

BASIC FINANCIAL STATEMENTS

TOWN OF SMYRNA, TENNESSEE

Statement of Net Assets

June 30, 2005

	Primary Government		Total	Component Unit
	Governmental Activities	Business Activities		Industrial Development Fund
<u>Assets</u>				
Cash and cash equivalents	\$15,863,412	13,627,084	29,490,496	37,255
Receivables (net of allowance for uncollectibles)				
Taxes	6,058,739	-	6,058,739	-
Due from other governments	3,879,076	146,050	4,025,126	-
Accounts receivable	182,715	2,616,341	2,799,056	2,500
Inventories, at cost	62,547	255,365	317,912	-
Internal balances	(130,337)	130,337	-	-
Restricted assets:				
Cash and equivalents - customer and developer deposits	-	512,012	512,012	-
Investments-bond proceeds	-	8,585,690	8,585,690	-
Other	-	4,200	4,200	-
Note receivable	228,937	332,650	561,587	-
Other assets	10,307	216,298	226,605	125,106
Non-depreciable capital assets	3,538,059	3,226,681	6,764,740	-
Depreciable capital assets (net of accumulated depreciation)	74,248,902	93,729,379	167,978,281	3,780,347
 Total Assets	<u>\$103,942,357</u>	<u>123,382,087</u>	<u>227,324,444</u>	<u>3,945,208</u>
<u>Liabilities</u>				
Accounts payable	\$718,126	1,013,491	1,731,617	-
Accrued liabilities	1,085,121	398,466	1,483,587	-
Interest payable	1,120	99,727	100,847	15,050
Contracts payable	1,366,275	1,022,285	2,388,560	-
Deferred revenue	5,864,256	-	5,864,256	-
Liabilities payable from restricted assets	-	1,419,703	1,419,703	-
Long-term liabilities due within one year	1,420,506	2,228,066	3,648,572	50,000
Long-term liabilities due in more than one year	4,976,381	24,522,777	29,499,158	4,050,000
 Total Liabilities	<u>15,431,785</u>	<u>30,704,515</u>	<u>46,136,300</u>	<u>4,115,050</u>
<u>Net Assets</u>				
Investments in capital assets, net of related debt	72,761,202	77,883,216	150,644,418	(319,653)
Restricted for:				
Capital projects	-	-	-	-
Highways and streets	418,214	-	418,214	-
Law enforcement	70,032	-	70,032	-
Unrestricted	15,261,124	14,794,356	30,055,480	149,811
Total Net Assets	<u>\$88,510,572</u>	<u>92,677,572</u>	<u>181,188,144</u>	<u>(169,842)</u>

See accompanying notes to financial statements

TOWN OF SMYRNA, TENNESSEE
Statement of Activities
For the Year Ended June 30, 2005

