



Annual Comprehensive Financial Report
For the Year Ended June 30, 2025

Prepared by the Finance Department

Town of Smyrna, Tennessee
Annual Comprehensive Financial Report
For Fiscal Year Ended June 30, 2025

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Introductory Section

Town Council
Marc Adkins, Vice-Mayor
H. G. Cole
Jerome Dempsey
Racquel Peebles
Gerry Short
Steve Sullivan



Mayor
Mary Esther Reed

Town Manager
David Santucci

December 23, 2025

The Honorable Mayor, Town Council and Citizens of the Town of Smyrna, Tennessee:

The Annual Comprehensive Financial Report of the Town of Smyrna, Tennessee (the “Town” or “Town of Smyrna”) for the fiscal year ending June 30, 2025, is hereby submitted as required by state statutes. These statutes require that all general-purpose local governments publish a complete set of audited financial statements.

Management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town has established a comprehensive internal control framework that is designed both to protect the government’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town’s financial statements. Because the cost of internal controls should not exceed anticipated benefits, the Town’s internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement.

The Town’s financial statements have been audited by Blankenship CPA Group, PLLC. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion. The independent auditor’s report is presented as the first component of the financial section of this report.

Management’s Discussion and Analysis (MD&A) provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Town of Smyrna’s MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The Town of Smyrna is located in middle Tennessee in the northwestern part of Rutherford County; it has grown 25% in the previous ten years. The Town is in close proximity to the southeastern boundary of Metropolitan Nashville-Davidson County and is joined by the City of Murfreesboro on the south. The City of LaVergne is immediately to the northwest of the Town. The incorporated area of the Town covers approximately 29 square miles and serves an estimated population of 59,302.

The Town was first incorporated in December 1869, but that incorporating charter was repealed in 1881. The Town then operated under a Mayor and Commission form of government authorized by a charter dated May 5, 1915. In January 2000, the Town adopted a new charter changing to a Council-Manager form of government. The new charter also changed the number of members in the governing body of the Town. The governing body is made up of the Mayor and six Council Members, who serve four-year terms of office. The Mayor and Council appoint the Town Manager, who is the chief, non-elected administrative officer of the Town.

The Town provides a wide range of services characteristic of similar jurisdictions in the state. These services include police and fire protection; the maintenance of highways and streets; parks and recreation; community development; planning and zoning; stormwater; and general administrative services. The Town also operates water, sewer, and natural gas utilities for its residents. Electric power is provided by the Middle Tennessee Electric Membership Cooperative. The Town is also financially accountable for a legally separate industrial development board, which is reported separately within the Town's financial statements. Additional information on this board can be found in the notes to the financial statements in the Reporting entity section.

The annual budget serves as the foundation for the Town's financial planning and control. The Town maintains budgetary controls in order to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Town's governing body. The legal level of budgetary control is at the department level. Any revision to the total expenditures of any department or transfers between departments must be approved by the Town Council. Additional information concerning the Town's budgetary process can be found in the Budget Compliance and Accountability section of the notes to the financial statements.

Local Economy

The Town currently enjoys a favorable economic environment and local indicators point to continued stability. The Town enjoys a diversified base of employment from area industries and also serves as a bedroom community to Nashville. The largest single employer is Nissan North America, Inc., a leading manufacturer of vehicles in America. Nissan is also one of Tennessee's largest employers which employs more than 8,400 people with an annual payroll in excess of \$290 million. Smyrna Ready Mix (SMR) relocated its headquarters to Smyrna, just off Interstate 840, in 2022. SRM is the largest ready mix concrete supplier in the country. The company has grown to over 8,500 employees in 19 states. The company is family owned and operated by CEO Jeff Hollingshead, his father Mike and brother Ryan which call Smyrna their home.

