Increases	Decreases	Ending Balance	Due Within One Year
Business-type Activities					
General obligation bonds	$ 23,078,807	$ 3,767,393	$ (4,067,368)	$ 22,778,832	$ 4,311,040
Bond premiums	2,158,587	-	(434,314)	1,724,273	434,315
Bonds payable	25,237,394	3,767,393	(4,501,682)	24,503,105	4,745,355
Lease liability	13,107	6,811	(7,343)	12,575	5,440
Subscription liability	-	18,941	(9,465)	9,476	9,476
Compensated absences**	769,775	40,496	-	810,271	691,974
Net pension liability	8,170,971	2,905,641	(2,493,344)	8,583,268	-
Net OPEB liability	3,884,960	785,273	(1,882,001)	2,788,232	-
	$ 38,076,207	$ 7,524,555	$ (8,893,835)	$ 36,706,927	$ 5,452,245
Component Unit - School Division					
Lease liability	$ 83,931	$ 32,943	$ (41,924)	$ 74,950	$ 43,097
Subscription liability	-	54,896	-	54,896	54,896
Compensated absences**	3,091,958	-	(134,700)	2,957,258	2,436,460
Net pension liability	28,549,821	11,451,435	(14,017,282)	25,983,974	-
Net OPEB liability	5,353,194	1,198,910	(1,927,195)	4,624,909	-
	$ 37,078,904	$ 12,738,184	$ (16,121,101)	$ 33,695,987	$ 2,534,453
Component Unit - Economic Development Authority					
Bonds payable	$ 6,814,618	$ -	$ (472,000)	$ 6,342,618	$ 517,000

* Restated, due to implementation of the guidance in GASB Statement 101, *Compensated Absences*

** Net change in compensated absences shown

Bonds Payable

Details of long-term indebtedness for bonds payable are as follows:

	Interest Rates	Issue Date	Maturity Date	Issue Amount	**Governmental Activities**	**Business-type Activities**
General Obligation Bonds						
2004 Public Improvement	1.00%	04/04	07/26	$ 11,052,222	$ -	$ 1,063,063
2010 Public Improvement	2.45%	09/10	03/30	3,648,124	-	1,172,581
2012 Public Improvement	2.35%	12/12	08/32	9,545,000	3,818,000	-
2013 Public Improvement	1.25%	03/13	04/34	3,058,522	-	1,583,079
2013 Public Improvement	3.03%	12/13	08/33	7,275,000	3,260,000	-
2016B Public Improvement	2.50%	06/16	04/26	6,393,385	150,694	558,126
2018 Public Improvement	0.00%	05/18	07/38	5,592,757	-	3,972,380
2019 Public Improvement	3.24%	02/19	04/39	5,025,000	3,850,000	-
2020 Public Improvement	2.00-5.00%	06/20	05/40	26,555,000	23,790,000	-
2020 Refunding	2.00-5.00%	06/20	05/36	24,035,000	3,797,874	8,757,127
2021 Refunding	1.24%	05/21	02/28	1,555,000	799,000	-
2022 Public Improvement	0.95%	03/22	03/43	2,285,715	-	2,120,476

(Continued)

9. Long-Term Liabilities (Continued)

Bonds Payable (Continued)

	Interest Rates	Issue Date	Maturity Date	Issue Amount	Governmental Activities	Business-type Activities
General Obligation Bonds (Continued)						
2022 Public Improvement	3.03%	05/22	05/42	15,080,000	13,323,000	-
2024 Public Improvement	4.38%	11/24	05/45	3,552,000	-	3,552,000
					52,788,568	22,778,832
		Bond premiums			3,560,861	1,724,273
					$ 56,349,429	$ 24,503,105

	Interest Rate	Issue Date	Maturity Date	Issue Amount	Component Unit - Economic Development Authority
Revenue Bonds					
2023 Revenue Bonds	7.50%	05/23	06/34	$ 6,814,618	$ 6,342,618

The annual requirements to amortize bonds payable and related interest are as follows:

	Governmental Activities		Business-type Activities		Component Unit - Economic Development Authority	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 3,834,752	$ 1,683,745	$ 4,311,040	$ 670,861	$ 517,000	$ 492,303
2027	3,788,166	1,531,834	3,527,507	529,341	556,000	442,990
2028	3,902,301	1,393,447	1,951,071	401,048	597,000	401,808
2029	3,985,436	1,250,152	2,010,971	335,880	644,000	355,314
2030	4,114,598	1,088,263	2,081,062	268,053	692,000	306,343
2031-2035	16,840,315	3,403,968	4,749,024	705,334	3,336,618	558,031
2036-2040	14,383,000	1,351,651	2,613,334	423,353	-	-
2041-2045	1,940,000	88,539	1,534,823	166,022	-	-
	$ 52,788,568	$ 11,791,599	$ 22,778,832	$ 3,499,892	$ 6,342,618	$ 2,556,789

Financed Purchase Obligation

On August 1, 2024, the City entered into a 60-month financed purchase obligation agreement with Axon Enterprise, Inc., to purchase police equipment. Under the agreement, the City pays $63,416 annually to Axon Enterprise, Inc. Ownership transfers to the City at the end of the obligation. Future financed purchase obligation payments are as follows:

	Governmental Activities	
Fiscal Year	Principal	Interest
2026	$ 57,720	$ 5,696
2027	59,094	4,322
2028	60,501	2,915
2029	61,942	1,474
	$ 239,257	$ 14,407

9. Long-Term Liabilities (Continued)

Financed Purchase Obligation (Continued)

The police equipment capital assets acquired through the financed purchase obligation are accounted for in the Statement of Net Position. At June 30, 2025, the original cost of the equipment was $302,674, and accumulated depreciation was $40,357.

Copier Leases

The City and School Division lease a variety of copiers from Xerox Corporation, US Bank Equipment Finance, and De Lage Landen Financial Services for terms ranging from 36 months to 60 months. Additionally, the City leases a piece of parks and recreation equipment from Turf Tank for a term of 24 months, and the School Division leases kitchen equipment from Ecolab for terms of 24 months to 60 months. For purposes of discounting future payments, the City and School Division used their incremental borrowing rates at lease inception. The leased equipment and accumulated amortization of the right-to-use assets are outlined in Note 7. Future minimum lease payments include:

	Governmental Activities		Business-type Activities		Component Unit - School Division	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 43,827	$ 1,304	$ 5,440	$ 285	$ 43,097	$ 1,548
2027	33,658	1,133	5,380	153	21,965	508
2028	10,211	241	1,755	20	4,870	230
2029	3,397	61	-	-	5,018	82
2030	577	5	-	-	-	-
	$ 91,670	$ 2,744	$ 12,575	$ 458	$ 74,950	$ 2,368

Subscription-Based Information Technology Arrangements

The City and School Division subscribe to information technology assets, such as software, from vendors for terms greater than 12 months ranging from 14 months to 72 months. For purposes of discounting future payments, the City and School Division used their incremental borrowing rates at subscription inception. The subscription-based information technology arrangement assets and related accumulated amortization are outlined in Note 7. Future minimum subscription payments include:

	Governmental Activities		Business-type Activities		Component Unit - School Division	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 545,156	$ 28,812	$ 9,476	$ 344	$ 54,896	$ 240
2027	317,218	14,518	-	-	-	-
2028	192,206	5,933	-	-	-	-
2029	21,106	1,269	-	-	-	-
2030	22,675	658	-	-	-	-
	$ 1,098,361	$ 51,190	$ 9,476	$ 344	$ 54,896	$ 240

Legal Debt Limit

The *Constitution of Virginia*, Article VII, Section 10(a), sets forth the City's legal debt limit as ten percent of the assessed valuation of the real estate in the City subject to taxation. As of June 30, 2025, ten percent of the assessed value of real property in the City is $316,561,869. The City's net debt applicable to the legal debt limit is $56,588,686, and the legal debt margin is $259,973,183. Additional information about the City's legal debt margin is available in Table 11.

10. Fund Balance

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the governmental funds are presented in the following table:

	General	Capital Projects	Total Governmental Funds
Fund Balances:			
Nonspendable:			
Inventories	$ 992,825	$ -	$ 992,825
Prepaids	179,079	-	179,079
	1,171,904	-	1,171,904
Restricted for:			
Fire and rescue	208,217	-	208,217
Highway maintenance	3,264,355	-	3,264,355
Law enforcement	597,968	-	597,968
Opioid abatement	736,722	-	736,722
Parks and recreation	33,505	-	33,505
	4,840,767	-	4,840,767
Committed to:			
Law enforcement	107,646	-	107,646
Stormwater management	95,111	-	95,111
	202,757	-	202,757
Assigned to:			
Building maintenance and improvements	410,146	202,868	613,014
Economic development	20,515	2,942,054	2,962,569
Engineering	84,094	-	84,094
Finance	20,732	-	20,732
Fire and rescue	747,335	4,191,827	4,939,162
Future capital projects	-	21,801,586	21,801,586
Highway maintenance	56,132	2,060,463	2,116,595
Human resources	12,850	-	12,850
Law enforcement	35,849	-	35,849
Library	-	1,095,000	1,095,000
Parks and recreation	210,114	777,991	988,105
Real estate	8,000	-	8,000
Street equipment	370,902	716,950	1,087,852
Technology systems	372,420	-	372,420
	2,349,089	33,788,739	36,137,828
Unassigned:	59,993,132	-	59,993,132
Total fund balances	$ 68,557,649	$ 33,788,739	$ 102,346,388

11. Risk Management

The risk management programs of the City and School Division are as follows:

Workers' Compensation

Workers' Compensation Insurance is provided through the Virginia Risk Sharing Association (VRSA) for the City and through VACORP for the School Division. Benefits are those afforded through the Commonwealth of Virginia as outlined in *Code of Virginia* §65.2-100.

Premiums are based on covered payroll, job rates and claims experience. Total premiums for the current year were $533,065 and $95,019 for the City and School Division, respectively.

General Liability and Other

The City provides general liability and other insurance through VRSA. General liability and automotive liability have a $1,000,000 limit per occurrence. Boiler and machinery coverage and property coverage are covered per statement of values. The City maintains an additional $10,000,000 umbrella policy over all forms of liability. The City has flood insurance coverage through Selective Insurance Company of America for properties in designated flood zones or that are part of the water plant. Total premiums for the current fiscal year were $547,356.

The School Division provides general liability and other insurance through VACORP. General liability, automobile liability, and property damage have a $2,000,000 limit per occurrence. The School Division also has a separate student accident insurance policy through VACORP. Total premiums for the current fiscal year were $133,976.

Line of Duty

The Line of Duty Act (LODA) provides benefits to local government employees who hold specified hazardous duty positions (*Code of Virginia* §9.1-400 et seq.). By statute, LODA benefits must be provided. The Virginia Department of Accounts administers the benefit. As of July 1, 2011, the General Assembly shifted the financial responsibility from the state government to local governments. The City provides an insured Line of Duty OPEB benefit plan through coverage with VRSA. In exchange for annual premiums paid while employees are in active service, VRSA covers the Line of Duty OPEB of those employees. The Line of Duty coverage provides a death benefit of $100,000 to beneficiaries of public safety officers who die in the line of duty and a death benefit of $25,000 to beneficiaries of public safety employees who die within five years of becoming disabled as a result of a qualifying illness as defined in the LODA. A health insurance benefit is also provided to the disabled public safety employees, their surviving spouses, and their dependents. The City retains an obligation for benefits in the event of VRSA's insolvency. The Commonwealth of Virginia has the authority to establish and amend LODA. Total premiums for the current year to VRSA for Line of Duty coverage were $148,018.

Healthcare

The City's professionally administered self-insurance program provides health coverage for employees of the City and School Division on a cost-reimbursement basis. All active employees, retired City employees and retired School Division employees pay a premium equivalent for participation. The premium equivalent represents a minimum of 3% active or retired employee participation. The City is obligated for claims payments under the program. A stop loss insurance contract executed with an insurance carrier covers claims in excess of $250,000 per covered individual.

During the current fiscal year, total claim expenses of $11,611,944 were incurred. This represents claims processed and an estimate for claims incurred but not reported (IBNR) as of June 30, 2025. The estimated liability for the City and School Division was $529,202 and $513,038, respectively for a total of $1,042,240 at year-end.

11. Risk Management (Continued)

Healthcare (Continued)

Changes in the reported liability during the last three fiscal years are as follows:

Year Ended June 30	Beginning Balance	Claim Expenses	Claim Payments	Ending Balance
2025	$ 747,967	$ 11,611,944	$ 11,317,671	$ 1,042,240
2024	679,113	8,704,448	8,635,594	747,967
2023	765,656	8,075,826	8,162,369	679,113

Dental

The City's professionally administered self-insurance program provides dental coverage for employees of the City and School Division on a cost-reimbursement basis. All active employees, retired City employees and retired School Division employees pay a premium equivalent for participation. The premium equivalent represents a minimum of 0% active or retired employee participation. The City is obligated for claims payments under the program.

During the current fiscal year, total claim expenses of $519,658 were incurred. This represents claims processed and an estimate for claims incurred but not reported (IBNR) as of June 30, 2025. The estimated liability for the City and School Division was $11,000 and $15,000, respectively for a total of $26,000 at year-end.

Changes in the reported liability during the last three fiscal years are as follows:

Year Ended June 30	Beginning Balance	Claim Expenses	Claim Payments	Ending Balance
2025	$ 27,000	$ 519,658	$ 520,658	$ 26,000
2024	15,000	550,249	538,249	27,000
2023	19,000	511,769	515,769	15,000

Other

There were no significant changes in insurance coverage from the prior year and no settlements that exceeded the amount of insurance coverage during the last three fiscal years.

12. Pension Plan – Virginia Retirement System Political Subdivision Retirement Plan

Plan Description

All full-time, salaried, permanent employees of the City and all full-time, salaried, permanent, non-professional employees (non-teachers) of the School Division are automatically covered by the Virginia Retirement System (VRS) Political Subdivision Retirement Plan upon employment. This multi-employer, agent plan is administered by VRS (the System) along with plans for other employer groups in the Commonwealth of Virginia.

Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

12. Pension Plan – Virginia Retirement System Political Subdivision Retirement Plan (Continued)

Plan Description (Continued)
The System administers three different benefit structures for covered employees - Plan 1, Plan 2, and Hybrid. Each of these benefit structures has different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are available at:

- https://www.varetire.org/retirement-plans/defined-benefit/plan1/
- https://www.varetire.org/retirement-plans/defined-benefit/plan2/
- https://www.varetire.org/retirement-plans/hybrid/

Employees Covered by Benefit Terms
As of the June 30, 2023, actuarial valuation, the following City and School Division employees were covered by the benefit terms of the pension plan:

	City of Salem	School Division (Non-Professional)
Inactive members or their beneficiaries currently receiving benefits	744	85
Inactive members:		
Vested inactive members	170	19
Non-vested inactive members	259	56
Inactive members active elsewere in VRS	229	18
Total inactive members	658	93
Active members	476	66
Total covered employees	1,878	244

Contributions
The contribution requirement for active employees is governed by §51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement.

The City's contractually required contribution rate for the year ended June 30, 2025, was 19.83% of covered employee compensation. The School Division's non-professional employees' contractually required contribution rate for the year ended June 30, 2025, was 3.58% of covered employee compensation. These rates were based on actuarially determined rates from actuarial valuations as of June 30, 2023. These rates, when combined with employee contributions, were expected to finance the costs of benefits earned by employees during the year, with additional amounts to finance any unfunded accrued liabilities.

Contributions to the VRS Political Subdivision Retirement Plan from the City were $6,242,476 and $5,969,000 for the years ended June 30, 2025, and June 30, 2024, respectively. Contributions to the VRS Political Subdivision Retirement Plan from the School Division were $61,222 and $18,737 for the years ended June 30, 2025, and June 30, 2024, respectively. Contributions for the fiscal year ended June 30, 2024, were adjusted to reflect actual amounts as shown on the VRS actuarial reports rather than estimated amounts used in the prior year's annual financial report.

12. Pension Plan – Virginia Retirement System Political Subdivision Retirement Plan (Continued)

Contributions (Continued)

The defined contribution component of the Hybrid Plan includes member and employer mandatory and voluntary contributions. The Hybrid Plan member must contribute a mandatory rate of 1% of their covered payroll. The employer must also contribute a mandatory rate of 1% of this covered payroll, which totaled $97,876 for the City and $10,542 for the School Division in the VRS Political Subdivision Retirement Plan for the year ended June 30, 2025. Hybrid Plan members may also elect to contribute an additional voluntary rate of up to 4% of their covered payroll, which would require the employer to contribute a mandatory additional contribution rate of up to 2.5%. This additional employer mandatory contribution totaled $104,085 for the City and $10,218 for the School Division in the VRS Political Subdivision Retirement Plan for the year ended June 30, 2025. The Hybrid Plan participant covered payroll totaled $9,787,578 for the City and $1,054,169 for the School Division in the VRS Political Subdivision Retirement Plan for the year ended June 30, 2025.

Net Pension Liability

The net pension liability is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GASB Statement No. 68, less that employer's fiduciary net position. For political subdivisions, the net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2023, rolled forward to the measurement date of June 30, 2024.

Actuarial Assumptions

The total pension liabilities for general employees and public safety employees with hazardous duty benefits in the City's and School Division's retirement plans were based on actuarial valuations as of June 30, 2023, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024.

Inflation	2.50%
General Employees – Salary increases, including inflation	3.50% - 5.35%
Public Safety Employees with Hazardous Duty Benefits – Salary increases, including inflation	3.50% - 4.75%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Mortality rates:

General Employees – 15 to 20% of deaths are assumed to be service related. Mortality is projected using the applicable Pub-2010 Mortality Table and a Modified MP-2020 Improvement Scale with various set backs or set forwards for both males and females.

Public Safety Employees – 45% to 70% of deaths are assumed to be service related. Mortality is projected using the applicable Pub-2010 Mortality Table and a Modified MP-2020 Improvement Scale with various set backs or set forwards for both males and females.

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period from July 1, 2016, through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study are as follows on the next page:

12. Pension Plan – Virginia Retirement System Political Subdivision Retirement Plan (Continued)

Actuarial Assumptions (Continued)

General Employees – Largest 10 – Non-Hazardous Duty and All Others (Non 10 Largest): Updated mortality table; adjusted retirement rates to better fit experience; adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service; no change to disability rates; no change to salary scale; no change to line of duty disability; and no change to discount rate.

Public Safety Employees – Largest 10 – Hazardous Duty and All Others (Non 10 Largest): Updated mortality table; adjusted retirement rate to better fit experience and increased final retirement age to 70; decreased rates of withdrawal; no change to disability rates; no changes to salary scale; no change to line of duty disability; and no change to discount rate.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	32.00%	6.70%	2.14%
Fixed Income	16.00%	5.40%	0.86%
Credit Strategies	16.00%	8.10%	1.30%
Real Assets	15.00%	7.20%	1.08%
Private Equity	15.00%	8.70%	1.31%
PIP - Private Investment Partnership	1.00%	8.00%	0.08%
Diversifying Strategies	6.00%	5.80%	0.35%
Cash	2.00%	3.00%	0.06%
Leverage	(3.00%)	3.50%	(0.11%)
Total	100.00%		7.07%
		Expected arithmetic nominal return*	7.07%

* The above allocation provides for a one-year return of 7.07% (includes 2.50% inflation assumption). However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected rate of return for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.10%, including expected inflation of 2.50%. On June 15, 2023, the VRS Board elected a long-term rate of 6.75%, which was roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

12. Pension Plan – Virginia Retirement System Political Subdivision Retirement Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. For the year ended June 30, 2024, the employer contribution was 100% of the actuarially determined employer contribution rate from the June 30, 2023, actuarial valuations. From July 1, 2024, on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
City of Salem			
Balances at June 30, 2023	$ 225,457,808	$ 186,742,690	$ 38,715,118
Changes for the year:			
Service cost	3,533,139	-	3,533,139
Interest	15,116,506	-	15,116,506
Difference between expected and actual experience	8,563,540	-	8,563,540
Contributions - employer	-	5,969,000	(5,969,000)
Contributions - employee	-	1,461,014	(1,461,014)
Net investment income	-	18,005,127	(18,005,127)
Benefit payments, including refunds of employee contributions	(14,114,982)	(14,114,982)	-
Administrative expenses	-	(124,386)	124,386
Other changes	-	3,430	(3,430)
Net changes	13,098,203	11,199,203	1,899,000
Balances at June 30, 2024	$ 238,556,011	$ 197,941,893	$ 40,614,118

12. Pension Plan – Virginia Retirement System Political Subdivision Retirement Plan (Continued)

Changes in Net Pension Liability (Asset) (Continued)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
School Division (Non-Professional)			
Balances at June 30, 2023	$ 5,865,954	$ 6,698,954	$ (833,000)
Changes for the year:			
Service cost	158,192	-	158,192
Interest	391,474	-	391,474
Difference between expected and actual experience	189,347	-	189,347
Contributions - employer	-	18,737	(18,737)
Contributions - employee	-	79,846	(79,846)
Net investment income	-	636,787	(636,787)
Benefit payments, including refunds of employee contributions	(449,053)	(449,053)	-
Administrative expenses	-	(4,471)	4,471
Other changes	-	124	(124)
Net changes	289,960	281,970	7,990
Balances at June 30, 2024	$ 6,155,914	$ 6,980,924	$ (825,010)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's and School Division's net pension liabilities (assets) under the VRS Political Subdivision Retirement Plan using the discount rate of 6.75%, as well as what the City's and School Division's net pension liabilities (assets) would be if they were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	Net Pension Liability (Asset)		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
City of Salem	$ 68,901,769	$ 40,614,118	$ 17,257,695
School Division (Non-Professional)	(165,823)	(825,010)	(1,372,255)

12. Pension Plan – Virginia Retirement System Political Subdivision Retirement Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2025, the City and School Division recognized pension expense of $6,103,500 and $55,608 respectively, under the VRS Political Subdivision Retirement Plan. At June 30, 2025, the City and School Division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
City of Salem		
Differences between expected and actual experience	$ 4,721,465	$ -
Net difference between projected and actual earnings on pension plan investments	-	5,334,045
Employer contributions subsequent to the measurement date	6,242,476	-
	$ 10,963,941	$ 5,334,045
School Division (Non-Professional)		
Differences between expected and actual experience	$ 77,307	$ -
Net difference between projected and actual earnings on pension plan investments	-	191,774
Employer contributions subsequent to the measurement date	61,222	-
	$ 138,529	$ 191,774

The deferred outflow of resources related to pensions resulting from the City's contributions of $6,242,476 subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2026. The deferred outflows of resources related to pensions resulting from the School Division's contributions of $61,222 subsequent to the measurement date will be recognized as an increase to the net pension asset in the fiscal year ending June 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

Year Ended June 30	City of Salem	School Division (Non-Professional)
2026	$ (737,807)	$ (95,640)
2027	2,227,062	56,063
2028	(996,963)	(35,575)
2029	(1,104,872)	(39,315)
	$ (612,580)	$ (114,467)

Pension Plan Data

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2024 Annual Comprehensive Financial Report. A copy of the report may be downloaded from the VRS website at https://www.varetire.org/media/shared/pdf/publications/2024-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

12. Pension Plan – Virginia Retirement System Political Subdivision Retirement Plan (Continued)

Payables to the Pension Plan

At June 30, 2025, $651,732 and $12,657 were payable to the System under the VRS Political Subdivision Retirement Plan for the legally required contributions of the City and School Division, respectively, related to the June 2025 payroll.

13. Pension Plan – Virginia Retirement System Teacher Retirement Plan

Plan Description

All full-time, salaried, permanent (professional) employees of the School Division and other Virginia public school divisions are automatically covered by the VRS Teacher Retirement Plan upon employment. This multiple-employer, cost sharing plan is administered by VRS (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees in the VRS Teacher Retirement Plan – Plan 1, Plan 2, and Hybrid. The provisions and features of the plans, as well as all actuarial assumptions and long-term expected rate of return, are substantially the same as those referenced in the previous note.

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Each school division's contractually required contribution rate for the year ended June 30, 2025, was 14.21% of covered employee compensation. This was the General Assembly approved rate, which was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Contributions to the VRS Teacher Retirement Plan from the School Division were $4,420,905 and $4,668,802 for the years ended June 30, 2025, and June 30, 2024, respectively. Contributions for the fiscal year ended June 30, 2024, were adjusted to reflect actual amounts as shown on the VRS actuarial report rather than estimated amounts used in the prior year's annual financial report.

The defined contribution component of the Hybrid Plan includes member and employer mandatory and voluntary contributions. The Hybrid Plan member must contribute a mandatory rate of 1% of their covered payroll. The employer must also contribute a mandatory rate of 1% of this covered payroll, which totaled $102,308 for the School Division in the VRS Teacher Retirement Plan for the year ended June 30, 2025. Hybrid Plan members may also elect to contribute an additional voluntary rate of up to 4% of their covered payroll, which would require the employer to contribute a mandatory additional contribution rate of up to 2.5%. This additional employer mandatory contribution totaled $130,653 for the School Division in the VRS Techer Retirement Plan for the year ended June 30, 2025. The Hybrid Plan participant covered payroll totaled $10,230,795 for the School Division in the VRS Teacher Retirement Plan for the year ended June 30, 2025.

13. Pension Plan – Virginia Retirement System Teacher Retirement Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2025, the School Division reported a liability of $25,983,974 for its proportionate share of the VRS Teacher Retirement Plan net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2023, and rolled forward to the measurement date of June 30, 2024. The School Division's proportion of the net pension liability was based on the School Division's actuarially determined employer contributions to the pension plan for the year ended June 30, 2024, relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2024, the School Division's proportion was 0.27681% as compared to 0.28247% at June 30, 2023.

For the year ended June 30, 2025, the School Division recognized pension expense of $2,579,649 under the VRS Teacher Retirement Plan. Since there was a change in proportionate share between measurement dates, a portion of the pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions. Beginning with the June 30, 2022 measurement date, the difference between the expected and actual contributions is included with the pension expense calculation.

At June 30, 2025, the School Division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
School Division (Professional)		
Differences between expected and actual experience	$ 4,507,853	$ 535,028
Changes in assumptions	471,644	-
Net difference between projected and actual earnings on pension plan investments	-	3,576,710
Changes in proportion and differences between employer contributions and proportionate share of contributions	576,391	610,696
Employer contributions subsequent to the measurement date	4,420,905	-
Total	$ 9,976,793	$ 4,722,434

The $4,420,905 reported as deferred outflows of resources related to pensions resulting from the School Division's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	School Division (Professional)
2026	$ (1,506,661)
2027	2,357,129
2028	377,070
2029	(394,084)
	$ 833,454

13. Pension Plan – Virginia Retirement System Teacher Retirement Plan (Continued)

Net Pension Liability

The net pension liability is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB Statement No. 67, less that system's fiduciary net position. As of June 30, 2024, net pension liability amounts for the VRS Teacher Employee Retirement Plan are as follows (amounts expressed in thousands):

	VRS Teacher Retirement Plan
Total pension liability	$ 60,622,260
Plan fiduciary net position	51,235,326
Employers' net pension liability	$ 9,386,934
Plan fiduciary net position as a percentage of the total pension liability	84.52%

The total pension liability is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's financial statements. The net pension liability is disclosed in accordance with the requirements of GASB Statement No. 67 in the System's notes to the financial statements and required supplementary information.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes, and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2024, the rate contributed by the School Division for the VRS Teacher Retirement Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 112% of the actuarially determined contribution rate. From July 1, 2024, on, school divisions are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School Division's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the School Division's proportionate share of the net pension liability using the discount rate of 6.75%, as well as what the School Division's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	Net Pension Liability		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
School Division (Professional)	$ 48,273,130	$ 25,983,974	$ 7,729,864

13. Pension Plan – Virginia Retirement System Teacher Retirement Plan (Continued)

Pension Plan Data

Detailed information about the VRS Teacher Retirement Plan's fiduciary net position is available in the separately issued VRS 2024 Annual Comprehensive Financial Report. A copy of the report may be downloaded from the VRS website at https://www.varetire.org/media/shared/pdf/publications/2024-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Payables to the Pension Plan

At June 30, 2025, $568,614 was payable to the System under the VRS Teacher Retirement Plan for the legally required contributions of the School Division related to the June 2025 payroll.

14. Summary of Pension Elements

A summary of the pension-related financial statement elements is as follows:

	Governmental Activities	Business-Type Activities	Total Primary Government	Component Units
Pension Expense				
VRS Political Subdivision Retirement Plan	$ 4,828,331	$ 1,275,169	$ 6,103,500	$ 55,608
VRS Teacher Retirement Plan	-	-	-	2,579,649
Total Pension Expense	$ 4,828,331	$ 1,275,169	$ 6,103,500	$ 2,635,257
Net Pension Asset				
VRS Political Subdivision Retirement Plan	$ -	$ -	$ -	$ 825,010
Net Pension Liability				
VRS Political Subdivision Retirement Plan	$ 32,030,850	$ 8,583,268	$ 40,614,118	$ -
VRS Teacher Retirement Plan	-	-	-	25,983,974
Total Pension Liability	$ 32,030,850	$ 8,583,268	$ 40,614,118	$ 25,983,974
Deferred Outflows of Resources				
Differences between expected and actual experience				
VRS Political Subdivision Retirement Plan	$ 3,735,036	$ 986,429	$ 4,721,465	$ 77,307
VRS Teacher Retirement Plan	-	-	-	4,507,853
Changes in assumptions				
VRS Teacher Retirement Plan	-	-	-	471,644
Changes in proportion and differences between employer contributions and proportionate share of contributions				
VRS Teacher Retirement Plan	-	-	-	576,391
Employer contributions subsequent to the measurement date				
VRS Political Subdivision Retirement Plan	4,938,059	1,304,417	6,242,476	61,222
VRS Teacher Retirement Plan	-	-	-	4,420,905
Total Deferred Outflows of Resources	$ 8,673,095	$ 2,290,846	$ 10,963,941	$ 10,115,322

(Continued)

14. Summary of Pension Elements (Continued)

	Governmental Activities	Business-Type Activities	Total Primary Government	Component Units
Deferred Inflows of Resources				
Differences between expected and actual experience				
VRS Teacher Retirement Plan	$ -	$ -	$ -	$ 535,028
Net difference between projected and actual earnings on pension plan investments				
VRS Political Subdivision Retirement Plan	4,219,633	1,114,412	5,334,045	191,774
VRS Teacher Retirement Plan	-	-	-	3,576,710
Changes in proportion and differences between employer contributions and proportionate share of contributions				
VRS Teacher Retirement Plan	-	-	-	610,696
Total Deferred Inflows of Resources	$ 4,219,633	$ 1,114,412	$ 5,334,045	$ 4,914,208

15. Other Postemployment Benefits – Retiree Health Plans

Plan Description

The City and School Division participate in single-employer defined benefit healthcare plans (Retiree Health Plans) administered and sponsored by the City. Full-time employees retiring directly from the City must have at least 15 years of service, unless approved for VRS disability, to participate in the Retiree Health Plan. In addition, they must be eligible for retirement under VRS.

Eligible employees and dependents covered at the time of retirement may continue participation in the Retiree Health Plans at the same premium levels as active employees. This creates a benefit to the retiree in the form of a lower insurance rate by blending retirees with active employees, also known as an implicit rate subsidy.

In addition to the implicit rate subsidy, all pre-65 retirees who retired on or before October 1, 2010, receive a premium subsidy based on their coverage election. If the retiree elects retiree-only coverage, the City contributes between 86% and 97% of the subscriber-only premium. If the retiree elects retiree/child coverage, the City contributes between 75% and 85% of the retiree/child premium. If the retiree elects retiree/spouse, the City contributes between 53% and 66% of the retiree/spouse premium. If the retiree elects retiree/children, the City contributes between 53% and 67% of the retiree/children premium. If the retiree elects family coverage, the City contributes between 53% and 66% of the family premium. The actual City contribution within each range depends on the health plan selected by the retiree.

