

MEGAN BARRY
MAYOR



METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

DEPARTMENT OF FINANCE
OFFICE OF FINANCIAL ACCOUNTABILITY
700 2nd Avenue South, SUITE 201
NASHVILLE, TENNESSEE 37210

March 31, 2016

Scott Potter, Director
Metro Water Services
1600 2nd Ave North
Nashville, TN 37208

Dear Mr. Potter:

The Office of Financial Accountability has completed a review of a selected number of the FY15 Budget Key Measures Results as reported to the Office of Management and Budget for the year ended June 30, 2015. The purpose of the review was to verify the accuracy of your department's reported results.

We randomly selected and tested program results that constitute a minimum of 10% of the department's total reported program budgets. We have completed our review of the supporting documentation and test of the computation of the reported result of the selected FY15 key measure. The result of the testing is attached for your review.

We appreciate the assistance provided by your agency during the course of the review. If you have any questions, please call me at 615-862-6712.

Sincerely,

Kevin Brown

Kevin Brown, CMFO, CICA
Finance Administrator

Encl

CC: Tony Neumaier, Metro Water Services
Heidi Weigel, Metro Water Services
Talia Lomax-O'dneal, Director of Finance
Fred Adom, CPA, CGMA, CICA, Director, Office of Financial Accountability, Department of Finance
Essie Robertson, CPA, CMFO, CICA, Office of Financial Accountability, Department of Finance
Aaron Davis, CICA, Office of Financial Accountability, Department of Finance
Ken Hartlage, Office of Management and Budget, Department of Finance
Alicia Viravouth, Office of Management and Budget, Department of Finance

ATTACHMENT I

Department: Water Services

Purpose: To verify the accuracy of the department's performance measure as reported to the Office of Management and Budget.

Scope: FY 2015

Methodology: The Office of Financial Accountability randomly selected a sample that consisted of a minimum of 10% of the department's reported budgeted program dollars.

Total Reported Budget: \$110,362,700

Program: Customer Service Program

Total Tested Budget: \$9,126,200

Percent Tested: 8%

Performance Measure: Operations & Maintenance Costs for Water - per Water Customer account

Reported Data: \$139.84

OFA Calculation: \$22.95

Was selected reported performance measure verified? No

ATTACHMENT II

Department: Water Services

Purpose: To verify the accuracy of the department's performance measure as reported to the Office of Management and Budget.

Scope: FY 2015

Methodology: The Office of Financial Accountability randomly selected a sample that consisted of a minimum of 10% of the department's reported budgeted program dollars.

Total Reported Budget: \$110,362,700

Program: Water Operations Program

Total Tested Budget: \$24,546,600

Percent Tested: 22%

Performance Measure: Operations & Maintenance Costs per million gallons of water treated

Reported Data: \$714.93

OFA Calculation: \$714.93

Was selected reported performance measure verified? Yes