

NOTES ON THE PROPOSED 2024 BUDGET (REVENUES)

Good Evening Councilmembers, Mayor, and Members of the Public.

This evening, I'm going to introduce you to the City of Tenino's proposed 2024 Budget, with a particular focus on revenues. I will begin with a discussion of the methodology employed to arrive at our revenue and expenditure decisions.

We have several different ways of arriving at our projections that I will explain.

In first priority, revenues fixed by contract. For example, revenues from Tenino School District are fixed by contract; we know exactly what those revenues will be.

Second priority, revenue projections provided by other agencies. For example, in the area of State Generated Revenues, the Municipal Research and Service Center provides a calculator that can be used to compute the City's projected share of the State's revenues for Criminal Justice Programs, Marijuana Enforcement, and Liquor Control Board profits.

Third priority, simple averaging. The majority of the projected revenues were arrived at by a simple averaging of the City's past record of expenses. Specifically, the actual revenues realized in 2020, 2021, 2022. We also included in this comparison, the budgeted vice actual amounts received in 2023. Where the budgeted amount exceeded the actual revenues, the budgeted amount was used in the averaging computations. Where the actual amount received exceeded the budget amount, actual revenues were used. In the area of Licenses & Permits, the figure presented for Business License Renewals is an average of the years 2020-2022.

Fourth priority, judgement & experience. In some cases, usually as a result of extreme variations in the years above mentioned, the budgeted amount for 2024 was either raised, or lowered, after a conversation between the affected Department Head, the Mayor, and the Clerk/Treasurer.

Some of the more important features of this proposed budget are:

- 1. An overall 5% increase in the wages and salaries for all City employees, as well as Elected Officials.**

I invite your questions as to each line item.