

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF SMYRNA, TENNESSEE

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

General Fund

For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Real estate taxes	\$3,803,000	3,803,000	3,925,686	122,686
Business tax	435,000	435,000	200,085	(234,915)
Wholesale beer tax	800,000	800,000	890,405	90,405
Local option sales tax	5,320,000	5,320,000	5,471,204	151,204
Other	329,000	329,000	409,234	80,234
Total Taxes	<u>10,687,000</u>	<u>10,687,000</u>	<u>10,896,614</u>	<u>209,614</u>
Payments in lieu of taxes	<u>1,820,000</u>	<u>1,820,000</u>	<u>1,838,262</u>	<u>18,262</u>
Licenses and Permits	<u>512,100</u>	<u>512,100</u>	<u>890,528</u>	<u>378,428</u>
Intergovernmental Revenues:				
State of Tennessee income tax	30,000	30,000	43,994	13,994
State of Tennessee beer tax	14,500	14,500	14,701	201
State of Tennessee sales tax	1,845,000	1,845,000	1,811,652	(33,348)
Maintenance of state roads	67,800	67,800	67,496	(304)
Federal and state grants	-	-	24,283	24,283
Other state and county shared taxes	159,530	159,530	230,340	70,810
Total Intergovernmental Revenues	<u>2,116,830</u>	<u>2,116,830</u>	<u>2,192,466</u>	<u>75,636</u>
Fines and forfeits	<u>795,500</u>	<u>795,500</u>	<u>932,344</u>	<u>136,844</u>
Uses of Property and Money:				
Penalties	28,250	28,250	59,972	31,722
Performance bond	692,305	692,305	352,236	(340,069)
Interest earned	123,000	123,000	333,000	210,000
Rent	127,000	127,000	94,633	(32,367)
Traffic school fees	187,000	187,000	161,424	(25,576)
Administrative support charges	810,525	810,525	810,525	-
Cemetery revenue	30,000	30,000	52,500	22,500
Recreation fees and community center fees	381,960	381,960	376,427	(5,533)
Food sales	225,000	225,000	187,756	(37,244)
Total Uses of Property and Money	<u>2,605,040</u>	<u>2,605,040</u>	<u>2,428,473</u>	<u>(176,567)</u>
Other	<u>340,800</u>	<u>340,800</u>	<u>73,007</u>	<u>(267,793)</u>
Total Revenues	<u>18,877,270</u>	<u>18,877,270</u>	<u>19,251,694</u>	<u>374,424</u>
Expenditures:				
General Government:				
Current:				
Legislative Board:				
Salaries	36,000	36,000	36,300	(300)
Benefits and payroll taxes	13,910	13,910	14,063	(153)
Travel	-	-	-	-
Other	50,540	53,290	52,792	498
Total Legislative Board	<u>100,450</u>	<u>103,200</u>	<u>103,155</u>	<u>45</u>

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TOWN OF SMYRNA, TENNESSEE
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (GAAP Basis) and Actual, Continued
General Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures, Continued:				
General Government, Continued:				
Current, Continued:				
City and General Sessions Court:				
Salaries	405,340	413,600	381,787	31,813
Benefits and payroll taxes	140,284	141,344	118,658	22,686
Contractual services	56,550	56,550	55,051	1,499
Other	36,222	36,222	20,131	16,091
Total City and General Sessions Court	<u>638,396</u>	<u>647,716</u>	<u>575,627</u>	<u>72,089</u>
Vehicle Maintenance:				
Salaries	115,030	115,640	115,317	323
Benefits and payroll taxes	53,780	53,890	50,553	3,337
Other	48,500	51,100	54,726	(3,626)
Total City Garage	<u>217,310</u>	<u>220,630</u>	<u>220,596</u>	<u>34</u>
Codes, Engineering and Planning:				
Salaries	559,810	570,160	539,614	30,546
Benefits and payroll taxes	232,105	233,835	198,433	35,402
Board expenditures	2,500	2,500	2,167	333
Insurance	7,050	7,050	6,903	147
Telephone and utilities	2,800	2,800	2,838	(38)
Supplies	16,545	16,545	18,084	(1,539)
Repairs and maintenance	3,100	3,100	1,371	1,729
Professional services	3,000	3,000	15	2,985
Other	14,310	14,310	21,103	(6,793)
Total Codes, Engineering and Planning	<u>841,220</u>	<u>853,300</u>	<u>790,528</u>	<u>62,772</u>
Building and Grounds:				
Salaries	423,800	429,170	380,164	49,006
Benefits and payroll taxes	205,480	206,520	180,070	26,450
Repairs and maintenance	54,500	54,500	59,435	(4,935)
Supplies	30,435	30,435	31,727	(1,292)
Insurance	8,575	8,575	8,924	(349)
Cemetery	10,650	10,650	13,012	(2,362)
Other	2,100	2,100	1,376	724
Total Building Maintenance	<u>735,540</u>	<u>741,950</u>	<u>674,708</u>	<u>67,242</u>
Finance and Administration:				
Salaries	1,205,720	1,234,690	1,090,478	144,212
Benefits and payroll taxes	472,928	477,078	445,391	31,687
Memberships and testing	22,720	22,720	26,734	(4,014)
Telephone and utilities	100,415	100,415	125,090	(24,675)
Professional services	66,350	66,350	260,995	(194,645)
Repairs and maintenance	6,550	6,550	1,000	5,550
Travel	13,045	13,045	6,139	6,906
Supplies	80,615	80,615	63,088	17,527
Insurance	23,625	23,625	19,091	4,534
Outside services	145,026	145,026	133,397	11,629
Other	77,200	77,200	67,468	9,732
Total Finance and Administration	<u>2,214,194</u>	<u>2,247,314</u>	<u>2,238,871</u>	<u>8,443</u>
Total Current	<u>4,747,110</u>	<u>4,814,110</u>	<u>4,603,485</u>	<u>210,625</u>
Capital Outlay	-	-	-	-
Total General Government	<u>4,747,110</u>	<u>4,814,110</u>	<u>4,603,485</u>	<u>210,625</u>