Functions / Programs:	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets		Total	Component Unit Industrial Development Fund
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
Primary Government:					Governmental Activities	Business-type Activities		
Governmental Activities:								
General government	\$5,563,874	1,974,949	-	250,000	(3,338,925)	-	(3,338,925)	-
Public safety:								
Police	6,641,013	992,196	24,283	-	(5,624,534)	-	(5,624,534)	-
Fire	4,027,527	-	-	539,659	(3,487,868)	-	(3,487,868)	-
Highways and streets	4,095,570	352,236	925,265	6,565,527	3,747,458	-	3,747,458	-
Recreation	3,657,874	1,521,377	-	2,428,744	292,247	-	292,247	-
Community Development	1,271,640	332,359	-	-	(939,281)	-	(939,281)	-
Interest expense on long-term debt	115,232	-	-	-	(115,232)	-	(115,232)	-
Total Government Activities	<u>25,372,730</u>	<u>5,173,117</u>	<u>949,548</u>	<u>9,783,930</u>	<u>(9,466,135)</u>	<u>-</u>	<u>(9,466,135)</u>	<u>-</u>
Business-type Activities								
Water and Sewer	8,356,911	8,123,010	-	2,833,215	-	2,599,313	2,599,313	-
Natural Gas	19,591,008	19,959,549	-	233,849	-	602,390	602,390	-
Total Business-type Activities	<u>27,947,919</u>	<u>28,082,559</u>	<u>-</u>	<u>3,067,064</u>	<u>-</u>	<u>3,201,703</u>	<u>3,201,703</u>	<u>-</u>
Total Primary Government	<u>\$53,320,649</u>	<u>33,255,676</u>	<u>949,548</u>	<u>12,850,994</u>	<u>(9,466,135)</u>	<u>3,201,703</u>	<u>(6,264,432)</u>	<u>-</u>
Component Unit								
Industrial Development Fund	<u>171,164</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(171,164)</u>
General Revenues:								
Property taxes and in lieu of tax					\$5,751,277	-	5,751,277	-
Sales taxes					5,552,537	-	5,552,537	-
Other locally assessed taxes					1,499,724	-	1,499,724	-
Other state shared taxes					2,129,379	-	2,129,379	-
Unrestricted investment earnings and rental income					494,020	211,476	705,496	1,322
Other					35,937	-	35,937	-
Transfers					512,850	(512,850)	-	-
Total general revenues and transfers					<u>15,975,724</u>	<u>(301,374)</u>	<u>15,674,350</u>	<u>1,322</u>
Change in net assets					6,509,589	2,900,329	9,409,918	(169,842)
Net assets - beginning of year, as restated					82,000,983	89,777,243	171,778,226	-
Net assets - end of year					<u>\$88,510,572</u>	<u>92,677,572</u>	<u>181,188,144</u>	<u>(169,842)</u>

See accompanying notes to financial statements

TOWN OF SMYRNA, TENNESSEE

**Balance Sheet
Governmental Funds**

June 30, 2005

<u>Assets</u>	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash	\$12,127,759	67,665	3,331,023	15,526,447
Receivables (net of allowance for uncollectibles)				
Taxes	6,074,902	-	-	6,074,902
Due from other governments	1,464,607	2,257,984	156,485	3,879,076
Accounts receivable	171,222	-	263	171,485
Due from other funds	1,466,836	31,942	-	1,498,778
Inventory of supplies	22,932	-	39,615	62,547
Note receivable	-	228,937	-	228,937
Prepaid items	-	-	10,307	10,307
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$21,328,258</u>	<u>2,586,528</u>	<u>3,537,693</u>	<u>27,452,479</u>
 <u>Liabilities and Fund Balances</u>				
Accounts payable	\$266,035	154,685	93,445	514,165
Accrued costs	1,029,637	-	55,484	1,085,121
Due to other funds	-	1,466,836	31,942	1,498,778
Contracts payable	240,388	1,061,809	64,078	1,366,275
Deferred revenue	6,724,368	-	79,853	6,804,221
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>8,260,428</u>	<u>2,683,330</u>	<u>324,802</u>	<u>11,268,560</u>
 Fund Balance:				
Reserved for prepaid items and inventory	22,932	-	39,615	62,547
Reserved for project	147,586	-	-	147,586
Reserved for notes receivable	-	221,665	-	221,665
Unreserved and undesignated				
General Fund	12,897,312	-	-	12,897,312
Capital Projects Fund	-	(318,467)	-	(318,467)
Special Revenue Funds	-	-	3,173,276	3,173,276
Total Fund Balances	<u>13,067,830</u>	<u>(96,802)</u>	<u>3,212,891</u>	<u>16,183,919</u>
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Total Liabilities and Fund Balances	<u>\$21,328,258</u>	<u>2,586,528</u>	<u>3,537,693</u>	<u>27,452,479</u>

See accompanying notes to financial statements.

TOWN OF SMYRNA, TENNESSEE

Reconciliation of Balance Sheet to Statement of Net Assets
of Governmental Activities

June 30, 2005

Amounts reported for fund balance - total governmental funds	\$16,183,919
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	77,786,961
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds	
State shared revenues and local option sales tax receivable	807,065
Property taxes receivable	116,737
Internal service fund is used by management to charge the costs of medical insurance to individual funds. The assets and liabilities of the internal service fund is included in governmental activities in the statement of net assets.	13,897
Interest payable on long-term obligations are not due and payable in the current period and, therefore, they are not reported in the governmental funds balance sheet.	(1,120)
Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not recorded in the funds.	
Governmental bonds payable	(4,985,187)
Capital leases payable	(40,572)
Compensated absences	(1,371,128)
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Net assets of governmental activities	<u>\$88,510,572</u>

See accompanying notes to financial statements.