The Town continues to see commercial growth within its boundaries. This growth is in both expansion of existing companies and new businesses choosing to locate in Smyrna. Schneider Electric has announced a \$3M investment to expand its business in Smyrna that will create 100 new jobs. Company officials cited a highly skilled workforce and positive business environment as factors in selecting the Smyrna location. Equitable Property Company has announced a major development that will bring significant economic opportunities in the Town. Sewart's Landing is a 44-acre mixed-use development that includes two medical office buildings, street-level retail, a hotel and for-sale townhomes. The concept is a destination for shopping, dining, working and

living all within walking distance. Phase I has already secured Starbucks, Wawa, Jonathan's Grille and a national grocer.

The State of Tennessee is widening Jefferson Pike, from Interstate 840 to Nissan Parkway, to five lanes which will provide an easily accessible gateway into the Town. Smyrna is extending sewer and natural gas improvements during the road expansion. This will open up future growth, investment and job opportunities along the eastern section of Smyrna. Another indicator of stability is the Town of Smyrna was ranked in the Fortune 50 Best Places to Live for Families in 2023. Fortune used health care, education and resources for seniors as criteria in developing the list. They also cited social events and recreational opportunities on the greenway and at the well-kept park system.

New businesses that have opened or in the process of opening include Six Cedars Business Park Buildings I & J, Extended Stay America Hotel, Stonecrest 375 medical office building, Primrose School, a retail building at 2160 Rock Springs Road, Advance Auto Parts/Fast Pace Clinic, McDonald's, and Redstone Federal Credit Union. Businesses currently under construction are Six Cedars Business Park Buildings K & L, Stewarts Creek Station, Camco Construction office, a retail building on Medical Park, Seven Oaks Self Storage, Topre Phase 10, Stonecrest Hospital OR Expansion, Chipotle, and 7Brew. Businesses that have been approved by the Planning Commission include Hyatt Hotel, Volunteer State Bank, a retail strip center at 825 Rock Springs Road, Complete Insulation, Precision Internal Medicine office building, AMS Storage Hangar, a retail building on Almadillo Road, Newberry private pickleball court venue, Simply Southern Closets, Double 7 Airport Hangar, Wyndham Echo Hotel, Big Son Gas Station, Grand Wash/Retail/Gas Station, Wawa, Murphy USA, Stewart Creek Retail, Sewart's Landing Outparcels 4 & 5 retail buildings, City BBQ, Jonathan's Grille, Katelyn Point office building, Kroger, Kroger Fuel Center, and Fifth Third Bank. This growth provides jobs and revenues to the Town.

The local economy has historically remained healthier than the national economy, with the average unemployment rate below the national average. During the past ten years, the unemployment rate for Smyrna has averaged about 3.9%, while the national unemployment rate for the same time period has averaged about 4.7%. As of June 30, 2025, the local unemployment rate was 3.3%. The local unemployment rate is expected to remain below the national rate.

Long-term Financial Planning

As part of the Town's budget process, a five-year capital plan is developed in order to assess future needs. As part of this plan, projects are evaluated as to their future funding source in order that the Town can adequately plan for future bond issue needs.

Relevant Financial Policies

The Town's Financial, Debt, and Budget Management Policy, as adopted by the Town Council, requires that ending fund balance of the general fund be maintained at a level that equals at least

30 to 35% of the general fund operating revenue. This policy is in place to provide a contingency plan for times of economic downturn or one-time use for capital projects.

Major Initiatives

The Town's impressive amenities, such as our superior park system, executive and regulation golf courses, extensive greenways, and our forward-looking approach to infrastructure improvements, and recruitment of commercial business allow us to continue to live up to our reputation of being one of the best places to live and work. Forbes Magazine named Smyrna as one of the best places for families to live in Tennessee. It cited the low crime rate, good educational system, plentiful nearby dining and numerous outdoor recreational opportunities as the major reasons for this honor in 2023. Forbes Magazine recognized the Town as one of the top 25 best places to retire touting the Town's cost of living is 9% below the national average (2016).

The Town continues to abide by our Employees' Guiding Principles to remind us that everything we do as an organization and as individual employees of the Town is to benefit the citizens of Smyrna. Management and all employees give particular attention to customer service, respecting all members of the organization, being innovative, financially responsible, and embracing a mentoring mindset.