For individuals under the age of 65 retiring after October 1, 2010, and who were hired before July 1, 2010, the City will contribute 3% of the retiree-only premium for each year of service up to 90% of the total retiree-only premium for the lifetime of the retiree. For employees hired on or after July 1, 2010, the City will contribute 3% of the retiree-only premium for each year of service up to 50% of the total retiree-only premium up to age 65.

When a retiree turns age 65 or otherwise becomes eligible for Medicare, the retiree transfers to a Medicare health supplement plan and/or drug plan. These individuals no longer receive the implicit rate subsidy; however, they still receive a premium subsidy. The City contributes 3% of the retiree-only premium for each year of service up to 90% not to exceed $3,300. Employees over the age of 65 hired on or after July 1, 2010, are not eligible to receive the Medicare health supplement plan and/or drug plan benefit.

15. Other Postemployment Benefits – Retiree Health Plans (Continued)

Plan Description (Continued)

Individuals retiring after October 1, 2010, do not receive a premium subsidy for dependents and are responsible to pay the difference in the actual premium rates above the premium subsidy. School Division retirees do not receive any premium subsidy and are responsible for paying the entire premium.

The benefits are governed by City Council or School Board policy and can be amended through Council or School Board action. The Retiree Health Plans do not issue publicly available financial reports.

The City participates in the OPEB Trust Fund, an irrevocable trust established for the purpose of accumulating assets to fund postemployment benefits other than pensions. The City and Schools maintain separate asset accounts within the OPEB Trust Fund. The Virginia Pooled OPEB Trust Fund issues a separate report, which may be obtained from VML/VACo Finance Program, 919 East Main Street, Suite 1100, Richmond, Virginia 23219.

Employees Covered by Benefit Terms

As of June 30, 2025, the date of the latest actuarial valuation for the City and School Division, the following employees were covered by the benefit terms of the Retiree Health Plans:

	City of Salem	School Division
Active employees	493	571
Retired participants	287	22
Total participants	780	593

Contributions

The Retiree Health Plans are funded through member and employer contributions on a pay-as-you-go basis. City Retirees receiving benefits contribute a minimum of 3% to 14%, 15% to 25%, 34% to 47%, 33% to 47%, and 34% to 47% of the health insurance premium rate for retiree only, retiree + one minor child, retiree + spouse, retiree + children, and family coverage, respectively. The actual contribution within each range depends on the health plan selected by the retiree. School Division Retirees receiving benefits contribute 100% of the health insurance premium rate. During the current year, retired City and School Division members contributed $557,874 and $225,546, respectively, of the total premiums through their required monthly contributions of between $13 and $1,471, depending on the type of coverage and years of service.

The City and School Division contributed $1,576,566 and $150,673, respectively, in pay-as-you-go contributions to the Retiree Health Plans for the year ended June 30, 2025. In addition, the City and School Division contributed $234,930 and $97,135, respectively, to the OPEB Trust Fund. It is the intent of the City and School Division to fully fund the actuarially determined contributions each year.

Net OPEB Liability (Asset)

Under the Retiree Health Plans, the City's net OPEB liability and the School Division's net OPEB asset were measured as of June 30, 2025. The total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation performed as of June 30, 2025. The components of the net OPEB liability (asset) as of June 30, 2025, were as follows:

	City of Salem	School Division
Total OPEB liability	$ 22,045,627	$ 2,409,645
Plan fiduciary net position	11,962,098	2,956,038
Net OPEB liability (asset)	$ 10,083,529	$ (546,393)
Plan fiduciary net position as a percentage of total OPEB liability	54.26%	122.68%

15. Other Postemployment Benefits – Retiree Health Plans (Continued)

Actuarial Assumptions

The total OPEB liability was determined as part of the actuarial valuation at the date indicated, using the following actuarial assumptions:

Valuation date	June 30, 2025
Measurement date	June 30, 2025
Actuarial cost method	Entry age normal, level percentage of pay
Inflation	2.50%
Investment rate of return	6.5%, net of investment expense
Pre-65 healthcare cost trend rates	City: 5.80% for 2025 graded to 3.90% by 2072 School Division: 5.80% for 2025 graded to 3.90% by 2072
Post-65 healthcare cost trend rates	City: 5.70% for 2025 graded to 3.90% by 2072 School Division: N/A
Pre-retirement mortality	General Employees: Pub-2010 Amount Weighted General Employee Rates projected generationally; females set forward 2 years. Public Safety Employees: Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years. Teachers: Pub-2010 Amount Weighted Teachers Employee Rates projected generationally; 110% of rates for males.
Post-retirement mortality	General Employees: Pub-2010 Amount Weighted Healthy Retiree Rates projected generationally; 110% of rates for females. Public Safety Employees: Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years. Teachers: Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward 1 year; 105% of rates for females.

Plan Investments

In an effort to assist local governments in funding their OPEB liabilities, the Virginia Association of Counties and the Virginia Municipal League established the VACo/VML Pooled OPEB Trust (Trust). The Trust is an irrevocable trust offered to local governments and authorities and is governed by a Board of Trustees consisting of local officials of participants in the Trust. The Board of Trustees has adopted an investment policy to achieve a compound annualized rate of return over a market cycle, including current income and capital appreciation, in excess of 5 percent after inflation, in a manner consistent with prudent risk-taking. Investment decisions of the funds' assets are made by the Board of Trustees.

The Board of Trustees establishes investment objectives, risk tolerance and asset allocation policies in light of the investment policy, market and economic conditions, and prevailing prudent investment practices. The Board of Trustees monitors the investments to ensure adherence to the adopted policies and guidelines, while also reviewing and evaluating the performance of the investments and its investment advisors in light of available investment opportunities, market conditions, and publicly available indices for the generally accepted evaluation and measurement of such performance. The Trust provides a diversified portfolio consisting of investments in various asset classes such as bonds, domestic equities, international equities and cash.

15. Other Postemployment Benefits – Retiree Health Plans (Continued)

Plan Investments (Continued)

Specific investment information for the Trust can be obtained by writing to VML/VACo Finance Program, 919 East Main Street, Suite 1100, Richmond, Virginia 23219.

The Trust categorizes its investments within the fair value hierarchy established by GAAP. A government is permitted in certain circumstances to establish the fair value of an investment that does not have a readily determinable fair value by using the net asset value (NAV) per share (or its equivalent) of the investment. Investments in the Trust are valued using the NAV per share, which is determined by dividing the total value of the Trust by the number of outstanding shares. The NAV per share changes with the value of the underlying investments in the Trust. Generally, participants may redeem their investment at the end of a calendar quarter upon 90 days' written notice. The Trust currently invests in the following asset classes and strategies:

Asset Class	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Geometric Long-Term Expected Rate of Return
US Core Fixed Income	20.00%	2.35%	2.20%
US Large Cap Equity	21.00%	5.39%	3.78%
US Small Cap Equity	10.00%	6.80%	4.22%
Foreign Developed Equity	13.00%	6.61%	4.79%
Emerging Markets Equity	5.00%	8.78%	5.73%
Private Real Estate Property	15.00%	5.99%	4.57%
Private Equity	10.00%	10.43%	6.22%
Hedge Fund of Funds - Strategic	6.00%	2.49%	1.95%
Assumed Inflation - Mean		2.28%	2.32%
Assumed Inflation - Standard Deviation		1.47%	1.47%
Portfolio Real Mean Return		5.67%	4.74%
Portfolio Nominal Mean Return		7.95%	7.17%
Portfolio Standard Deviation			13.32%
Long-Term Expected Rate of Return			6.50%

At June 30, 2025, the Plans held no investments in any one organization that represented 5% or more of fiduciary net position.

Rate of Return

As of June 30, 2025, the annual money-weighted rate of return on the plan investments, net of OPEB plan investment expense, was 8.84% for the City and 8.85% for the School Division. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at current contribution rates. Based on the current and historical commitment of the City to fully fund actuarially determined contribution amounts, the Retiree Health Plans' fiduciary net positions combined with future contributions are sufficient to cover all projected future benefit payments.

15. Other Postemployment Benefits – Retiree Health Plans (Continued)

Discount Rate (Continued)

The long-term expected rate of return on plan investments is 6.50% and, when applied to the periods of projected benefit payments, it is not anticipated that the Retiree Health Plans' assets will be exhausted; therefore, the expected municipal bond rate was not applied in determining the discount rate.

Changes in Net OPEB Liability (Asset)

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
City of Salem			
Balances at June 30, 2024	$ 26,069,467	$ 10,739,723	$ 15,329,744
Changes for the year:			
Service cost	245,804	-	245,804
Interest	1,701,208	-	1,701,208
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	(4,458,005)	-	(4,458,005)
Effect of assumption changes	63,719	-	63,719
Contributions - employer	-	1,811,496	(1,811,496)
Net investment income	-	999,229	(999,229)
Benefit payments	(1,576,566)	(1,576,566)	-
Administrative expenses	-	(11,784)	11,784
Other changes	-	-	-
Net changes	(4,023,840)	1,222,375	(5,246,215)
Balances at June 30, 2025	$ 22,045,627	$ 11,962,098	$ 10,083,529
School Division			
Balances at June 30, 2024	$ 2,961,987	$ 2,629,094	$ 332,893
Changes for the year:			
Service cost	71,294	-	71,294
Interest	192,343	-	192,343
Effect of economic/demographic gains or losses	(676,415)	-	(676,415)
Effect of assumption changes	11,109	-	11,109
Contributions - employer	-	247,808	(247,808)
Net investment income	-	232,737	(232,737)
Benefit payments	(150,673)	(150,673)	-
Administrative expenses	-	(2,928)	2,928
Other changes	-	-	-
Net changes	(552,342)	326,944	(879,286)
Balances at June 30, 2025	$ 2,409,645	$ 2,956,038	$ (546,393)

15. Other Postemployment Benefits – Retiree Health Plans (Continued)

Changes in Net OPEB Liability (Asset) (Continued)

The table on the previous page presents amounts associated with the primary government. The OPEB Trust Fund financial statements present amounts associated with the primary government and custodial entities.

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the net OPEB liability (asset) calculated using the discount rate of 6.50%, as well as what the net OPEB liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.50%) or one percentage point higher (7.50%) than the current rate:

	Net OPEB Liability (Asset)		
	1% Decrease (5.50%)	Current Discount (6.50%)	1% Increase (7.50%)
City of Salem	$ 12,290,371	$ 10,083,529	$ 8,185,770
School Division	(369,559)	(546,393)	(711,049)

Sensitivity of the Net OPEB Liability (Asset) to Changes in Healthcare Cost Trend Rates

The following presents the net OPEB liability (asset) calculated using the current healthcare cost trend rate as well as what the net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current rate:

	Net OPEB Liability (Asset)		
	1% Decrease	Current Trend Rate	1% Increase
City of Salem	$ 8,811,846	$ 10,083,529	$ 11,569,588
School Division	(758,107)	(546,393)	(305,208)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the City and School Division recognized OPEB expense of $356,575 and $(7,566), respectively. At June 30, 2025, the City and School Division reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
City of Salem		
Differences between expected and actual experience	$ 1,190,261	$ 3,877,015
Changes in assumptions	835,813	35,452
Net difference between projected and actual earnings on plan investments	-	122,179
Total	$ 2,026,074	$ 4,034,646

15. Other Postemployment Benefits – Retiree Health Plans (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
School Division		
Differences between expected and actual experience	$ 228,091	$ 600,632
Changes in assumptions	56,465	48,303
Net difference between projected and actual earnings on plan investments	-	30,900
Total	$ 284,556	$ 679,835

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30	City of Salem	School Division
2026	$ 80,745	$ (27,838)
2027	(166,090)	(82,122)
2028	(289,949)	(62,399)
2029	(423,259)	(49,839)
2030	(636,854)	(78,039)
Thereafter	(573,165)	(95,042)
	$ (2,008,572)	$ (395,279)

16. Other Postemployment Benefits – Group Life Insurance and Health Insurance Credit

Virginia Retirement System OPEB Plans

In addition to their participation in the pension plans offered through VRS, the City and School Division also participate in various cost sharing and agent multi-employer other postemployment benefit plans, described as follows.

Plan Description – Group Life Insurance Program

All full-time, salaried, permanent employees of the City and School Division are automatically covered by the VRS Group Life Insurance (GLI) Program upon employment. In addition to the basic group life insurance benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional Group Life Insurance Program. For members who elect the optional group life insurance coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from members' paychecks and pay the premiums to the insurer. Since this is a separate and fully insured program, it is not included as part of the GLI Program OPEB.

Specific information for the GLI Program is available at https://www.varetire.org/benefits-and-programs/benefits/life-insurance. The GLI Program is administered by the VRS, along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia. This plan is considered a multiple-employer, cost sharing plan.

16. Other Postemployment Benefits – Group Life Insurance and Health Insurance Credit (Continued)

Plan Description – Political Subdivision Health Insurance Credit Program

All full-time, salaried permanent (non-professional) employees of the School Division are automatically covered by the Political Subdivision Health Insurance Credit (HIC) Program. The Political Subdivision HIC provides all the same benefits as the Teacher HIC described below, except the Political Subdivision HIC Program is considered a multi-employer, agent defined benefit plan. As of the June 30, 2024, actuarial valuation, the following School Division employees were covered by the benefit terms of the Political Subdivision HIC Program:

	School Division (Non-Professional)
Inactive members or their beneficiaries currently receiving benefits	41
Inactive members:	
Vested inactive members	1
Inactive members active elsewere in VRS	18
Total inactive members	19
Active members	66
Total covered employees	126

Plan Description – Teacher Employee Health Insurance Credit Program

All full time, salaried permanent (professional) employees of the School Division and other Virginia public school divisions are automatically covered by the VRS Teacher Employee Health Insurance Credit (HIC) Program. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The health insurance credit is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree's death.

Specific information about the Teacher Employee HIC Program is available at https://www.varetire.org/retirees/insurance/healthinscredit/index.html. The Teacher Employee HIC Program is administered by the VRS, along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia. It is considered a multiple-employer, cost sharing plan.

Contributions

Contributions to the VRS OPEB programs were based on actuarially determined rates from actuarial valuations as of June 30, 2023. The actuarially determined rates were expected to finance the cost of benefits earned by employees during the year, with an additional amount to fund any unfunded accrued liability, with the exception of GLI, which was also combined with employee contributions. Specific details related to the contributions for the VRS OPEB programs are as follows:

	OPEB Contributions	
	Year Ended June 30, 2025	Year Ended June 30, 2024
City of Salem - GLI	$ 148,693	$ 164,555
School Division - Non-Professional GLI	7,945	9,876
School Division - Professional GLI	146,220	158,508
School Division - Political Subdivision HIC	18,722	20,302
School Division - Teacher Employee HIC	376,382	355,177

16. Other Postemployment Benefits – Group Life Insurance and Health Insurance Credit (Continued)

Contributions (Continued)

Contributions for the fiscal year ended June 30, 2024, were adjusted to reflect actual amounts as shown on the VRS actuarial report rather than estimated amounts used in the prior year's annual financial report.

GLI Program

Governed by	*Code of Virginia* 51.1-506 and 51.1-508 and may be impacted as a result of funding provided to school divisions and governmental agencies by the Virginia General Assembly
Total rate	1.18% of covered employee compensation; rate allocated 60/40, 0.71% employee and 0.47% employer; employers may elect to pay all or part of the employee contribution

Political Subdivision HIC Program

Governed by	*Code of Virginia* 51.1-1402(E) and may be impacted as a result of funding provided to governmental agencies by the Virginia General Assembly
Total rate	1.11% of covered employee compensation

Teacher Employee HIC Program

Governed by	*Code of Virginia* 51.1-1401(E) and may be impacted as a result of funding provided to school divisions by the Virginia General Assembly
Total rate	1.21% of covered employee compensation

OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB

The net OPEB liabilities were measured as of June 30, 2024, and the total OPEB liabilities used to calculate the net OPEB liabilities were determined by an actuarial valuation performed as of June 30, 2023, and rolled forward to the measurement date of June 30, 2024. The covered employer's proportions of the net OPEB liabilities were based on the covered employer's actuarially determined employer contributions for the year ended June 30, 2024, relative to the total of the actuarially determined employer contributions for all participating employers. Specific details related to the City's and School Division's proportionate shares of the net VRS OPEB liabilities and VRS OPEB expenses for the GLI Program and Teacher Employee HIC Program are as follows:

	Proportionate Share of Net OPEB Liability	Employer's Proportion	
	June 30, 2025	June 30, 2024	June 30, 2023
City of Salem - GLI	$ 1,298,379	0.12251%	0.11707%
School Division - Non-Professional GLI	79,454	0.00712%	0.00710%
School Division - Professional GLI	1,275,722	0.11432%	0.11861%
School Division - Teacher Employee HIC	3,166,244	0.27398%	0.28008%

16. Other Postemployment Benefits – Group Life Insurance and Health Insurance Credit (Continued)

OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB (Continued)

	OPEB Expense Year Ended June 30, 2025
City of Salem - GLI	$ 34,293
School Division - Non-Professional GLI	2,672
School Division - Professional GLI	22,971
School Division - Teacher Employee HIC	232,554

Since there was a change in proportionate share between measurement dates, portions of the OPEB expenses above were related to deferred amounts from changes in proportion.

The net OPEB liabilities for the GLI Program and the Teacher Employee HIC Program represent each program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2024, net OPEB liability amounts for the entire GLI Program and the entire Teacher Employee HIC Program are as follows (dollar amounts expressed in thousands):

	GLI Program	Teacher Employee HIC Program
Total OPEB liability	$ 4,196,055	$ 1,478,105
Plan fiduciary net position	3,080,133	322,457
Net OPEB liability	$ 1,115,922	$ 1,155,648
Plan fiduciary net position as a percentage of total OPEB liability	73.41%	21.82%

The total OPEB liabilities for the GLI Program and Teacher Employee HIC Program are calculated by the VRS actuary, and each plan's fiduciary net position is reported in the VRS financial statements. The net OPEB liabilities are disclosed in accordance with the requirements of GASB Statement No. 74 in the VRS notes to the financial statements and required supplementary information.

16. Other Postemployment Benefits – Group Life Insurance and Health Insurance Credit (Continued)

OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB (Continued)

Changes in the net OPEB liability of the Political Subdivision HIC Program were as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
School Division - Political Subdivision HIC			
Balances at June 30, 2023	$ 206,928	$ 87,222	$ 119,706
Changes for the year:			
Service cost	2,737	-	2,737
Interest	13,649	-	13,649
Differences between expected and actual experience	(3,776)	-	(3,776)
Contributions - employer	-	20,302	(20,302)
Net investment income	-	8,644	(8,644)
Benefit payments	(14,918)	(14,918)	-
Administrative expenses	-	(119)	119
Other changes	-	-	-
Net changes	(2,308)	13,909	(16,217)
Balances at June 30, 2024	$ 204,620	$ 101,131	$ 103,489

In addition, for the year ended June 30, 2024, the School Division recognized OPEB expense of $16,888 related to the Political Subdivision HIC Program.

At June 30, 2025, the City and School Division reported deferred outflows of resources and deferred inflows of resources related to VRS OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
City of Salem - GLI		
Differences between expected and actual experience	$ 208,273	$ 32,256
Net difference between projected and actual earnings on program investments	-	111,302
Changes in assumptions	7,528	65,441
Changes in proportion	63,161	26,053
Employer contributions subsequent to the measurement date	148,693	-
Total	$ 427,655	$ 235,052

16. Other Postemployment Benefits – Group Life Insurance and Health Insurance Credit (Continued)

OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
School Division - Non-Professional GLI		
Differences between expected and actual experience	$ 12,532	$ 1,941
Net difference between projected and actual earnings on program investments	-	6,697
Changes in assumptions	453	3,938
Changes in proportion	7,658	1,178
Employer contributions subsequent to the measurement date	7,945	-
Total	$ 28,588	$ 13,754
School Division - Professional GLI		
Differences between expected and actual experience	$ 201,211	$ 31,162
Net difference between projected and actual earnings on program investments	-	107,530
Changes in assumptions	7,272	63,222
Changes in proportion	36,483	67,358
Employer contributions subsequent to the measurement date	146,220	-
Total	$ 391,186	$ 269,272
School Division - Political Subdivision HIC		
Differences between expected and actual experience	$ 8,362	$ 11,112
Changes in assumptions	7,953	-
Net difference between projected and actual earnings on program investments	-	1,664
Employer contributions subsequent to the measurement date	18,722	-
Total	$ 35,037	$ 12,776
School Division - Teacher Employee HIC		
Differences between expected and actual experience	$ -	$ 150,009
Net difference between projected and actual earnings on program investments	-	11,262
Changes in assumptions	54,545	-
Changes in proportion	97,480	114,349
Employer contributions subsequent to the measurement date	376,382	-
Total	$ 528,407	$ 275,620

16. Other Postemployment Benefits – Group Life Insurance and Health Insurance Credit (Continued)

OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB (Continued)

The deferred outflows of resources related to OPEB resulting from the City's and School Division's contributions subsequent to the measurement date will be recognized as reductions of the net OPEB liabilities in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to VRS OPEB will be recognized in OPEB expense in future reporting periods as follows:

	City of Salem
Year Ended June 30	GLI
2026	$ (54,921)
2027	28,913
2028	15,757
2029	24,137
2030	30,024
	$ 43,910

	School Division			
Year Ended June 30	GLI Non-Professional	GLI Professional	Political Subdivision HIC	Teacher Employee HIC
2026	$ (2,064)	$ (62,296)	$ 5,157	$ (30,424)
2027	3,434	21,955	(669)	(18,090)
2028	2,430	2,572	(434)	(21,463)
2029	1,818	1,413	(515)	(17,001)
2030	1,271	12,050	-	(21,985)
Thereafter	-	-	-	(14,632)
	$ 6,889	$ (24,306)	$ 3,539	$ (123,595)

Actuarial Assumptions and Other Inputs

The total VRS OPEB liability was determined using the following assumptions based on an actuarial valuation date of June 30, 2023, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024:

Inflation	2.50%
Salary increases, including inflation	
Locality – General employees	3.50% - 5.35%
Locality – Hazardous duty employees	3.50% - 4.75%
Teachers	3.50% - 5.95%
Investment rate of return, net of expenses, Including inflation	6.75%

Mortality rates used for the various VRS OPEB plans are the same as those used for the actuarial valuations of the VRS pension plans. The mortality rates are discussed in detail in note 12.

16. Other Postemployment Benefits – Group Life Insurance and Health Insurance Credit (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on VRS investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	32.00%	6.70%	2.14%
Fixed Income	16.00%	5.40%	0.86%
Credit Strategies	16.00%	8.10%	1.30%
Real Assets	15.00%	7.20%	1.08%
Private Equity	15.00%	8.70%	1.31%
PIP - Private Investment Partnership	1.00%	8.00%	0.08%
Diversifying Strategies	6.00%	5.80%	0.35%
Cash	2.00%	3.00%	0.06%
Leverage	(3.00%)	3.50%	(0.11%)
Total	100.00%		7.07%
		Expected arithmetic nominal return*	7.07%

* The above allocation provides for a one-year expected return of 7.07% (includes 2.50% inflation assumption). However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected rate of return for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.10%, including expected inflation of 2.50%. On June 15, 2023, the VRS Board elected a long-term rate of 6.75%, which was roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including inflation of 2.50%.

Discount Rate

The discount rate used to measure the GLI and HIC OPEB liabilities was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made in accordance with the VRS funding policy at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ending June 30, 2024, the rate contributed by the employer for the OPEB liabilities will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 113% of the actuarially determined contribution rate for GLI and 100% of the actuarially determined contribution rate for all other OPEB plans. From July 1, 2024, on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the OPEB plans' fiduciary net positions were projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total OPEB liability.

16. Other Postemployment Benefits – Group Life Insurance and Health Insurance Credit (Continued)

Sensitivity of the Net OPEB Liabilities to Changes in the Discount Rate

The following presents the City's and School Division's net VRS OPEB liabilities, as well as what the City's and School Division's net VRS OPEB liabilities would be if they were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	Net OPEB Liability		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
City of Salem - GLI	$ 2,019,148	$ 1,298,379	$ 716,093
School Division - Non-Professional GLI	123,561	79,454	43,821
School Division - Professional GLI	1,983,914	1,275,722	703,597
School Division - Political Subdivision HIC	122,972	103,489	86,815
School Division - Teacher Employee HIC	3,600,810	3,166,244	2,797,911

OPEB Plan Fiduciary Net Positions

Information about the various VRS OPEB plan fiduciary net positions is available in the separately issued VRS 2024 Annual Comprehensive Financial Report. A copy of the report may be downloaded from the VRS website at https://www.varetire.org/media/shared/pdf/publications/2024-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Payables to the OPEB Plans

At June 30, 2025, the following amounts were payable to VRS for the legally required contributions related to the June 2025 payroll:

	Payable to VRS June 30, 2025
City of Salem - GLI	$ 32,347
School Division - Non-Professional GLI	1,737
School Division - Professional GLI	35,556
School Division - Political Subdivision HIC	1,675
School Division - Teacher Employee HIC	36,460

17. Summary of Other Postemployment Benefit Elements

A summary of the other postemployment benefit financial statement elements is as follows:

	Governmental Activities	Business-Type Activities	Total Primary Government	Component Units
OPEB Expense				
Retiree Health Plan	$ 281,535	$ 75,040	$ 356,575	$ (7,566)
VRS GLI	27,131	7,162	34,293	25,643
VRS Political Subdivision HIC	-	-	-	16,888
VRS Teacher Employee HIC	-	-	-	232,554
Total OPEB Expense	$ 308,666	$ 82,202	$ 390,868	$ 267,519
Net OPEB Asset				
Retiree Health Plan	$ -	$ -	$ -	$ 546,393

(Continued)

17. Summary of Other Postemployment Benefit Elements (Continued)

	Governmental Activities	Business-Type Activities	Total Primary Government	Component Units
Net OPEB Liability				
Retiree Health Plan	$ 7,581,900	$ 2,501,629	$ 10,083,529	$ -
VRS GLI	1,011,776	286,603	1,298,379	1,355,176
VRS Political Subdivision HIC	-	-	-	103,489
VRS Teacher Employee HIC	-	-	-	3,166,244
Total OPEB Liability	$ 8,593,676	$ 2,788,232	$ 11,381,908	$ 4,624,909
Deferred Outflows of Resources				
Differences between expected and actual experience				
Retiree Health Plan	$ 939,777	$ 250,484	$ 1,190,261	$ 228,091
VRS GLI	164,781	43,492	208,273	213,743
VRS Political Subdivision HIC	-	-	-	8,362
Changes in assumptions				
Retiree Health Plan	659,920	175,893	835,813	56,465
VRS GLI	5,955	1,573	7,528	7,725
VRS Political Subdivision HIC	-	-	-	7,953
VRS Teacher Employee HIC	-	-	-	54,545
Changes in proportion				
Retiree Health Plan	49,972	13,189	63,161	-
VRS GLI	-	-	-	44,141
VRS Teacher Employee HIC	-	-	-	97,480
Employer contributions subsequent to the measurement date				
VRS GLI	117,687	31,006	148,693	154,165
VRS Political Subdivision HIC	-	-	-	18,722
VRS Teacher Employee HIC	-	-	-	376,382
Total Deferred Outflows of Resources	$ 1,938,092	$ 515,637	$ 2,453,729	$ 1,267,774
Deferred Inflows of Resources				
Differences between expected and actual experience				
Retiree Health Plan	$ 3,061,115	$ 815,900	$ 3,877,015	$ 600,632
VRS GLI	25,521	6,735	32,256	33,103
VRS Political Subdivision HIC	-	-	-	11,112
VRS Teacher Employee HIC	-	-	-	150,009
Net difference between projected and actual earnings on program investments				
Retiree Health Plan	96,467	25,712	122,179	30,900
VRS GLI	88,061	23,241	111,302	114,227
VRS Political Subdivision HIC	-	-	-	1,664
VRS Teacher Employee HIC	-	-	-	11,262
Changes in assumptions				
Retiree Health Plan	27,991	7,461	35,452	48,303
VRS GLI	51,776	13,665	65,441	67,160
Changes in proportion				
VRS GLI	20,612	5,441	26,053	68,536
VRS Teacher Employee HIC	-	-	-	114,349
Total Deferred Inflows of Resources	$ 3,371,543	$ 898,155	$ 4,269,698	$ 1,251,257

18. Commitments and Contingencies

Construction Commitments

Active construction projects at the end of the year are as follows:

	Spent To Date	Remaining Contract
Apperson Drive Bridge Replacement	$ 1,211,263	$ 5,940,870
Colorado Street Bridge Replacement	5,224,880	686,384
Eddy Avenue Bridge Project	488,499	476,040
Elizabeth Campus Greenway	373,523	196,815
Fire Station 2 Renovation	1,035,877	449,851
Franklin Street Water Tank Replacement	680,155	25,659
Oakey's Pickleball Court Renovation	154,571	126,329
Well Pump Stations 4 & 5	1,530,810	1,239,153
	$ 10,699,578	$ 9,141,101

Electrical Service

On July 1, 2006, the City entered into an agreement with American Electric Power Service Corporation to purchase electricity for consumption and resale to City residents. The rates are recalculated annually based on the supplier's cost. As part of the agreement, an annual cost true-up is required based upon American Electric Power's FERC filing. The City's policy is to recognize the true-up as an expense when it is billed. The true-up for December 31, 2024, resulted in an expense of $1,036,940 in the current fiscal year. The agreement expires May 31, 2026, with two possible five-year period renewals and may be terminated under certain circumstances.

On July 1, 2006, the City entered into an agreement with the United States Department of Energy to purchase electricity during American Electric Power's peak usage periods. The agreement requires a 37-month notification prior to termination.

Water and Wastewater Treatment Contract

On July 1, 2021, the City entered into an agreement with the Western Virginia Water Authority to sell surplus water at a bulk rate determined by a mutually agreed upon formula. The agreement automatically renews for 10-year terms upon expiration and requires a 24-month notification prior to termination.

On November 1, 2003, the City entered into an agreement with the City of Roanoke, Virginia for the transportation and treatment of wastewater and to fund a portion of certain sewage treatment plant improvements. Rates for the former services are adjusted annually, while the costs recognized by the City for the latter have been capitalized as the sewage treatment contract in capital assets. The agreement expires October 31, 2033.

On July 1, 2004, the Western Virginia Water Authority (WVWA) was created by the County of Roanoke and the City of Roanoke. The WVWA is a full-service authority that provides water and wastewater treatment to the Roanoke Valley region. This authority assumed the previously mentioned wastewater treatment contractual obligation.

Special Services

On July 1, 1973, the City entered into an agreement with the County of Roanoke, Virginia for social services, agricultural and home demonstration services and jail services. The agreement can be renewed or terminated at the end of any two-year period with proper notice.

18. Commitments and Contingencies (Continued)

Participation Agreement

On October 10, 2016, the City entered into a participation agreement with the Western Virginia Regional Industrial Facility Authority (WVRIFA), the County of Roanoke, and the City of Roanoke to acquire the property at Wood Haven Road to be used for an industrial park or other economic development purpose. The City's proportionate share of this agreement is 11.6% and costs will not exceed $1,200,000 payable through 2037.

