

# YEARY, HOWELL & ASSOCIATES

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## Independent Auditor's Report

Honorable Mayor and Town Council  
Town of Smyrna, Tennessee  
Smyrna, Tennessee

We have audited the accompanying financial statements of the governmental activities, the business - type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Smyrna, Tennessee (the Town), as of and for the year ended June 30, 2009, which collectively comprise the Town's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Town of Smyrna's management. Our responsibility is to express opinions on these financial statements based on our audit.

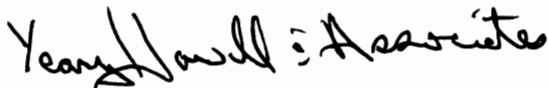
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business - type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Smyrna, Tennessee at June 30, 2009, and the respective changes in financial position and cash flows, where applicable, and the budgetary comparison for General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2009, on our consideration of the Town of Smyrna's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

Management's Discussion and Analysis on pages 2-11 is not a required part of the financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and do not express an opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Smyrna's basic financial statements. The Introductory Section (Pages i through vii), Combining and Individual Nonmajor Fund Statements and Schedules, Financial Schedules Section and Statistical Section as listed in the Table of Contents on (pages 48 through 88), inclusive are not a required part of the basic financial statements. The Combining and Individual Nonmajor Fund Statements and Schedules and, the Financial Schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are stated fairly, in all material respects, in relation to the basic financial statements taken as a whole. The Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



October 19, 2009