

**COMBINING AND INDIVIDUAL NONMAJOR FUND
STATEMENTS AND SCHEDULES**

TOWN OF SMYRNA, TENNESSEE

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2003

<u>Assets</u>	Special Revenue Funds				Debt Service Fund	Total Nonmajor Governmental Funds
	Drug Fund	State Street Aid Fund	Golf Course Fund	Impact Fee Fund		
Cash in bank	\$27,602	67,782	365,599	1,557,706	-	2,018,689
Due from other governments	1,359	136,232	-	-	-	137,591
Receivables	-	-	390	-	-	390
Prepaid items	-	-	10,307	-	-	10,307
Inventory	-	-	44,477	-	-	44,477
Total Assets	<u>\$28,961</u>	<u>204,014</u>	<u>420,773</u>	<u>1,557,706</u>	<u>-</u>	<u>2,211,454</u>
<u>Liabilities and Fund Balance</u>						
Liabilities:						
Accounts payable	\$2,474	22,650	15,408	24,590	-	65,122
Accrued liabilities	-	-	50,083	-	-	50,083
Contract payable	-	60,179	-	388,609	-	448,788
Due to other funds	-	-	-	14,476	-	14,476
Deferred revenue	-	73,388	-	-	-	73,388
Total Liabilities	<u>2,474</u>	<u>156,217</u>	<u>65,491</u>	<u>427,675</u>	<u>-</u>	<u>651,857</u>
Fund balance:						
Reserved for inventory and prepaids	-	-	54,787	-	-	54,787
Unreserved, undesignated	26,487	47,797	300,495	1,130,031	-	1,504,810
Total Fund Balance	<u>26,487</u>	<u>47,797</u>	<u>355,282</u>	<u>1,130,031</u>	<u>-</u>	<u>1,559,597</u>
Total Liabilities and Fund Balance	<u>\$28,961</u>	<u>204,014</u>	<u>420,773</u>	<u>1,557,706</u>	<u>-</u>	<u>2,211,454</u>

See accompanying notes to financial statements.

TOWN OF SMYRNA, TENNESSEE

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended June 30, 2003

	Special Revenue Funds				Debt Service Fund	Total Nonmajor Governmental Funds
	Drug Fund	State Street Aid Fund	Golf Course Fund	Impact Fee Fund		
Revenues:						
Intergovernmental:						
Gasoline tax and inspection fees	\$ -	714,021	-	-	-	714,021
Total Intergovernmental	-	714,021	-	-	-	714,021
Licenses and permits	-	-	-	1,123,885	-	1,123,885
Fines, forfeitures and seizures	39,491	-	-	-	-	39,491
Uses of Money and Property:						
Interest	231	4,358	-	29,137	-	33,726
Golf fees, rental, and sales	-	-	1,321,078	-	-	1,321,078
Total Uses of Money and Property	231	4,358	1,321,078	29,137	-	1,354,804
Total Revenues	39,722	718,379	1,321,078	1,153,022	-	3,232,201
Expenditures:						
Current:						
Drug enforcement	143,687	-	-	-	-	143,687
Recreation and culture	-	-	1,162,218	-	-	1,162,218
Highways and streets	-	674,368	-	-	-	674,368
Total Current	143,687	674,368	1,162,218	-	-	1,980,273
Debt service	-	-	-	-	857,398	857,398
Capital outlay	32,079	-	-	-	-	32,079
Total Expenditures	175,766	674,368	1,162,218	-	857,398	2,869,750
Excess (deficiency) of revenues over expenditures	(136,044)	44,011	158,860	1,153,022	(857,398)	362,451
Other Financing Sources (Uses):						
Transfer to Debt Service Fund	-	(279,171)	-	-	-	(279,171)
Transfer from General Fund	4,241	-	-	-	578,227	582,468
Transfer from State Street Aid Fund	-	-	-	-	279,171	279,171
Transfer to Capital Projects Fund	-	-	(5,046)	(1,656,036)	-	(1,661,082)
Transfer to General Fund	-	-	(63,478)	-	-	(63,478)
Total Other Financing Sources (Uses)	4,241	(279,171)	(68,524)	(1,656,036)	857,398	(1,142,092)
Net change in fund balance	(131,803)	(235,160)	90,336	(503,014)	-	(779,641)
Fund balance, beginning of year	158,290	282,957	264,946	1,633,045	-	2,339,238
Fund balance, end of year	\$26,487	47,797	355,282	1,130,031	-	1,559,597

See accompanying notes to financial statements.