Consent Order

On December 8, 2005, the Virginia Department of Environmental Quality issued a State Water Control Board Enforcement Action Special Order by Consent to the City for the purpose of resolving certain alleged violations of the State Water Control Law and the Regulations. The action requires the City to identify sources of inflow and infiltration into the sanitary sewer system that lead to overflows and Wastewater Treatment Plant bypasses and perform actions to improve the system on the approved schedule as defined in the Corrective Action Plan completed on September 28, 2007. The project costs through 2029 are anticipated to be approximately $35.1 million.

Special Purpose Grants

Special purpose grants are subject to audit to determine compliance with their requirements. City officials believe that if any refunds are required, they will be immaterial.

Litigation

Various claims and lawsuits are pending against the City. In the opinion of management, after consulting with legal counsel, the potential loss on all claims and lawsuits will not materially affect the City's financial position.

19. Tax Abatements

Under the authority provided by the *Code of Virginia* sections 15.2-4905 and 58.1-3221, the City, along with the Economic Development Authority, entered into several performance agreements with companies to provide economic development incentive payments for rehabilitation, renovation, and replacement of commercial or industrial properties. Each company must meet certain capital expenditure and development requirements as specified in the performance agreement in order to qualify for the incentive payments. Incentive payments may include one of the following or any combination of the following:

- Annual rebate payments equal to the difference in additional real estate taxes resulting from rehabilitation, renovation, or replacement of the associated property.
- Annual rebate payments based on personal property taxes, machinery and tools tax, retail sales tax, meals tax, lodging tax, and business license tax received by the City from the company.
- One-time grant payments to assist in costs of rehabilitation, renovation, or replacement of the associated property.

Rebate payments commence upon completion of the rehabilitation, renovation, or replacement, or on January 1 of the year following completion of the rehabilitation, renovation, or replacement and shall run for a period as specified in each performance agreement, typically between five and ten years. In fiscal year 2025, tax abatements for economic development incentives totaled $383,039.

20. Jointly Governed Organizations

The following entities are considered to be jointly governed. The City has no ongoing financial responsibility or interest in jointly governed organizations.

Roanoke Valley Resource Authority

The County of Roanoke, the Cities of Roanoke and Salem, and the Town of Vinton jointly participate in the Roanoke Valley Resource Authority (RVRA), which operates the regional sanitary landfill, waste collection and transfer station, and related treatment facilities. RVRA is governed by a seven-member board, of which one member is appointed by the City. The City has control over the budget and financing for RVRA only to the extent of representation by the board member appointed. The participating localities are each responsible for their pro rata share, based on population, of any year-end operating deficit. For the fiscal year ended June 30, 2025, the City remitted $933,459 to RVRA for services. Financial statements may be obtained from RVRA at 1020 Hollins Road NE, Roanoke, Virginia 24012.

Blue Ridge Behavioral Healthcare

The Counties of Botetourt, Craig and Roanoke and the Cities of Roanoke and Salem formed Blue Ridge Behavioral Healthcare (BRBH) to provide a system of comprehensive community mental health, intellectual disability and substance abuse services. BRBH is governed by a 16-member board; three members are appointed by the City. Each locality's financial obligation is based on the type and amount of services performed for individuals in the locality. For the year ended June 30, 2025, the City remitted $209,828 to BRBH for services. Financial statements may be obtained from BRBH at 301 Elm Avenue SW, Roanoke, Virginia, 24016.

Roanoke Valley Detention Commission

The Counties of Botetourt, Franklin and Roanoke and the Cities of Roanoke and Salem formed the Roanoke Valley Detention Commission (Commission) to renovate, expand and operate a detention facility for juveniles. The Commission is governed by a six-member board, of which one member is appointed by the City. Each locality's financial obligation is calculated as its percentage of utilization or average daily population, for the previous three fiscal years. The Commission has the authority to issue debt and such debt is the responsibility of the Commission. For the year ended June 30, 2025, the City remitted $310,743 to the Commission for per diem charges. Financial statements may be obtained from the Commission at 498 Coyner Springs Road, Roanoke, Virginia 24012.

Roanoke Valley Regional Fire/EMS Training Center

The County of Roanoke, the Cities of Roanoke and Salem and the Town of Vinton jointly operate a fire/EMS training center (Center). The Center is governed by a committee designated by the participating jurisdictions. New fire/EMS recruits are required to take a 17-week training course at the facility before being assigned to a station. After completion of the training, the new recruits are state certified. Each jurisdiction is responsible for a percentage of the annual operating costs of the facility. The City of Salem is responsible for 8% of the annual operating costs. For the year ended June 30, 2025, the City remitted $9,600 for operating costs of the facility. Financial statements may be obtained from the Center at 1220 Kessler Mill Road, Salem, Virginia 24153.

Western Virginia Regional Jail Authority

The Counties of Franklin, Montgomery and Roanoke and the City of Salem formed the Western Virginia Regional Jail Authority (Jail Authority) to develop and operate a regional jail. The Jail Authority is governed by a 12-member board; three from each participating locality. Each locality's financial obligation, which includes operating expenses and debt, is based on the number of prisoner days used and a share of the capital costs to build the facility. For the year ended June 30, 2025, the City remitted $1,104,427 for per diem charges and $320,705 for debt service to the Jail Authority. Financial statements may be obtained from the Jail Authority at 5885 West River Road, Salem, Virginia 24153.

20. Jointly Governed Organizations (Continued)

Roanoke Valley Broadband Authority

The Counties of Botetourt and Roanoke and the Cities of Salem and Roanoke formed the Roanoke Valley Broadband Authority (RVBA) in order to acquire, finance, construct, operate, manage, and maintain a broadband system and related facilities pursuant to the Virginia Wireless Services Authorities Act. RVBA is governed by a five-member board, of which one member is appointed by the City. Based upon participation in the fiber expansion project, the Cities of Salem and Roanoke share equally in the operating and debt service costs of the Authority. For the year ending June 30, 2025, the City remitted $0 for operating costs and $326,080 for debt service to the RVBA. Financial statements may be obtained from RVBA at 601 South Jefferson Street SW, Suite 110, Roanoke, Virginia 24011.

Western Virginia Regional Industrial Facility Authority

The Counties of Botetourt, Roanoke and Franklin, the Cities of Roanoke and Salem and the Town of Vinton formed the Western Virginia Regional Industrial Facility Authority (WVRIFA) in order to enhance the economic base of each such locality through the developing, owning and operating of one or more facilities on a cooperative basis in the region. WVRIFA is governed by a twelve-member board, of which two members are appointed by the City. Each locality's financial obligation is based on their percentage of participation in each economic development project. For the year ended June 30, 2025, the City remitted $8,020 for operating budget member dues and $97,310 for debt service to WVRIFA. Financial statements may be obtained from WVRIFA at PO Box 2569, Roanoke, Virginia 24010.

Roanoke Valley Governor's School

The Counties of Bedford, Botetourt, Craig, Franklin and Roanoke and the Cities of Roanoke and Salem jointly participate in a regional education program focusing on science, technology, engineering and mathematics operated by Roanoke Valley Governor's School (RVGS). RVGS is governed by a seven member board, with one member from each participating locality. The School Division has control over budget and financing only to the extent of representation by the one board member appointed. Each locality's financial obligation is based on their proportionate share of students attending RVGS. For the year ended June 30, 2025, the School Division remitted $77,578 for services. Financial statements may be obtained from RVGS at 2104 Grandin Road, Roanoke, Virginia 24015.

Roanoke Regional Airport Commission

The County of Roanoke and the Cities of Roanoke and Salem jointly participate in the Roanoke Regional Airport Commission (Commission), owner and operator of the Roanoke-Blacksburg Regional Airport. The Commission is governed by a seven-member board, of which one member is appointed by the City. Financial obligations of participating localities include any year end operating deficit and the current payment with respect to approved capital expenditures. Each locality's pro rata financial obligation is based on their population. For the year ended June 30, 2025, the City did not have a financial obligation to the Commission. Financial statements may be obtained from the Commission at 5202 Aviation Drive NW, Roanoke, VA 24012.

21. Accounting Change and Restatement

In fiscal year 2025, the City adopted GASB Statement No. 101, *Compensated Absences*. This statement updated guidance for the recognition and measurement of leave not yet used and leave used but not yet paid in cash or settled through non-cash means. The adoption of this statement resulted in adjustments to the City's and School Division's beginning compensated absences liabilities and restatement of beginning net positions.

21. Accounting Change and Restatement (Continued)

The following is a summary of the restatement of beginning net positions:

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Net position, beginning, as reported previously	$ 130,900,856	$ 133,261,947	$ 264,162,803	$ 59,898,908
Recognition of compensated absences liabilities in accordance with GASB Statement No.101	(152,174)	(68,480)	(220,654)	(2,292,959)
Net position, beginning, as restated	$ 130,748,682	$ 133,193,467	$ 263,942,149	$ 57,605,949

	Proprietary Funds				
	Enterprise Funds				
	Electric	Water and Sewer	Nonmajor Proprietary Funds	Total	Internal Service Fund
Net position, beginning, as reported previously	$ 57,142,354	$ 75,325,476	$ 794,117	$ 133,261,947	$ 3,476,741
Recognition of compensated absences liabilities in accordance with GASB Statement No.101	(27,241)	(19,110)	(22,129)	(68,480)	(467)
Net position, beginning, as restated	$ 57,115,113	$ 75,306,366	$ 771,988	$ 133,193,467	$ 3,476,274

	Component Units		
	School Division	Economic Development Authority	Total
Net position, beginning, as reported previously	$ 59,210,289	$ 688,619	$ 59,898,908
Recognition of compensated absences liabilities in accordance with GASB Statement No.101	(2,292,959)	-	(2,292,959)
Net position, beginning, as restated	$ 56,917,330	$ 688,619	$ 57,605,949

22. New Accounting Standards

The GASB has issued Statement No. 103, *Financial Reporting Model Improvements*, to enhance financial reporting by updating standards for management's discussion and analysis, unusual or infrequent item reporting, presentation of proprietary fund statement reports, major component unit information and budgetary comparison information. The provisions of this statement are effective for fiscal years beginning after June 15, 2025. Management has not completed the process of evaluating the impact that will result from adoption of the standard and is, therefore, unable to disclose the impact of adoption.

The GASB has issued Statement No. 104, *Disclosure of Certain Capital Assets*, to enhance financial reporting by disclosing certain capital assets separately by major class. The provisions of this statement are effective for fiscal years beginning after June 15, 2025. Management has not completed the process of evaluating the impact that will result from adoption of the standard and is, therefore, unable to disclose the impact of adoption.

REQUIRED SUPPLEMENTARY INFORMATION

The Required Supplementary Information subsection of the City of Salem, Virginia's Annual Comprehensive Financial Report includes changes in the net pension liability (asset) and related ratios, the employer's share of net pension liability for the VRS Teacher Retirement Plan, employer pension contributions for the VRS Retirement Plan and VRS Teacher Retirement Plan, changes in net OPEB liability and related ratios, and employer other postemployment benefits contributions.

CITY OF SALEM, VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
YEAR ENDED JUNE 30, 2025

	City of Salem Plan Year									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Total pension liability										
Service cost	$ 3,533,139	$ 2,993,558	$ 2,677,959	$ 2,579,718	$ 2,591,870	$ 2,379,695	$ 2,306,014	$ 2,482,886	$ 2,507,103	$ 2,505,415
Interest	15,116,506	14,793,944	14,410,668	13,532,366	13,245,037	13,021,673	12,687,766	12,477,728	12,159,380	12,004,363
Difference between expected and actual experience	8,563,540	1,101,060	897,327	(1,898,137)	1,086,023	901,477	351,330	(1,567,004)	906,524	(2,262,692)
Changes in assumptions	-	-	-	7,635,262	-	5,416,334	-	279,953	-	-
Benefit payments, including refunds of employee contributions	(14,114,982)	(13,582,507)	(12,998,412)	(12,415,757)	(12,314,513)	(11,777,457)	(11,091,760)	(10,997,027)	(10,244,175)	(9,521,624)
Net change in total pension liability	13,098,203	5,306,055	4,987,542	9,433,452	4,608,417	9,941,722	4,253,350	2,676,536	5,328,832	2,725,462
Total pension liability - beginning	225,457,808	220,151,753	215,164,211	205,730,759	201,122,342	191,180,620	186,927,270	184,250,734	178,921,902	176,196,440
Total pension liability - ending	$ 238,556,011	$ 225,457,808	$ 220,151,753	$ 215,164,211	$ 205,730,759	$ 201,122,342	$ 191,180,620	$ 186,927,270	$ 184,250,734	$ 178,921,902
Plan fiduciary net position										
Contributions - employer	$ 5,969,000	$ 5,232,222	$ 4,351,329	$ 4,093,089	$ 3,730,748	$ 3,615,284	$ 3,449,144	$ 3,496,819	$ 3,915,838	$ 3,942,152
Contributions - employee	1,461,014	1,260,072	1,178,545	1,214,809	1,144,061	1,102,819	1,061,292	1,106,906	1,149,948	1,094,070
Net investment income	18,005,127	11,690,238	7,131	41,862,509	3,024,486	10,202,403	11,076,102	16,881,766	2,383,779	6,436,800
Benefit payments, including refunds of employee contributions	(14,114,982)	(13,582,507)	(12,998,412)	(12,415,757)	(12,314,513)	(11,777,457)	(11,091,760)	(10,997,027)	(10,244,175)	(9,521,624)
Administrative expense	(124,386)	(119,677)	(120,750)	(108,142)	(107,374)	(106,073)	(99,013)	(101,645)	(91,609)	(91,265)
Other	3,430	4,677	3,519	3,255	(3,719)	(6,401)	(9,719)	(14,845)	(1,041)	(1,350)
Net change in plan fiduciary net position	11,199,203	4,485,025	(7,578,638)	34,649,763	(4,526,311)	3,030,575	4,386,046	10,371,974	(2,887,260)	1,858,783
Plan fiduciary net position - beginning	186,742,690	182,257,665	189,836,303	155,186,540	159,712,851	156,682,276	152,296,230	141,924,256	144,811,516	142,952,733
Plan fiduciary net position - ending	$ 197,941,893	$ 186,742,690	$ 182,257,665	$ 189,836,303	$ 155,186,540	$ 159,712,851	$ 156,682,276	$ 152,296,230	$ 141,924,256	$ 144,811,516
Net pension liability - ending	$ 40,614,118	$ 38,715,118	$ 37,894,088	$ 25,327,908	$ 50,544,219	$ 41,409,491	$ 34,498,344	$ 34,631,040	$ 42,326,478	$ 34,110,386
Plan fiduciary net position as a percentage of the total pension liability	82.98%	82.83%	82.79%	88.23%	75.43%	79.41%	81.96%	81.47%	77.03%	80.94%
Covered payroll	$ 29,360,551	$ 25,736,458	$ 23,869,057	$ 22,452,490	$ 22,944,330	$ 22,234,219	$ 21,264,760	$ 21,558,687	$ 21,598,665	$ 21,743,806
Net pension liability as a percentage of covered payroll	138.33%	150.43%	158.76%	112.81%	220.29%	186.24%	162.23%	160.64%	195.97%	156.87%

The amounts presented have a measurement date (plan year) of the previous fiscal year end.

CITY OF SALEM, VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
YEAR ENDED JUNE 30, 2025

	School Division Plan Year									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Total pension liability										
Service cost	$ 158,192	$ 126,854	$ 118,969	$ 106,418	$ 119,513	$ 130,680	$ 130,240	$ 120,806	$ 124,227	$ 132,051
Interest	391,474	378,463	361,795	344,320	350,152	348,873	350,464	345,744	347,691	337,943
Changes of assumptions	-	-	-	150,153	-	134,293	-	-	-	-
Difference between expected and actual experience	189,347	73,188	132,716	(89,731)	(195,286)	(81,471)	(177,270)	(39,860)	(182,245)	(45,142)
Changes in assumptions	-	-	-	-	-	-	-	(23,501)	-	-
Benefit payments, including refunds of employee contributions	(449,053)	(385,122)	(363,739)	(378,725)	(342,849)	(314,833)	(337,479)	(334,040)	(300,945)	(270,236)
Net change in total pension liability	289,960	193,383	249,741	132,435	(68,470)	217,542	(34,045)	69,149	(11,272)	154,616
Total pension liability - beginning	5,865,954	5,672,571	5,422,830	5,290,395	5,358,865	5,141,323	5,175,368	5,106,219	5,117,491	4,962,875
Total pension liability - ending	$ 6,155,914	$ 5,865,954	$ 5,672,571	$ 5,422,830	$ 5,290,395	$ 5,358,865	$ 5,141,323	$ 5,175,368	$ 5,106,219	$ 5,117,491
Plan fiduciary net position										
Contributions - employer	$ 18,737	$ 17,162	$ 22,143	$ 19,987	$ 39,178	$ 40,178	$ 51,406	$ 51,554	$ 92,100	$ 93,028
Contributions - employee	79,846	73,370	65,114	57,197	58,791	57,762	61,121	61,318	58,188	59,073
Net investment income	636,787	415,500	(4,145)	1,516,515	110,040	369,207	399,866	608,458	86,505	228,863
Benefit payments, including refunds of employee contributions	(449,053)	(385,122)	(363,739)	(378,725)	(342,849)	(314,833)	(337,479)	(334,040)	(300,945)	(270,236)
Administrative expense	(4,471)	(4,290)	(4,345)	(3,965)	(3,871)	(3,796)	(3,562)	(3,661)	(3,256)	(3,202)
Other	124	166	155	141	(128)	(231)	(350)	(535)	(37)	(47)
Net change in plan fiduciary net position	281,970	116,786	(284,817)	1,211,150	(138,839)	148,287	171,002	383,094	(67,445)	107,479
Plan fiduciary net position - beginning	6,698,954	6,582,168	6,866,985	5,655,835	5,794,674	5,646,387	5,475,385	5,092,291	5,159,736	5,052,257
Plan fiduciary net position - ending	$ 6,980,924	$ 6,698,954	$ 6,582,168	$ 6,866,985	$ 5,655,835	$ 5,794,674	$ 5,646,387	$ 5,475,385	$ 5,092,291	$ 5,159,736
Net pension liability (asset) - ending	$ (825,010)	$ (833,000)	$ (909,597)	$ (1,444,155)	$ (365,440)	$ (435,809)	$ (505,064)	$ (300,017)	$ 13,928	$ (42,245)
Plan fiduciary net position as a percentage of the total pension liability	113.40%	114.20%	116.04%	126.63%	106.91%	108.13%	109.82%	105.80%	99.73%	100.83%
Covered payroll	$ 975,885	$ 893,854	$ 962,739	$ 869,000	$ 1,061,734	$ 1,088,835	$ 1,187,206	$ 1,190,624	$ 1,173,248	$ 1,185,071
Net pension liability (asset) as a percentage of covered payroll	(84.54%)	(93.19%)	(94.48%)	(166.19%)	(34.42%)	(40.03%)	(42.54%)	(25.20%)	1.19%	(3.56%)

The amounts presented have a measurement date (plan year) of the previous fiscal year end.

CITY OF SALEM, VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS
YEAR ENDED JUNE 30, 2025

Year Ended June 30	Contractually Required Contribution (a)	Contributions in Relation to Contractually Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Contributions as a % of Covered Payroll (b/c)
City of Salem					
2025	$ 6,242,476	$ 6,242,476	$ -	$ 31,479,960	19.83%
2024	5,969,000	5,969,000	-	29,360,551	20.33%
2023	5,232,222	5,232,222	-	25,736,458	20.33%
2022	4,351,329	4,351,329	-	23,869,057	18.23%
2021	4,093,089	4,093,089	-	22,452,490	18.23%
2020	3,730,748	3,730,748	-	22,944,330	16.26%
2019	3,615,284	3,615,284	-	22,234,219	16.26%
2018	3,449,144	3,449,144	-	21,264,760	16.22%
2017	3,496,819	3,496,819	-	21,558,687	16.22%
2016	3,915,838	3,915,838	-	21,598,665	18.13%
School Division (Non-Professional Staff)					
2025	$ 61,222	$ 61,222	$ -	$ 1,710,112	3.58%
2024*	18,737	18,737	-	975,885	1.92%
2023	17,162	17,162	-	893,854	1.92%
2022	22,143	22,143	-	962,739	2.30%
2021	19,987	19,987	-	869,000	2.30%
2020	39,178	39,178	-	1,061,734	3.69%
2019**	40,178	40,178	-	1,088,835	3.69%
2018	51,406	51,406	-	1,187,206	4.33%
2017	51,554	51,554	-	1,190,624	4.33%
2016	92,100	92,100	-	1,173,248	7.85%

* Revised to reflect actual 2024 amounts as shown in the VRS actuarial report rather than estimated amounts used in the prior year ACFR.

** Prior to 2019, VRS contributions were made over twelve months for all employees, regardless of contract term. In fiscal year 2019, the School Division began contributing to VRS over each employee's contract term. For employees with contract terms less than twelve months, contributions and covered payroll recognized in fiscal year 2019 include amounts accrued for July and August of 2018, in addition to the full annual amount for fiscal year 2019.

CITY OF SALEM, VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
VRS TEACHER RETIREMENT PLAN
YEAR ENDED JUNE 30, 2025

Plan Year Ended June 30	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Covered Payroll	Employer's Share of the Net Pension Liability as a % of Covered Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability
		(a)	(b)	(a/b)	
2024	0.27681%	$ 25,983,974	$ 28,091,468	92.50%	84.52%
2023	0.28247%	28,549,821	26,828,965	106.41%	82.45%
2022	0.28368%	27,008,034	25,356,474	106.51%	82.61%
2021	0.27131%	21,062,060	23,117,413	91.11%	85.46%
2020	0.27321%	39,759,230	23,135,236	171.86%	71.47%
2019	0.27613%	36,340,277	22,568,718	161.02%	73.51%
2018	0.28140%	33,092,000	22,299,761	148.40%	74.81%
2017	0.27878%	34,284,000	21,639,120	158.44%	72.92%
2016	0.28026%	39,276,000	21,368,521	183.80%	68.28%
2015	0.28555%	35,941,000	21,230,718	169.29%	70.68%

The amounts presented have a measurement date (plan year) of the previous fiscal year end.

CITY OF SALEM, VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS
VRS TEACHER RETIREMENT PLAN
YEAR ENDED JUNE 30, 2025

Year Ended June 30	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
	(a)	(b)	(a-b)	(c)	(b/c)
2025	$ 4,420,905	$ 4,420,905	$ -	$ 31,111,224	14.21%
2024*	4,668,802	4,668,802	-	28,091,468	16.62%
2023	4,458,974	4,458,974	-	26,828,965	16.62%
2022	4,214,246	4,214,246	-	25,356,474	16.62%
2021	3,842,114	3,842,114	-	23,117,413	16.62%
2020	3,627,605	3,627,605	-	23,135,236	15.68%
2019**	3,538,775	3,538,775	-	22,568,718	15.68%
2018	3,639,321	3,639,321	-	22,299,761	16.32%
2017	3,172,295	3,172,295	-	21,639,120	14.66%
2016	3,004,414	3,004,414	-	21,368,521	14.06%

* Revised to reflect actual 2024 amounts as shown in the VRS actuarial report rather than estimated amounts used in the prior year ACFR.

** Prior to 2019, VRS contributions were made over twelve months for all employees, regardless of contract term. In fiscal year 2019, the School Division began contributing to VRS over each employee's contract term. For employees with contract terms less than twelve months, contributions and covered payroll recognized in fiscal year 2019 include amounts accrued for July and August of 2018, in addition to the full annual amount for fiscal year 2019.

CITY OF SALEM, VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
RETIREE HEALTH PLAN
YEAR ENDED JUNE 30, 2025

	City of Salem								
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Total OPEB liability									
Service cost	$ 245,804	$ 304,221	$ 343,023	$ 296,489	$ 270,595	$ 298,111	$ 319,409	$ 376,793	$ 352,143
Interest	1,701,208	1,683,163	1,460,383	1,451,615	1,375,786	1,377,095	1,612,928	1,723,845	1,688,424
Effect of plan changes	-	-	-	-	114,679	-	-	-	-
Effect of economic/demographic gains or losses	(4,458,005)	-	2,135,795	-	(113,226)	-	(2,149,293)	-	-
Effect of assumption changes	63,719	-	735,297	-	1,232,616	(77,972)	(2,370,696)	-	-
Benefit payments	(1,576,566)	(1,783,163)	(1,700,541)	(1,653,421)	(1,677,090)	(1,496,341)	(1,461,997)	(1,589,537)	(1,533,462)
Net change in total OPEB liability	(4,023,840)	204,221	2,973,957	94,683	1,203,360	100,893	(4,049,649)	511,101	507,105
Total OPEB liability - beginning	26,069,467	25,865,246	22,891,289	22,796,606	21,593,246	21,492,353	25,542,002	25,030,901	24,523,796
Total OPEB liability - ending	$ 22,045,627	$ 26,069,467	$ 25,865,246	$ 22,891,289	$ 22,796,606	$ 21,593,246	$ 21,492,353	$ 25,542,002	$ 25,030,901
Plan fiduciary net position									
Contributions - employer	$ 1,811,496	$ 1,987,753	$ 1,935,471	$ 1,888,352	$ 1,912,020	$ 1,731,271	$ 1,698,429	$ 1,824,467	$ 1,772,562
Net investment income	999,229	676,924	687,322	(912,887)	2,186,418	223,747	289,012	527,316	601,076
Benefit payments	(1,576,566)	(1,783,163)	(1,700,541)	(1,653,421)	(1,677,090)	(1,496,341)	(1,461,997)	(1,589,537)	(1,533,462)
Administrative expense	(11,784)	(10,617)	(9,665)	(10,804)	(8,677)	(8,014)	(7,245)	(6,596)	(5,982)
Net change in plan fiduciary net position	1,222,375	870,897	912,587	(688,760)	2,412,671	450,663	518,199	755,650	834,194
Plan fiduciary net position - beginning	10,739,723	9,868,826	8,956,239	9,644,999	7,232,328	6,781,665	6,263,466	5,507,816	4,673,622
Plan fiduciary net position - ending	$ 11,962,098	$ 10,739,723	$ 9,868,826	$ 8,956,239	$ 9,644,999	$ 7,232,328	$ 6,781,665	$ 6,263,466	$ 5,507,816
Net OPEB liability - ending	$ 10,083,529	$ 15,329,744	$ 15,996,420	$ 13,935,050	$ 13,151,607	$ 14,360,918	$ 14,710,688	$ 19,278,536	$ 19,523,085
Plan fiduciary net position as a percentage of the total OPEB liability	54.26%	41.20%	38.15%	39.13%	42.31%	33.49%	31.55%	24.52%	22.00%
Covered-employee payroll	$ 33,054,035	$ 27,280,579	$ 27,280,579	$ 23,727,114	$ 23,727,114	$ 23,606,599	$ 23,606,599	$ 22,779,070	$ 22,779,070
Net OPEB liability as a percentage of covered-employee payroll	30.51%	56.19%	58.64%	58.73%	55.43%	60.83%	62.32%	84.63%	85.71%
Annual money-weighted rate of return, net of investment expense	8.84%	9.48%	7.63%	(9.32%)	30.04%	3.05%	4.59%	9.55%	12.83%

Schedule is intended to show information for 10 years. Since 2025 is the ninth year for this presentation, only eight additional years of data are available. However, additional years will be included as they become available.

2025 data reflects totals for the City and excludes $44,588 and $41,088 of contributions and benefit payments, respectively, of custodial entities.

Notes to Schedule:

There have been no significant changes to the benefit provisions since the prior actuarial valuation.

CITY OF SALEM, VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET OPEB LIABILITY (ASSET) AND RELATED RATIOS
RETIREE HEALTH PLAN
YEAR ENDED JUNE 30, 2025

	School Division								
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Total OPEB liability									
Service cost	$ 71,294	$ 89,300	$ 99,076	$ 78,070	$ 72,888	$ 74,370	$ 73,179	$ 71,941	$ 67,235
Interest	192,343	185,715	152,908	146,183	139,914	136,316	158,451	151,536	145,477
Effect of economic/demographic gains or losses	(676,415)	-	381,935	-	(51,503)	-	17,662	-	-
Effect of assumption changes	11,109	-	31,900	-	69,553	(16,279)	(255,288)	-	-
Benefit payments	(150,673)	(159,252)	(143,627)	(140,032)	(139,150)	(136,057)	(151,400)	(136,054)	(125,858)
Net change in total OPEB liability	(552,342)	115,763	522,192	84,221	91,702	58,350	(157,396)	87,423	86,854
Total OPEB liability - beginning	2,961,987	2,846,224	2,324,032	2,239,811	2,148,109	2,089,759	2,247,155	2,159,732	2,072,878
Total OPEB liability - ending	$ 2,409,645	$ 2,961,987	$ 2,846,224	$ 2,324,032	$ 2,239,811	$ 2,148,109	$ 2,089,759	$ 2,247,155	$ 2,159,732
Plan fiduciary net position									
Contributions - employer	$ 247,808	$ 256,387	$ 240,762	$ 237,167	$ 236,285	$ 233,192	$ 248,535	$ 233,189	$ 211,531
Net investment income	232,737	219,854	157,543	(205,312)	480,434	44,595	59,924	105,580	116,176
Benefit payments	(150,673)	(159,252)	(143,627)	(140,032)	(139,150)	(136,057)	(151,400)	(136,054)	(125,858)
Administrative expense	(2,928)	(2,796)	(2,632)	(2,813)	(2,294)	(2,100)	(1,894)	(1,717)	(1,579)
Net change in plan fiduciary net position	326,944	314,193	252,046	(110,990)	575,275	139,630	155,165	200,998	200,270
Plan fiduciary net position - beginning	2,629,094	2,314,901	2,062,855	2,173,845	1,598,570	1,458,940	1,303,775	1,102,777	902,507
Plan fiduciary net position - ending	$ 2,956,038	$ 2,629,094	$ 2,314,901	$ 2,062,855	$ 2,173,845	$ 1,598,570	$ 1,458,940	$ 1,303,775	$ 1,102,777
Net OPEB liability (asset) - ending	$ (546,393)	$ 332,893	$ 531,323	$ 261,177	$ 65,966	$ 549,539	$ 630,819	$ 943,380	$ 1,056,955
Plan fiduciary net position as a percentage of the total OPEB liability	122.68%	88.76%	81.33%	88.76%	97.05%	74.42%	69.81%	58.02%	51.06%
Covered-employee payroll	$ 32,687,837	$ 29,388,566	$ 29,388,566	$ 24,787,563	$ 24,787,563	$ 23,962,730	$ 23,962,730	$ 23,076,891	$ 23,076,891
Net OPEB liability (asset) as a percentage of covered-employee payroll	(1.67%)	1.13%	1.81%	1.05%	0.27%	2.29%	2.63%	4.09%	4.58%
Annual money-weighted rate of return, net of investment expense	8.85%	9.49%	7.63%	(9.39%)	30.01%	3.05%	4.59%	9.52%	12.79%

Schedule is intended to show information for 10 years. Since 2025 is the ninth year for this presentation, only eight additional years of data are available. However, additional years will be included as they become available.

Notes to Schedule:

There have been no significant changes to the benefit provisions since the prior actuarial valuation.