The Town of Smyrna has approved a development plan for a mixed-use center to be known as Sewart's Landing. This development may include national retailers, restaurants, a hotel, offices, and up to 75 condominiums. This project is located on Sam Ridley Parkway, West adjacent to Motlow State Community College and near over 2,000 planned apartments. This project will be a major economic development in Smyrna over the next few years.

The Town of Smyrna has begun a project to improve the form and function of Lowry Street. The proposal is to rehabilitate and add sidewalks, landscaping, and crosswalks. The project will be developed in several phases, and Phase I is the downtown core of Smyrna. This area is located in a locally designated historic district, which also includes the area on the southwestern side of the railroad centered on Front Street and the Smyrna Train Depot. The Town desires to continue to bring business to what we have labeled the "Depot District" by making it a more attractive and vibrant area. Phase I of this project includes Lowry Street from Sam Davis Road to Jackson Street, which is approximately .25 of a mile. The project includes replacement and/or addition of sidewalks, crosswalks, and reducing vehicular access in strategic locations to increase safety for pedestrian and bicycle traffic. Phase I is completed. Phase II of this project will be from Jackson Street to the bridge over Hart's Branch, which is a distance of approximately .16 of a mile. This phase of the project is in the design phase. Phase III of this project will be from just south of the Alta Depot apartments to Enon Springs Road. This phase of the project is approximately .33 of a mile and is in the NEPA phase. The Town received grants for this project from the Nashville Area Metropolitan Planning Organization and TDOT.

A plan has been implemented to increase fire protection on the eastern part of the Town. Fire Hall #4 is complete and it is a state-of-the-art building which is approximately 14,000 square feet and cost \$10.5 million dollars. The facility can also serve as a substation for the police department, a computer backup center and a place for community outreach. The fire department recently put into

service an apparatus and issued purchase orders for five more apparatus to upgrade the fleet at a cost of \$9 million dollars.

Public Works is committed to improving vehicle and pedestrian flow in the Town. Several projects are underway to accomplish this. The Town continues to pursue the Federal Highway Administration and Tennessee Department of Transportation regarding the construction of another interchange off Interstate 24 within the Town's corporate boundaries. Providing this additional interchange would allow for a wealth of opportunities for commercial growth while further benefiting our citizens by providing an additional means of accessing Interstate 24. A necessary step prior to the interchange approval involves TDOT studying the I-24 interchanges at Sam Ridley and Nissan/Lee Victory to improve traffic flow. TDOT has determined that the Sam Ridley Interchange is operating within an allowable level of service. However, the Nissan/Lee Victory Interchange is operating below allowable levels of service at peak times. TDOT is currently in the ROW Phase of a diverging diamond interchange at this location. These projects are currently on hold while TDOT is pursuing a design for Choice Lanes. This design will incorporate the projects at the Sam Ridley and Almadale Road Interchanges.

A Signal Timing and Optimization Study has been completed and new timings implemented to help improve traffic flow throughout the Town at signalized intersections. The Town completed construction of the Intelligent Transportation System (ITS) Phases 1 and 2 of a five-phase project to link 32 of our 53 traffic signals around town and built out a Traffic Operations Center to be able to monitor traffic. The Town is in the Construction Phase for Phases 3 through 5 of the ITS system.

To provide needed pedestrian access, the town applied for and received FHWA funding for six (6) multimodal sidewalk projects. Currently, we are in the construction or design phase on four projects that provide traffic calming and sidewalks within the downtown area around Lowry Street (State Route-1/Highway 41) and Washington Street. These projects will help provide pedestrian access from residential to commercial areas. One of the sidewalk projects is along Florence Road from Rebel Road to Westfork Park. This project will connect existing sidewalks along residential areas to the park.

