



Projecting New Revenue

Dear Reader:

The following document was created from the MTAS website ([mtas.tennessee.edu](https://www.mtas.tennessee.edu)). This website is maintained daily by MTAS staff and seeks to represent the most current information regarding issues relative to Tennessee municipal government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with municipal government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other MTAS website material.

Sincerely,

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Projecting New Revenue

Reference Number: MTAS-801

Using the projected new revenue, the finance director repeated the cash flow analysis. Table 7 shows that the rate increases will result in positive ending cash through the study period.

**Table 7: Any City
Water/Sewer Fund Cash Flow w/Rate Increases**

	AUDIT F/Y 2010	AUDIT F/Y 2011	CURRENT F/Y 2012	PROJECTED F/Y 2013	PROJECTED F/Y 2014	PROJECTED F/Y 2015
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS			\$239,821	\$412,414	\$470,314	\$510,404
ADD:						
Depreciation-Existing			\$618,471	\$618,471	\$618,471	\$618,471
Depreciation - New				\$67,508	\$159,295	\$232,363
Grants				\$768,000	\$0	\$0
Proceeds from Existing Debt			\$3,215,708	\$5,800,000	\$0	\$0
Proceeds from New Debt				\$0	\$0	\$0
TOTAL FUNDS AVAILABLE			\$4,074,000	\$7,666,393	\$1,248,080	\$1,361,238
Capital Projects			(\$734,053)	(\$3,320,032)	(\$5,280,600)	(\$1,446,260)
Debt Principal -Existing			(\$521,436)	(\$461,571)	(\$407,657)	(\$350,855)
Debt Principal - New Debt					(\$175,558)	(\$184,336)
Transfers Out			(\$87,130)	(\$113,441)	(\$156,108)	(\$167,130)
CASH INCREASE (DECREASE)			\$2,731,381	\$3,771,349	(\$4,771,843)	(\$787,343)
BEGINNING CASH			\$902,965	\$3,634,346	\$7,405,695	\$2,633,852
ENDING CASH		\$902,965	\$3,634,346	\$7,405,695	\$2,633,852	\$1,846,509

DISCLAIMER: The letters and publications written by the MTAS consultants were written based upon the law at the time and/or a specific sets of facts. The laws referenced in the letters and publications may have changed and/or the technical advice provided may not be applicable to your city or circumstances. Always consult with your city attorney or an MTAS consultant before taking any action based on information contained in this website.

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