



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

October 28, 2019

The Honorable Anthony E. Holt, County Executive
and Board of Commissioners
Mr. David A. Lawing, CPA, Director of Finance
Sumner County
355 North Belvedere Drive, Room 102
Gallatin, TN 37066

Dear Mr. Holt, Mr. Lawing, and Members of the Board:

This letter acknowledges receipt of a certified copy of the fiscal year 2020 budget.

We have reviewed the budget and have determined that projected revenues and other available funds are sufficient to meet anticipated expenditures. Our review of the budget is based solely on the information we have received and is for determining that the budget appears to be balanced. With regard to programs included in the budget such as education, roads, and corrections, we have not attempted to determine that the local government has complied with specific program statutes or guidelines, or with any financing requirements prescribed by any state or federal agency. A property tax rate may be included in this budget, and we would recommend that local government officials be certain that all program requirements have been met before initiating the tax collection process.

This letter constitutes approval, by this office, for the County's fiscal year 2020 budget as adopted by the County Commission.

Considerations Concerning the Budget

The Office of State and Local Finance has determined that the County's budget meets basic statutory requirements, but we have detected a challenge, outlined below, that could possibly lead to financial problems in the future.

Highway/Public Works Fund

As part of the annual budget submission process required by T.C.A. § 9-21-403, the County provided cash balance information for the Highway/Public Works Fund (the "Fund"). An analysis of beginning and ending cash balances indicated that the Fund is budgeted to have an amount of cash at the end of fiscal year 2020 that is less than one-month's average monthly spending. To ensure the County meets the statutory requirement to operate a cash-basis balanced budget, the

County's finance staff should provide the following information to the Commission, if it does not already do so:

- An updated cash flow analysis for the Fund showing actual data from the prior month and any changes to forecasted data, and
- A budget-to-actual report for the Fund including both revenue collections and expenditures.

Please submit these reports to the Commission at each regular meeting. As part of a financially well-run county, we recommend that the County's finance staff provide the Commission these reports for all funds.

If you need further assistance, please contact your financial analyst, Ron Queen, at 615.401.7862 or Ron.Queen@cot.tn.gov. You may also contact our office by mail at the address located at the bottom of this page. Please send it to the attention of your analyst at the Office of State and Local Finance.

Sincerely,



Sandra Thompson
Director of the Office of State and Local Finance

cc: Mr. Bryan Burklin, Assistant Director, Division of Local Government Audit