The rehabilitation of the Rock Spring Road Bridge over Harts Branch added a sidewalk on the east side and was completed in August 2024. The Spring Hill Drive extension to a section of Wildwood Drive just north of the Rocky Fork Elementary and Middle Schools was opened in August of 2024 with final paving scheduled to be completed in October of 2025. The Genie Lane project to extend the road from Wolverine Drive to Potomac Place was completed in November of 2024. The Enon Springs Road project was completed in August 2025 that milled and resurfaced almost 2.5 miles of roadway and brought the existing sidewalks into ADA compliance. The addition of the right turn lane from Nissan Drive onto Jefferson Pike was completed in August 2025.

The Sam Ridley Parkway at Old Nashville Highway intersection improvements will be under way in late 2025. The second phase of the Lowry Street project from Jackson Street to Harts Branch is under design now that the waterline upgrade project is complete. New projects that are underway are the widening of Rocky Fork Almadale Road, Cooks Lane and Lee Road on the westside of Town. Projects have also been started to make improvements to existing roads. The Weakley Lane project from Swan Drive to the Town Limits will add left turn lanes and shoulders.

The Almadale Road improvements from Old Nashville Highway to Lee Victory Parkway will add a center turn lane and sidewalks. The addition of a double left turn lane from Sam Ridley Parkway onto Jefferson Pike has received the NEPA/PE Notice to Proceed. Also, we are working on the design of improvements to the Rock Springs Road and Old Nashville Highway intersection.

The Town of Smyrna has completed the construction phase of the expansion of the Waste Water Treatment Plant. The cost was approximately \$35.5 million. This expansion increased the treatment capacity from 5.5 million gallons per day (MGD) to 9.0 MGD along with preparing to allow future expansion to 12 MGD.

The Town's natural gas provider, Symmetry Energy, continues to provide reliable delivery of natural gas supply to our customers. The agreement, which includes hedging to eliminate spikes in pricing and financial analysis, continues to provide our customers with low-cost energy.

The Town has placed into service a Wastewater Effluent Reuse System. This "green" initiative provides non-potable water for irrigation and other purposes to commercial and industrial users. We are currently expanding the re-use system and have developed a preliminary master plan for future expansions. This project also reduces the amount of effluent returned to the Hart's Branch tributary. This assists the Water Treatment Plant operations by reducing potable water demands. The water treatment plant is in the end stages of design for the Mason Tucker Booster Station upgrade project. This project has included the use of the Hilltop Booster station to increase efficiency in the distribution system. The Lead Service Line Inventory required by the EPA has been completed and resulted in zero lead services being reported for the Smyrna Water System.

The Town has been working with the State of Tennessee on a project consisting of the relocation and upsizing of water and installation of new sewer and gas lines in conjunction with the TDOT road widening project from Nissan Drive along SR 266 Jefferson Pike to the interchange at Interstate 840. This project has been completed, with all utility services being active.

The Town is currently working on the Almadale Road sewer expansion project. Design has been completed and easement acquisition has commenced. Easement acquisition is expected to take 12-18 months followed by construction for Phase I beginning near the intersection of Stewart's Creek and I-24 and ending at Burnt Knob Road. Construction time is anticipated to take approximately two years. The project is a green initiative with the removal of existing lift stations and will be a gravity system. This project will continue to foster growth and development within the Town.

The Town received a grant from the American Rescue Plan of \$3,880,605. These funds are being used for a sewer rehabilitation project. Phase I, consisting of Maple Street to Adams Street, part of Hazelwood and Ridley Street. Phase I has been completed. Phase II, beginning near Branch Trail and following the creek to the WWTP, is currently in progress with the expected completion in Spring 2026. This will greatly reduce inflow and infiltration, lowering the amount of wastewater entering the plant during rain events.

The Town has completed construction for North Lowry Phases 2A and 2B water model projects on North Lowry Street, from Nolan Drive and Sam Ridley Parkway to Jackson Street and along Mitchell Avenue to Sam Davis, to upgrade fire flow and provide additional capacity.