CITY OF SALEM, VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS
RETIREE HEALTH PLAN
YEAR ENDED JUNE 30, 2025

Year Ended June 30	Actuarially Determined Contribution*	Contributions in Relation to Actuarially Determined Contribution*	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
	(a)	(b)	(a-b)	(c)	(b/c)
City of Salem					
2025	$ 953,625	$ 1,811,496	$ (857,871)	$ 33,054,035	5.48%
2024	1,338,270	1,987,753	(649,483)	27,280,579	7.29%
2023	1,273,132	1,935,471	(662,339)	27,280,579	7.09%
2022	1,110,672	1,888,352	(777,680)	23,727,114	7.96%
2021	1,081,831	1,912,020	(830,189)	23,727,114	8.06%
2020	1,159,709	1,731,271	(571,562)	23,606,599	7.33%
2019	1,111,485	1,698,429	(586,944)	23,606,599	7.19%
2018	1,516,523	1,824,467	(307,944)	22,779,070	8.01%
2017	1,475,809	1,772,562	(296,753)	22,779,070	7.78%
School Division					
2025	$ 55,818	$ 247,808	$ (191,990)	$ 32,687,837	0.76%
2024	132,024	256,387	(124,363)	29,388,566	0.87%
2023	128,179	240,762	(112,583)	29,388,566	0.82%
2022	94,871	237,167	(142,296)	24,787,563	0.96%
2021	92,108	236,285	(144,177)	24,787,563	0.95%
2020	120,718	233,192	(112,474)	23,962,730	0.97%
2019	114,675	248,535	(133,860)	23,962,730	1.04%
2018	140,801	233,189	(92,388)	23,076,891	1.01%
2017	136,700	211,531	(74,831)	23,076,891	0.92%

Schedule is intended to show information for 10 years. Since 2025 is the ninth year for this presentation, only eight additional years of data are available. However, additional years will be included as they become available.

* Contribution amounts for the City of Salem do not include contributions for custodial entities.

Notes to Schedule:

There have been no significant changes to the benefit provisions since the prior actuarial valuation. Methods and assumptions used to determine contribution rates:

Valuation date	June 30, 2025
Measurement date	June 30, 2025
Actuarial cost method	Entry age normal
Amortization method	Level percent of payroll
Amortization period	Closed over 22 years
Asset valuation method	Fair value
Investment rate of return	6.50%
Projected long-term salary increases	2.50%

CITY OF SALEM, VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
POLITICAL SUBDIVISION HEALTH INSURANCE CREDIT PROGRAM
YEAR ENDED JUNE 30, 2025

	School Division Plan Year							
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Total HIC OPEB liability								
Service cost	$ 2,737	$ 2,533	$ 3,280	$ 4,085	$ 4,133	$ 3,643	$ 2,543	$ 2,412
Interest	13,649	11,843	8,186	8,118	8,927	9,771	11,059	10,832
Changes of benefit terms	-	-	62,508	-	955	-	-	-
Changes in assumptions	-	-	26,248	2,663	-	2,818	-	370
Differences between expected and actual experience	(3,776)	27,368	(28,738)	(750)	(10,631)	(9,720)	(20,255)	-
Benefit payments	(14,918)	(15,475)	(17,649)	(15,100)	(15,662)	(12,020)	(11,482)	(9,254)
Net change in total HIC OPEB liability	(2,308)	26,269	53,835	(984)	(12,278)	(5,508)	(18,135)	4,360
Total HIC OPEB liability - beginning	206,928	180,659	126,824	127,808	140,086	145,594	163,729	159,369
Total HIC OPEB liability - ending	$ 204,620	$ 206,928	$ 180,659	$ 126,824	$ 127,808	$ 140,086	$ 145,594	$ 163,729
Plan fiduciary net position								
Contributions - employer	$ 20,302	$ 18,538	$ 16,389	$ 8,589	$ 7,533	$ 7,318	$ 8,875	$ 8,704
Net investment income	8,644	4,445	(12)	15,149	1,341	4,257	4,693	6,952
Benefit payments	(14,918)	(15,475)	(17,649)	(15,100)	(15,662)	(12,020)	(11,482)	(9,254)
Administrative expense	(119)	(89)	(130)	(164)	(116)	(90)	(108)	(109)
Other	-	550	10,296	-	(1)	(5)	(359)	359
Net change in plan fiduciary net position	13,909	7,969	8,894	8,474	(6,905)	(540)	1,619	6,652
Plan fiduciary net position - beginning	87,222	79,253	70,359	61,885	68,790	69,330	67,711	61,059
Plan fiduciary net position - ending	$ 101,131	$ 87,222	$ 79,253	$ 70,359	$ 61,885	$ 68,790	$ 69,330	$ 67,711
Net OPEB liability - ending	$ 103,489	$ 119,706	$ 101,406	$ 56,465	$ 65,923	$ 71,296	$ 76,264	$ 96,018
Plan fiduciary net position as a percentage of the total OPEB liability	49.42%	42.15%	43.87%	55.48%	48.42%	49.11%	47.62%	41.36%
Covered payroll	$ 1,829,009	$ 1,670,090	$ 1,450,354	$ 1,263,088	$ 1,276,780	$ 1,240,339	$ 1,286,232	$ 1,261,449
Net OPEB liability as a percentage of covered payroll	5.66%	7.17%	6.99%	4.47%	5.16%	5.75%	5.93%	7.61%

Schedule is intended to show information for 10 years. Since fiscal year 2025 (plan year 2024) is the eighth year for this presentation, only seven additional years of data are available. However, additional years will be included as they become available.

The amounts presented have a measurement date (plan year) of the previous fiscal year end.

CITY OF SALEM, VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS
POLITICAL SUBDIVISION HEALTH INSURANCE CREDIT PROGRAM
YEAR ENDED JUNE 30, 2025

Year Ended June 30	Contractually Required Contribution (a)	Contributions in Relation to Contractually Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Contributions as a % of Covered Payroll (b/c)
School Division (Non-Professional Staff)					
2025	$ 18,722	$ 18,722	$ -	$ 1,686,667	1.11%
2024*	20,302	20,302	-	1,829,009	1.11%
2023	18,538	18,538	-	1,670,090	1.11%
2022**	16,389	16,389	-	1,450,354	1.13%
2021	8,589	8,589	-	1,263,088	0.68%
2020	7,533	7,533	-	1,276,780	0.59%
2019***	7,318	7,318	-	1,240,339	0.59%
2018	8,875	8,875	-	1,286,232	0.69%

Schedule is intended to show information for 10 years. Since 2025 is the eighth year for this presentation, only seven additional years of data are available. However, additional years will be included as they become available.

* Revised to reflect actual 2024 amounts as shown in the VRS actuarial report rather than estimated amounts used in the prior year ACFR.

** Beginning in fiscal year 2022, the School Division elected to provide the enhanced health insurance credit.

*** Prior to 2019, VRS contributions were made over twelve months for all employees, regardless of contract term. In fiscal year 2019, the School Division began contributing to VRS over each employee's contract term. For employees with contract terms less than twelve months, contributions and covered payroll recognized in fiscal year 2019 include amounts accrued for July and August of 2018, in addition to the full annual amount for fiscal year 2019.

CITY OF SALEM, VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER'S SHARE OF NET OPEB LIABILITY
GLI AND TEACHER EMPLOYEE HIC PROGRAMS
YEAR ENDED JUNE 30, 2025

Plan Year Ended June 30	Employer's Proportion of the Net OPEB Liability	Employer's Proportionate Share of the Net OPEB Liability (a)	Covered Payroll (b)	Employer's Share of the Net OPEB Liability as a % of Covered Payroll (a/b)	Plan Fiduciary Net Position as a % of the Total OPEB Liability
City of Salem - Group Life Insurance Program					
2024	0.12251%	$ 1,298,379	$ 30,473,148	4.26%	73.41%
2023	0.11707%	1,334,355	26,627,407	5.01%	69.30%
2022	0.11778%	1,347,971	24,634,259	5.47%	67.21%
2021	0.11657%	1,290,302	23,241,296	5.55%	67.45%
2020	0.11949%	1,902,916	23,655,385	8.04%	52.64%
2019	0.12131%	1,883,072	22,818,462	8.25%	52.00%
2018	0.11921%	1,726,760	21,687,115	7.96%	51.22%
2017	0.12390%	1,778,837	22,853,532	7.78%	48.86%
School Division - Group Life Insurance Program (Non-Professional Staff)					
2024	0.00712%	$ 79,454	$ 1,828,889	4.34%	73.41%
2023	0.00710%	85,151	1,672,037	5.09%	69.30%
2022	0.00667%	80,313	1,450,741	5.54%	67.21%
2021	0.00614%	71,486	1,271,111	5.62%	67.45%
2020	0.00623%	103,968	1,285,000	8.09%	52.64%
2019	0.00634%	103,169	1,243,077	8.30%	52.00%
2018	0.00676%	102,000	1,286,154	7.93%	51.22%
2017	0.00687%	103,000	1,268,277	8.12%	48.86%
School Division - Group Life Insurance Program (Professional Staff)					
2024	0.11432%	$ 1,275,722	$ 29,353,333	4.35%	73.41%
2023	0.11861%	1,422,506	27,937,963	5.09%	69.30%
2022	0.12043%	1,450,093	26,196,111	5.54%	67.21%
2021	0.11525%	1,341,822	23,860,556	5.62%	67.45%
2020	0.11525%	1,923,334	23,770,577	8.09%	52.64%
2019	0.11726%	1,908,133	22,986,731	8.30%	52.00%
2018	0.11861%	1,801,000	22,553,654	7.99%	51.22%
2017	0.11835%	1,781,000	21,829,358	8.16%	48.86%
School Division - Teacher Employee Health Insurance Credit Program					
2024	0.27398%	$ 3,166,244	$ 29,353,471	10.79%	21.82%
2023	0.28008%	3,392,938	27,926,860	12.15%	17.90%
2022	0.28107%	3,510,695	26,196,281	13.40%	15.08%
2021	0.26840%	3,445,100	23,772,562	14.49%	9.95%
2020	0.27051%	3,528,848	23,716,667	14.88%	9.95%
2019	0.27380%	3,584,308	22,965,750	15.61%	8.97%
2018	0.27878%	3,540,000	22,545,854	15.70%	8.08%
2017	0.27639%	3,506,000	21,812,560	16.07%	7.04%

Schedule is intended to show information for 10 years. Since fiscal year 2025 (plan year 2024) is the eighth year for this presentation, only seven additional years of data are available. However, additional years will be included as they become available.

The amounts presented have a measurement date (plan year) of the previous fiscal year end.

CITY OF SALEM, VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS
GLI AND TEACHER EMPLOYEE HIC PROGRAMS
YEAR ENDED JUNE 30, 2025

Year Ended June 30	Contractually Required Contribution (a)	Contributions in Relation to Contractually Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Contributions as a % of Covered Payroll (b/c)
City of Salem - Group Life Insurance Program					
2025	$ 148,693	$ 148,693	$ -	$ 31,636,809	0.47%
2024	164,555	164,555	-	30,473,148	0.54%
2023	143,788	143,788	-	26,627,407	0.54%
2022	133,025	133,025	-	24,634,259	0.54%
2021	125,503	125,503	-	23,241,296	0.54%
2020	123,008	123,008	-	23,655,385	0.52%
2019	118,656	118,656	-	22,818,462	0.52%
2018	112,773	112,773	-	21,687,115	0.52%
School Division - Group Life Insurance Program (Non-Professional Staff)					
2025	$ 7,945	$ 7,945	$ -	$ 1,690,426	0.47%
2024*	9,876	9,876	-	1,828,889	0.54%
2023	9,029	9,029	-	1,672,037	0.54%
2022	7,834	7,834	-	1,450,741	0.54%
2021	6,864	6,864	-	1,271,111	0.54%
2020	6,682	6,682	-	1,285,000	0.52%
2019**	6,464	6,464	-	1,243,077	0.52%
2018	6,688	6,688	-	1,286,154	0.52%
School Division - Group Life Insurance Program (Professional Staff)					
2025	$ 146,220	$ 146,220	$ -	$ 31,110,638	0.47%
2024*	158,508	158,508	-	29,353,333	0.54%
2023	150,865	150,865	-	27,937,963	0.54%
2022	141,459	141,459	-	26,196,111	0.54%
2021	128,847	128,847	-	23,860,556	0.54%
2020	123,607	123,607	-	23,770,577	0.52%
2019**	119,531	119,531	-	22,986,731	0.52%
2018	117,279	117,279	-	22,553,654	0.52%
School Division - Teacher Employee Health Insurance Credit Program					
2025	$ 376,382	$ 376,382	$ -	$ 31,105,950	1.21%
2024*	355,177	355,177	-	29,353,471	1.21%
2023	337,915	337,915	-	27,926,860	1.21%
2022	316,975	316,975	-	26,196,281	1.21%
2021	287,648	287,648	-	23,772,562	1.21%
2020	284,600	284,600	-	23,716,667	1.20%
2019**	275,589	275,589	-	22,965,750	1.20%
2018	277,314	277,314	-	22,545,854	1.23%

Schedule is intended to show information for 10 years. Since 2025 is the eighth year for this presentation, only seven additional years of data are available. However, additional years will be included as they become available.

* Revised to reflect actual 2024 amounts as shown in the VRS actuarial report rather than estimated amounts used in the prior year ACFR.

** Prior to 2019, VRS contributions were made over twelve months for all employees, regardless of contract term. In fiscal year 2019, the School Division began contributing to VRS over each employee's contract term. For employees with contract terms less than twelve months, contributions and covered payroll recognized in fiscal year 2019 include amounts accrued for July and August of 2018, in addition to the full annual amount for fiscal year 2019.

1. Changes of Benefit Terms

Pension
There have been no actuarially material changes to the Virginia Retirement System (VRS) benefit provisions since the prior actuarial valuation.

Other Postemployment Benefits (OPEB)
There have been no actuarially material changes to the VRS benefit provisions since the prior actuarial valuation.

2. Changes of Assumptions

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period from July 1, 2016, through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Non-Hazardous Duty:

- Update mortality table to PUB2010 public sector mortality tables; for future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
- Adjusted retirement rates to better fit experience for Plan 1; set separate rates based on experience for Plan2/Hybrid; changed final retirement age from 75 to 80 for all
- Adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service
- No change to disability rates
- No change to salary scale
- No change to line of duty rates
- No change to discount rate

Largest 10 – Hazardous Duty/Public Safety Employees:

- Update mortality table to PUB2010 public sector mortality tables; increased disability life expectancy; for future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
- Adjusted retirement rates to better fit experience and changed final retirement age from 65 to 70
- Decreased withdrawal rates
- No change to disability rates
- No change to salary scale
- No change to line of duty rates
- No change to discount rate

All Others (Non-10 Largest) – Hazardous Duty/Public Safety Employees:

- Update mortality table to PUB2010 public sector mortality tables; increased disability life expectancy; for future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
- Adjusted retirement rates to better fit experience and changed final retirement age from 65 to 70
- Decreased withdrawal rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Largest 10 Hazardous Duty
- No change to disability rates
- No change to salary scale
- No change to line of duty rates
- No change to discount rate

2. Changes of Assumptions (Continued)

Teacher Cost-Sharing Pool:

- Update mortality table to PUB2010 public sector mortality tables; for future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
- Adjusted retirement rates to better fit experience for Plan 1; set separate rates based on experience for Plan2/Hybrid; changed final retirement age from 75 to 80 for all
- Adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service
- No change to disability rates
- No changes to salary scale
- No change to discount rate

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OTHER SUPPLEMENTARY INFORMATION

The Other Supplementary Information subsection of the City of Salem, Virginia's Annual Comprehensive Financial Report includes the Combining Statement of Net Position; Combining Statement of Revenues, Expenses, and Changes in Fund Net Position; and Combining Statement of Cash Flows for the Nonmajor Proprietary Funds. This subsection also includes the Combining Statement of Fiduciary Assets and Liabilities and the Combining Statement of Changes in Fiduciary Assets and Liabilities for the Custodial Funds; and the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance for the Economic Development Authority of the City of Salem.

CITY OF SALEM, VIRGINIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
JUNE 30, 2025

	Enterprise Funds		
	Civic Center	Catering and Concessions	Total Nonmajor Proprietary Funds
ASSETS			
Current assets:			
Cash and cash equivalents	$ 1,897,235	$ 20,239	$ 1,917,474
Receivables, net	39,410	58,291	97,701
Inventories	-	56,478	56,478
Prepaid items	229,712	2,440	232,152
Total current assets	2,166,357	137,448	2,303,805
Noncurrent assets:			
Capital assets:			
Nondepreciable and nonamortizable	357,453	-	357,453
Depreciable and amortizable, net	3,215,167	22,252	3,237,419
Total capital assets	3,572,620	22,252	3,594,872
Total noncurrent assets	3,572,620	22,252	3,594,872
Total assets	5,738,977	159,700	5,898,677
DEFERRED OUTFLOWS OF RESOURCES	446,403	98,965	545,368
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	510,997	42,027	553,024
Accrued payroll and related liabilities	86,622	21,848	108,470
Due to other funds	-	200,000	200,000
Unearned revenues	1,690,676	400	1,691,076
Lease liability	3,026	-	3,026
Compensated absences	129,554	23,253	152,807
Total current liabilities	2,420,875	287,528	2,708,403
Noncurrent liabilities:			
Lease liability	3,095	-	3,095
Compensated absences	22,790	10,234	33,024
Net pension liability	1,370,358	392,547	1,762,905
Net OPEB liability	355,652	76,702	432,354
Total noncurrent liabilities	1,751,895	479,483	2,231,378
Total liabilities	4,172,770	767,011	4,939,781
DEFERRED INFLOWS OF RESOURCES	322,033	66,174	388,207
NET POSITION			
Net investment in capital assets	3,566,499	22,252	3,588,751
Unrestricted (deficit)	(1,875,922)	(596,772)	(2,472,694)
Total net position	$ 1,690,577	$ (574,520)	$ 1,116,057

CITY OF SALEM, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2025

	Enterprise Funds		
	Civic Center	Catering and Concessions	Total Nonmajor Proprietary Funds
OPERATING REVENUES			
Charges for services	$ 2,926,194	$ 1,004,676	$ 3,930,870
Commissions	14,924	-	14,924
Other	29,515	16,015	45,530
Total operating revenues	2,970,633	1,020,691	3,991,324
OPERATING EXPENSES			
Salaries	1,393,444	461,140	1,854,584
Fringe benefits	452,408	121,509	573,917
Show expenses	2,242,103	-	2,242,103
Maintenance	266,431	4,172	270,603
Professional services	23,664	52,362	76,026
Insurance	30,570	1,522	32,092
Administration	145,003	30,039	175,042
Travel and training	16,084	-	16,084
Materials and supplies	28,230	353,182	381,412
Expendable equipment and small tools	17,145	1,208	18,353
Utilities	391,718	193	391,911
Miscellaneous	7,719	28	7,747
Depreciation	329,874	3,568	333,442
Amortization	3,027	-	3,027
Total operating expenses	5,347,420	1,028,923	6,376,343
Operating loss	(2,376,787)	(8,232)	(2,385,019)
NONOPERATING REVENUES (EXPENSES)			
Investment income	2,534	-	2,534
Interest expense	(210)	-	(210)
Loss on disposal of capital assets	(15,064)	-	(15,064)
Miscellaneous	11,528	-	11,528
Net nonoperating expenses	(1,212)	-	(1,212)
Loss before transfers	(2,377,999)	(8,232)	(2,386,231)
Capital contributions	168,515	-	168,515
Transfers in	2,552,785	9,000	2,561,785
Change in net position	343,301	768	344,069
Net position, beginning*	1,347,276	(575,288)	771,988
Net position, ending	$ 1,690,577	$ (574,520)	$ 1,116,057

* Restated, due to implementation of the guidance in GASB Statement 101, *Compensated Absences*

CITY OF SALEM, VIRGINIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2025

	Enterprise Funds		
	Civic Center	Catering and Concessions	Total Nonmajor Proprietary Funds
OPERATING ACTIVITIES			
Receipts from customers	$ 4,416,045	$ 995,124	$ 5,411,169
Payments to suppliers	(2,866,352)	(447,497)	(3,313,849)
Payments to employees	(1,880,976)	(584,541)	(2,465,517)
Other receipts	29,515	16,015	45,530
Nonoperating revenue	11,528	-	11,528
Net cash used in operating activities	(290,240)	(20,899)	(311,139)
NONCAPITAL FINANCING ACTIVITIES			
Interfund loan	-	25,000	25,000
Transfers in	2,552,785	9,000	2,561,785
Net cash provided by noncapital financing activities	2,552,785	34,000	2,586,785
CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of capital assets	(511,329)	-	(511,329)
Principal paid on capital debt	(2,957)	-	(2,957)
Interest paid on capital debt	(210)	-	(210)
Net cash used in capital and related financing activities	(514,496)	-	(514,496)
INVESTING ACTIVITIES			
Interest received	2,534	-	2,534
Net cash provided by investing activities	2,534	-	2,534
Net increase in cash and cash equivalents	1,750,583	13,101	1,763,684
Cash and cash equivalents, beginning	146,652	7,138	153,790
Cash and cash equivalents, ending	$ 1,897,235	$ 20,239	$ 1,917,474
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES			
Operating loss	$ (2,376,787)	$ (8,232)	$ (2,385,019)
Adjustments to reconcile operating loss to net cash used in operating activities			
Depreciation and amortization	332,901	3,568	336,469
Nonoperating revenue (expense)	11,528	-	11,528
Pension expense, net of employer contributions	(6,285)	745	(5,540)
OPEB expense, net of employer contributions	(50,711)	(8,204)	(58,915)
Decrease (increase) in assets:			
Receivables, net	64,004	(2,163)	61,841
Inventories	-	(17,738)	(17,738)
Prepaid items	(137,024)	(2,440)	(139,464)
Increase (decrease) in liabilities:			
Accounts payable and accrued liabilities	439,339	15,387	454,726
Accrued payroll and related liabilities	12,275	859	13,134
Unearned revenues	1,410,923	(7,389)	1,403,534
Compensated absences	9,597	4,708	14,305
Net cash used in operating activities	$ (290,240)	$ (20,899)	$ (311,139)

CITY OF SALEM, VIRGINIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2025

	Cardinal Criminal Justice Academy	Court-Community Corrections Program	Total Custodial Funds
ASSETS			
Cash and cash equivalents	$ 647,605	$ 1,694,089	$ 2,341,694
Receivables, net	167	429	596
Due from Commonwealth of Virginia	-	37,133	37,133
Total assets	647,772	1,731,651	2,379,423
LIABILITIES			
Accounts payable and accrued liabilities	18,556	198,009	216,565
Accrued payroll and related liabilities	11,560	24,986	36,546
Due to City of Salem	5,731	10,024	15,755
Unearned revenues	22,313	-	22,313
Total liabilities	58,160	233,019	291,179
NET POSITION			
Restricted for:			
Individuals, organizations, and other governments	589,612	1,498,632	2,088,244
Total net position	$ 589,612	$ 1,498,632	$ 2,088,244

EXHIBIT 29

CITY OF SALEM, VIRGINIA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2025

	Cardinal Criminal Justice Academy	Court-Community Corrections Program	Total Custodial Funds
ADDITIONS			
Funds received for benefit of other organizations	$ 1,066,078	$ 1,619,147	$ 2,685,225
Total additions	1,066,078	1,619,147	2,685,225
DEDUCTIONS			
Funds disbursed for benefit of other organizations	1,024,155	1,759,800	2,783,955
Total deductions	1,024,155	1,759,800	2,783,955
Change in fiduciary net position	41,923	(140,653)	(98,730)
Net position, beginning	547,689	1,639,285	2,186,974
Net position, ending	$ 589,612	$ 1,498,632	$ 2,088,244

CITY OF SALEM, VIRGINIA
BALANCE SHEET
ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF SALEM
GOVERNMENTAL FUND
JUNE 30, 2025

ASSETS	
Cash and cash equivalents	$ 947,887
Receivables, net	14,632,799
Total assets	$ 15,580,686
LIABILITIES	
Accounts payable and accrued liabilities	$ 340,486
Unearned revenue	40,302
Due to primary government	8,060,478
Total liabilities	8,441,266
FUND BALANCE	
Assigned	7,139,420
Total fund balance	7,139,420
Total liabilities and fund balance	$ 15,580,686

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total fund balance of governmental fund	$ 7,139,420
Long-term liabilities related to governmental fund activities are not due and payable in the current period and, therefore, are not reported in the governmental fund.	
Bonds payable	(6,342,618)
Accrued interest	(40,302)
Net position of governmental activities	$ 756,500

CITY OF SALEM, VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF SALEM
GOVERNMENTAL FUND
YEAR ENDED JUNE 30, 2025

REVENUES		
Revenue from use of money and property	$	616,387
Charges for services		37,175
Intergovernmental		393,339
Total revenues		1,046,901
EXPENDITURES		
Community development		461,694
Debt service:		
Principal retirement		472,000
Interest		554,326
Total expenditures		1,488,020
Net change in fund balance		(441,119)
Fund balance, beginning		7,580,539
Fund balance, ending	$	7,139,420

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net change in fund balance of governmental fund	$	(441,119)
Repayment of bond principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position.		
Principal Payments		472,000
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund.		
Change in accrued interest payable		37,000
Change in net position of governmental activities	$	67,881

STATISTICAL SECTION

The Statistical Section of the City of Salem, Virginia's Annual Comprehensive Financial Report presents additional detail, context, and historical information to assist in understanding the information in the financial statements, note disclosures and required supplementary information.

Contents **Page**

Financial Trends 132

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity 137

These schedules contain information to help the reader assess the City's most significant local revenue sources, property tax and sale of electricity.

Debt Capacity 140

These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information 143

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information 145

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the government provides and the activities it performs.

TABLE 1
UNAUDITED

CITY OF SALEM, VIRGINIA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
	(1)					(2)		(3)		(4), (5)
Governmental Activities										
Net investment in capital assets	$ 113,797,282	$ 100,364,933	$ 83,584,944	$ 84,385,804	$ 83,813,635	$ 74,013,712	$ 75,906,865	$ 75,637,028	$ 76,704,584	$ 80,613,041
Restricted	5,947,117	7,592,013	5,873,930	3,242,954	2,264,159	7,407,955	5,868,862	4,211,042	4,247,628	1,962,017
Unrestricted	31,574,626	22,943,910	15,662,342	(15,996,431)	(25,162,020)	(18,144,742)	(21,585,631)	(30,860,648)	(24,252,734)	(33,750,410)
Total governmental activities net position	$ 151,319,025	$ 130,900,856	$ 105,121,216	$ 71,632,327	$ 60,915,774	$ 63,276,925	$ 60,190,096	$ 48,987,422	$ 56,699,478	$ 48,824,648
Business-type activities										
Net investment in capital assets	$ 81,028,131	$ 75,144,888	$ 72,671,638	$ 67,400,911	$ 60,959,490	$ 55,215,300	$ 52,850,038	$ 49,386,338	$ 46,775,751	$ 44,477,804
Unrestricted	58,928,410	58,117,059	53,821,439	48,777,084	47,208,736	47,252,971	42,561,767	37,549,539	34,837,935	29,574,731
Total business-type activities net position	$ 139,956,541	$ 133,261,947	$ 126,493,077	$ 116,177,995	$ 108,168,226	$ 102,468,271	$ 95,411,805	$ 86,935,877	$ 81,613,686	$ 74,052,535
Primary Government										
Net investment in capital assets	$ 194,825,413	$ 175,509,821	$ 156,256,582	$ 151,786,715	$ 144,773,125	$ 129,229,012	$ 128,756,903	$ 125,023,367	$ 123,480,335	$ 125,090,845
Restricted	5,947,117	7,592,013	5,873,930	3,242,954	2,264,159	7,407,955	5,868,862	4,211,042	4,247,628	1,962,017
Unrestricted	90,503,036	81,060,969	69,483,781	32,780,653	22,046,716	29,108,229	20,976,136	6,688,890	10,585,201	(4,175,679)
Total primary government net position	$ 291,275,566	$ 264,162,803	$ 231,614,293	$ 187,810,322	$ 169,084,000	$ 165,745,196	$ 155,601,901	$ 135,923,299	$ 138,313,164	$ 122,877,183

Notes:

Source: City of Salem Finance Department

(1) In 2025, the City implemented GASB Statement No. 101 updating the recognition and measurement of compensated absences.

(2) There were reclassifications within the net position of governmental activities and the net position of the primary government for comparative purposes to conform with the presentation in other fiscal years.

(3) In 2018, the City implemented GASB Statement No. 75 requiring recognition of the net OPEB liability.

(4) Net investment in capital assets of governmental activities and business-type activities were restated to record deferred loss on refunding of debt from the 2015 refunding bonds.

(5) Net investment in capital assets of governmental activities was restated to record deferred loss on refunding of debt from the 2011 refunding bonds.