TOWN OF SMYRNA, TENNESSEE

**Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds**

For the Year Ended June 30, 2005

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
<u>Revenues</u>				
Taxes	\$10,896,614	-	-	10,896,614
Payment in lieu of taxes	1,838,262	-	-	1,838,262
Licenses and permits	890,528	-	2,183,786	3,074,314
Intergovernmental	2,192,466	2,073,043	850,208	5,115,717
Fines and forfeits	932,344	-	59,852	992,196
Uses of money and property	2,428,473	10,478	1,337,493	3,776,444
Miscellaneous	73,007	250,000	-	323,007
Total Revenues	19,251,694	2,333,521	4,431,339	26,016,554
<u>Expenditures</u>				
Current:				
General government	4,603,485	114,671	-	4,718,156
Public safety:				
Police	5,960,397	97,254	88,059	6,145,710
Fire	3,315,189	132,549	-	3,447,738
Highways and streets	1,054,296	28,570	425,333	1,508,199
Recreation	1,677,278	55,971	1,241,521	2,974,770
Community development	1,049,620	-	-	1,049,620
Debt service	-	-	865,116	865,116
Capital outlay	-	5,988,405	18,331	6,006,736
Total Expenditures	17,660,265	6,417,420	2,638,360	26,716,045
Excess (deficiency) revenues over expenditures	1,591,429	(4,083,899)	1,792,979	(699,491)
<u>Other Financing Sources (Uses)</u>				
Public Building Authority loan issuance	-	1,339,786	-	1,339,786
Transfers in	562,850	2,389,211	904,492	3,856,553
Transfers out	(1,562,071)	-	(1,781,632)	(3,343,703)
Total Other Financing Source (Uses)	(999,221)	3,728,997	(877,140)	1,852,636
Net change in fund balance	592,208	(354,902)	915,839	1,153,145
Fund balance, beginning of year	12,475,622	258,100	2,297,052	15,030,774
Fund balance, end of year	\$13,067,830	(96,802)	3,212,891	16,183,919

See accompanying notes to financial statements.

TOWN OF SMYRNA, TENNESSEE

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance
of Governmental Funds to the Statement of Activities**

For the Year Ended June 30, 2005

Net change in fund balances-total governmental funds: \$1,153,145

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Cost of assets acquired	6,076,186
Depreciation expense	(4,350,714)
Loss on disposal of capital assets	(37,070)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	(12,671)
Local option sales tax	81,333
State shared taxes	36,253
Contributed capital assets	5,207,651

The issuance of long-term debt provides current financial resources to governmental funds. while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Debt repayment	747,178
Debt issuance	(1,339,786)

Interest is accrued on outstanding obligations in governmental activities whereas in governmental funds, an interest expenditure is reported when due:

Interest on capital leases	2,706
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Expenses reported for governmental activities which do not require the use of financial resources and are not reported as expenditures in the governmental funds:

Compensated absences	(900,923)
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Internal service funds are used by management to charge the costs of medical insurance to individual funds. The net revenue (expenses) of certain activities of internal service funds is reported with governmental activities. (net of amount allocated to business activities of revenue of \$1,559)

(153,699)

Change in net assets of governmental activities	\$6,509,589
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See accompanying notes to financial statements.

