



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

December 11, 2019

Mr. Kevin Crumbo, Director of Finance
Metropolitan Government of Nashville and Davidson County
P. O. Box 196300
Nashville, TN 37219

Re: Metropolitan Government of Nashville and Davidson County (Metro) Corrective Action Plan

Dear Mr. Crumbo:

Thank you for your letter of December 11, 2019, that outlines the corrective actions that Metro is initiating and its Administration's plan to balance its fiscal year 2020 budget (the current fiscal year budget).

The Comptroller approves the budget for the current fiscal year, conditioned upon certification by the Metro Director of Law that all necessary steps have been taken to meet any shortfalls in Metro's Annual Operating Budget for Fiscal Year 2020, as outlined in your letter. We understand that it is the duty of the mayor to impound appropriations as may be necessary to prevent deficit operations. You have assured us that, following certification, you will continue to conduct periodic meetings and communications with our staff and will notify us of material changes in expenditures and revenues. It should be noted that the proposed actions are no cure for Metro's long-term budget concerns but are responsive to immediate financial issues.

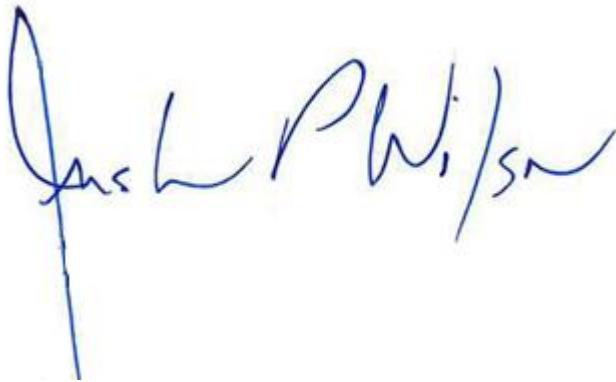
We acknowledge your efforts to develop sound cash management policies that will serve Metro well in the future. Such policies should not be limited to funding obligations on a current basis but also should set the groundwork for funding long-term obligations such as OPEB. We would like to see such policies adopted before or early in the process for developing the budget for fiscal year 2021.

We trust that your budget for 2021, which we expect to be adopted by the Metro Council by June 1, to be structurally balanced, provide for orderly payment of your bonds, and begin the process of developing adequate reserves and provision for your significant long-term obligations. It should not rely on extraordinary actions by the Director of Finance.

We understand the challenges that you face, and we recognize the substantial progress that Metro's finance staff and budget committee have accomplished in this short period of time. The efforts to solve the current year's budget gap are only the beginning. Assertive leadership and diligence are needed to meet the challenges ahead. Tough decisions will need to be made to ensure Metro is financially strong and healthy. We look forward to continuing to partner with Metro as it implements the balanced current fiscal year budget, and as it develops policies for future year budgets and good financial management.

As our offices work together, we look forward to Metro's continued accomplishments. We are here to help and to provide any type of assistance you may need.

Sincerely,

A handwritten signature in blue ink that reads "Justin P. Wilson". The signature is written in a cursive style with a long vertical line extending downwards from the end of the name.

Justin. P. Wilson
Comptroller of the Treasury

cc: Honorable Mayor John Cooper and Metro Council
Mr. Jason Mumpower, Deputy Comptroller
Ms. Sandra Thompson, Director, Office of State and Local Finance
Mr. Jim Arnette, Director, Local Government Audit
Ms. Jean Suh, Contract Audit Review Manager, Local Government Audit