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TOWN OF SMYRNA, TENNESSEE

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

General Fund

For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures, Continued:				
Public Safety:				
Police Department:				
Current:				
Salaries	3,861,690	3,947,730	3,920,959	26,771
Benefits and payroll taxes	1,687,560	1,697,980	1,478,980	219,000
Outside services	66,263	66,263	52,252	14,011
Memberships and testing	7,770	7,770	11,655	(3,885)
Telephone	36,975	36,975	37,355	(380)
Repairs and maintenance	47,150	47,150	76,562	(29,412)
Travel	5,560	11,060	9,393	1,667
Supplies	181,219	181,219	284,044	(102,825)
Insurance	73,500	73,500	78,957	(5,457)
Other	9,250	9,250	10,240	(990)
Total Current	<u>5,976,937</u>	<u>6,078,897</u>	<u>5,960,397</u>	<u>118,500</u>
Capital Outlay	-	-	-	-
Total Police Department	<u>5,976,937</u>	<u>6,078,897</u>	<u>5,960,397</u>	<u>118,500</u>
Fire Department:				
Current:				
Salaries	2,332,590	2,494,030	2,066,966	427,064
Benefits and payroll taxes	1,165,865	1,194,865	852,572	342,293
Memberships and testing	9,710	9,710	5,860	3,850
Telephone and utilities	60,538	60,538	69,281	(8,743)
Repairs and maintenance	55,740	55,740	66,125	(10,385)
Supplies	138,476	150,476	135,923	14,553
Insurance	40,000	40,000	37,926	2,074
Outside services	76,767	71,767	72,170	(403)
Other	12,825	8,825	8,366	459
Total Current	<u>3,892,511</u>	<u>4,085,951</u>	<u>3,315,189</u>	<u>770,762</u>
Capital Outlay	-	-	-	-
Total Fire Department	<u>3,892,511</u>	<u>4,085,951</u>	<u>3,315,189</u>	<u>770,762</u>
Total Public Safety	<u>9,869,448</u>	<u>10,164,848</u>	<u>9,275,586</u>	<u>889,262</u>
Highways and Streets:				
Current:				
Salaries	423,490	430,360	433,345	(2,985)
Benefits and payroll taxes	252,770	254,210	239,987	14,223
Telephone and utilities	17,210	17,210	25,599	(8,389)
Repairs and maintenance	401,932	401,932	225,696	176,236
Supplies	45,106	45,106	66,854	(21,748)
Insurance	13,900	13,900	14,973	(1,073)
Outside services	17,774	17,774	21,547	(3,773)
Other	28,720	28,720	26,295	2,425
Total Current	<u>1,200,902</u>	<u>1,209,212</u>	<u>1,054,296</u>	<u>154,916</u>
Capital Outlay	-	-	-	-
Total Highways and Streets	<u>1,200,902</u>	<u>1,209,212</u>	<u>1,054,296</u>	<u>154,916</u>