TOWN OF SMYRNA, TENNESSEE

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (GAAP Basis) and Actual**

Drug Fund

For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines forfeitures and seizures	\$53,325	53,325	39,722	(13,603)
Total Revenue	53,325	53,325	39,722	(13,603)
Expenditures:				
Current:				
Miscellaneous:				
Drug enforcement	81,300	144,000	143,687	313
Total Current	81,300	144,000	143,687	313
Capital outlay	15,000	32,100	32,079	21
Total Expenditures	96,300	176,100	175,766	334
Excess (deficiency) of revenues over expenditures	(42,975)	(122,775)	(136,044)	(13,269)
Other Financing Sources (Uses):				
Transfer from General Fund	20,000	20,000	4,241	(15,759)
Net change in fund balance	(22,975)	(102,775)	(131,803)	(29,028)
Fund balance, beginning of year	158,290	158,290	158,290	-
Fund balance, end of year	\$135,315	55,515	26,487	(29,028)

TOWN OF SMYRNA, TENNESSEE

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (GAAP Basis) and Actual**

State Street Aid Fund

For the Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final	Amounts	
Revenues:				
Intergovernmental:				
State gasoline and motor fuel tax and fees	\$710,000	710,000	714,021	4,021
Uses of Money and Property:				
Interest	12,400	12,400	4,358	(8,042)
Total Revenues	722,400	722,400	718,379	(4,021)
Expenditures:				
Current:				
Street maintenance - repairs	305,000	305,000	360,976	(55,976)
Lighting	225,000	225,000	243,660	(18,660)
Signals	165,000	165,000	69,732	95,268
Total Current	695,000	695,000	674,368	20,632
Capital outlay	-	-	-	-
Total Expenditures	695,000	695,000	674,368	20,632
Excess (deficiency) of revenues over expenditures	27,400	27,400	44,011	(24,653)
Other Financing Sources (Uses):				
Transfer to Debt Service Fund	(330,500)	(330,500)	(279,171)	51,329
Net change in fund balance	(303,100)	(303,100)	(235,160)	67,940
Fund balance, beginning of year	282,957	282,957	282,957	-
Fund balance, end of year	(\$20,143)	(20,143)	47,797	67,940

TOWN OF SMYRNA, TENNESSEE

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (GAAP Basis) and Actual**

Golf Course Fund

For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Uses of money and property:				
Course fees	\$825,000	825,000	703,732	(121,268)
Snack bar sales	165,000	165,000	170,861	5,861
Golf shop sales	120,000	120,000	134,355	14,355
Cart and locker rentals	283,000	283,000	285,876	2,876
Other	22,900	22,900	26,254	3,354
Total Revenues	1,415,900	1,415,900	1,321,078	(94,822)
Expenditures:				
Recreation and culture:				
Current:				
Salaries	529,030	529,030	481,445	47,585
Benefits and payroll taxes	171,720	171,720	157,113	14,607
Memberships and testing	3,190	3,190	4,324	(1,134)
Telephone and utilities	27,700	27,700	29,896	(2,196)
Repairs and maintenance	38,150	38,150	39,890	(1,740)
Outside services	12,435	12,435	11,043	1,392
Supplies	23,550	23,550	23,024	526
Snack bar resale items	70,000	70,000	86,472	(16,472)
Golf resale items	78,000	78,000	94,091	(16,091)
Chemicals	60,000	60,000	49,288	10,712
Insurance	7,900	7,900	7,494	406
Land and equipment rental	174,336	174,336	172,823	1,513
Other	4,450	4,450	5,315	(865)
Total Current	1,200,461	1,200,461	1,162,218	38,243
Capital Outlay	-	-	-	-
Total Expenditures	1,200,461	1,200,461	1,162,218	38,243
Excess (deficiency) of revenues over expenditures	215,439	215,439	158,860	(56,579)
Other Financing Sources (Uses):				
Transfer to General Fund	(120,000)	(120,000)	(63,478)	56,522
Transfer to Capital Projects Fund	(16,500)	(16,500)	(5,046)	11,454
Total Other Financing Sources (Uses)	(136,500)	(136,500)	(68,524)	67,976
Net change in fund balance	78,939	78,939	90,336	11,397
Fund balance, beginning of year	264,946	264,946	264,946	-
Fund balance, end of year	\$343,885	343,885	355,282	11,397