The Town has completed construction to upgrade the 1R sewer lift station, our largest lift station which serves Nissan. This upgrade includes upgraded pumps/motors, electrical control panels, variable frequency drives and a new generator.

The mission of the Town of Smyrna Parks and Recreation Department is to enhance the quality of life for all citizens of Smyrna by providing a diverse range of programs and a variety of recreational facilities. The department fulfills this mission by implementing facility improvements and offering a variety of programs and events. It consists of five divisions: Administration, Athletics/Aquatics, Maintenance, Golf, and the Smyrna Outdoor Adventure Center team, all working together to maintain and operate the Smyrna Park System.

The department offers a wide array of facilities, including picnic shelters, playgrounds, three rentable buildings, athletic fields, the Smyrna Outdoor Adventure Center, the SplashTown Aquatic Complex, and many more park amenities. The Smyrna Golf Course hosts numerous tournaments and offers first tee programs, as well as support for many local school teams. In addition to general park operations, the team hosts several large events, such as the Independence Day Celebration, BBQ Fest, Depot Days, Halloween in the Park, the Christmas Lighting Ceremony, and the Top Gun Night Run. These events are popular and have become staples of the Smyrna community.

The Smyrna Outdoor Adventure Center offers an assortment of programs and rental exhibits for the public, with a focus on environmental education, outdoor recreation, STEAM education, and health and wellness. The SOAC staff has welcomed many new visitors, thanks to excellent exhibits, climbing rooms, party rooms, and various programs. Last year, the staff hosted over 1,900 children on school field trips. They successfully secured exhibit sponsorships from Middle Tennessee Electric and the Jennings and Rebecca Jones Foundation. Additionally, they were awarded a \$50,000 grant from the HCA Foundation to host the bilingual exhibit, "Happy Brain." The SOAC continues to offer paddlecraft rentals, including kayaks, canoes, and paddleboards. The staff also leads private watercraft excursions and occasionally hosts offsite rentals at locations such as J. Percy Priest Lake, Volunteer Park, and Sharp Springs Park.

SplashTown remains a popular destination for aquatic activities. As the only public pool in the northern part of the county, it is utilized by both residents and visitors. SplashTown offers a variety of services, including swim lessons, water aerobics, and pool parties, making it accessible to the general public. The aquatic staff work long hours to provide a high-quality experience at the pool, and recent adjustments to the operating hours have proven successful for the second consecutive year. These new hours have allowed the staff more time off, resulting in improved performance among the lifeguards.

The department is dedicated to maintaining the park's parking lots, sidewalks, and roads, ensuring they look good and function effectively for daily traffic. This year, improvements included upgrades to the Sharp Springs Natural Area's parking areas near shelters A and B, which now feature ADA-compliant spaces. Additionally, a portion of park roads were repaved. We also

repaved the 9th Avenue greenway parking lot and connector from Huntley Industrial Drive to Dellwood Drive.

At Cedar Stone Park, six new tennis and pickleball courts were installed, featuring LED lighting, a perimeter sidewalk, fencing, and ADA-compliant bleachers and court benches. A matching grant from the Local Parks and Recreation Fund partially funded this project.

To maintain the condition of heavily used courts, the town resurfaced basketball courts at Lee Victory Park and both the basketball and pickleball courts at Hilltop-Rosenwald Park. Furthermore, the town completed improvements to one of the oldest sports fields in the Smyrna Park System. The outdated 30-year-old LED sports lighting on field three at the Todd Lane Baseball Complex was replaced with new LED sports lighting. This field, which was once home to the Smyrna High School Baseball Team, now serves the 13+ division of the Smyrna Baseball League. It is also used for various tournaments, school games, and practices throughout the year.

The FY 25-26 budget includes funding to bid and start construction on Phase II of Cedar Stone Park. Phase II of this project includes the construction of four 225' youth baseball fields, LED sports lighting, concession and restroom building, walking trail, parking areas, and associated utilities. This project will enable all 12-and-under baseball league divisions to be located at the same park. This project will also expand the tournament possibilities for baseball and fastpitch, resulting in valuable tourism dollars.