CITY OF SALEM, VIRGINIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
		(1)	(2)	(3)	(4)	(5)				(6), (7)
Expenses										
Governmental activities:										
General government	$ 11,817,347	$ 10,307,404	$ 8,115,304	$ 6,946,772	$ 7,398,186	$ 7,732,057	$ 5,999,310	$ 6,388,884	$ 6,864,181	$ 5,943,899
Judicial administration	3,015,798	2,813,795	2,601,089	2,460,730	2,685,074	2,427,038	2,019,802	2,009,007	2,072,538	1,934,263
Public safety	23,960,886	22,011,293	20,216,655	18,560,637	19,746,567	19,710,088	15,953,011	15,776,102	17,011,463	15,753,795
Public works	15,791,472	12,381,212	11,351,657	10,777,374	16,605,367	10,268,769	9,434,930	11,617,750	12,228,329	16,652,913
Health and welfare	7,699,952	6,720,651	5,838,663	5,441,656	5,707,730	4,969,943	4,014,354	3,318,498	3,026,330	2,974,663
Education	23,781,130	24,053,049	25,147,133	26,611,308	34,606,636	25,341,148	21,032,249	20,170,298	19,760,242	19,739,512
Parks, recreation and cultural	9,905,247	7,827,132	8,020,313	6,835,914	6,871,297	6,286,470	6,300,706	6,129,809	5,937,858	5,335,902
Community development	4,274,139	3,235,907	3,248,148	2,748,883	3,046,081	3,392,520	3,173,232	3,429,290	3,296,760	2,107,808
Interest and other fiscal changes	1,523,071	1,764,519	1,803,089	1,567,370	1,598,185	1,312,981	1,008,095	950,247	988,059	1,011,115
Total governmental activities	101,769,042	91,114,962	86,342,051	81,950,644	98,265,123	81,441,014	68,935,689	69,789,885	71,185,760	71,453,870
Business-type activities:										
Electric	46,231,865	44,470,881	40,754,144	35,521,249	32,791,502	32,282,516	33,022,574	31,361,242	31,628,232	30,200,956
Water and sewer	12,329,606	11,310,175	10,479,500	9,902,890	10,491,167	10,141,238	9,538,640	9,206,719	9,776,628	10,000,056
Civic Center	5,362,694	5,846,055	5,107,817	4,085,173	2,693,683	4,382,316	4,291,121	4,708,634	4,046,125	4,103,577
Catering and concessions	1,028,923	918,668	918,177	738,240	457,944	875,293	937,758	981,396	933,894	980,147
Total business-type activities	64,953,088	62,545,779	57,259,638	50,247,552	46,434,296	47,681,363	47,790,093	46,257,991	46,384,879	45,284,736
Total Primary Government	$ 166,722,130	$ 153,660,741	$ 143,601,689	$ 132,198,196	$ 144,699,419	$ 129,122,377	$ 116,725,782	$ 116,047,876	$ 117,570,639	$ 116,738,606
Program revenues										
Governmental activities:										
Charges for services										
Public safety	$ 1,930,505	$ 2,448,408	$ 2,411,593	$ 1,516,411	$ 1,406,150	$ 1,378,117	$ 1,487,180	$ 1,358,612	$ 1,237,985	$ 1,281,509
Public works	1,922,468	1,924,909	1,938,610	1,964,802	1,888,588	1,859,310	1,488,934	1,528,945	2,563,620	4,706,219
Other activities	1,290,412	1,290,811	1,116,519	975,700	724,797	777,397	981,634	1,162,193	1,254,639	779,384
Operating grants and contributions	12,906,230	12,123,594	10,842,557	9,863,682	9,856,578	9,458,112	8,466,964	8,207,848	8,318,690	7,623,373
Capital grants and contributions	7,650,691	4,607,372	1,490,232	1,950,019	8,608,472	1,344,324	566,366	1,403,327	202,451	80,406
Total governmental activities	25,700,306	22,395,094	17,799,511	16,270,614	22,484,585	14,817,260	12,991,078	13,660,925	13,577,385	14,470,891
Business-type activities:										
Charges for services										
Electric	51,854,469	46,176,847	40,266,130	40,294,957	38,045,804	38,441,256	39,719,859	40,153,923	39,437,330	38,080,149
Water and sewer	16,261,188	15,425,936	14,554,254	14,664,782	14,200,570	14,222,844	14,165,379	14,009,576	13,530,659	13,537,310
Civic Center	2,970,633	3,676,431	3,170,486	2,595,998	522,276	2,282,153	2,745,582	3,106,144	2,475,661	2,313,348
Catering and concessions	1,020,691	1,072,705	874,199	698,317	206,559	674,404	778,605	922,287	819,571	935,973
Operating grants and contributions										
Electric	-	-	-	37,718	-	-	-	-	-	-
Civic Center	-	-	-	1,268,542	-	-	-	-	-	-
Water and sewer	11,780	-	14,465	27,015	-	-	-	-	-	-
Capital grants and contributions										
Electric	-	-	11,308	-	-	78,034	-	124,385	-	-
Civic Center	-	-	-	-	-	-	-	51,133	-	-
Water and sewer	-	-	34,000	162,746	541,915	-	-	-	-	-
Total business-type activities	72,118,761	66,351,919	58,924,842	59,750,075	53,517,124	55,698,691	57,409,425	58,367,448	56,263,221	54,866,780
Total Primary Government	$ 97,819,067	$ 88,747,013	$ 76,724,353	$ 76,020,689	$ 76,001,709	$ 70,515,951	$ 70,400,503	$ 72,028,373	$ 69,840,606	$ 69,337,671

(Continued)

CITY OF SALEM, VIRGINIA
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Net (expense) revenue										
Total governmental activities	$ (76,068,736)	$ (68,719,868)	$ (68,542,540)	$ (65,680,030)	$ (75,780,538)	$ (66,623,754)	$ (55,944,611)	$ (56,128,960)	$ (57,608,375)	$ (56,982,979)
Total business-type activities	7,165,673	3,806,140	1,665,204	9,502,523	7,082,828	8,017,328	9,619,332	12,109,457	9,878,342	9,582,044
Total primary government	$ (68,903,063)	$ (64,913,728)	$ (66,877,336)	$ (56,177,507)	$ (68,697,710)	$ (58,606,426)	$ (46,325,279)	$ (44,019,503)	$ (47,730,033)	$ (47,400,935)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	$ 53,589,523	$ 48,976,596	$ 45,224,724	$ 43,037,351	$ 40,367,128	$ 38,374,597	$ 36,825,133	$ 35,688,231	$ 35,631,665	$ 34,610,154
Local sales and use taxes	9,779,960	9,688,961	9,493,549	9,071,908	7,837,554	7,661,772	7,296,272	7,015,296	7,174,034	6,638,448
Business license taxes	8,041,846	7,165,291	6,848,042	6,176,361	5,546,287	5,572,638	5,615,337	5,333,382	5,320,865	5,391,215
Meals taxes	6,763,479	6,769,573	6,434,438	5,835,238	4,973,630	4,747,513	5,085,168	4,802,780	4,718,631	4,715,137
Utility taxes	1,233,253	1,232,597	1,222,533	1,220,636	1,179,676	1,190,153	1,203,020	1,208,943	1,182,963	1,169,894
Lodging taxes	1,930,051	1,913,896	1,813,117	1,674,212	990,879	1,122,580	1,328,739	1,232,470	1,201,759	1,170,289
Other taxes	2,796,728	2,826,777	2,707,856	2,755,457	2,589,185	2,337,148	2,713,735	2,765,227	2,706,305	2,699,122
Intergovernmental revenue not restricted	3,607,269	9,237,446	29,633,059	3,728,399	7,160,161	5,003,579	3,951,338	3,952,121	3,941,937	3,989,413
Unrestricted investment earnings	7,280,654	8,323,505	5,704,295	420,399	248,514	1,707,740	994,037	752,672	554,437	269,350
Gain on disposal of capital assets	40,766	137,213	81,145	105,486	93,131	40,778	44,471	35,647	20,985	100,081
Gain on lease modification	-	-	1,394	-	-	-	-	-	-	-
Other	995,275	907,058	1,379,633	743,542	744,086	641,479	757,329	626,372	676,502	986,182
Transfers	580,275	(2,679,405)	(8,522,956)	1,627,594	1,689,156	1,310,606	1,332,706	2,008,304	2,353,122	2,133,023
Total governmental activities	96,639,079	94,499,508	102,020,829	76,396,583	73,419,387	69,710,583	67,147,285	65,421,445	65,483,205	63,872,308
Business-type activities:										
Unrestricted investment earnings	155,969	83,941	93,159	94,733	85,199	166,317	189,302	78,511	35,931	93
Gain on disposal of capital assets	-	26,034	7,800	40,107	-	-	-	8,483	-	1,435
Other	21,707	173,350	25,963	-	221,084	183,427	-	-	-	-
Transfers	(580,275)	2,679,405	8,522,956	(1,627,594)	(1,689,156)	(1,310,606)	(1,332,706)	(2,008,304)	(2,353,122)	(2,133,023)
Total business-type activities	(402,599)	2,962,730	8,649,878	(1,492,754)	(1,382,873)	(960,862)	(1,143,404)	(1,921,310)	(2,317,191)	(2,131,495)
Total Primary Government	$ 96,236,480	$ 97,462,238	$ 110,670,707	$ 74,903,829	$ 72,036,514	$ 68,749,721	$ 66,003,881	$ 63,500,135	$ 63,166,014	$ 61,740,813
Changes in Net Position										
Total governmental activities	$ 20,570,343	$ 25,779,640	$ 33,478,289	$ 10,716,553	$ (2,361,151)	$ 3,086,829	$ 11,202,674	$ 9,292,485	$ 7,874,830	$ 6,889,329
Total business-type activities	6,763,074	6,768,870	10,315,082	8,009,769	5,699,955	7,056,466	8,475,928	10,188,147	7,561,151	7,450,549
Total Primary Government	$ 27,333,417	$ 32,548,510	$ 43,793,371	$ 18,726,322	$ 3,338,804	$ 10,143,295	$ 19,678,602	$ 19,480,632	$ 15,435,981	$ 14,339,878

Notes:
(1) Education expenses of governmental activities include $801,131 of bond funds transferred to the School Division to fund capital projects.
(2) Education expenses of governmental activities include $3,091,222 of bond funds transferred to the School Division to fund capital projects.
(3) Education expenses of governmental activities include $5,277,634 of bond funds transferred to the School Division to fund capital projects.
(4) Education expenses of governmental activities include $14,384,051 of bond funds transferred to the School Division to fund capital projects.
(5) Education expenses of governmental activities include $3,445,962 of bond funds transferred to the School Division to fund capital projects.
(6) Interest and other fiscal charges of governmental activities and Electric expenses of business-type activities were restated to record amortization of the deferred loss on refunding of debt from the 2015 refunding bonds.
(7) Interest and other fiscal charges of governmental activities was restated to record amortization of the deferred loss on refunding on debt from the 2011 refunding bonds.

TABLE 3
UNAUDITED

CITY OF SALEM, VIRGINIA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Fund										
Nonspendable	$ 1,171,904	$ 965,372	$ 1,063,868	$ 1,074,923	$ 788,399	$ 1,009,261	$ 862,437	$ 694,658	$ 588,204	$ 567,605
Restricted	4,840,767	6,382,834	5,180,884	3,242,954	2,264,159	7,407,955	5,868,862	4,071,765	4,245,248	1,959,638
Committed	202,757	169,432	132,023	129,601	97,692	120,291	110,092	94,789	89,261	76,219
Assigned	2,349,089	1,906,015	1,462,671	816,915	875,274	857,041	697,043	741,677	672,251	743,727
Unassigned	59,993,132	55,805,979	67,758,976	55,175,870	45,953,252	37,456,968	32,652,599	28,803,322	22,212,433	15,701,124
Total General Fund	$ 68,557,649	$ 65,229,632	$ 75,598,422	$ 60,440,263	$ 49,978,776	$ 46,851,516	$ 40,191,033	$ 34,406,211	$ 27,807,397	$ 19,048,313
All Other Governmental Funds										
Restricted	$ -	$ -	$ 4,996,422	$ 19,276,969	$ 10,729,118	$ 27,358,827	$ 1,983,825	$ 935,933	$ 2,894,061	$ 4,193,169
Committed	-	-	-	-	-	-	-	-	54,458	81,754
Assigned	33,788,739	30,516,440	16,424,188	2,984,364	2,008,162	1,320,266	736,959	551,356	342,149	63,848
Total all other governmental funds	$ 33,788,739	$ 30,516,440	$ 21,420,610	$ 22,261,333	$ 12,737,280	$ 28,679,093	$ 2,720,784	$ 1,487,289	$ 3,290,668	$ 4,338,771

Notes:
Source: City of Salem Finance Department

TABLE 4
UNAUDITED

CITY OF SALEM, VIRGINIA
CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues										
Taxes	$ 84,396,673	$ 78,907,278	$ 74,319,139	$ 69,975,513	$ 63,943,565	$ 61,066,795	$ 60,404,459	$ 58,583,459	$ 58,668,891	$ 57,116,158
Permits, fees and licenses	545,820	356,407	404,802	411,600	340,649	349,081	343,811	313,860	277,582	394,968
Fines and forfeitures	109,894	128,427	140,085	123,352	62,489	64,460	109,705	137,911	145,820	116,417
Revenue from use of money and property	7,474,225	8,532,059	5,946,070	750,535	568,607	1,992,301	1,293,449	1,049,368	842,624	531,379
Charges for services	3,969,716	3,819,647	3,632,128	3,561,617	3,217,818	3,576,056	3,212,585	3,118,065	4,192,436	6,075,639
Other	672,236	823,234	1,125,713	382,382	354,698	277,828	250,381	496,510	409,131	357,115
Intergovernmental	24,154,514	26,036,853	42,098,063	14,553,949	18,781,397	15,762,773	13,165,857	13,360,836	12,652,827	11,603,416
Total revenues	121,323,078	118,603,905	127,666,000	89,758,948	87,269,223	83,089,294	78,780,247	77,060,009	77,189,311	76,195,092
Expenditures										
General government	11,964,412	11,778,545	8,455,102	6,844,143	6,679,583	6,703,274	6,152,838	5,679,004	6,410,086	5,918,110
Judicial administration	3,081,753	3,063,652	2,562,166	2,458,099	2,368,502	2,180,401	2,092,625	2,033,068	2,018,898	2,026,255
Public safety	24,980,954	23,473,802	19,271,847	17,737,298	17,615,998	17,368,101	16,112,960	15,741,300	16,403,627	15,824,899
Public works	14,129,162	11,474,380	9,346,515	9,044,426	15,144,607	8,507,779	8,289,463	9,796,765	8,452,569	14,672,498
Health and welfare	7,699,952	6,720,651	5,655,241	5,253,983	5,523,827	4,779,853	3,877,830	3,202,498	2,909,343	2,827,459
Education	23,781,130	24,053,049	25,147,133	26,611,308	34,606,636	25,341,148	21,026,377	20,170,298	19,760,242	19,739,512
Parks, recreation and cultural	8,797,570	7,557,174	6,679,800	5,967,259	5,471,944	5,134,939	5,225,517	5,106,766	5,071,566	4,482,414
Community development	3,943,657	3,322,389	3,973,627	2,780,253	2,864,732	3,255,301	4,582,992	3,340,911	3,178,844	1,087,606
Risk management	-	-	2,178,901	2,168,819	2,187,212	2,210,715	2,018,406	1,978,778	2,085,343	3,240,075
Capital projects	12,634,947	20,186,760	15,777,799	2,919,667	4,256,021	2,768,847	4,886,835	3,302,614	1,674,861	2,187,595
Debt service:										
Principal retirement	4,762,399	4,269,847	3,972,272	3,230,483	3,285,371	3,017,446	3,056,511	3,055,319	3,082,999	2,988,314
Interest	1,849,119	2,084,011	2,013,016	1,680,772	1,649,830	928,405	831,282	908,720	960,419	941,386
Bond issuance cost	-	-	-	79,400	61,160	350,394	73,849	-	-	32,987
Total expenditures	117,625,055	117,984,260	105,033,419	86,775,910	101,715,423	82,546,603	78,227,485	74,316,041	72,008,797	75,969,110
Excess (deficiency) of revenues over (under) expenditures	3,698,023	619,645	22,632,581	2,983,038	(14,446,200)	542,691	552,762	2,743,968	5,180,514	225,982
Other Financing Sources (Uses)										
Issuance of long-term debt	302,674	-	-	15,080,000	-	26,555,000	5,025,000	-	-	5,281,400
Issuance of refunding bonds	-	-	-	-	1,555,000	5,799,023	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	(1,493,089)	(7,074,459)	-	-	-	-
Premium on sale of bonds	-	-	-	-	-	5,262,352	-	-	-	-
Proceeds from sale of capital assets	27,809	140,408	72,614	155,902	92,605	40,778	41,167	34,084	177,345	211,254
Issuance of financed purchase obligation	-	-	-	-	-	72,648	-	-	-	375,000
Inception of leases	74,697	8,200	26,335	63,096	-	-	-	-	-	-
Inception of subscriptions	1,640,647	677,759	28,159	-	-	-	-	-	-	-
Insurance recoveries	107,676	40,433	116,372	75,910	21,835	72,653	66,682	9,079	-	-
Transfers in	18,152,013	39,830,257	50,766,544	9,837,192	9,229,573	7,880,961	7,552,251	7,383,186	7,676,999	7,930,241
Transfers out	(17,403,223)	(42,589,662)	(59,325,169)	(8,209,598)	(7,774,277)	(6,532,855)	(6,219,545)	(5,374,882)	(5,323,877)	(5,797,218)
Total other financing sources, net	2,902,293	(1,892,605)	(8,315,145)	17,002,502	1,631,647	32,076,101	6,465,555	2,051,467	2,530,467	8,000,677
Net change in fund balances	$ 6,600,316	$ (1,272,960)	$ 14,317,436	$ 19,985,540	$ (12,814,553)	$ 32,618,792	$ 7,018,317	$ 4,795,435	$ 7,710,981	$ 8,226,659
Debt service as a percentage of noncapital expenditures	6.68%	6.88%	6.99%	6.03%	5.29%	5.09%	5.53%	5.62%	5.87%	5.44%

Notes:
Source: City of Salem Finance Department

CITY OF SALEM
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Real Estate		Personal Property		Machinery and Tools		Public Service Corporation		Mobile Homes		Total Taxable Assessed Value	Total Direct Tax Rate
	Assessed Value	Direct Tax Rate	Assessed Value	Direct Tax Rate	Assessed Value	Direct Tax Rate	Assessed Value	Direct Tax Rate	Assessed Value	Direct Tax Rate		
2025	$ 3,069,895,904	$1.20	$ 443,012,076	$3.40	$ 113,708,064	$3.20	$ 95,722,790	$1.20	$ 648,276	$1.20	$ 3,722,987,110	$1.52
2024	2,790,455,995	1.20	419,542,318	3.40	108,078,260	3.20	66,002,253	1.20	690,909	1.20	3,384,769,735	1.53
2023	2,531,447,388	1.20	409,058,153	3.40	98,620,864	3.20	62,248,749	1.20	732,557	1.20	3,102,107,711	1.55
2022	2,384,635,100	1.20	417,131,385	3.40	102,879,430	3.20	65,235,010	1.20	741,052	1.20	2,970,621,977	1.54
2021	2,296,615,563	1.20	346,874,881	3.40	99,551,587	3.20	64,324,330	1.20	827,954	1.20	2,808,194,315	1.54
2020	2,223,003,261	1.20	319,099,250	3.40	98,084,487	3.20	60,840,085	1.20	758,822	1.20	2,701,785,905	1.54
2019	2,144,567,539	1.18	310,426,127	3.25	91,646,255	3.20	53,418,469	1.18	749,392	1.18	2,600,807,782	1.51
2018	2,092,863,676	1.18	306,890,700	3.25	97,999,444	3.20	51,247,569	1.18	816,174	1.18	2,549,817,563	1.50
2017	2,054,446,049	1.18	312,495,313	3.25	89,186,639	3.20	44,507,648	1.18	984,368	1.18	2,501,620,017	1.51
2016	2,022,951,024	1.18	295,173,346	3.25	91,322,128	3.20	41,308,358	1.18	1,059,063	1.18	2,451,813,919	1.50

Note:
Source: City of Salem Finance Department
Tax rates are per $100 of assessed value.

TABLE 6
UNAUDITED

CITY OF SALEM, VIRGINIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN CALENDAR YEARS

Calendar Year Ended December 31,	Taxes Levied for the Calendar Year	Collected within the Calendar Year of the Levy		Supplemental Assessments & Exonerations Levied in Subsequent Years	Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy			Amount	Percentage of Levy
2025	$ 53,794,443	$ 50,966,204	94.74%	$ -	$ -	$ 50,966,204	94.74%
2024	49,017,765	46,765,355	95.40%	101,289	1,533,499	48,298,854	98.33%
2023	45,280,224	43,064,907	95.11%	1,364	1,697,537	44,762,444	98.85%
2022	43,896,135	41,921,818	95.50%	35,344	1,608,101	43,529,919	99.09%
2021	40,322,441	38,719,642	96.03%	(7,635)	1,274,319	39,993,961	99.20%
2020	38,547,607	35,634,651	92.44%	29,391	2,648,125	38,282,776	99.24%
2019	36,274,839	35,191,478	97.01%	170,855	1,212,388	36,403,866	99.89%
2018	35,837,963	34,375,408	95.92%	(350,519)	1,077,603	35,453,011	99.90%
2017	35,253,119	34,012,836	96.48%	(71,996)	1,140,036	35,152,872	99.92%
2016	33,896,364	32,608,317	96.20%	(19,524)	1,223,086	33,831,403	99.87%

Notes:
Source: City of Salem Finance Department
In 2020, the due date for the second half of Real Estate and Personal Property was extended to June 30th due to the COVID-19 pandemic.

TABLE 7
UNAUDITED

CITY OF SALEM, VIRGINIA
PRINCIPAL REAL ESTATE PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	2025			2016		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Lewis-Gale Medical Center LLC (1)	$ 74,578,700	1	2.26%	$ 39,425,000	1	1.92%
Carter Machinery/Carthy Corp/Mount Sinai	21,009,200	2	0.64%	7,586,000	10	0.37%
Lowes/NS Retail Holdings LLC (2)	18,373,400	3	0.56%	12,462,800	4	0.61%
Valleydale Catalyst LLC	17,212,100	4	0.52%			
Yokohama Industries	16,393,000	5	0.50%	13,946,300	3	0.68%
Woodrock Riverwalk LLC	15,289,900	6	0.46%			
Spartan Square/EGAP SALEM I LLC (5)	14,724,100	7	0.45%	10,758,000	5	0.52%
Phoenix Salem Industrial	13,488,100	8	0.41%			
US Foods/USF PROPCO I LLC (3)	13,068,000	9	0.40%	10,708,600	6	0.52%
Chateau Riviera Apts/CSW Associates	12,500,100	10	0.38%	9,694,200	7	0.47%
Friendship Salem Terrace LLC (4)				8,361,700	9	0.41%
Lewis-Gale Clinic/HRT				22,324,900	2	1.09%
General Electric				9,635,900	8	0.47%

Notes:
Source: City of Salem Real Estate Valuation Department
(1) In 2018, Lewis-Gale Medical Center LLC acquired the assets of Lewis-Gale Hospital HCA and Lewis Gale Clinic/HRT.
(2) In 2020, Lowes transferred from VALO LLC to NS Retail Holdings LLC
(3) Formerly U.S Food Service Inc.
(4) Formerly Salem Terrace/White Whale in 2015
(5) Formerly Spartan Square Inc.

TABLE 8
UNAUDITED

CITY OF SALEM, VIRGINIA
PRINCIPAL ELECTRIC CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

	2025			2016		
Customer	Services Billed	Rank	Percentage of Total Services Billed	Services Billed	Rank	Percentage of Total Services Billed
Lewis Gale Hospital HCA	$ 3,299,535	1	6.33%	$ 2,314,623	1	6.15%
Roanoke College	2,152,355	2	4.13%	1,100,873	2	2.92%
Lake Region Medical (Formerly Accellent)	1,491,636	3	2.86%			
Graham White	1,128,150	4	2.16%	936,100	3	2.49%
U.S. Food Service, Inc.	941,368	5	1.81%	761,374	5	2.02%
Carter Machinery Co.	790,305	6	1.52%	493,743	9	1.31%
Rowe Furniture/Salem Frame	790,211	7	1.52%	781,541	4	2.08%
Sewell Products	756,572	8	1.45%	564,446	8	1.50%
Kroger	685,990	9	1.32%	596,422	7	1.58%
Novozymes	580,639	10	1.11%			
Accellent Nobel-Met				666,039	6	1.77%
Walmart				357,403	10	0.95%

Note:
Source: City of Salem Finance Department

CITY OF SALEM, VIRGINIA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities: General Obligation Bonds (1)	Business-Type Activities: General Obligation Bonds	Total Primary Government
2025	$ 56,349,429	$ 24,503,105	$ 80,852,534
2024	60,402,408	25,237,394	85,639,802
2023	64,619,132	29,177,914	93,797,046
2022	68,803,018	32,714,325	101,517,343
2021	57,250,371	35,559,482	92,809,853
2020	60,686,620	39,296,513	99,983,133
2019	32,910,038	40,780,877	73,690,915
2018	30,897,265	41,669,640	72,566,905
2017	33,916,905	45,723,894	79,640,799
2016	36,971,375	49,665,950	86,637,325

Fiscal Year	Total Taxable Assessed Value (2)	Percentage of Estimated Actual Value of Taxable Property	Population (3)	Bonded Debt Per Capita	Per Capita Personal Income (3)	Percentage of Bonded Debt Per Capita to Per Capita Personal Income
2025	$ 3,722,987,110	2.17%	25,346	$ 3,190	$ 63,792	5.00%
2024	3,384,769,735	2.53%	25,600	3,345	59,109	6.00%
2023	3,102,107,711	3.02%	25,523	3,675	57,434	6.00%
2022	2,970,621,977	3.42%	25,373	4,001	54,977	7.00%
2021	2,808,194,315	3.30%	25,346	3,662	53,489	7.00%
2020	2,701,785,905	3.70%	25,301	3,952	52,248	8.00%
2019	2,600,807,782	2.83%	25,643	2,874	49,860	6.00%
2018	2,549,817,563	2.85%	25,862	2,806	48,384	6.00%
2017	2,501,620,017	3.18%	25,549	3,117	48,047	6.00%
2016	2,451,813,919	3.53%	25,432	3,407	45,577	7.00%

Notes:

Source: City of Salem Finance Department

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

The City is independent from any county, town, or other political subdivision of the Commonwealth of Virginia. There is no overlapping general obligation debt or taxing power.

(1) Outstanding debt for the School Division is included with Governmental Activities.

(2) See Table 5 for assessed value of taxable property.

(3) See Table 12 for population and per capita personal income.

CITY OF SALEM, VIRGINIA
RATIOS OF OUTSTANDING DEBT
LAST TEN FISCAL YEARS

	Governmental Activities				Business-Type Activities					
Fiscal Year	General Obligation Bonds	Financed Purchase Obligation	Lease Liability	Subscription Liability	General Obligation Bonds	Lease Liability	Subscription Liability	Primary Government Outstanding Debt	Primary Government Outstanding Debt as a Percentage of Personal Income	Primary Government Outstanding Debt Per Capita
	(1)		(2)	(3)			(3)		(4)	(4)
2025	$ 56,349,429	$ 239,257	$ 91,670	$ 1,098,361	$ 24,503,105	$ 12,575	$ 9,476	$ 82,303,873	1.05%	$ 3,247
2024	60,402,408	-	44,281	413,933	25,237,394	13,107	-	86,111,123	1.19%	3,364
2023	64,619,132	14,529	63,284	86,014	29,177,914	20,258	-	93,981,131	1.34%	3,682
2022	68,803,018	29,059	117,998	-	32,714,325	5,637	-	101,670,037	1.54%	4,007
2021	57,250,371	43,589	-	-	35,559,482	-	-	92,853,442	1.45%	3,663
2020	60,686,620	99,520	-	-	39,296,513	-	-	100,082,653	1.60%	3,956
2019	32,910,038	121,467	-	-	40,780,877	-	-	73,812,382	1.24%	2,878
2018	30,897,265	198,016	-	-	41,669,640	-	-	72,764,921	1.26%	2,814
2017	33,916,905	271,203	-	-	45,723,894	-	-	79,912,002	1.39%	3,128
2016	36,971,375	341,175	-	-	49,665,950	-	-	86,978,500	1.60%	3,420

Notes:
Source: City of Salem Finance Department
Details regarding the City's outstanding debt can be found in the notes to the financial statements.
The City is independent from any county, town, or other political subdivision of the Commonwealth of Virginia. There is no overlapping general obligation debt or taxing power.
(1) Outstanding debt for the School Division is included with Governmental Activities.
(2) In 2022, the City implemented GASB Statement No. 87 requiring recognition of certain lease assets and liabilities for lessees that were classified previously as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contracts. Comparative prior year information has not been restated because the necessary information is not available.
(3) In 2023, the City implemented GASB Statement No. 96 requiring recognition of certain subscription-based information technology arrangements as subscription assets and corresponding subscription liabilities. Comparative prior year information has not been restated because the necessary information is not available.
(4) See Table 12 for population and per capita personal income.

CITY OF SALEM, VIRGINIA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year	Assessed Value of Real Property	Debt Limit 10% of Assessed Value	Amount of Debt Applicable to Limit: Total General Obligation Bonds	Financed Purchase Obligation	Enterprise Bonds	RVRA Supported Debt	Net Debt Applicable to Limit	Legal Debt Margin	Net Debt Applicable to Limit as a Percent of Debt Limit
	(1)				(2)		(3)		
2025	$ 3,165,618,694	$ 316,561,869	$ 80,852,534	$ 239,257	$ (24,503,105)	$ -	$ 56,588,686	$ 259,973,183	17.88%
2024	2,856,458,248	285,645,825	85,639,802	-	(25,237,394)	-	60,402,408	225,243,417	21.15%
2023	2,593,696,137	259,369,614	93,797,046	14,529	(29,177,914)	(189,981)	64,443,680	194,925,934	24.85%
2022	2,449,870,110	244,987,011	101,517,343	29,059	(32,714,325)	(385,416)	68,446,661	176,540,350	27.94%
2021	2,360,939,893	236,093,989	92,809,853	43,589	(35,559,482)	(585,396)	56,708,564	179,385,425	24.02%
2020	2,283,843,346	228,384,335	99,983,133	99,520	(39,296,513)	(789,921)	59,996,219	168,388,116	26.27%
2019	2,197,986,008	219,798,601	73,690,915	121,467	(40,780,877)	(998,082)	32,033,423	187,765,178	14.57%
2018	2,144,111,245	214,411,125	72,566,905	198,016	(41,669,640)	(1,209,879)	29,885,402	184,525,723	13.94%
2017	2,098,953,697	209,895,370	79,640,799	271,203	(45,723,894)	(1,425,312)	32,762,796	177,132,574	15.61%
2016	2,064,259,382	206,425,938	86,637,325	341,175	(49,665,950)	-	37,312,550	169,113,388	18.08%

Notes:
Source: City of Salem Finance Department
(1) Includes real estate and public service corporation assessments from Table 5.
(2) The Enterprise Fund bonds are backed by the full faith and credit of the City but are expected to be paid from the revenue and receipts of the Enterprise Funds.
(3) School debt is included in the amount of debt applicable to limit.

TABLE 12
UNAUDITED

CITY OF SALEM, VIRGINIA
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year Ended	Population	Total Personal Income (In Thousands)	Per Capita Personal Income	Public School Enrollment	Unemployment Rate
(1)	(2)	(3)	(3)	(4)	(5)
2025	25,346	$ 7,822,610	$ 63,792	3,925	3.8%
2024	25,600	7,237,160	59,109	4,273	3.2%
2023	25,523	7,004,787	57,434	3,650	3.0%
2022	25,373	6,588,916	54,977	3,701	3.0%
2021	25,346	6,391,212	53,489	3,756	4.0%
2020	25,301	6,254,966	52,248	3,882	7.7%
2019	25,643	5,962,802	49,860	3,872	2.9%
2018	25,862	5,785,780	48,384	3,889	3.4%
2017	25,549	5,758,037	48,047	3,843	4.1%
2016	25,432	5,435,865	45,577	3,751	4.0%

Notes:

(1) Population, public school enrollment and unemployment rate figures are based on fiscal years ending June 30. Per capita personal income figures are as of November.

(2) Population is based on intercensal estimates of the resident population for counties of Virginia: U.S Census Bureau, Population Division. Population was obtained from U.S. Census Bureau Population Estimates Program.

(3) Bureau of Economic Analysis (BEA). Total personal income reported is for Roanoke County and the City of Salem. No data is available for the City of Salem only. Per capita personal income was computed using Census Bureau midyear population estimates.

(4) Director of Business, School Division. In fiscal year 2025, the School Division offered an online option with 342 students enrolled. In-school enrollment was 3,583. Total enrollment for the School Division was 3,925.

(5) Virginia Employment Commission

TABLE 13
UNAUDITED

CITY OF SALEM, VIRGINIA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2025			2016		
Employer	**Rank**	**Ownership**	**Number of Employees**	**Rank**	**Ownership**	**Number of Employees**
			(1)			(1)
Veterans Administration Medical Center	1	Fed Govt.	1,500-1,800	1	Fed Govt.	1,800-2,000
Lewis-Gale Hospital HCA	2	Private	1,100-1,300	2	Private	1,300-1,500
Virginia Department of Transportation	3	State Govt.	600-700			
Yokohama Industries	4	Private	600-700	3	Private	800-1,000
Lewis Gale Physicians	5	Private	500-600	5	Private	500-700
City of Salem Schools	6	Local Govt.	500-600	6	Local Govt.	500-600
Integer	7	Private	475-575			
Roanoke College	8	Private	400-500	8	Private	400-500
City of Salem	9	Local Govt.	400-500	7	Local Govt.	400-500
Carter Machinery	10	Private	300-500			
U.S. Foodservice, Inc.				10	Private	400-500
General Electric				4	Private	600-800
Kroger				9	Private	400-500

Notes:
Source: City of Salem Economic Development
(1) The percentage of total employment each employer represents is unavailable.