TOWN OF SMYRNA, TENNESSEE

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (GAAP Basis) and Actual**

Impact Fee Fund

For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Licenses and permits	<u>\$750,000</u>	<u>750,000</u>	<u>1,123,885</u>	<u>373,885</u>
Uses of Money and Property:				
Interest	<u>26,000</u>	<u>26,000</u>	<u>29,137</u>	<u>3,137</u>
Total Revenue	<u>776,000</u>	<u>776,000</u>	<u>1,153,022</u>	<u>377,022</u>
Expenditures:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	776,000	776,000	1,153,022	377,022
Other Financing Sources (Uses):				
Transfer to Capital Projects Fund	<u>(1,643,692)</u>	<u>(1,730,100)</u>	<u>(1,656,036)</u>	<u>74,064</u>
Total Other Financing Sources (Uses)	<u>(1,643,692)</u>	<u>(1,730,100)</u>	<u>(1,656,036)</u>	<u>74,064</u>
Net change in fund balance	<u>(867,692)</u>	<u>(954,100)</u>	<u>(503,014)</u>	<u>451,086</u>
Fund balance, beginning of year	<u>1,633,045</u>	<u>1,633,045</u>	<u>1,633,045</u>	<u>-</u>
Fund balance, end of year	<u><u>\$765,353</u></u>	<u><u>678,945</u></u>	<u><u>1,130,031</u></u>	<u><u>451,086</u></u>

NONMAJOR GOVERNMENT FUNDS

State Street Aid Fund - This fund accounts for all revenue and expenditures from the Town's share of state gasoline taxes. Tennessee state law requires these receipts be kept in a separate fund and used for the construction and maintenance of city streets and certain related street expenditures.

Drug Fund - This fund accounts for funds received directly from the enforcement of laws associated with illegal drug activity. Under state law, the funds are to be used only for law enforcement related expenditures.

Golf Course Fund - This fund is used to account for the operation of the Town golf course which is part of the recreational facilities of the Town.

Impact Fee Fund - This fund is used to account for the collection of fees restricted for certain capital improvements.

Debt Service Fund - This fund is used to account for the accumulation and disbursement of funds for governmental debt service requirements.

FINANCIAL SCHEDULES

Financial Schedules are used to demonstrate finance-related legal and contractual compliance, provide details of data summarized in the financial statements, and present other information deemed useful.

TOWN OF SMYRNA, TENNESSEE

Capital Assets Used in the Operation of Governmental Funds

Schedule By Function and Activity

June 30, 2003

Function and Activity	Land	Buildings & Improvements	Improvements Other Than Buildings	Equipment	Infrastructure	Construction In Progress	Total
General government	\$1,369,653	6,864,062	578,288	1,385,836	-	-	10,197,839
Public safety:							
Police	-	-	-	2,580,113	-	-	2,580,113
Fire	70,000	3,213,910	54,034	2,484,203	-	-	5,822,147
Highways and streets	499,877	169,247	1,434,068	1,204,293	61,207,983	840,102	65,355,570
Recreation	348,887	1,702,761	6,361,489	2,181,698	-	249,109	10,843,944
Community development	-	3,200,333	-	80,536	-	-	3,280,869
Total governmental capital assets	<u>\$2,288,417</u>	<u>15,150,313</u>	<u>8,427,879</u>	<u>9,916,679</u>	<u>61,207,983</u>	<u>1,089,211</u>	<u>98,080,482</u>

TOWN OF SMYRNA, TENNESSEE

Capital Assets Used in the Operation of Governmental Funds

Schedule of Changes in Capital Assets By Function and Activity

For the Year Ended June 30, 2003

Function and Activity	Balance July 1, 2002	Additions	Deletions	Balance June 30, 2003
General government	\$9,982,677	220,506	5,344	10,197,839
Public safety:				
Police	2,289,178	294,935	4,000	2,580,113
Fire	5,509,900	336,878	24,631	5,822,147
Highways and streets	63,782,724	1,573,546	700	65,355,570
Recreation	5,929,455	4,921,869	7,380	10,843,944
Community development	3,280,869	-	-	3,280,869
Total governmental capital assets	<u>\$90,774,803</u>	<u>7,347,734</u>	<u>42,055</u>	<u>98,080,482</u>