TOWN OF SMYRNA, TENNESSEE

Statement of Net Assets

Proprietary Funds

June 30, 2005

	Business-type Activities - Enterprise Funds			Internal Service Fund
	Water and Sewer Fund	Natural Gas Fund	Total	
<u>Assets</u>				
Current Assets:				
Cash and cash equivalents	\$6,401,003	7,226,081	13,627,084	336,965
Cash and cash equivalents - restricted	96,594	415,418	512,012	-
Investments - restricted	907,691	-	907,691	-
Receivables:				
Utility customers, net of allowance for estimated uncollectible	945,820	1,670,521	2,616,341	11,230
Grant receivable	146,050	-	146,050	-
Note receivable, current portion	33,759	-	33,759	-
Total Accounts Receivable	1,125,629	1,670,521	2,796,150	11,230
Due from other funds	-	-	-	-
Inventory, at cost	132,517	122,848	255,365	-
Total Current Assets	8,663,434	9,434,868	18,098,302	348,195
Noncurrent Assets:				
Restricted Assets:				
Investments	7,677,999	-	7,677,999	-
Special assessments and other receivable	4,200	-	4,200	-
Total Noncurrent Restricted Assets	7,682,199	-	7,682,199	-
Property, Plant and Equipment	118,648,904	19,454,219	138,103,123	-
Less accumulated depreciation	(33,342,986)	(7,804,077)	(41,147,063)	-
Total Property, Plant and Equipment, Net	85,305,918	11,650,142	96,956,060	-
Other Assets:				
Note receivable, net of current portion	298,891	-	298,891	-
Bond issuance cost-net of amortization	216,298	-	216,298	-
Total Other Assets	515,189	-	515,189	-
Total Noncurrent Assets	93,503,306	11,650,142	105,153,448	-
Total Assets	<u>\$102,166,740</u>	<u>21,085,010</u>	<u>123,251,750</u>	<u>348,195</u>
<u>Liabilities</u>				
Liabilities:				
Current Liabilities (payable from current assets):				
Accounts payable	\$204,005	809,485	1,013,490	203,961
Accrued expenses	272,610	125,857	398,467	-
Contracts payable	958,382	63,903	1,022,285	-
Interest payable	99,727	-	99,727	-
Due to other funds	-	-	-	-
Current maturities of long-term debt	2,228,066	-	2,228,066	-
Total Current Liabilities (payable from current assets)	3,762,790	999,245	4,762,035	203,961
Current Liabilities (payable from restricted assets):				
Construction bonds	52,825	-	52,825	-
Contracts payable	907,691	-	907,691	-
Customer deposits and project assistance	43,769	415,418	459,187	-
Total Current Liabilities (payable from restricted assets)	1,004,285	415,418	1,419,703	-
Noncurrent Liabilities:				
Long-term debt, net of current maturities	24,522,777	-	24,522,777	-
Total Liabilities	29,289,852	1,414,663	30,704,515	203,961
<u>Net Assets</u>				
Invested in capital assets, net of related debt	66,233,074	11,650,142	77,883,216	-
Unrestricted	6,643,814	8,020,205	14,664,019	144,234
Total Net Assets	<u>\$72,876,888</u>	<u>19,670,347</u>	<u>92,547,235</u>	<u>144,234</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	117,473	12,864	130,337	
Net assets of business-type activities	<u>\$72,994,361</u>	<u>19,683,211</u>	<u>92,677,572</u>	

See accompanying notes to financial statements.