TABLE 14
UNAUDITED

CITY OF SALEM, VIRGINIA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General government	68	70	74	74	71	77	71	76	70	69
Judicial administration	22	24	23	22	22	22	21	19	20	18
Public safety	161	166	159	158	163	166	167	153	152	157
Public works	82	84	86	79	80	84	84	82	79	89
Parks, recreation and cultural	34	34	33	34	33	34	33	32	30	32
Community development	6	4	3	3	2	3	3	3	3	2
Electric	25	23	23	27	23	28	29	28	27	27
Water and sewer	47	51	46	46	49	48	49	48	47	48
Civic Center	17	16	17	16	17	19	18	15	15	16
Catering and concessions	3	4	3	2	3	3	4	4	4	4
Total	465	476	467	461	463	484	479	460	447	462

Note:
Source: City of Salem Finance Department

CITY OF SALEM, VIRGINIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General government										
Finance										
Accounts payable checks issued	11,010	10,307	22,768	10,600	11,518	10,983	10,817	9,926	10,942	9,238
Human resources										
Positions filled (full-time and temporary)	158	267	183	223	126	138	156	164	158	154
Registrar										
Number of registered voters	17,909	17,909	17,727	17,756	17,542	17,158	16,785	16,887	16,704	16,584
Fleet										
Pieces of equipment maintained	537	525	560	584	593	573	576	568	575	567
Judicial administration										
Sheriff										
Inmates housed	1,823	1,777	1,622	1,867	1,987	2,373	2,790	2,961	3,132	2,681
Inmate transports	830	750	779	427	354	1,039	1,479	1,489	1,333	1,222
Courts worked	437	414	433	536	589	500	462	525	680	595
Public safety										
Police										
Calls for service	42,753	39,674	41,345	44,501	40,504	35,830	30,790	32,905	31,651	27,017
Accidents	614	937	1,052	911	830	917	1,079	1,026	1,015	1,108
DUI Arrests	80	125	53	58	60	66	109	137	91	92
Fire										
Calls for service	6,000	5,690	5,721	5,875	5,272	5,123	5,264	5,135	4,872	4,274
Emergency Responses - Fire	88	96	83	80	79	95	82	111	93	95
Emergency Responses - EMS	4,946	4,710	4,664	4,855	4,278	4,122	4,321	4,169	4,048	3,446
Building inspections										
Residential construction permits	144	168	163	187	183	177	181	188	175	158
Commercial construction permits	90	74	93	93	104	98	126	133	120	133
Public works										
Refuse collection										
Refuse collected (tons per year)*	15,248	15,021	15,000	15,351	16,040	17,424	16,409	16,261	18,208	88,565
Tons recycled	2,592	2,382	2,836	1,599	3,195	4,350	7,419	9,139	9,152	5,060
Other public works										
Tons of asphalt used in resurfacing	11,614	5,659	2,650	-	27,480	-	-	13,263	-	15,453
Square yards of milling completed	222,591	91,164	44,254	-	546,965	1,208	-	219,862	-	302,937
Tons of salt used	1,615	420	15	729	650	85	915	1,330	315	848
Leaves collected (loads)	338	205	331	285	246	335	302	350	113	295
Parks, recreation and cultural										
Parks and recreation										
Tournaments hosted	28	25	19	35	41	23	58	52	48	52
Special events held	26	24	25	27	22	29	35	28	26	25
Youth sports teams	116	125	133	127	51	130	135	148	151	151
Adult sports teams	17	21	23	20	17	34	30	27	28	29
Library										
Circulation	177,446	163,539	166,179	148,771	86,953	147,646	194,000	212,350	227,443	230,454
Children's program attendance	5,101	3,705	4,292	1,862	2,149	5,077	9,516	10,901	7,226	8,972
Patron visits to the library	73,043	71,993	74,425	71,798	27,034	102,485	152,091	167,389	170,879	172,012
New patrons	772	1,366	1,382	830	188	773	769	904	879	968
Internet sessions	25,313	33,630	29,386	26,022	26,332	41,008	55,932	39,884	28,554	25,944
Electric										
Number of customer accounts	13,267	13,104	13,710	13,333	13,227	13,217	13,129	13,084	12,838	12,880
Water										
Number of customer accounts	9,680	9,703	9,711	9,739	9,720	9,665	9,636	9,482	9,567	9,486
Million gallons sold to customers	920	862	831	871	862	859	910	861	850	932
Sewer										
Number of customer accounts	9,088	9,127	9,123	9,181	9,160	9,108	9,072	9,041	9,018	8,952
Waste/water treated (million gallons/day)	5.5	5.3	5.6	5.8	7.9	7.3	8.7	6.0	7.2	9.1
Civic Center										
Concerts	10	12	10	13	5	13	13	15	13	11
Meetings	576	602	613	609	522	475	614	599	660	852
Tickets sold	104,933	118,691	91,255	81,276	16,531	66,954	78,745	93,510	88,662	93,373
Arena utilization days	164	175	173	156	86	108	155	162	202	215

Notes:
Source: Various City of Salem Departments
*In FY2017, Roanoke Valley Resource Authority (RVRA) started managing waste disposal services instead of the City Transfer Station.

CITY OF SALEM, VIRGINIA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Public safety										
Police station	1	1	1	1	1	1	1	1	1	1
Law enforcement vehicles	64	50	52	60	57	52	53	48	47	47
Fire stations	3	3	3	3	3	3	3	3	3	3
Fire trucks	6	6	6	6	5	5	6	7	7	7
Ambulances	5	5	5	5	4	4	4	4	4	4
Public works										
Primary streets (lane miles)	80	80	80	80	80	80	80	80	80	80
Secondary streets (lane miles)	272	272	272	272	272	272	272	272	272	272
Alleys (lane miles)	12	12	12	12	12	12	12	12	12	12
Garbage trucks	21	18	18	18	19	17	17	16	16	16
Parks, recreation and cultural										
Community center/senior center	1	1	1	1	1	1	1	1	1	1
Parks/athletic fields	15	15	15	15	15	15	15	15	15	15
Acres of parks maintained	495	495	495	495	495	495	495	495	495	495
Library	1	1	1	1	1	1	1	1	1	1
Golf course	1	1	1	1	1	1	1	1	1	1
Dog park	1	1	1	1	1	1	1	1	1	1
Electric										
Substations	11	11	11	11	11	11	11	11	11	11
Overhead distribution lines (miles)	160	160	160	161	161	161	163	163	166	165
Underground distribution lines (miles)	44	43	43	41	41	41	42	42	40	42
Transmission lines (miles)	17	17	17	17	17	17	17	17	17	17
Water and sewer										
Water treatment plant	1	1	1	1	1	1	1	1	1	1
Water distribution lines (miles)	179	179	178	177	176	176	176	176	176	176
Sanitary sewer lines (miles)	198	198	198	171	171	171	170	170	170	170

Notes:
Source: City of Salem Finance Department

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COMPLIANCE SECTION

The Compliance Section of the City of Salem, Virginia's Annual Comprehensive Financial Report includes reports from the independent auditors.

BROWNEDWARDS
certified public accountants

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Honorable Members of City Council
City of Salem, Virginia
Salem, Virginia

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns,* and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Salem, Virginia (the "City"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 24, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a time ly basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. **Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.**

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. **The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.**

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
November 24, 2025

City of Salem, Virginia

Summary of Compliance Matters

June 30, 2025

As more fully described in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, we performed tests of the City's compliance with certain provisions of the laws, regulations, contracts, and grants shown below.

State Compliance Matters

Code of Virginia:

- Budget and Appropriation Laws
- Cash and Investment Laws
- Conflicts of Interest Act
- Debt Provisions
- Local Retirement Systems
- Procurement Laws
- Uniform Disposition of Unclaimed Property Act
- Sheriff Internal Controls
- Comprehensive Services Act

State Agency Requirements:

- Education
- Urban Highway Maintenance
- Fire Programs Aid to Localities
- Opioid Abatement Program

Department of Finance
City of Salem, Virginia

Rosemarie B. Jordan, CPA	Director of Finance

Accounting/Accounts Payable/Purchasing

Patricia L. Bidanset	Senior Accountant
Ellen T. Bowen, CPA	Financial Services Supervisor
Shawn M. Crockett, CPA	Senior Accountant
Jordan M. Doyle	Senior Accountant
Charles T. Kline	Accountant
Dawn M. Layne	Accounting Supervisor
Amy R. Morris, CPA	Special Projects Accountant
Tammy H. Todd, CPA, CPFO	Assistant Director of Finance
Vacant	Purchasing Manager

Administrative

Alyson R. Chaisson	Finance Administrative Secretary/ Accounting Technician

Payroll

Tara N. Pugh	Payroll Technician
Carrington R. Sumner	Payroll Manager

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Item #: 6.C.

AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF SALEM, VIRGINIA HELD AT CITY HALL

MEETING DATE: December 11, 2025

AGENDA ITEM: **City of Salem - Emergency Operations Plan Resolution**
Consider Resolution 1514 adopting the "City of Salem, Virginia, Emergency Operations Plan" (EOP) dated December 1, 2025, and directing the City Manager and affected officers and departments to develop the organization prescribed by the plan.

SUBMITTED BY: Stephen G. Simon, Fire Chief and Emergency Management Coordinator

SUMMARY OF INFORMATION:
Per State and Federal law, localities are required to maintain an Emergency Operations Plan. This plan provides the structure and framework for use in addressing a major emergency or disaster.

The City's designated Emergency Management Coordinator, Chief Simon, is responsible to continually monitor the provisions of the plan, and coordinate with City departments/officers and other agencies/organizations to develop recommendations to Council for amendment.

Notwithstanding, the plan must normally be approved every four years. The current plan was last approved in 2021.

A copy of the revised plan effective December 1, 2025, is available for review. Chief Simon and members of his staff will provide Council a general overview of the plan with substantive changes noted.

FISCAL IMPACT:

STAFF RECOMMENDATION:
Staff recommends approval of this resolution adopting the City of Salem's Emergency Operations Plan (EOP) effective December 1, 2025.

ATTACHMENTS:

1. SALEM EMERGENCY OPERATIONS PLAN-2025 FINAL-2 12-11-25
2. Item 6C 12-11-25 Resolution 1514 EOP Emergency Operations Plan December 2025 FINAL

EMERGENCY OPERATIONS PLAN (EOP)

Salem, Virginia

December 1, 2025

SALEM VA

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APPROVAL AND IMPLEMENTATION

Each local and interjurisdictional agency is required by the Code of Virginia to § 44-146.19E to conduct a comprehensive review and revision of its emergency operations plan every four years, to ensure that the plan remains current and the revised plan shall be formally adopted by the locality's governing body. This page introduces the plan, outlines its applicability and indicates that it supersedes all previous plans. It should delegate authority for specific modifications that can be made to the plan and who can make them without the senior official's signature. It should also include a date and be signed by the senior official(s) (e.g., mayor, county judge, commissioner[s]).

IN THE COUNCIL OF THE CITY OF SALEM, VIRGINIA, December 11, 2025:

RESOLUTION 1514

A RESOLUTION ADOPTING THE "CITY OF SALEM, VIRGINIA, EMERGENCY OPERATIONS PLAN" (EOP), DATED DECEMBER 1, 2025, AND DIRECTING THE CITY MANAGER AND AFFECTED OFFICERS AND DEPARTMENTS TO DEVELOP THE ORGANIZATION SET FORTH IN SAID PLAN

WHEREAS, the "City of Salem, Virginia, Emergency Operations Plan" has been developed, consistent with the Commonwealth of Virginia Emergency Services and Disaster Law of 1973, as amended, and The Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, 42 U.S.C. 5121 (Public Law 93-288) and its implementing Federal Regulations, to be implemented in the event of a major emergency or disaster; and

WHEREAS, the "City of Salem Emergency Operations Plan" is embodied in that certain document with its appurtenances entitled: "City of Salem, Virginia, Emergency Operations Plan," dated December 1, 2025, a copy of which is on file with the Clerk of the Council; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SALEM, VIRIGNIA, that the Council of the City of Salem hereby adopts the "City of Salem, Virginia, Emergency Operations Plan" dated December 1, 2025. The City Manager and the officers and departments designated in the EOP are hereby authorized and directed to develop and implement the organization and perform assigned tasks as set out in said plan. The Emergency Management Coordinator is hereby responsible to continually monitor the provisions of the EOP and is empowered to coordinate with appropriate officers and departments of the City of Salem, Virginia, and other agencies and organizations to develop recommendations to Council for amendments to the plan.

Upon a call for an aye and a nay vote, the same stood as follows:

John E. Saunders –
H. Hunter Holliday –
Byron Randoph Foley –
Anne Marie Green –
Renée Ferris Turk –

_____

Renée Ferris Turk, Mayor

ATTEST:

_____

H. Robert Light, Clerk of Council
City of Salem, Virginia

PROMULGATION

A promulgation is optional; this page may be removed if desired.

Government is responsible for ensuring the health, safety, and welfare of its citizens. The welfare and safety of citizens is never more threatened than during disasters. The goal of emergency management is to ensure that mitigation, preparedness, response, and recovery actions exist so that public welfare and safety are preserved.

The City of Salem has updated its Emergency Operations Plan (EOP) to ensure effective allocation of resources during an emergency to protect life, property and the environment. This plan supersedes any previous plans promulgated for this purpose.

The EOP provides a comprehensive framework for the City of Salem emergency management program. It addresses the roles and responsibilities of government organizations and provides a link to local, State, Federal, and private organizations and resources that may be activated to address disasters and emergencies in the City of Salem.

The City of Salem Emergency Operations Plan ensures consistency with current policy guidance and describes the interrelationship with other levels of government. The plan will continue to evolve, responding to lessons learned from actual disaster and emergency experiences, ongoing planning efforts, training and exercise activities, and Federal guidance.

Therefore, in recognition of the emergency management responsibilities of the City of Salem government and with the authority vested in me as the Chief Executive Officer of the City of Salem, I hereby promulgate the City of Salem Emergency Operations Plan.

_____

Christopher Dorsey

City Manager, City of Salem

RECORD OF CHANGES

The Record of Changes table reflects changes to the EOP during the interim period between plan adoptions. The Record of Changes should contain, at a minimum, a change number, the section and/or page number of the change, a description of the change, the date of the change, and the initials of the person who made the change. Minor plan changes (such as grammatical or phone number changes) which do not affect the implementation of the plan do not need to be captured in the Record of Changes table.

Change Number	Date of Change	Page or Section Changed	Summary of Change	Name of Person Authorizing Change
1				
2				
3				
4				
5				

RECORD OF DISTRIBUTION

The jurisdiction should document the distribution of the EOP. Copies available to the public should not include sensitive or personal information.

The Salem, Virginia EOP will be distributed to each agency and organization that has a role in the plan and noted in the table below.

Agency, Department, ESF	Title of Recipient	Format: electronic or hard copy	Date Distributed	Date Acknowledged
City Manager				
Commonwealth's Attorney				
Communications				
Water & Sewer				
Parks & Recreation				
Street & General Maintenance				
Technology Systems				

Introduction

The City of Salem is committed to the protection of life, the environment, and property. This Plan provides the basis for response and recovery operations in Salem, Virginia. The success of this Plan depends on the collaboration of the departments and agencies responsible for the development and maintenance of these plans and annexes.

Successful emergency planning utilizes a comprehensive approach to prepare for and plan for all-hazards. The City of Salem is vulnerable to a variety of natural hazards including Flooding, technological hazards including industrial fires and chemical spills; and human-caused events such as industrial accidents, terrorist attacks, infrastructure failures, environmental damage like oil spills, and social unrest The threat of major disasters and events necessitates this Plan's all-hazards approach.

To respond effectively to any emergency of a size or complexity beyond the routine response system, it is critical that all the City of Salem public officials, departments and agencies, non-governmental emergency organizations and the public understand their roles and responsibilities. These non-routine responsibilities begin when an incident is recognized and response ensues. As an incident develops and command organizes beyond the initial reactive phase of first responders the roles and responsibilities highlighted in this Plan become more critical.

Per the *Commonwealth of Virginia Emergency Services and Disaster Law of 2000* (Code of Virginia**,** § 44-146.13 to § 44146.28:1), Commonwealth and local governments are charged with developing and maintaining current Emergency Operations Plans (EOP) in order to be prepared for such events.

This EOP serves as the baseline, by which the City of Salem prepares for, mitigates against, responds to, and recovers from natural disasters/emergencies. It is the primary responsibility of Emergency Management Coordinator of the City of Salem to develop the City of Salem EOP, update the plan, and maintain a record of changes. This plan seeks to address the City of Salem's emergency response and recovery procedures, roles and responsibilities of local departments, and other private organizations during emergencies/disasters.

PURPOSE

This all-hazards plan provides the foundation for the local jurisdiction's emergency response and recovery operations. It identifies the role of government before, during, and after a disaster. It establishes the concepts for how the organization will alert, mobilize, form, and coordinate response operations. It provides the framework within which more detailed emergency plans or procedures can be developed and maintained. This plan is compatible with the National Incident Management System (NIMS), statutes, and State plans.

SCOPE

The EOP applies to any emergency associated with any natural, technological or human-caused incident, which may affect the City of Salem and result in the need for a planned, coordinated response by multiple departments and/or supporting agencies. The EOP establishes an emergency organization and defines responsibilities for all staff and individuals (public and private) having roles in the phases of emergency management to include prevention, protection, mitigation, response, recovery in the local government.

This EOP follows guidance provided by the National Incident Management System (NIMS) and employs a multi-agency operational structure based on the principles of the Incident Command System (ICS) to manage, coordinate, and direct resources committed to an incident. The City of Salem is a practitioner of NIMS and is committed to ensuring that the required trainings are provided to all persons with direct responsibility for implementing the plan and critical functions within the plan.

Supporting plans for disasters set forth the concepts and procedures whereby the City of Salem can effectively apply available resources to ensure that casualties and property damage will be minimized and those essential services will be restored as soon as possible following an emergency or disaster situation.

The City of Salem includes all residents, governmental entities and departments, businesses and non-profit organizations within the bounds of the City of Salem and/or those individuals and entities operating or transiting

through the City of Salem. This EOP applies to the entire jurisdiction and its citizens The plan shall also contain provisions to ensure that the plan is applied equitably and that the needs of minority and vulnerable communities are met during emergencies.

The City of Salem may contract for services that have a direct bearing on its emergency management organization; specifically, debris monitoring, and sheltering. Close planning and coordination with these agencies and organizations is essential to the preparedness and response capabilities of the City of Salem.

During emergencies, the Emergency Manager serves as the lead emergency management representative for the City of Salem. The City of Salem submits requests for additional support to the state through WebEOC. If the needs cannot be fulfilled at the state level, the request will be sent on to the Federal level in accordance with NIMS.

SITUATION OVERVIEW

Based on an analysis of the area, such as a THIRA or HIRA, the primary threats and hazards (by priority) in the City of Salem that create vulnerability are:

- Flood
- Tornado
- Wildfire
- Hurricanes
- Winter Storms
- Drought
- Extreme temperatures
- Dam Failure (Spring Hollow Reservoir, and Carvins Cove Dam)

The geographic features and physical characteristics of the jurisdiction that could affect the plan implementation include:

- The primary geographic and physical features of Salem, Virginia, that could affect plan implementation include its location in the mountainous Valley and Ridge province, its proximity to the Roanoke River, and vulnerability to flooding. Future climate change, particularly increased heat and rainfall, also presents significant challenges for planning.
- Key population factors affecting plan implementation in Salem, VA, include the aging population, slow growth, household income levels, and housing market dynamics. These demographic and economic characteristics can influence everything from housing availability to the tax base for funding new initiatives.
- *Size of Household is 2.27 people and Salem has a total of 10,140 households*
- *Average age of residents is 41 years of age*
- *Percentage of population < 18 years old is 19.7%*
- *Salem/Roanoke Valley disability rate of 11.7% as of 2021*
- *Percent of adults 65 years or older is 19.5%*
- *Salem has 3 adult daycare facilities and 6 long-term care facilities*
- *1 hospital and 1 VA hospital*
- *2 colleges and 1 technical school*

PLANNING ASSUMPTIONS

Planning assumptions used in the development of this plan include:

- Citizens of the City of Salem are prepared to be independent for 3 days after the onset of a disaster.
- City departments and essential service facilities have effective emergency plans and MOUs to provide for services that will be needed during an emergency.
- Access and Functional Needs (AFN) of the impacted population and those expected to implement Incident Action Plans are considered before, during, and after an incident.

CONCEPT OF OPERATIONS (CONOPS)

The ultimate goals of the City of Salem's Emergency Management program are to:

- Provide effective life safety measures, reduce property loss, and protect the environment.
- Provide for the rapid resumption of impacted businesses and community services.
- Provide inclusive emergency policies that ensure persons with disabilities can evacuate, use emergency transportation, stay in shelters and participate in emergency and disaster-related programs together with service animals; and
- Provide accurate documentation and records required for cost recovery efforts.

Salem's Department of Emergency Management has the primary responsibility for emergency management activities within Salem, Virginia. In accordance with Code of Virginia § 44-146.19 the Director of Emergency Management is The City Manager and will appoint an Emergency Management Coordinator, which is the Fire Chief. The Emergency Management Director or Emergency Management Coordinator may activate the EOP if it is inactive.

During an emergency, the Director and/or the Coordinator of Emergency Management, or the Director's Deputies and/ or Deputy Coordinators will work with all appropriate agencies, boards, and departments within the The City of Salem to effectively respond to the incident. When an emergency exceeds the local government's capability to respond, assistance will be requested from surrounding jurisdictions, and state and federal government. In any case, incident command and response operations remain with the local jurisdiction. The EOC will immediately contact the DCJS and the Virginia Victims Fund (VVF) (formerly Virginia Criminal Injuries Compensation Fund or VCICF) to deploy, if there is an emergency in which there are crime victims involved as defined by § 19.2-11.01 of the Code of Virginia. Both entities will serve as the lead for coordinating services and assistance to the victims. The local government is required by the Code of Virginia § 44-146.19 shall make these notifications and maintain current contact information for each organization in the EOP. Contact information for both organizations is maintained on the
DCJS website: https://www.dcjs.virginia.gov/victims-services/report-campus-local-emergency

Implementation of the National Incident Management System (NIMS)

The City of Salem uses NIMS for incident management. This emergency management system provides for on-scene management of an incident and also provides the coordination of response activities between the City of Salem and other jurisdictions. The basic framework of NIMS incorporates the use of the Incident Command System (ICS). The City of Salem will implement the Incident Command System (ICS) for all incidents and events within the City of Salem. ICS will be used as a standardized systematic approach for the development of the Emergency Operations Plan (EOP). ICS is required for all on-scene and Emergency Operations Center (EOC) activations under the all-hazards incident management approach.

Utilization of NIMS and ICS:

- Provides a consistent framework for incident management, regardless of the cause, size, or complexity of the incident.
- Allows for the integration of facilities, equipment, personnel, procedures and communications operating within a common organizational structure.
- Enables a coordinated response among various jurisdictions and functional agencies, both public and private, to effectively and efficiently prevent, prepare for, respond to, and recover from incidents
- Establishes common processes for planning and managing resources, common terminology, and uniform standards for training and exercising.
- Provides structure and organization that covers all emergency management phases – preparedness, response, mitigation, and recovery.

Declaration of a Local Emergency

In the event the governing body cannot convene due to the disaster or other exigent circumstances, the director, or in his absence, the deputy director, or in the absence of both the director and deputy director, any member of the governing body may declare the existence of a local emergency, subject to confirmation by the governing body at its next regularly scheduled meeting or at a special meeting within 45 days of the declaration, whichever occurs first. The governing body, when in its judgment all emergency actions have been taken, shall take appropriate action to end the declared emergency. A declaration of a local emergency as defined in § 44-146.16 shall activate the local Emergency Operations Plan and authorize the furnishing of aid and assistance.

City Clerk will maintain a copy of the declaration for the City of Salem's record.

Request for State Assistance

When local resources, mutual aid agreements, or existing contracts have been exhausted, or are anticipated to be, are insufficient to cope with the effects of a disaster, the City of Salem can submit a Request for Assistance (RFA) by completing the following tasks.

- The Emergency Management Director or their designee, will submit an RFA in WebEOC.
- VDEM Regional Staff may assist local and regional partners with submitting RFAs in WebEOC at the request of the local and regional partners.
- The local jurisdiction will monitor the status of the RFA in WebEOC.
- Once the RFA is accepted and assigned to an agency that can provide support, the City of Salem will communicate with VDEM regional staff and eventually the agency providing support to coordinate delivery and receipt of the resource requested.

In addition to supporting RFAs from regional partners via WebEOC, the VDEM Regional Staff may request localities enter additional information into WebEOC for the duration of the incident. This information may include, but is not limited to, situation reports (SITREPs). VDEM Regional Staff establish the frequency and timing of local SITREPs using the appropriate board in WebEOC. Local SITREPs should, at a minimum, provide status updates in the following areas.

- Declaration status
- EOC status
- Shelter status
- Evacuations
- Government and school closings
- Event injuries and fatalities
- Damage to critical infrastructure and residences

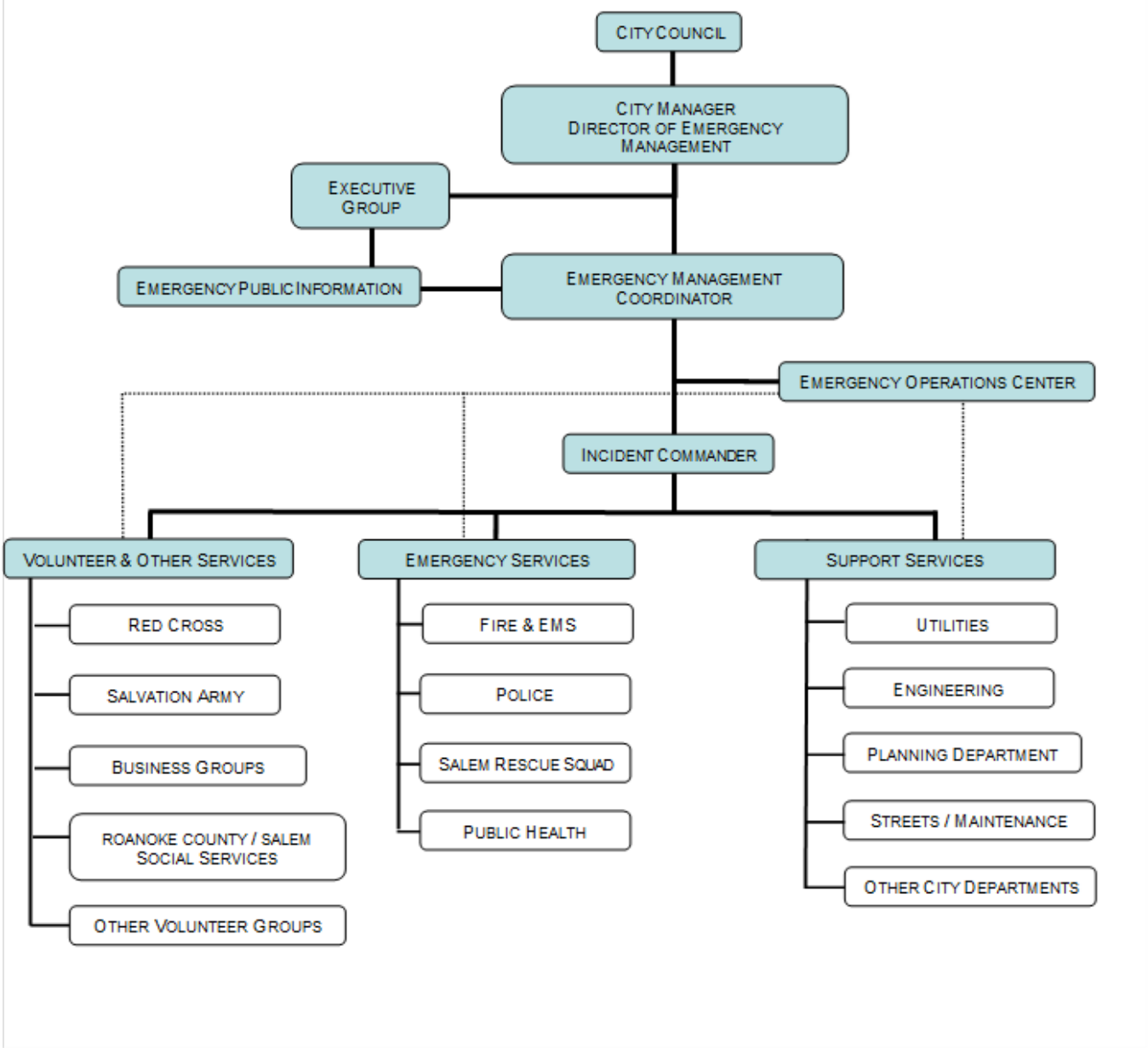
This information helps ensure VDEM Regional Staff and the Virginia Emergency Support Team (VEST) at the Virginia Emergency Operations Center (VEOC) understand the impacts of an incident across impacted localities and may help determine if there is a need to recommend that the Governor declare a State of Emergency in the Commonwealth, if one has not already been declared.

Incidents resulting in singular resource shortages (excluding water) may result in the need to petition the Governor to declare a local emergency. When multiple resource shortages occur, this is unnecessary. Resource shortages are defined in the Code of Virginia§ 44-146.16; information regarding the Declaration of Local Emergencies can be found in § 44-146.21.

ORGANIZATION AND ASSIGNMENT OF RESPONSIBILITIES

The Director of Emergency Management and the Emergency Management Coordinator, together with the Emergency Management Deputies oversee the City of Salem's emergency management organization. They are empowered to review and approve emergency mutual aid plans and agreements, disaster mitigation, preparedness, response and recovery plans, and such ordinances, resolutions, rules and regulations as are necessary to implement them.

The City of Salem Emergency Management Organization



EMERGENCY MANAGEMENT FUNCTION RESPONSIBILITIES

P Indicates primary responsibility

S Indicates support responsibility

C Indicates coordination responsibility

		Warning – Emergency Management	#2 Communications	#6 Mass Care and Shelter	#17 Radiological Protection	#18 Evacuation	#4 Firefighting	#13 Public Safety and Security	#8 Public Health and Medical	#15 External Affairs	#14 Recovery and Mitigation	#3 Public Works & Engineering	#12 Energy & Utilities	Utilities – Water & Sewer	Utilities – Natural Gas	#7 Logistics and Resource Management	#5 Emergency Coordination	Human Services -Volunteer Groups	#16 Flooding	#10 Hazmat & Oil Spill Response	#9 Special Operation	#1 Transportation	#19 Donations Management	#11 Agriculture and Natural Resources	
Emergency Services																									
Director of Emergency Management – City		S	S	S	S	S	S	S	S	S	S	S	S	S	S	S	P	S	S	S	S	S	S		S
Emergency Management Coordinator – Fire Chief		C	C	C	C	P	C	C	C	C	C	C	C	C	C	P	C	P	P	C	C	C	P		C
Law Enforcement		P	P	S	S	C	S	P		S						S	S	S	S	S	P		S	S	P
Fire Service		S	S	S	P	S	P		S	S						S	S		S	P	S		S	S	S
Public Health & Emergency Medical Services				S	S	S		S	P	S	S			S		S			S		S				S
Support Services																									
Electric			S	S					S		S	S	P	S		S			S		S				S
Water & Sewer							S		S		S	S		P		S			S				S		S
Natural Gas				S					S		S	S			P	S			S	S	S				S
Planning											P	S	S	S	S	S	C		S						S
Schools				S		S										S						P			S
City Attorney					S	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S			P	S
Public Works & Engineering											S	P	S	S	S	S			S	S	S			S	S
Purchasing				S			S	S	S			S	S	S	S	C		S	S	S	S	S	S		S
Human Resources				S		S	S	S	S		S					S		S							S
Public Information Office	C	C		S	S	S	S	S	S	P	S					S			S	S			S	S	S
Volunteer & Other Services																									
Red Cross				P					S		S					S		S		S	S		S		S
The Salvation Army				S					S		S					S		S					S		
RACES	S	S	S	S																	S				
VVOAD				S					S		S					S		S			S		S		
Adventist Community Services				S					S		S					S		S					C		
Roanoke County / Salem Social Services																		S					S		

The City of Salem Emergency Management Organization consists of the following entities:

- Director of Emergency Management and Deputy
- Emergency Management Coordinator and Deputies/EOC Manager
- Policy Group/Local Governing Board
- Local Government Agencies and Staff with emergency responsibilities
- Nongovernmental Organizations (NGOs)/Volunteer Organizations
- Private Sector Partners
- Citizens

Policy Group

- ☐ Convene at the EOC or a nearby location.
- ☐ Help determine what positions need to be filled at the EOC.
- ☐ Make policy level decisions.
- ☐ Develop the strategic policy and direction for recovery and resumption of normal operations.