TOWN OF SMYRNA, TENNESSEE

Schedule of Cash and Cash Equivalents

All Funds

June 30, 2003

Major Governmental Funds

<u>Type of Investment or Account</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount</u>
General Fund:			
Demand deposits and savings	Various	-	\$2,700,016
Local Government Investment Pool	Various	-	9,707,700
Change funds	-	-	1,073
Total General Fund			<u>12,408,789</u>

Capital Projects Fund

Demand deposits and savings	-	-	127,884
Total Capital Projects Fund			<u>127,884</u>

Nonmajor Governmental Funds

Drug Fund:

Cash			100
Demand deposit	-	-	27,502
Total Drug Fund			<u>27,602</u>

State Street Aid Fund:

Local Government Investment Pool	Various	-	57,426
Demand deposits and savings	Various	-	10,356
Total State Street Aid Fund			<u>67,782</u>

Golf Course Fund:

Demand deposits and savings			364,429
Change funds	-	-	1,170
Total Golf Course Fund			<u>365,599</u>

Impact Fee Fund

Demand deposits and savings	-	-	1,557,706
Total Impact Fee Fund			<u>1,557,706</u>

Proprietary Funds

Water and Sewer Fund:

Demand deposits and savings	Various	-	642,594
Local Government Investment Pool	Various	-	3,184,515
Change funds	-	-	600
Total Water and Sewer Fund			<u>3,827,709</u>

Natural Gas Fund:

Local Government Investment Pool	Various	-	6,543,014
Demand deposits and savings	Various	-	1,095,702
Total Natural Gas Fund			<u>7,638,716</u>

Internal Service Fund

Demand deposits and savings	Various	-	707,952
Total Internal Service Fund			<u>707,952</u>

Total Primary Government			<u>\$26,729,739</u>
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TOWN OF SMYRNA, TENNESSEE
Schedule of Changes in Property Taxes Receivable
General Fund
For the Year Ended June 30, 2003

<u>Fiscal Year</u>	<u>Balance June 30, 2002</u>	<u>Adjustments/ Assessments</u>	<u>Collections</u>	<u>Balance June 30, 2003</u>
2002 - 2003	\$ -	3,497,862	3,362,439	135,423
2001 - 2002	140,474	1,830	92,039	50,265
2000 - 2001	43,502	-	15,079	28,423
1999 - 2000	15,028	-	8,280	6,748
1998 - 1999	10,339	-	4,377	5,962
1997 - 1998	6,765	-	2,224	4,541
1996 - 1997	3,674	-	1,579	2,095
1995 - 1996	1,136	-	91	1,045
1994 - 1995	1,113	-	133	980
1993 - 1994	6,470	-	265	6,205
1992 - 1993	2,017	-	2,017	-
	<u>\$230,518</u>	<u>3,499,692</u>	<u>3,488,523</u>	241,687
2003 - 2004**				<u>3,431,716</u> <u>\$3,673,403</u>

Fiscal year 2000-2001 and prior have been turned over to the County Clerk and Master for collection.

** Unlevied taxes receivable

TOWN OF SMYRNA, TENNESSEE

**Schedule of Maturities of Bond Indebtedness
and Interest Requirements**

General Obligation

June 30, 2003

Year Ending <u>June 30,</u>	Public Building Authority Loan	Public Building Authority Loan	Interest Requirements	Total
2004	\$287,610	337,000	202,910	827,520
2005	301,828	121,301	171,680	594,809
2006	316,934	-	151,358	468,292
2007	332,929	-	135,512	468,441
2008	349,516	-	118,865	468,381
2009	366,992	-	101,389	468,381
2010	385,356	-	83,040	468,396
2011	404,609	-	63,772	468,381
2012	424,751	-	43,541	468,292
2013	445,100	-	22,304	467,404
	<u>\$3,615,625</u>	<u>458,301</u>	<u>1,094,371</u>	<u>5,168,297</u>