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TOWN OF SMYRNA, TENNESSEE
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (GAAP Basis) and Actual, Continued
General Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures, Continued:				
Recreation:				
Current:				
Salaries	\$932,220	933,740	833,751	99,989
Benefits and payroll taxes	324,680	324,870	294,976	29,894
Memberships and testing	5,722	5,722	4,905	817
Telephone and utilities	141,255	141,255	138,066	3,189
Repairs and maintenance	92,200	92,200	98,232	(6,032)
Travel	6,950	6,950	6,569	381
Outside services	131,095	131,095	142,726	(11,631)
Recreation programs	16,500	16,500	13,993	2,507
Advertising and promotion	12,150	12,150	14,056	(1,906)
Supplies	79,085	79,085	93,598	(14,513)
Insurance	23,400	23,400	21,932	1,468
Rent	11,500	11,500	12,556	(1,056)
Other	1,100	1,100	1,918	(818)
Total Current	<u>1,777,857</u>	<u>1,779,567</u>	<u>1,677,278</u>	<u>102,289</u>
Capital Outlay	-	-	-	-
Total Recreation	<u>1,777,857</u>	<u>1,779,567</u>	<u>1,677,278</u>	<u>102,289</u>
Community Development:				
Current:				
Salaries	261,640	264,520	252,841	11,679
Benefits and payroll taxes	97,030	107,950	109,973	(2,023)
Telephone and utilities	40,500	40,500	48,580	(8,080)
Repairs and maintenance	10,500	10,500	10,686	(186)
Travel	-	-	-	-
Outside services	9,000	9,000	7,669	1,331
Advertising and promotion	3,300	3,300	2,319	981
Food purchase	102,000	102,000	106,462	(4,462)
Supplies	31,080	31,080	29,798	1,282
Insurance	2,300	2,300	1,908	392
Contributions to non-profits	476,181	476,181	476,181	-
Other	2,700	2,700	3,203	(503)
Total Current	<u>1,036,231</u>	<u>1,050,031</u>	<u>1,049,620</u>	<u>411</u>
Capital Outlay	-	-	-	-
Total Community Development	<u>1,036,231</u>	<u>1,050,031</u>	<u>1,049,620</u>	<u>411</u>
Total Expenditures	<u>18,631,548</u>	<u>19,017,768</u>	<u>17,660,265</u>	<u>1,357,503</u>
Excess Revenues Over Expenditures	<u>245,722</u>	<u>(140,498)</u>	<u>1,591,429</u>	<u>1,731,927</u>
Other Financing Sources (Uses):				
Transfer to Capital Projects Fund	(1,559,306)	(1,559,306)	(958,110)	601,196
Transfer to Drug Fund	(20,000)	(20,000)	(39,376)	(19,376)
Transfer to Debt Service Fund	(663,332)	(663,332)	(564,585)	98,747
Transfer from Gas Fund	135,691	135,691	135,691	-
Transfer from Water and Sewer Fund	377,159	377,159	377,159	-
Transfer from Golf Course Fund	50,000	50,000	50,000	-
Total Other Financing Sources (Uses)	<u>(1,679,788)</u>	<u>(1,679,788)</u>	<u>(999,221)</u>	<u>680,567</u>
Net change in fund balance	<u>(1,434,066)</u>	<u>(1,820,286)</u>	<u>592,208</u>	<u>2,412,494</u>
Fund Balance, beginning of year	<u>12,475,622</u>	<u>12,475,622</u>	<u>12,475,622</u>	<u>-</u>
Fund Balance, end of year	<u>\$11,041,556</u>	<u>10,655,336</u>	<u>13,067,830</u>	<u>2,412,494</u>

See accompanying notes to required supplementary information

TOWN OF SMYRNA, TENNESSEE

Notes to Required Supplementary Information

June 30, 2005

1) **BUDGET COMPLIANCE AND ACCOUNTABILITY**

The Town of Smyrna is required by State statute to adopt an annual budget. The Town legally adopts budgets for all governmental funds except the Debt Service Fund, because effective budgetary control is achieved through transfers from other funds. These budgets are prepared on the basis that current available funds must be sufficient to meet current expenditures. Expenditures may not legally exceed appropriations authorized by the Town Council. The Town's budgetary basis is consistent with generally accepted accounting principles. The legal level of budgetary control is at the department level. Any changes to departmental total budgets must be approved by the council.

The Town follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to May 15, the Town Manager submits to the Town Council a proposed operating budget for the fiscal year commencing the following July 1. The operating departmental budget establishes the budgetary level of control for the proposed expenditures and the means of financing them.
2. Public hearings are conducted at the Town Hall to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of an ordinance. In no event shall the total appropriations for any fund included in the budget exceed the estimated revenues and unappropriated fund balance.
4. The Town Manager is authorized to transfer budgeted amounts within departments within any fund; however, any revisions that alter the total expenditures of any department or fund must be approved by the Town Council.
5. Formal budgetary integration is employed as a management control device during the year for all governmental fund types, except the Debt Service Fund, a nonmajor governmental fund.
6. Budgets are adopted on a basis generally consistent with generally accepted accounting principles (GAAP). These budget appropriations lapse at year end.

During the fiscal year, the General Fund expenditures and other uses budget was amended by \$386,220 and the Capital Funds expenditure budget was not amended. Nonmajor governmental fund expenditures budgets were increased by \$75,090.