Additional projects include design improvements to the LVRP softball concession and restroom facilities, as well as the Rotary Soccer Park complex. The town continues to prioritize funding ADA improvements throughout the park system. The department plans to make improvements to restroom facilities at Sharp Springs Park and Gregory Mill Park this fiscal year. This work is to ensure ADA compliance for Smyrna citizens and visitors. Capital Budget funds also include restoration of the water slides at the SplashTown Aquatic Complex. This complex creates a strong revenue stream and is popular for Smyrna residents and visitors alike.

Cedar Stone Park, Volunteer Park, and Rotary Soccer Park consistently host local and national tournaments that showcase the Town of Smyrna. The parks are also the home to thousands of kids who participate in the athletic leagues. Having Stones River Football Club, Smyrna Youth Football League, Smyrna Girls Softball League, Smyrna Baseball League, as well as tennis, pickleball, and school leagues call our parks home.

Awards and Acknowledgements

Moody's Investors Service upgraded its credit rating of the Town to Aaa. This is the highest possible rating that can be obtained. Moody's based the upgrade on several years of solid financial results that strengthened our reserves. The Town has achieved the highest double "AA" bond credit rating from Standard & Poor's Ratings Services. This rating primarily reflects strong economic growth that has been fueled by tax base expansion and revenue growth. The rating also takes into account the Town's prudent financial management and a manageable debt burden.

The Tennessee Municipal League honors cities in the State of Tennessee for overall excellence, improvement, specific outstanding programs or department accomplishments. This year the Town of Smyrna was presented an award for Excellence in Governance. It cited numerous significant infrastructure investments in its utilities system, transportation system and public safety facilities. This was accomplished by strong leadership and establishing a comprehensive plan for the future.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Smyrna for its annual comprehensive financial report (ACFR) for the year ended June 30, 2024. The Town of Smyrna has consecutively received a Certificate of Achievement since Fiscal Year 1988. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The preparation of this report would not have been possible without the efforts of the members of the Finance Department staff, Angie Potulsky, Beth Morris, Nicole Goins, Stephanie Donithan-Marrow and the cooperation of each of the Town's departments. Specific appreciation is expressed to Financial Analysts, Danita Hunt, Donna Getner, and Robert Morrison, on their preparation and thoroughness throughout the audit process. Credit also must be given to the Mayor and Town Council for their unfailing support for maintaining the highest standards of professionalism in the management of the Town of Smyrna's finances.

Respectfully submitted,



David Santucci
Town Manager



Sierra Lowry, CMFO
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Smyrna
Tennessee**