TOWN OF SMYRNA, TENNESSEE

Schedule of Maturities of Indebtedness and Interest Requirements

Water and Sewer Fund

June 30, 2003

Year Ending June 30,	Bond Issue					State Sewer Note	Interest Requirements	Total
	1994	1995-96	1998	2001	2003			
2004	\$30,000	655,000	683,390	35,000	30,000	48,682	699,776	2,181,848
2005	-	-	717,172	35,000	715,000	52,118	633,561	2,152,851
2006	-	-	753,066	75,000	730,000	55,797	577,773	2,191,636
2007	-	-	791,071	75,000	745,000	59,735	518,743	2,189,549
2008	-	-	830,484	865,000	-	63,952	449,732	2,209,168
2009	-	-	872,008	905,000	-	68,466	370,334	2,215,808
2010	-	-	915,644	940,000	-	73,298	285,951	2,214,893
2011	-	-	961,391	980,000	-	78,472	196,404	2,216,267
2012	-	-	1,009,249	50,000	-	84,012	121,907	1,265,168
2013	-	-	1,060,900	55,000	-	89,941	63,017	1,268,858
2014	-	-	-	50,000	-	96,290	5,759	152,049
2015	-	-	-	55,000	-	109,630	2,336	166,966
	<u>\$30,000</u>	<u>655,000</u>	<u>8,594,375</u>	<u>4,120,000</u>	<u>2,220,000</u>	<u>880,393</u>	<u>3,925,293</u>	<u>20,425,061</u>

TOWN OF SMYRNA, TENNESSEE

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2003

Federal Grants as Identified in the
Catalog of Federal Domestic Assistance:

<u>CFDA Number</u>	<u>Program Name</u>	<u>Grantor Agency</u>	<u>Expenditures</u>
16.592	LLEBG Grant	U. S. Department of Justice	\$24,628
20.205	Greenways Grant	Federal Highway Administration	5,338
83.544	FEMA Grant	Federal Emergency Management	97,774
			<u>\$127,740</u>

This schedule was prepared using the accrual basis of accounting.

At June 30, 2003, there was a Department of Housing and Urban Development Home Investment Partnership Grant Note outstanding. (CFDA #14.239). The funds, in the amount of \$195,000 were passed to a subrecipient and the grant note is forgivable as long as the Town continues to meet the terms of the grant note through August 2019.

TOWN OF SMYRNA, TENNESSEE
Schedule of Federal and State Financial Assistance
For the Year Ended June 30, 2003

Federal Grants as Identified in the
Catalog of Federal Domestic Assistance:

CFDA Number	State Grant Number	Program Name	Grantor Agency	(Accrued) or Deferred Revenue at July 1, 2002	Program Income & Grant Receipts	Expenditures	(Accrued) or Deferred Revenue at June 30, 2003
16.592	01LBBX-1481	LLEBG Grant	U. S. Department of Justice	\$13,003	204	12,699	508
16.592	02LBBX-0296	LLEBG Grant	U. S. Department of Justice	-	25,230	11,929	13,301
16.607	N/A	Bulletproof Vests Grant	U. S. Department of Justice	-			-
83.554	N/A	FEMA Grant	Federal Emergency Management	-	-	97,774	(97,774)
20.205	1999-830	Intermodal Trans. Ctr.	Federal Highway Administration	(37,674)	37,764		-
20.205	99-135	Greenway Grant	Federal Highway Administration	(130,934)	123,630	5,338	(12,642)
20.205	SRP-EN-9315(5)	Sidewalk Grant	Federal Highway Administration	(53,516)	53,516		-
Total Federal Assistance				<u>(\$209,121)</u>	<u>240,344</u>	<u>127,740</u>	<u>(96,607)</u>

State Grants:

	Z-02-008492-00	TIIP Grants	TN Dept. of Economic and Community Development	\$ -	633,723	638,259	(4,536)
	Z-02-008493-00			-	600,937	605,239	(4,302)
	Z-02-008494-00			-	600,937	605,239	(4,302)
	Z-02-008495-00			-	568,151	572,218	(4,067)
	154AL-02-09	Demonstration Mini Grant	TN Department of Transportation	(6,000)	6,000	-	-
				<u>(\$6,000)</u>	<u>2,409,748</u>	<u>2,420,955</u>	<u>(17,207)</u>

This schedule was prepared using the accrual basis of accounting.