Director of Emergency Management

- ☐ Review public information statements and releases.
- ☐ Obtain briefing from any sources that are available.
- ☐ Monitor general staff activities to ensure that all appropriate actions are being taken.
- ☐ In coordination with the PIO, conduct news conferences and review media releases for final approval.
- ☐ Establish initial strategic objectives for the EOC.
- ☐ Convene the initial Action Planning meeting.
- ☐ Once the Action Plan is completed by the Planning/Intelligence Section, review, approve, and authorize its implementation.
- ☐ Conduct periodic briefings with general staff to ensure strategic objectives are current and appropriate.
- ☐ Communicates with elected officials.

Emergency Management Coordinator

- ☐ Assess incident situation.
- ☐ Activate the EOC at the appropriate level of activation based on situation.
- ☐ Mobilize appropriate personnel for the initial activation of the EOC.
- ☐ Establish physical/virtual EOC is operational

- ☐ Ensure the EOC is properly set up and ready for operations.
- ☐ Ensure that an EOC organization and staffing chart is posted and completed.
- ☐ Ensure that the Liaison Officer is providing for and maintaining effective inter-agency coordination.
- ☐ Prepare EOC objectives for the initial Action Planning Meeting.
- ☐ Activate elements of the EOC organization as appropriate.
- ☐ Conduct initial briefing for Command and General staff.
- ☐ Ensure planning meetings are conducted.
- ☐ Approve and authorize implementation of the Incident Action Plan.
- ☐ Determine information needs and inform command personnel of needs.
- ☐ Coordinate staff activity.
- ☐ Manage incident operations.
- ☐ Approve requests for additional resources and/or the release of resources.
- ☐ Brief relief at shift change.
- ☐ Authorize the release of information to the news media.
- ☐ Approve plan for demobilization.
- ☐ Potentially, performs the role of EOC Manager if not fulfilling a Command and General Staff position.
- ☐ Assigns Donations Officer
- ☐ Assigns Human Services (Volunteers) Officer
- ☐ Shelter and Mass Care
- ☐ Coordination of Evacuations
- ☐ Authorize the demobilization of sections.

Public Information Officer (PIO)

- ☐ Ensures that all official information coming from the City of Salem during an emergency is timely and reliable.
- ☐ Communicates directly with elected officials, the local community, the public, working through the traditional news media and through social media.
- ☐ Communicates routine emergency information during non-emergency times and emergency public information during an incident.
- ☐ Responsible for monitoring local news media and social media for rumors. If the various outlets are spreading rumors regarding the incident, the PIO should make every attempt to set the record straight and dispel the rumors.

Operations Section Chief

- ☐ Gather information necessary to assess incident assignment and determine immediate needs and actions.
- ☐ Attend all applicable briefings and obtain incident information and incident guidelines/policies.
- ☐ Collect information from outgoing Operations Section Chief prior to your arrival.
- ☐ Plan and activate section and units within each section that needs to be activated.
- ☐ Identify kind, type and number of resources required to achieve objectives.
- ☐ Supervise and adjust operations organization and tactics as needed, based on changes in incident situation and resource status.
- ☐ Evaluate resource status and tactical needs to determine if resource assignments are appropriate.
- ☐ Interact and coordinate with all other command staff, general staff, and appropriate Unit Leaders.
- ☐ Ensure effective use and coordination of all assigned resources.
- ☐ Coordinate with on the ground responders (e.g. law enforcement, public health, fire).
- ☐ Prepare for and participate in strategy meetings.
- ☐ Participate in the preparation of the IAP.
- ☐ Complete and submit ICS 214, Unit Log to the Documentation Unit.
- ☐ Assist in the design and development of the Incident Demobilization Plan.

Planning Section Chief

- ☐ Gather information necessary to assess incident assignment and determine immediate needs and actions.
- ☐ Attend all applicable briefings and obtain incident information and incident guidelines/policies.
- ☐ Collect information from outgoing Planning Section Chief prior to your arrival.
- ☐ Plan and activate section and units within the section that need to be activated.
- ☐ Establish priorities and coordinate units within the section.
- ☐ Ensure staff uses appropriate ICS forms.
- ☐ Establish and maintain incident planning cycle.
- ☐ Ensure planning staff completes required elements of the Incident Action Plan (IAP) within required timeframes.

Logistics Section Chief

- ☐ Gather information necessary to assess incident assignment and determine immediate needs and actions.
- ☐ Attend all applicable briefings and obtain incident information and incident guidelines/policies.
- ☐ Collect information from outgoing Logistics Section Chief prior to your arrival.
- ☐ Plan and activate section and units within the section that need to be activated.
- ☐ Determine logistics section current capabilities and limitations (i.e. ordering timeline, available equipment, resources on hand, facilities capabilities, etc.).
- ☐ Interact and coordinate with all command and general staff.
- ☐ Coordinate with unit leaders and provide Planning Section Chief a list of excess personnel, contact equipment, crews, miscellaneous personnel and other resources.
- ☐ Complete ICS Form 214, Unit Log. ☐ Ensure all personnel and equipment time records are complete and have been submitted to the Time Unit Leader/Equipment Time Recorder.
- ☐ Participate in the preparation of the IAP.
- ☐ Assist in development, approval, and implementation of Demobilization Plan and/or Transition Plan.
- ☐ Act as the authorized representative of local agency specific contracts.

Finance/Admin Section Chief

- ☐ Gather information necessary to assess incident assignment and determine immediate needs and actions.
- ☐ Attend all applicable briefings and obtain incident information and incident guidelines/policies.
- ☐ Collect information from outgoing Finance/Admin Section Chief prior to your arrival.
- ☐ Plan and activate section and units within the section that need to be activated.
- ☐ Provide initial operating instructions to section personnel.
- ☐ Ensure reports and forms are complete, accurate, and timely.
- ☐ Maintain Unit Log, ICS 214.
- ☐ Ensure all financial documents are completed and submitted in a timely manner.
- ☐ Consolidate incident financial package and provide financial summary information on the current incident.
- ☐ Participate in the preparation of the IAP.
- ☐ Assist in the development and approval of the Incident Demobilization Plan.

Local Government Agencies and Staff

:

The City of Salem Fire Department:

- ☐ Fire prevention activities.
- ☐ Fire detection and control.
- ☐ SAR operations.
- ☐ Hazardous material and oil spill response.
- ☐ Terrorist incident response.
- ☐ Evacuation support.
- ☐ Post-incident reconnaissance and damage assessment.
- ☐ Fire safety inspection of temporary shelters.
- ☐ Prepare and maintain fire resource inventory.
- ☐ Shelter coordination.

The City of Salem Police Department:

- ☐ Maintenance of law and order.
- ☐ Traffic control.
- ☐ Terrorist incident response.
- ☐ Evacuation support.
- ☐ Provision of security for vital facilities, evacuated areas, and shelters.
- ☐ Access control for damaged or contaminated areas.
- ☐ Warning support.
- ☐ Post-incident reconnaissance and damage assessment.
- ☐ Prepare and maintain law enforcement resource inventory
- ☐ *Maintain records of disaster related expenditures to support a potential reimbursement from the state or federal government.*
- ☐ Pet sheltering

911 Communications Center

- ☐ Receive information on emergency situations and dispatch appropriately.
- ☐ Alert key local officials of emergency situations.
- ☐ Disseminate warning information and instructions to the City Departments and Schools through available communication systems.

The City of Salem Communications Department:

- ☐ Identify the communications systems available with the local area and determine the connectivity of those systems
- ☐ Develop plans and procedures for coordinated use of the various communications systems available in this jurisdiction during emergencies.
- ☐ Determine and implement means of augmenting communications during emergencies, including support by volunteer organizations

The City of Salem Finance Department:

- ☐ Coordinate and consolidate emergency expense tracking.
- ☐ Establish procedures and criteria for expense tracking.
- ☐ Serve as the official point-of-contact for obtaining State and Federal financial assistance.

The City of Salem Community Development Department:

- ☐ Coordinate and deploy Rapid Assessment Teams, Need Assessment Teams, Situation Assessment Teams, and other assessment teams as required.
- ☐ Prepares Situation Assessment reports.
- ☐ Maintain emergency status display in the EOC.
- ☐ Coordinate military assistance to the local civil authorities.
- ☐ Assess damage to bridges, streets, City buildings, dams and containment ponds.
- ☐ General damage assessment support.
- ☐ City Building inspection report
- ☐ Provide specialized equipment to support emergency operations.
- ☐ Provide GIS mapping support.
- ☐ Provide GPS equipment to support emergency operations.
- ☐ Maintain the local Hazard Analysis.
- ☐ Identify beneficial pre-disaster hazard mitigation projects and seek approval from local officials to implement such projects.
- ☐ In the aftermath of an emergency, determine appropriate actions to mitigate the situation and coordinate implementation of those actions.
- ☐ Coordinate and carry out post-disaster hazard mitigation program.

The City of Water and Sewer Department:

- ☐ Arrange for the provision of emergency potable water
- ☐ Identify requirements for emergency drinking water and portable toilets to the department or agency responsible for mass care.
- ☐ Assess damage to, repair, and restore water and sewer utilities.
- ☐ Monitor recovery activities of privately-owned utilities.

The City of Salem Electric Department:

- ☐ Prioritize restoration of electric service to vital facilities and other facilities.
- ☐ Arrange for the provision of emergency power sources where required.
- ☐ Assess damage to, repair, and restore electric utilities.
- ☐ Monitor recovery activities of electric utility companies that supply the City.
- ☐ De-energize service to protect the public, property, and the electric grid.

The City of Salem Street and General Maintenance Department:

- ☐ Manage the public works function and engineering function during emergencies.
- ☐ Protect government facilities and vital equipment where possible.
- ☐ Assess damage to streets, bridges, traffic control devices, and other public facilities.
- ☐ Direct temporary repair of vital facilities.
- ☐ Restore damaged roads and bridges.
- ☐ Arrange for debris removal.
- ☐ General damage assessment support.
- ☐ Building inspection support.
- ☐ Provide specialized equipment to support emergency operations.
- ☐ Ensure that public works equipment is in good repair.
- ☐ Support traffic control.
- ☐ Support search and rescue operations.
- ☐ Use public works equipment and personnel to support mitigation, preparedness, response and recovery missions.

The City of Salem School Division (Transportation)

- ☐ Identifies local public and private transportation resources and coordinates their use in emergencies.
- ☐ Coordinates deployment of transportation equipment to support emergency operations.
- ☐ Establishes and maintains a reserve pool of drivers, maintenance personnel, parts, and tools.
- ☐ Maintains records on use of transportation equipment and personnel for purpose of possible reimbursement

Legal (City Attorney)

- ☐ Advise local officials on emergency powers of local government and procedures for invoking those measures.
- ☐ Review and advise our officials on possible legal issues arising from disaster operations.
- ☐ Prepare and/or recommend legislation to implement the emergency powers that may be required during the emergency.
- ☐ Advise local officials and department heads on record-keeping requirements and other documentation necessary for the exercising of emergency powers

Department Directors who are not assigned a specific function in this plan will make their resources available for emergency duty at the direction of the Director of Emergency Management, the City Manager, to assist the City with mitigation, preparedness, response and recovery efforts.

Humans Services

NGOs/Volunteer Organizations: (*i.e. American Red Cross, Amateur Radio Emergency Services (ARES)/Radio Amateur Civil Emergency Service (RACES), Salvation Army- List organizations relevant to your jurisdiction.)*

- ☐ Review and maintain mutual aid agreements for services and/or products with the City of Salem, as appropriate.
- ☐ Work with local emergency managers to plan for spontaneous volunteers and donation management operations, if applicable.
- ☐ Participate in the EOC as part of ESF 17-Volunteer Management (or equivalent) to coordinate activities.

  agreements or as requested by the City of Salem Emergency Operations Center staff.
- ☐ Fulfill requests for assistance as outlined in the mutual aid agreement.
- ☐ Maintain records of volunteer hours which can count towards meeting the City of Salem Public Assistance threshold.
- ☐ Ensure volunteers are vetted and properly trained to perform the services outlined in mutual aid

Volunteer & Other Services.

Volunteer Groups. The following are local volunteer agencies that can provide disaster relief services and traditionally have coordinated their efforts with our local government:

1) **Roanoke Valley Chapter, American Red Cross.**

   Provides shelter management, feeding at fixed facilities and through mobile units, first aid, replacement of eyeglasses and medications, provision of basic clothing, and limited financial assistance to those affected by emergency situations. The Red Cross also provides feeding for emergency workers.

2) **The Salvation Army.**

   Provides emergency assistance to include mass and mobile feeding, temporary shelter, counseling, missing person services, medical assistance, and the warehousing and distribution of donated goods including food clothing, and household items. It also provides referrals to government and private agencies for special services.

3) **RACES.**

   The Radio Amateur Civil Emergency Service provides amateur radio support for emergency operations, including communications support in the EOC.

4) **Adventist Community Services**

   Provides warehouse management for the State's Donations Management Program and as well may assist with local donations management efforts.

5) **Virginia Voluntary Organizations Active in Disasters (VVOAD)**

a) VVOAD is an organization whose purpose is to coordinate the interaction between voluntary disaster relief agencies and government disaster response activities in accordance with the local, state and federal disaster response plans. The VVOAD is an affiliate of the National Voluntary Organizations Active in Disaster (NVOAD).

b) Member organizations of the VVOAD include the major organizations that have resources, developed plans and implemented preparatory actions to provide assistance in disasters that occur in Virginia. The capabilities of these organizations include sheltering, mobile and fixed feeding, repair and reconstruction of homes, clean-up, counseling, storage and distribution of bulk food, clothing and household goods, child care, and many other services.

Private Sector Partners:

- ☐ Develop and maintain emergency and/or disaster plans, as needed/applicable.
- ☐ Identify infrastructure dependent on private entities, and coordinate with local emergency management to establish understanding of private sector role/responsibility in an emergency or response (such as reporting to the EOC).
- ☐ Educate employees on said emergency and/or disaster plans. Encourage individual employee emergency preparedness (i.e., making an emergency kit, keeping a list of emergency contacts).
- ☐ Participate in the City of Salem Local Emergency Planning Committee (LEPC), if required/appropriate.
- ☐ Participate in emergency management planning efforts and/or exercises as requested and appropriate.

Citizens

- ☐ Encourage emergency preparedness in the community by making an emergency kit, creating emergency plans, and staying informed before, during, and after an emergency.
- ☐ Consider participating in a Community Emergency Response Team (CERT) or other volunteer organizations in your community, if available.

The transfer of management authority for actions during an incident is done through the execution of a written delegation of authority from an agency to the Incident Commander (IC). This procedure facilitates the transition between incident management levels. The delegation of authority is a part of the briefing package provided to an incoming incident management team. It should contain both the delegation of authority and specific limitations to that authority.

DIRECTION, CONTROL AND COORDINATION

The Directors of Emergency Management and the Coordinators of Emergency Management implement the City of Salem's policy and operational coordination for domestic incident response. The response structure can be partially or fully implemented in response to a potential/actual threat, in anticipation of a significant event, or in response to an incident. Selective implementation allows for a scaled response, delivery of the exact resources needed, and a level of coordination appropriate to each incident.

On Scene Incident Command and Management

The on-scene Incident Commander is responsible for all response activities, including the development of priorities and objectives and the ordering and release of resources. The Incident Commander has overall authority and responsibility for conducting incident operations and is responsible for the management of all incident operations at the incident site.

When multiple command authorities are involved, the incident may be led by a unified command comprised of officials who have jurisdictional authority or functional responsibility for the incident under an appropriate law, ordinance, or agreement. The unified command provides direct, on-scene control of tactical operations. At the tactical level, on-scene incident command and management organization are located at an Incident Command Post (ICP), which is typically comprised of local and mutual aid responders.

Emergency Operations Center

An Emergency Operations Center or EOC serves as the central coordination hub for an incident response and recovery. Information flows into the EOC from the field and out of the EOC to relevant stakeholders and response partners.

During an incident, the EOC supports field operations when resources that are traditionally acquired through mutual aid agreements are no longer sufficient to handle the response.

EOC Activation

The Emergency Management Director, and/or their designee, may activate the EOC if the following conditions exist:

- There is an imminent threat to public safety or health on a large scale.
- There is a planned or special event that requires coordination on a large scale.
- A multi-department or agency the City of Salem response is required to resolve or recover from the emergency or disaster event.
- The local emergency ordinances are implemented to control the major emergency or disaster event.

Upon activation of the EOC, representatives from the Lead Departments will staff the EOC. Activation of the EOC can occur at the designated Emergency Operations Center, a backup or ad hoc facility, as a hybrid activation, or fully virtual. EOC operations may be dependent on the type of incident and available resources such as internet connectivity, cell phone service, interoperability, and other requirements that may impact operations.

The City of Salem will support the whole community, including populations which were identified during the plan development process and referenced in the Situation Overview.

EOC Activation Levels

The Virginia Department of Emergency Management utilizes the 4 operational levels/color states described below. Local jurisdictions may replace this information with their own scale, but are encouraged to adopt this scale at the local level. This strategy contributes to vertical alignment across levels of government.

The City of Salem has 4 levels of EOC activation. The level to which the EOC is activated will be a decision made by the Emergency Management Director or their representative based on the size, scale, and complexity of a given incident or set of circumstances.

Steady State/Routine Operations

- Emergency operations plans and procedures are developed and maintained.
- Training and exercises are conducted periodically as required to maintain readiness.

Increased Readiness/ Monitoring

- Multiple resources are required to mitigate or prepare for an incident.
- The incident is generally limited to one operational period.
- Response may be handled with only some staff positions activated.

Partial Support Operations

- Some or all of the EOC positions are activated.
- The incident may extend into multiple operational periods

Full Response Operations

- Full operational response with external resources required due to high impacts
- All command and general staff positions are filled, and high support is needed

Full operational response with external resources required due to high impacts.
All command and general staff positions are filled, and high support is needed.

The City of Salem and NGOs report threats, incidents, and potential incidents using established communications and reporting channels. Once a threat of incident has occurred, local government, through the Emergency Management Director, makes an initial determination to initiate the coordination of information sharing and incident management activities.

If the incident necessitates the opening of the EOC, the EOC will serve as the hub of information collection, analysis and dissemination relating to an incident or event. During an event or incident information will be collected using a variety of methods.

INFORMATION COLLECTION, ANALYSIS AND DISSEMINATION

Each incident has critical or essential information that should be shared during operations. Essential Elements of Information (EEI) include:

- Lifesaving needs including evacuation and search and rescue.
- Information on critical infrastructure including determining the status of transportation, utilities, communication systems, and fuel and water supplies.
- Gathering information on critical facilities including determining the status of police and fire stations, medical providers, water and sewer treatment facilities, and media outlets.
- Information on the risk of damage to the community from imminent hazards.
- Information on the number of individuals who have been displaced because of the incident.

Situational Awareness

During an incident, information should flow freely from the field to the EOC. As information comes into the EOC it should be collected and recorded. This information will be collected and disseminated as a Situation Report and disseminated to the VDEM Regional Coordinator as needed throughout the incident. This information can also be shared with the Virginia Emergency Operations Center (VEOC) and other state and federal partners via conference calls, WebEOC, and email correspondence.

COMMUNICATIONS AND COORDINATION

Communication between Incident Commander and EOC(s)

Timely communication amongst First Responders and local government officials working within the EOC is critical during an event. The City of Salem has a wide variety of emergency communications equipment available to communicate internally and externally including, but not limited to, radio, pagers, telephones, cell phones, fax machines, emails, etc.

First responders will maintain operational communication throughout incident response and recovery operations using their communication centers and radio channels. All functions operating outside of the EOC will maintain contact with the EOC through redundant communications such as telephone, radio, fax, or WebEOC. All staff operating within the EOC are responsible for bringing their City of Salem issued technology including laptops, iPads, portable radio, HAM radio, charger, batteries, headsets, and cellular phones.

Communications to the Public

During emergencies and disasters the public needs detailed information regarding protective actions, which need to be taken to minimize the loss of life and property. Every effort should be made to provide emergency information through conventional news media sources, social media sites (e.g. Facebook, Instagram), and the City of Salem's webpage, as well as a community outreach program of public education for responding to, recovering from and mitigating hazards that pose a threat to a community to ensure necessary protective measures can be employed.

Joint Information System/Center (JIS/JIC)

The JIS serves as a foundation for the coordination and dissemination of information to the public and media concerning incident prevention, preparedness, response, recovery, and mitigation. The JIC is a central location that houses JIS operations and where public information staff perform essential information and public affairs functions. Normally, an incident should have a single JIC, but the JIS is flexible and can accommodate multiple JICs if necessary.

Communications with the VEOC

The City of Salem EOC integrates into the larger emergency management network at the state-level by using WebEOC and telephone communications with regional partners. VDEM regional staff facilitates communications between the City of Salem and the VEOC. The City of Salem will submit SITREPs to the VEOC via WebEOC, fax, or radio via ARES/RACES. Additionally, the VEOC will communicate with Federal partners on behalf of the jurisdiction.

ADMINISTRATION, FINANCE, AND LOGISTICS

Administration

In an incident, the City of Salem staff may fulfill roles within the Finance and Administration and Logistics Section of the EOC. Finance Director will serve as the Lead Department for the Finance and Administration Section and the Human Resources Department will serve as the supporting department.

The Streets and General Maintenance Director in the Streets and General Maintenance Department will serve as a lead department for the Logistics Section and the Electric Department will serve as supporting department.

Documentation is a key administrative process that must be used by the City of Salem to document the response to and recovery from a disaster. Documenting actions taken during response and recovery is essential for creating historical records of incident, applying for recovery costs, addressing any insurance needs, and developing future mitigation strategies. At a minimum, the City of Salem EOC will maintain the following types of documentation:

- Common ICS forms such as ICS 201, 202, 203, 204, 205, 214…ect

Financial Management

Manages all financial, administrative and cost analysis aspects of an emergency. Disaster-related expenditures and obligations of state agencies, local jurisdictions and organizations may be reimbursed under a number of federal programs (i.e. Small Business Administration (SBA), etc.).

Logistics

Risk analysis and capabilities assessments help the City of Salem identify what resources are needed for a response to a defined hazard. Based on past incident after action reports, the City of Salem has worked to identify and procure additional resources to improve capability for future events.

The incident commander can activate tactical-level mutual aid agreements at the incident-level. Needs that cannot be met via mutual aid agreements at the tactical-level will be escalated to the EOC.

At the EOC, the Logistics Section will provide guidance for coordinating resources needed to support the incident. Logistics primarily addresses protocols, processes, and systems for requesting, utilizing, tracking and reporting resources that are outside the standard practices of pre-existing discipline- specific mutual aid agreements (e.g., law enforcement, public works, fire). When local resources are not sufficient the Logistics Section will coordinate mutual aid agreements and work with private resources. Purchasing resources for an incident response is done by the Logistics Section Chief as needed throughout the incident response.

PLAN DEVELOPMENT AND MAINTENANCE

Code of Virginia, § 44-146.19E §44-146.19E, requires each jurisdiction to prepare and keep current a local emergency operations plan. The Emergency Management Directors, assisted by the Emergency Management Coordinators, have overall responsibility for maintaining and updating this plan. It should be updated based on lessons learned and republished following an actual or threatened emergency situation. The Coordinator will have the EOP readopted every four (4) years by the Local Governing Board. The City of Salem should conduct a comprehensive plan review, revision, and exercises prior to formal adoption to ensure the plan remains current. Guidance and assistance is provided, upon request, by the Virginia Department of Emergency Management.

The EOP should also be updated and republished following an actual or threatened emergency situation to reflect lessons learned. It is also suggested that plans be updated and reviewed following training, exercises and/or drills, changes in government structure, or if individuals and officials recommend improvements and changes as needed through the Emergency Management Directors or Coordinators.

The plan review team should include representatives from all internal departments. External group representatives may be included as needed.

Training and Exercises

Trained and knowledgeable personnel are essential for the prompt and proper execution of the City of Salem EOP. The Emergency Management Coordinator will ensure all response personnel have a thorough understanding of their assigned responsibilities in a disaster or emergency situation, as well as how their role and responsibilities interface

with the other response components of the City of Salem EOP. All personnel will be provided with the necessary training to execute those responsibilities in an effective and responsible manner.

The Emergency Management Coordinator is responsible for the development, administration, and maintenance of a comprehensive training and exercise program customized to the needs of the City of Salem. This program will be designed to attain an acceptable level of emergency preparedness.

All training and exercises conducted in the City of Salem will be documented. Training needs will be identified and records maintained for all personnel assigned emergency response duties in a disaster.

The Emergency Management Coordinator and/ or Deputy Emergency Management Coordinators should develop, plan, and conduct tabletop, functional, and/or full-scale exercises annually. These exercises will be designed to not only test the City of Salem EOP, but to train all appropriate officials and personnel, and to improve the overall emergency response organization and capability of the City of Salem. Quasi-public and volunteer groups and/or agencies will be encouraged to participate. Exercises will be conducted in accordance with the Homeland Security Exercise and Evaluation Program (HSEEP). The City of Salem may also participate in regional HSEEP exercises, as appropriate.

The Emergency Management Coordinator and/ or Deputy Emergency Management Coordinators will maintain the training and exercise schedule and assure that the appropriate resources are available to complete these activities. Following each exercise or actual event a hot wash and AAR will take place. Strengths and areas for improvement will be incorporated into the updated EOP.

After Action Reports (AARs)

After any disaster response or exercise of the EOP, an AAR should be developed in compliance with the procedures outlined in the Homeland Security Exercise and Evaluation Program (HSEEP).

An AAR results from an administrative process used by the City of Salem to review and discuss the response in order to identify strengths and weaknesses in the emergency management and response program.

The AAR should:

- Review actions taken;
- Identify equipment shortcomings;
- Improve operational readiness;
- Highlight strengths/initiatives; and
- Identify areas for improvement.

Corrective Actions

AARs are essential for identifying issues that impeded operations or innovative approaches that were introduced during the response and recovery that may be applicable to future incidents. In order for issues to be addressed, these issues need to be identified and documented. The City of Salem Department of Emergency Management will coordinate AARs, as appropriate, and provide documentation, disseminations, and archiving of findings. The results of the AAR will be provided to Emergency Management Coordinator for documenting, tracking, and corrective action processes. Through a collaborative and objective process with incident organizations a corrective action plan will be developed and established for further incident/event response, mitigation, strategies/actions, and corrective action plans. Corrective actions will be taken directly from the AAR process and associated documents.

AUTHORITIES AND REFERENCES

The following provides emergency authorities for conducting and/or supporting emergency operations:

The City of Salem

- The City of Salem Emergency Operations Plan and supporting annexes
- The City of Salem Land Use or Comprehensive Plan
- The City of Salem Statewide Mutual Aid (SMA) Program Adoption Resolution

Commonwealth of Virginia

- Code of Virginia Title 44, Chapter 3.2 Emergency Services and Disaster Law (§44-146.13 et seq.).
- Commonwealth of Virginia Emergency Operations Plan (COVEOP)
- Code of Virginia § 44-146.19 Powers and Duties of Political Subdivisions
- Code of Virginia § 44-146.20 Joint Action by Political Subdivisions
- Code of Virginia § 44-146.21 Declaration of a Local Emergency
- Code of Virginia § 44-146.28:1 Compact Enacted into law; terms. Emergency Management Assistance Compact
- Code of Virginia § 19.2-11.01 Crime victim and witness rights

Federal

- Emergency Planning & Community Right-to-Know Act (EPCRA)[1]
- Developing and Maintaining Emergency Operations Plans Comprehensive Preparedness Guide (CPG) 101, Version 3.0 (September 2021)
- Guidance on Planning for Integration of Functional Needs Support Services in General Population Shelter (November 2010)
- A Whole Community Approach to Emergency Management: Principles, Themes and Pathways for Action (December 2011)
- Disability, Access and Functional Needs Emergency Management Planning Guidance (June 2015)

[1] Authorized by Title III of the Superfund Amendments and Reauthorization Act (SARA), the Emergency Planning & Community Right-to-Know Act (EPCRA) was enacted by Congress as the national legislation on community safety. This law is designed to help local communities protect public health, safety, and the environment from chemical hazards. To implement EPCRA, Congress requires each state to appoint a State Emergency Response Commission (SERC). The SERCs are required to divide their states into Emergency Planning Districts and to name a Local Emergency Planning Committee (LEPC) for each district.

- Americans with Disabilities Act (1990)
- ADA Amendments Act (2008), P.L. 110-325, and those associated with them
- Rehabilitation Act (1973), Sections 501, 503, 504 and 508
- Older Americans Act (1965), Title III
- Emergency Management Assistance Compact (EMAC) (1996)
- Executive Order 13407 - Public Alert and Warning System
- 1995 Presidential Memorandum "Emergency Alert System (EAS) Statement of Requirements"

- Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, 42 U.S.C. 5121, et seq., as amended
- Homeland Security Presidential Directive 5, Management of Domestic Incidents (February 2003)
- Homeland Security Presidential Directive 8, National Preparedness (December 2003)
- The Code of Federal Regulations, Title 44, Chapter 1, Federal Emergency Management Agency (October 2007)
- Post Katrina Emergency Management Reform Act of 2006
- National Response Framework (As revised)
- National Incident Management System (NIMS)
- Presidential Decision Directive (PDD) 39 (*U.S. Policy on Counterterrorism*) and 62 (*Combating Terrorism*): terrorism investigations delegated to U.S. Dept. of Justice/FBI
- PETS Act

ACRONYMS

AFN	Access and Functional Needs
ARES	Amateur Radio Emergency Services
CERT	Community Emergency Response Team
DA	Damage Assessment
EAS	Emergency Alert System
EEI	Essential Element of Information
EOC	Emergency Operations Center
ESF	Emergency Support Function
EMAC	Emergency Management Assistance Compact
FEMA	Federal Emergency Management Agency
IC	Incident Commander
ICP	Incident Command Post
ICS	Incident Command System
JIC	Joint Information Center
JIS	Joint Information System
LEPC	Local Emergency Planning Committee
LSC	Logistics Section Chief
MAA	Mutual Aid Agreement
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
NCR	National Capital Region
NGO	Nongovernmental Organization
NIMS	National Incident Management System
NRF	National Response Framework
OSC	Operations Section Chief
PIO	Public Information Officer
PSC	Planning Section Chief
RACES	Radio Amateur Civil Emergency Service
SARA	Superfund Amendments and Reauthorization Act
SITREP	Situation Report
SMA	Statewide Mutual Aid
VEOC	Virginia Emergency Operations Center

GLOSSARY Access and Functional Needs (AFN)

Individuals including, but not limited to, people with disabilities, older adults, and individuals with limited English proficiency, limited access to transportation and/or limited access to financial resources to prepare for, respond to and recover from the emergency. Federal civil rights law and policy require nondiscrimination, including on the bases of race, color, national origin, religion, sex, age, disability, English proficiency and economic status. Many individuals with access and functional needs are protected by these provisions.

Amateur Radio Emergency Services (ARES)

A public service organization of licensed amateur radio operators who have voluntarily registered their qualifications and equipment to provide emergency communications for public service events as needed.