TOWN OF SMYRNA, TENNESSEE

Statement of Revenues, Expenses and
Changes in Net Assets

Proprietary Funds

For the Year Ended June 30, 2005

	Business-type Activities - Enterprise Funds		Total	Internal Service Fund
	Water and Sewer Fund	Natural Gas Fund		
Operating Revenues:				
Services	\$7,984,610	19,800,180	27,784,790	3,121,703
Other	13,446	6,645	20,091	-
Forfeited discounts	124,954	152,724	277,678	-
Total Operating Revenues	<u>8,123,010</u>	<u>19,959,549</u>	<u>28,082,559</u>	<u>3,121,703</u>
Operating Expenses:				
Gas purchases	-	17,484,822	17,484,822	-
Salaries	1,726,615	417,314	2,143,929	-
Benefits and payroll taxes	728,505	254,760	983,265	3,188,601
Travel	-	4,982	4,982	-
Outside services	432,342	43,930	476,272	-
Telephone and utilities	1,069,362	23,077	1,092,439	-
Maintenance and repair	289,370	52,792	342,162	-
Operating supplies	557,667	124,280	681,947	-
Insurance	108,466	75,529	183,995	-
Professional services	32,873	40,717	73,590	-
Depreciation and amortization	2,590,889	682,951	3,273,840	-
Administrative support services	474,108	336,417	810,525	-
Other	53,160	48,339	101,499	-
Total Operating Expenses	<u>8,063,357</u>	<u>19,589,910</u>	<u>27,653,267</u>	<u>3,188,601</u>
Operating Income (loss)	<u>59,653</u>	<u>369,639</u>	<u>429,292</u>	<u>(66,898)</u>
Non-Operating Revenues (Expenses):				
Interest income	86,867	122,816	209,683	9,761
Gain on sale of capital assets	-	-	-	-
Interest expenses	(389,421)	-	(389,421)	-
Total Non-Operating Revenues (Expenses)	<u>(302,554)</u>	<u>122,816</u>	<u>(179,738)</u>	<u>9,761</u>
Net Income (loss) Before Contributions and Transfers	<u>(242,901)</u>	<u>492,455</u>	<u>249,554</u>	<u>(57,137)</u>
Contributions:				
Capital contributions - tap fees	2,181,167	233,849	2,415,016	-
Capital grant	122,338	-	122,338	-
Contributions from developers - non cash	529,710	-	529,710	-
Transfers out	<u>(377,159)</u>	<u>(135,691)</u>	<u>(512,850)</u>	<u>-</u>
Change in Net Assets	<u>2,213,155</u>	<u>590,613</u>	<u>2,803,768</u>	<u>(57,137)</u>
Net Assets, Beginning of Year, as restated	<u>70,663,733</u>	<u>19,079,734</u>	<u>89,743,467</u>	<u>201,371</u>
Net Assets, End of Year	<u>\$72,876,888</u>	<u>19,670,347</u>	<u>92,547,235</u>	<u>144,234</u>
Change in Net Assets shown above	2,213,155	590,613	2,803,768	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	<u>97,097</u>	<u>(536)</u>	<u>96,561</u>	
Change in net assets of business-type activities	<u>\$2,310,252</u>	<u>590,077</u>	<u>2,900,329</u>	

See accompanying notes to financial statements.

TOWN OF SMYRNA, TENNESSEE

Statement of Cash Flows

Proprietary Funds

For the Year Ended June 30, 2005

	Business-type Activities - Enterprise Funds		Total	Internal Service Fund
	Water and Sewer Fund	Natural Gas Fund		
Cash Flows from Operating Activities:				
Cash received from customers	\$7,914,631	19,896,992	27,811,623	-
Cash paid to employees for services	(1,723,295)	(422,518)	(2,145,813)	-
Cash paid to suppliers for goods and services	(3,133,464)	(18,256,237)	(21,389,701)	-
Payments for interfund administrative support services	(377,159)	(336,417)	(713,576)	-
Interfund advance receipts	-	3,254	3,254	-
Interfund advance repayments	(49,355)	(13,208)	(62,563)	-
Cash received on customer deposits	-	57,868	57,868	-
Premiums received	-	-	-	3,348,240
Medical claims and administrative expenses paid	-	-	-	(3,452,824)
Net Cash Provided (Used) by Operating Activities	<u>2,631,358</u>	<u>929,734</u>	<u>3,561,092</u>	<u>(104,584)</u>
Cash Flows from Capital and Related Financing Activities:				
Purchase of property, plant, and equipment	(4,372,688)	(897,325)	(5,270,013)	-
Purchase of investments	(10,000,000)	-	(10,000,000)	-
Sale of investments	1,414,310	-	1,414,310	-
Cash received on note receivable	31,798	-	31,798	-
Cash received on construction bonds	5,454	-	5,454	-
Interest paid on debt	(516,705)	-	(516,705)	-
Interfund advance receipts	-	-	-	-
Capital grant proceeds	278,494	-	278,494	-
Cash paid for debt issue costs	(64,999)	-	(64,999)	-
Cash received on debt issuance	10,000,000	-	10,000,000	-
Payments on long-term debt	(1,727,172)	-	(1,727,172)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(4,951,508)</u>	<u>(897,325)</u>	<u>(5,848,833)</u>	<u>-</u>
Cash Flows from Non-Capital Financing Activities:				
Transfers	(377,159)	(135,691)	(512,850)	-
Contributed equity-from customers	2,210,217	233,849	2,444,066	-
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>1,833,058</u>	<u>98,158</u>	<u>1,931,216</u>	<u>-</u>
Cash Flows from Investing Activities:				
Interest received on investments	86,867	122,816	209,683	9,760
Net Cash Provided (Used) by Investing Activities	<u>86,867</u>	<u>122,816</u>	<u>209,683</u>	<u>9,760</u>
Net Increase (Decrease) in Cash	(400,225)	253,383	(146,842)	(94,824)
Cash and Cash Equivalents and Restricted Cash, Beginning of Year	<u>6,897,822</u>	<u>7,388,116</u>	<u>14,285,938</u>	<u>431,789</u>
Cash and Cash Equivalents and Restricted Cash, End of Year	<u>\$6,497,597</u>	<u>7,641,499</u>	<u>14,139,096</u>	<u>336,965</u>

