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# Estimating Expenditures

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Dear Reader:

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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 county 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 CTAS website material.

Sincerely,

The University of Tennessee  
County Technical Assistance Service  
226 Anne Dallas Dudley Boulevard, Suite 400  
Nashville, Tennessee 37219  
615.532.3555 phone  
615.532.3699 fax  
[www.ctas.tennessee.edu](http://www.ctas.tennessee.edu)

<b>Estimating Expenditures .....</b>	<b>3</b>
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# Estimating Expenditures

Reference Number: CTAS-731

An approach to estimating expenditures for the next year is to recalculate the current year's budget in January or February using the most recent information. While recalculating the current budget, a detailed analysis of cost elements for each account should be maintained and used for estimating next year's expenditures. Using this budget analysis, expenditure estimates for the next fiscal year other than salaries and capital outlay needs can be calculated adjusting for changes in economy, etc.

Salary estimates should be projected using the percentage adjustment or changes in salary schedules based on the changes in the number of employees. Some jurisdictions figure what a one percent increase will cost and make any adjustment to all budgets upon deciding what a reasonable increase is.

Estimates for capital outlay needs should be based on projected needs and estimated costs for the next fiscal year.

If increases are requested in expenditures, clear and accurate justification should be presented with the budget document.

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**Source URL:** <https://www.ctas.tennessee.edu/eli/estimating-expenditures>