Community Emergency Response Team (CERT)

A Community Emergency Response Team, or CERT, is an organized group of volunteers trained in a consistent, nationwide approach to prepare for, respond to, and recover from disasters. CERT volunteers support emergency responders with disaster preparedness and with protecting family, neighbors, and others in a disaster or emergency situation.

Command Staff

A group of incident personnel that the Incident Commander or Unified Command assigns to support the command function at an ICP. Command staff often include a PIO, a Safety Officer, and a Liaison Officer, who have assistants as necessary. Additional positions may be needed, depending on the incident.

Damage Assessment (DA)

Appraising or determining the number of injuries and deaths, damage to public and private property and status of key facilities and services (e.g., hospitals and other healthcare facilities, fire and police stations, communications networks, water and sanitation systems, utilities, transportation networks) resulting from a human-caused or natural disaster

Declaration of a Local Emergency

The condition declared by the local governing body when, in its judgment, the threat or actual occurrence of a disaster is or threatens to be of sufficient severity and magnitude to warrant coordinated local government action to prevent, or alleviate loss of life, property damage, or hardship. Only the Governor, upon petition of a local governing body, may declare a local emergency arising wholly or substantially out of a resource shortage when he deems the situation to be of sufficient magnitude to warrant coordinated local government action to prevent or alleviate the hardship or suffering threatened or caused thereby.

Disaster

A serious disruption of the functioning of a community or a society at any scale due to hazardous events interacting with conditions of exposure, vulnerability and capacity, leading to one or more of the following: human, material, economic and environmental losses and impacts.

Emergency

Any occurrence, or threat, whether natural or man-made, which results or may result in substantial injury or harm to the population or substantial damage to or loss of property or natural resources and may involve governmental action beyond that authorized or contemplated by existing law because governmental inaction for the period required to amend the law to meet the exigency would work immediate and irrevocable harm upon the citizens or the environment of the Commonwealth or clearly defined portion or portions thereof.

Emergency Alert System (EAS)

A network of broadcast stations interconnecting facilities authorized by the Federal Communications Commission (FCC) to operate in a controlled manner to warn and inform the public of needed protective actions in the event of a disaster or emergency situation.

Emergency Management

The preparation for and the carrying out of functions (other than functions for which military forces are primarily responsible) to prevent, minimize, and repair injury and damage resulting from natural or manmade disasters. These functions include fire-fighting, police, medical and health, rescue, warning, engineering, communications, evacuation, resource management, plant protection, restoration of public utility services, and other functions related to preserving the public health, safety, and welfare.

Emergency Management Assistance Compact (EMAC)

EMAC is the first national disaster–relief compact since the Civil Defense and Disaster Compact of 1950 to be ratified by the U.S. Congress. EMAC offers assistance during governor-declared states of emergency or disaster through a responsive, straightforward system that allows states to send personnel, equipment, and commodities to assist with response and recovery efforts in other states. Through EMAC states can also transfer services (such as shipping newborn blood from a disaster impacted lab to a lab in another state) and conduct virtual missions (such as GIS mapping).

Emergency Operations Center (EOC)

The physical location where the coordination of information and resources to support incident management activities (on-scene operations) normally takes place. An EOC may be a temporary facility or located in a more central or permanently established facility, perhaps at a higher level of organization within a jurisdiction.

Emergency Support Function (ESF)

A grouping of government, private and voluntary organization capabilities into an organizational structure to provide the support, resources, program implementation, and services that are most likely to be needed to save lives, protect property and the environment, restore essential services and critical infrastructure, and help victims and communities return to normal, when feasible, following incidents. The NRF uses 15 Emergency Support Functions (ESFs) to group and describe the kinds of resources and types of federal assistance available to augment state and local response efforts; note that Virginia adds ESF 16 Department of Military Affairs and ESF 17 Volunteer and Donations.

Evacuation

Assisting people to move from the path or threat of a disaster to an area of relative safety.

Exercise

An activity designed to promote emergency preparedness; test or evaluate emergency operations plans, procedures, or facilities; train personnel in emergency response duties; and demonstrate operational capability. There are three specific types of exercises: tabletop, functional, and full scale.

Federal Disaster Assistance

Aid to disaster victims and/or state and local governments by federal agencies under provisions of the Robert T. Stafford Relief and Emergency Assistance Act of 1988 (PL 93-288). Also see Stafford Act.

General Staff

A group of incident personnel organized according to function and reporting to the Incident Commander or Unified Command. The ICS General Staff consists of the Operations Section Chief, Planning Section Chief, Logistics Section Chief, Finance/Administration Section Chief.

Hazardous Materials Emergency Response Plan

A plan or annex that is developed in response to the requirements of Section 303 (a) of the Emergency Planning and Community Right-to-Know Act (Title III) of Superfund Amendments and Reauthorization Act of 1986. It is intended to be a tool for our community's use in recognizing the risks of a hazardous materials release, in evaluating our preparedness for such an event, and in planning our response and recovery actions. This plan can be separate from the locality's EOP.

Hazard Mitigation

Any action taken to reduce or eliminate the long-term risk to human life and property from natural hazards, manmade, or planned and requires a response to protect life or property.

Incident Command Post (ICP)

That field location at which primary incident command functions are executed; usually co-located with the Incident Base. Also referred to as Command Post.

Incident Command System (ICS)

A model for disaster response that uses common terminology, modular organization, integrated communications, unified command structure, action planning, manageable span of control, pre-designed facilities, and comprehensive resource management. In ICS there are five functional elements: Command, Operations, Logistics, Planning and Finance/Administration.

Joint Information Center (JIC)

The JIC is a central location that houses JIS operations and where public information staff perform essential information and public affairs functions. Normally, an incident should have a single JIC, but the JIS is flexible and can accommodate multiple JICs if necessary.

Joint Information System (JIS)

The JIS serves as a foundation for the coordination and dissemination of information to the public and media concerning incident prevention, preparedness, response, recovery, and mitigation.

Local Emergency Planning Committee (LEPC)

Appointed representatives of local government, private industry, business, environmental groups, and emergency response organizations responsible for ensuring that the hazardous materials planning requirements of the Superfund Amendments and Reauthorization Act of 1986 (SARA Title III) are complied with.

Mutual Aid Agreement

A written agreement between agencies and/or jurisdictions in which they agree to assist one another, upon request, by furnishing personnel and/or equipment in an emergency situation.

National Response Framework (NRF)

Is a guide to how the nation conducts all-hazard response. It is built upon scalable, flexible and adaptable coordinating structures to align key roles and responsibilities across the nation.

National Incident Management System (NIMS)

A systematic, proactive approach to guide all levels of government, nonprofits and the private sector to work together to prevent, protect against, mitigate, respond to and recover from the effects of incidents. NIMS provides stakeholders across the whole community with the shared vocabulary, systems and processes to successfully deliver the capabilities described in the National Preparedness System. NIMS provides a consistent foundation for dealing with all incidents, ranging from daily occurrences to incidents requiring a coordinated federal response.

Radio Amateur Civil Emergency Service (RACES)

Radio amateur civil emergency service). A radio service using amateur stations for civil defense communications during periods of local, regional or national civil emergencies.

Situation Report (SITREP)

A form which, when completed at the end of each day of local Emergency Operations Center operations, will provide the jurisdiction with an official daily summary of the status of an emergency and of the local emergency response. A copy should be submitted to the VEOC via WebEOC or fax.

Stafford Act

The Robert T. Stafford Disaster Relief and Emergency Assistance Act, also known as the Stafford Act, is a law that gives the president the power to declare a national emergency in response to a disaster or natural catastrophe. The act was amended in 1988 from the Disaster Relief Act of 1974 and is named after Vermont Senator Robert Stafford, who helped pass the law.

State of Emergency

The condition declared by the Governor when, in his judgment, a threatened or actual disaster in any part of the state is of sufficient severity and magnitude to warrant disaster assistance by the state to supplement local efforts to prevent or alleviate loss of life and property damage.

Unified Command

Shared responsibility for overall incident management as a result of a multi-jurisdictional or multi- agency incident. In the event of conflicting priorities or goals, or where resources are scarce, there must be a clear line of authority for decision-making. Agencies contribute to unified command by determining

overall goals and objectives, jointly planning for tactical activities, conducting integrated tactical operations and maximizing the use of all assigned resources.

Victim

A person who has suffered physical, psychological or economic harm as a direct result of the commission of a felony, assault and battery, stalking in violation, sexual battery, attempted sexual battery, maiming or driving while intoxicated in violation (Source § 19.2-11.01).

Weapons of Mass Destruction (WMD)

Any explosive, incendiary, or poison gas, bomb, grenade, rocket having a propellant charge of more than 4 ounces, or a missile having an explosive incendiary charge of more than 0.25 ounce, or mine or device similar to the above; poison gas; weapon involving a disease organism; or weapon that is designed to release radiation or radioactivity at a level dangerous to human life. (Source: 18 USC 2332a as referenced in 18 USC 921).

IN THE COUNCIL OF THE CITY OF SALEM, VIRGINIA, December 11, 2025:

RESOLUTION 1514

A RESOLUTION ADOPTING THE "CITY OF SALEM, VIRGINIA, EMERGENCY OPERATIONS PLAN" (EOP), DATED DECEMBER 1, 2025, AND DIRECTING THE CITY MANAGER AND AFFECTED OFFICERS AND DEPARTMENTS TO DEVELOP THE ORGANIZATION SET FORTH IN SAID PLAN

WHEREAS, the "City of Salem, Virginia, Emergency Operations Plan" has been developed, consistent with the Commonwealth of Virginia Emergency Services and Disaster Law of 1973, as amended, and The Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, 42 U.S.C. 5121 (Public Law 93-288) and its implementing Federal Regulations, to be implemented in the event of a major emergency or disaster; and

WHEREAS, the "City of Salem Emergency Operations Plan" is embodied in that certain document with its appurtenances entitled: "City of Salem, Virginia, Emergency Operations Plan," dated December 1, 2025, a copy of which is on file with the Clerk of the Council; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SALEM, VIRIGNIA, that the Council of the City of Salem hereby adopts the "City of Salem, Virginia, Emergency Operations Plan" dated December 1, 2025. The City Manager and the officers and departments designated in the EOP are hereby authorized and directed to develop and implement the organization and perform assigned tasks as set out in said plan. The Emergency Management Coordinator is hereby responsible to continually monitor the provisions of the EOP and is empowered to coordinate with appropriate officers and departments of the City of Salem, Virginia, and other agencies and organizations to develop recommendations to Council for amendments to the plan.

Upon a call for an aye and a nay vote, the same stood as follows:

John E. Saunders –
H. Hunter Holliday –
Byron Randoph Foley –
Anne Marie Green –
Renée Ferris Turk –

ATTEST:

_____

H. Robert Light
Clerk of Council
City of Salem, Virginia

Item #: 6.D.

AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF SALEM, VIRGINIA HELD AT CITY HALL

MEETING DATE: December 11, 2025

AGENDA ITEM: **2026 Legislative Package**
Consider Resolution 1515 adopting a Legislative Program for the 2026 session of the Virginia General Assembly and petitioning the General Assembly to favorably consider the issues and topics addressed herein.

SUBMITTED BY: Chris Dorsey, City Manager

SUMMARY OF INFORMATION:
This resolution will adopt priorities for use in working with our local legislative delegation and others to promote the interests of the City.

FISCAL IMPACT:
There is no fiscal impact for the development of the legislative program.

STAFF RECOMMENDATION:
Staff recommends Council adopt the 2026 General Assembly Legislative Priorities for the City.

ATTACHMENTS:
1. Item 6D 12-11-25 2026 Legislative Agenda Resolution 1515

IN THE COUNCIL OF THE CITY OF SALEM, VIRGINIA, DECEMBER 11, 2025

RESOLUTION #1515

WHEREAS, the Council of the City of Salem is concerned with certain specific issues that may come before the 2025 session of the Virginia General Assembly; and

WHEREAS, Council is desirous of expressing to its representatives its official position on the following matters:

- Amend Sections 58.1-3321 and 58.1-3330 of the Code of Virginia so that notices of real property tax increases are inflation-neutral, to more accurately convey information to citizens.

- Support runway safety improvements and expansions at the Roanoke-Blacksburg Regional Airport and increase funding to the Commonwealth Aviation Fund to support improvements at Virginia commercial airports.

- Oppose mandated collective bargaining for local public employees

- Enhance the ability of local school divisions to serve children with disabilities, influencing flexibility in use of state pool funds. Also, continued investment of state resources to assist in local administration of Children's Service Act (CSA) programs.

- Use available funds to continue the expansion and operation of Catawba Hospital.

- Carefully consider the following recommendations of legislative priorities set forth by the Virginia Municipal League in its 2026 Legislative Program:

  Local Revenue Sources

  Support for Public Education

  Assistance to Local Police Departments (HB 599 Program)

  Cannabis Retail Sales – Local Referenda, Land Use, and Revenue Authority

  Clarification of Franchise Fees: Non-monetary Benefits

  CSA State and Local Funding Partnership

  Local and Regional Juvenile Detention Facilities

  Local Excise Taxes

Sovereign Immunity

State-mandated Tax Policy Changes and Local Revenues

Stormwater Local Assistance Funding (SLAF) and Water Quality Improvement Fund (WQIF)

Study of Mandatory Property Tax Exemptions

Accessory Dwelling Units (ADU)

Upon a call for an aye and a nay vote, the same stood as follows:

H. Hunter Holliday –
John E. Saunders–
Byron Randolph Foley –
Anne Marie Green –
Renée F. Turk –

ATTEST:

H. Robert Light
Clerk of Council

Item #: 6.E.

AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF SALEM, VIRGINIA HELD AT CITY HALL

MEETING DATE: December 11, 2025

AGENDA ITEM: **Abstract of Votes**
Receive the Abstract of Votes cast at the General Election held on November 4, 2025.

SUBMITTED BY: Benjamin Leeson

SUMMARY OF INFORMATION:
Per the Code of Virginia, a certified copy of the Abstract of Votes from each election must be received and formally recorded.

FISCAL IMPACT:
None

STAFF RECOMMENDATION:
Staff recommends that Council receive the Abstract of Votes for the General Election held on November 4, 2025.

ATTACHMENTS:
1. Abstract of Votes

ABSTRACT of VOTES

Cast in SALEM CITY, VIRGINIA
at the 2025 November General held on November 04, 2025 for,

Governor

NAMES OF CANDIDATES ON THE BALLOT	TOTAL VOTES RECEIVED (IN FIGURES)
Abigail D. Spanberger - Democratic	4150
Winsome Earle-Sears - Republican	5282
Total Write-In votes [Valid Write-Ins + Invalid Write-Ins = Total Write-In Votes]	32
Total Number of Overvotes for Office	1

We, the undersigned Electoral Board, upon examination of the official records deposited with the Clerk of the Circuit Court of the election held on November 04, 2025, do hereby certify that the above is a true and correct Abstract of Votes cast at said election for the Governor.

CITY OF SALEM

Given under our hands this 13th *day of* November, 2025

_____, Chairman

_____, Vice Chairman

_____, Secretary/Acting

Kathleen A Elam, Secretary (Certified Copy)

ABSTRACT of VOTES

Cast in SALEM CITY, VIRGINIA
at the 2025 November General held on November 04, 2025 for,

Lieutenant Governor

NAMES OF CANDIDATES ON THE BALLOT	TOTAL VOTES RECEIVED (IN FIGURES)
Ghazala F. Hashmi - Democratic	3954
John J. Reid, II - Republican	5438
Total Write-In votes [Valid Write-Ins + Invalid Write-Ins = Total Write-In Votes]	21
Total Number of Overvotes for Office	0

We, the undersigned Electoral Board, upon examination of the official records deposited with the Clerk of the Circuit Court of the election held on November 04, 2025, do hereby certify that the above is a true and correct Abstract of Votes cast at said election for the Lieutenant Governor.

Given under our hands this 13th *day of* November, 2025

_____, Chairman

_____, Vice Chairman

_____, Secretary/Acting

Katherine A. Elam, Secretary (Certified Copy)

ABSTRACT of VOTES

Cast in SALEM CITY, VIRGINIA
at the 2025 November General held on November 04, 2025 for,

Attorney General

NAMES OF CANDIDATES ON THE BALLOT	TOTAL VOTES RECEIVED (IN FIGURES)
Jay C. Jones - Democratic	3663
Jason S. Miyares - Republican	5664
Total Write-In votes [Valid Write-Ins + Invalid Write-Ins = Total Write-In Votes]	41
Total Number of Overvotes for Office	1

We, the undersigned Electoral Board, upon examination of the official records deposited with the Clerk of the Circuit Court of the election held on November 04, 2025, do hereby certify that the above is a true and correct Abstract of Votes cast at said election for the Attorney General.

ELECTORAL BOARD SEAL CITY OF SALEM, VIRGINIA

Given under our hands this 13th *day of* November, 2025

Elyse Bowles, Chairman

, Vice Chairman

, Secretary/Acting

Katherine A. Elam, Secretary (Certified Copy)

ABSTRACT of VOTES

Cast in SALEM CITY, VIRGINIA
at the 2025 November General held on November 04, 2025 for,

Member, House of Delegates (40th District)

NAMES OF CANDIDATES ON THE BALLOT	TOTAL VOTES RECEIVED (IN FIGURES)
Donna M. Littlepage - Democratic	3930
Joseph P. "Joe" McNamara - Republican	5507
Total Write-In votes [Valid Write-Ins + Invalid Write-Ins = Total Write-In Votes]	8
Total Number of Overvotes for Office	0

We, the undersigned Electoral Board, upon examination of the official records deposited with the Clerk of the Circuit Court of the election held on November 04, 2025, do hereby certify that the above is a true and correct Abstract of Votes cast at said election for the Member, House of Delegates (40th District).

ELECTORAL BOARD
CITY OF SALEM, VIRGINIA

Given under our hands this 13th *day of* November, 2025

Elizabeth Bowles, Chairman

M Clayton, Vice Chairman

_____, Secretary/Acting

Katherine A. Elam, Secretary (Certified Copy)

ABSTRACT of VOTES

Cast in SALEM CITY, VIRGINIA
at the 2025 November General held on November 04, 2025 for,

Commonwealth's Attorney (Salem City)

District: SALEM CITY

NAMES OF CANDIDATES ON THE BALLOT	TOTAL VOTES RECEIVED (IN FIGURES)
Matthew J. Pollard	8143
Total Write-In votes [Valid Write-Ins + Invalid Write-Ins = Total Write-In Votes]	105
Total Number of Overvotes for Office	1

We, the undersigned Electoral Board, upon examination of the official records deposited with the Clerk of the Circuit Court of the election held on November 04, 2025, do hereby certify that the above is a true and correct Abstract of votes cast at said election for the Commonwealth's Attorney (Salem City) and do, therefore, determine and declare the following person(s) has received the greatest number of votes cast for the Commonwealth's Attorney (Salem City).

Matthew J. Pollard

ELECTORAL BOARD
CITY OF SALEM, VIRGINIA

Given under our hands this 13th *day of* November, 2025

Elizabeth Bowles, Chairman

M Clayton, Vice Chairman

_____, Secretary/Acting

Katherine A. Elam, Secretary (Certified Copy)

ABSTRACT of VOTES

Cast in SALEM CITY, VIRGINIA
at the 2025 November General held on November 04, 2025 for,

Sheriff (Salem City)

District: SALEM CITY

NAMES OF CANDIDATES ON THE BALLOT	TOTAL VOTES RECEIVED (IN FIGURES)
Christopher G. "Chris" Shelor	8193
Total Write-In votes [Valid Write-Ins + Invalid Write-Ins = Total Write-In Votes]	115
Total Number of Overvotes for Office	0

We, the undersigned Electoral Board, upon examination of the official records deposited with the Clerk of the Circuit Court of the election held on November 04, 2025, do hereby certify that the above is a true and correct Abstract of votes cast at said election for the Sheriff (Salem City) and do, therefore, determine and declare the following person(s) has received the greatest number of votes cast for the Sheriff (Salem City).

Christopher G. "Chris" Shelor

Given under our hands this 13th *day of* November, 2025

_____, Chairman

_____, Vice Chairman

_____, Secretary/Acting

Katherin A. Elam, Secretary (Certified Copy)

ABSTRACT of VOTES

Cast in SALEM CITY, VIRGINIA
at the 2025 November General held on November 04, 2025 for,

Commissioner of Revenue (Salem City)

District: SALEM CITY

NAMES OF CANDIDATES ON THE BALLOT	TOTAL VOTES RECEIVED (IN FIGURES)
Kristie D. Chittum	8091
Total Write-In votes [Valid Write-Ins + Invalid Write-Ins = Total Write-In Votes]	77
Total Number of Overvotes for Office	2

We, the undersigned Electoral Board, upon examination of the official records deposited with the Clerk of the Circuit Court of the election held on November 04, 2025, do hereby certify that the above is a true and correct Abstract of votes cast at said election for the Commissioner of Revenue (Salem City) and do, therefore, determine and declare the following person(s) has received the greatest number of votes cast for the Commissioner of Revenue (Salem City).

Kristie D. Chittum

ELECTORAL BOARD
CITY OF SALEM, VIRGINIA

Given under our hands this 13th *day of* November, 2025

_____, Chairman

_____, Vice Chairman

_____, Secretary/Acting

_____, Secretary (Certified Copy)

ABSTRACT of VOTES

Cast in SALEM CITY, VIRGINIA
at the 2025 November General held on November 04, 2025 for,

Treasurer (Salem City)

District: SALEM CITY

NAMES OF CANDIDATES ON THE BALLOT	TOTAL VOTES RECEIVED (IN FIGURES)
Danielle C. Crawford	8179
Total Write-In votes [Valid Write-Ins + Invalid Write-Ins = Total Write-In Votes]	90
Total Number of Overvotes for Office	0

We, the undersigned Electoral Board, upon examination of the official records deposited with the Clerk of the Circuit Court of the election held on November 04, 2025, do hereby certify that the above is a true and correct Abstract of votes cast at said election for the Treasurer (Salem City) and do, therefore, determine and declare the following person(s) has received the greatest number of votes cast for the Treasurer (Salem City).

Danielle C. Crawford

Given under our hands this 13th *day of* November, 2025

_____, Chairman

_____, Vice Chairman

_____, Secretary/Acting

Katherine A. Elam, Secretary (Certified Copy)

Item #6.F
Date: 12/11/2025

December 11, 2025

Council of the City of Salem
Salem, Virginia 24153

Dear Council Members:

For your information, I am listing appointments and vacancies on various boards and commissions:

Board or Commission		***Recommendation***
Roanoke Valley Broadband Authority		Recommend ratifying the reappointment of Mike McEvoy by the Roanoke Valley Broadband Authority as an at-large member for a four-year term ending December 13, 2029.
Western Virginia Regional Jail Authority		Recommend re-appointing Byron R. Foley and Rosemarie Jordan as members for a one-year term ending December 31, 2026.
Vacancies		
Board of Zoning Appeals		Need one alternate member for the remainder of a five-year term ending March 1, 2028, and one alternate member for the remainder of a five-year term ending November 13, 2028.
Roanoke River Blueway Advisory Committee		Need one member for a two-year term.

Sincerely,

Laura Lea Harris
Laura Lea Harris
Deputy Clerk of Council

CITY OF SALEM, VIRGINIA
BOARDS AND COMMISSIONS
December 11, 2025

MEMBER	EXPIRATION OF TERM

BLUE RIDGE BEHAVIORAL HEALTHCARE
Term of Office: 3 years (3 terms only)

Denise P. King	12-31-27
Rev. C. Todd Hester	12-31-28
Chris Yeakel	12-31-26
AT LARGE MEMBERS:	
Patrick Kenney	12-31-28
Helen Ferguson	12-31-26
Bobby Russell	12-31-27

BOARD OF APPEALS (USBC BUILDING CODE)
Term of Office: 5 years

Steve Poff	1-01-26
Robert S. Fry, III	1-01-28
Patrick Snead	1-01-30
Ray Varney	5-11-30
Joseph Driscoll	1-01-28
ALTERNATES:	
David Hodges	12-12-26
Chelsea Dyer	8-09-30
David Botts	1-01-29

BOARD OF EQUALIZATION OF REAL ESTATE ASSESSMENTS
Term of Office: 3 years **(appointed by Circuit Court)**

Wendel Ingram	11-30-27
Corey Fobare	11-30-27
David A. Prosser	11-30-28
Janie Whitlow	11-30-26
Kathy Fitzgerald	11-30-27

BOARD OF ZONING APPEALS
Term of Office: 5 years **(appointed by Circuit Court)**

F. Van Gresham	3-20-27
Jeff Zoller	3-30-28
Steve Belanger	6-05-29
Gary Lynn Eanes	3-20-30
Tom Copenhaver	3-20-27
ALTERNATES:	
Tony Rippee	10-12-28
Vacant	3-1-28
Vacant	11-13-28

CHIEF LOCAL ELECTED OFFICIALS (CLEO) CONSORTIUM
No Term Limit
H, Hunter Holliday
Alternate: John Saunders

MEMBER	EXPIRATION OF TERM

COMMUNITY POLICY AND MANAGEMENT TEAM
No term limit except for Private Provider

(Names)	(Alternates)	
Rosie Jordan	Tammy Todd	
Laura Lea Harris	Crystal Williams	
Kevin Meeks	Joshua Vaught	Amy Cole
	Jasmin Lawson	
Cathy Brown	Leigh Frazier	Howard Shumate
	Heather Gunn	Courtenay Alleyne
	Deborah Breedlove	
Parent Rep-Vacant	Vacant	
Sue Goad	Chrissy Brake	
Randy Jennings	Bridget Nelson	
Vacant	Mandy Hall	
Sean Slusser	Seth Chamberland	
Health Dept. - Vacant	Vacant	
Wendel Cook	Jessica Cook	Casey Mabery

*Note: Rosie Jordan will serve as Fiscal Agent
For the City of Salem

ECONOMIC DEVELOPMENT AUTHORITY
Term of Office: 4 years (**Requires Oath of Office**)

William Q. Mongan	3-09-27
Paul C. Kuhnel	3-09-28
Kimberly Blair	3-09-28
Cindy Shelor	4-10-29
Jason Fountain	3-09-29
Sean B. Kosmann	12-14-28
Joe Curran	12-14-28

FAIR HOUSING BOARD
Term of Office: 3 years

Betty Waldron	7-01-28
Melton Johnson	7-01-26
Cole Keister	8-09-27
Pat Dew	3-01-27
Janie Whitlow	4-09-27

MEMBER	EXPIRATION OF TERM
FINE ARTS COMMISSION (**INACTIVE)**	
Term of Office: 4 years	
Cameron Vest	5-01-15
Julie E. Bailey Hamilton	5-01-15
Brenda B. Bower	7-26-12
Vicki Daulton	10-26-12
Hamp Maxwell	10-26-12
Fred Campbell	5-01-13
Rosemary A. Saul	10-26-13
Rhonda M. Hale	10-12-14
Brandi B. Bailey	10-12-14
STUDENT REPRESENTATIVES	
LOCAL OFFICE ON AGING	
Term of Office: 3 years	
John P. Shaner	3-01-27
Partnership for a Livable Roanoke Valley **(INACTIVE)**	
Term of Office: Unlimited	
PERSONNEL BOARD	
Term of Office: 2 years	
William R. Shepherd	6-09-27
J. Chris Conner	8-12-27
Margaret Humphrey	8-12-27
Garry Lautenschlager	11-23-26
Teresa Sizemore	4-26-27
PLANNING COMMISSION AND NPDES CITIZENS' COMMITTEE	
Term of Office: 4 years	
Mark Henrickson	7-31-26
Denise “Dee” King	7-31-26
Nathan Routt	7-26-27
Reid Garst	7-31-26
N. Jackson Beamer	8-28-27
REAL ESTATE TAX RELIEF REVIEW BOARD	
Term of Office: 3 years	
David G. Brittain	2-14-28
Wendel Ingram	6-11-27
Daniel L. Hart	2-14-27
ROANOKE REGIONAL AIRPORT COMMISSION	
Term of Office: 4 years	
Dale T. Guidry	7-1-28
ROANOKE RIVER BLUEWAY ADVISORY COMMITTEE	
Term of Office: 2 years	
Jeff Ceasar	6-30-24
Vacant	6-30-25

MEMBER	EXPIRATION OF TERM
ROANOKE VALLEY-ALLEGHANY REGIONAL COMMISSION	
Term of Office: 3 years	
H. Hunter Holliday	6-30-27
Dee King	6-30-26
Anne Marie Green	6-30-27
ROANOKE VALLEY BROADBAND AUTHORITY	
Term of Office: 4 years	
H. Robert Light	12-14-27
Mike McEvoy (Citizen At-large)	12-13-25
ROANOKE VALLEY DETENTION COMMISSION	
No Terms	
Member	Alternate
Rosemarie Jordan	Chris Dorsey
ROANOKE VALLEY GREENWAY COMMISSION	
Term of Office: 3 years	
Dr. Steven L. Powers	11-08-27
Russ Craighead	6-30-28
Denise P. King	9-26-26
ROANOKE VALLEY RESOURCE AUTHORITY	
Term of Office: 4 years	
Rob Light	12-31-27
ROANOKE VALLEY TRANSPORTATION PLANNING ORGANIZATION (TPO) POLICY BOARD	
Term of Office: 3 years	
Renee F. Turk	6-30-26
H. Hunter Holliday	6-30-26
Alternate: Byron R. Foley	6-30-26
SCHOOL BOARD OF THE CITY OF SALEM	
Term of Office: 3 years	
Teresa Sizemore-Hernandez	12-31-27
Andy Raines*	12-31-25
*reappointed term as of 1/1/26	12-31-28
Stacey Danstrom**	12-31-25
**Michael Crawley as of 1/1/26	12-31-28
Macel Janoschka	12-31-26
Chris King	12-31-27
SOCIAL SERVICES ADVISORY BOARD	
Term of Office: 4 years, 2 term limit	
Anne Marie Green	6-30-26
TOTAL ACTION FOR PROGRESS	
Term of Office: 3 years	
Byron Randolph Foley	12-31-27

MEMBER EXPIRATION OF TERM

TRANSPORTATION TECHNICAL COMMITTEE (TTC)
Term of office: 3 years
Crystal Williams 6-30-26
Josh Pratt 6-30-26
Alternate: Vacant 6-30-26
Alternate: Max Dillon 6-30-26

VIRGINIA ALCOHOL SAFETY ACTION PROGRAM BOARD (VASAP)
Term of office: 3 years
Chris Shelor 1-27-28

VIRGINIA WESTERN COMMUNITY COLLEGE LOCAL ADVISORY
Term of Office: 4 years (2 terms only)
Michael Maxey 6-30-26

VIRGINIA'S BLUE RIDGE BOARD
Term of Office: No term limit
Chris Dorsey
John Shaner

WESTERN VIRGINIA EMERGENCY MEDICAL SERVICES COUNCIL
Term of office: 3 years
Deputy Chief Matt Rickman 12-31-28

WESTERN VIRGINIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Term of Office: 4 years (**Requires Oath of Office**)
Tommy Miller 2-3-26
Chris Dorsey 2-3-28

Crystal Williams (Alternate) 2-3-26
H. Robert Light (Alternate) 2-3-28

WESTERN VIRGINIA REGIONAL JAIL AUTHORITY
Appointee Term of Office: 1 year – Expires 12-31-25
Alternates serve until another alternate is appointed
(**Requires Oath of Office**)
Governing Body Appointee (by Council): Byron R. Foley
Governing Body Alternate (by Council): H. Hunter Holliday
Local Official Appointee (by Council): Rosemarie Jordan
Local Official Alternate (by Council): Chris Dorsey
Sheriff (Automatic): Chris Shelor
Sheriff Alternate (Appointed by Sheriff): Chief Deputy-Major Steve Garber