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TOWN OF SMYRNA, TENNESSEE

Statement of Cash Flows

Proprietary Funds, Continued

For the Year Ended June 30, 2005

	Business-type Activities - Enterprise Funds		Total	Internal Service Fund
	Water and Sewer Fund	Natural Gas Fund		
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operations</u>				
Operating income (loss)	\$59,653	369,639	429,292	(\$66,898)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization	2,590,889	682,951	3,273,840	-
(Increase) decrease in:				
Accounts receivable	(208,379)	(62,557)	(270,936)	(11,230)
Inventory	57,617	12,355	69,972	-
Prepaid expenses	-	-	-	-
Due from other funds	-	3,254	3,254	237,767
Increase (Decrease) in:				
Accounts payable	23,533	(182,108)	(158,575)	(264,223)
Accrued expenses	157,400	61,540	218,940	-
Due to other funds	(49,355)	(13,208)	(62,563)	-
Customer deposits	-	57,868	57,868	-
Net Cash Provided (used) for Operating Activities	<u>\$2,631,358</u>	<u>929,734</u>	<u>3,561,092</u>	<u>(104,584)</u>

Supplemental Schedule of Non-Cash Capital Financing Activities

In fiscal 2005, the Town accepted \$529,710 in contributed water and sewer lines from developers.

In fiscal 2005, the Town liquidated contracts payable in the water and sewer utility fund in the amount of \$28,560 and liquidated contracts payable in the natural gas fund in the amount of \$4,444 related to plant and equipment in those funds.

In fiscal 2005, a restatement in the water and sewer fund resulted in a decrease in accounts payable of \$116,113.

Note: Capitalized interest costs (net of related interest income) in the Water and Sewer Fund were \$165,367 for 2005.

See accompanying notes to financial statements.

TOWN OF SMYRNA, TENNESSEE

Statement of Fiduciary Net Assets

Pension Fund

June 30, 2005

Assets

Investments, at fair value:

Money market funds	\$39,710
Mutual funds	811,069
U S government securities	907,053
Corporate bonds	764,734
Stocks	65,023
Interest receivable	23,720

Total Assets

\$2,611,309

Liabilities

Liabilities

-

Net Assets

Held in Trust for Pension Benefits

2,611,309

Total Net Assets Held in Trust for Pension Benefits

\$2,611,309

See accompanying notes to financial statements

TOWN OF SMYRNA, TENNESSEE
Statement of Changes in Fiduciary Net Assets
Pension Fund
For the Year Ended June 30, 2005

<u>Additions</u>	
Contributions - employer	\$158,012
Investment earnings	
Interest, dividends and other investment income (loss)	88,920
Net increase (decrease) in fair value of investments	41,879
Net investment earnings	<u>130,799</u>
 Total additions	 <u>288,811</u>
<u>Deductions</u>	
Pension benefits	<u>95,881</u>
 Total deductions	 <u>110,603</u>
 Change in net assets	 178,208
 Net assets held in trust for pension benefits beginning of year	 <u>2,433,101</u>
 Net assets held in trust for pension benefits end of year	 <u><u>\$2,611,309</u></u>

See accompanying notes to financial statements