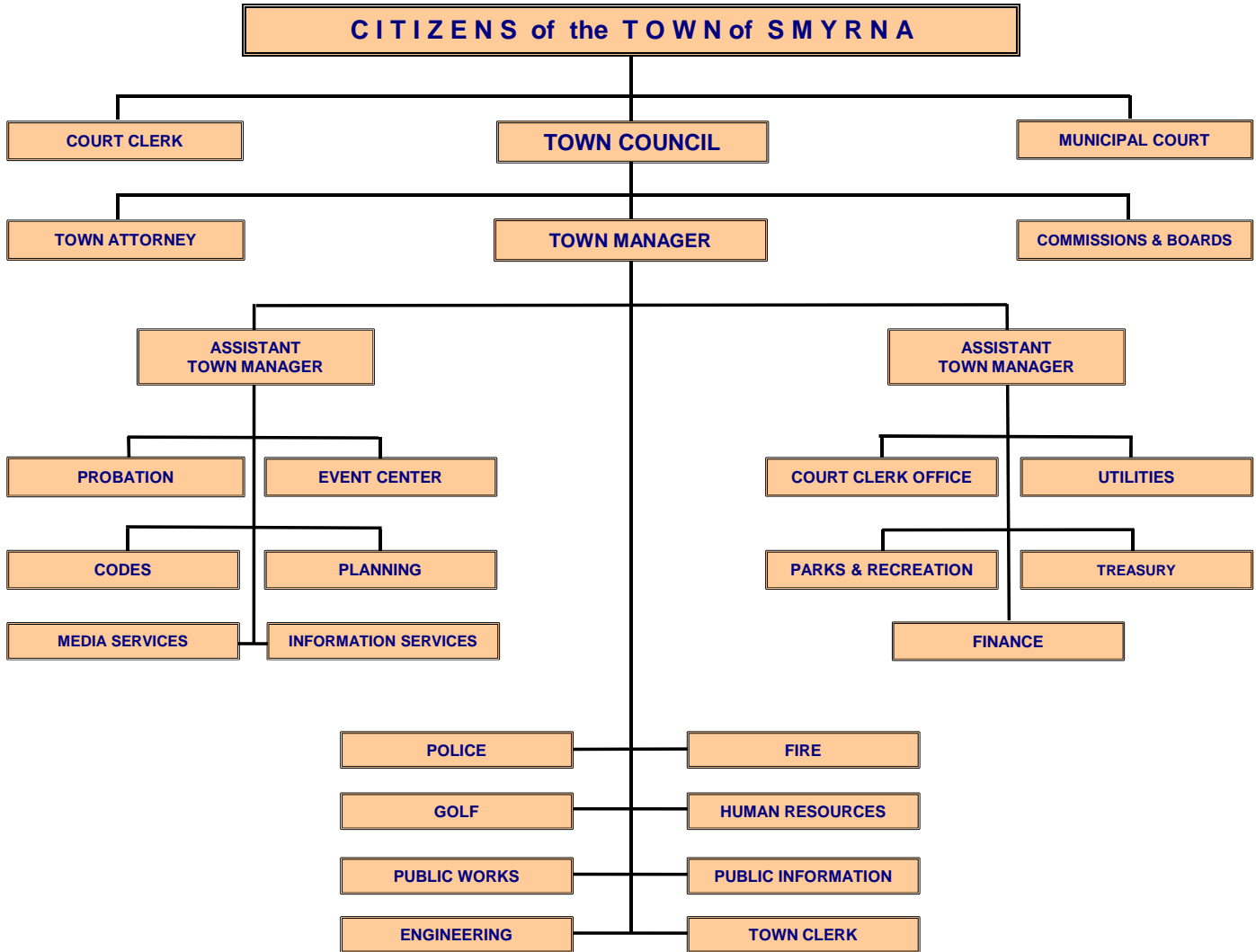
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

ORGANIZATIONAL CHART



Town of Smyrna, Tennessee
Town Officials
As of June 30, 2025

Elected Officials

Name	Title	Term Expires
Mary Esther Reed	Mayor	November 2026
Marc Adkins	Vice Mayor, Councilmember	November 2026
H. G. Cole	Councilmember	November 2026
Jerome Dempsey	Councilmember	November 2028
Racquel Peebles	Councilmember	November 2028
Gerry Short	Councilmember	November 2026
Steve Sullivan	Councilmember	November 2028

Town of Smyrna, Tennessee
Town Officials
As of June 30, 2025

Appointed Officials

Name	Title	Date of Appointment
David Santucci*	Town Manager	October 2024
Todd Spearman	Assistant Town Manager	January 2020
Sierra Lowry, CMFO**	Director of Finance	June 2025
Jeff Peach	Town Attorney	June 2013
Jason Irvin	Chief of Police	December 2022
Brian Goss	Fire Chief	May 2025
Jeff Craig	Director of Human Resources	September 2007
Tom Rose	Director of Public Works	August 2015
Scott Merritt	Director of Golf	September 2024
Mike Moss	Director of Parks and Recreation	June 2004
Michael Strange	Director of Utilities	March 2014
Amber Hobbs	Town Clerk	December 2021

*The Town maintains a \$200,000 bond on the Town Manager.

**The Town maintains a \$100,000 bond on the Director of Finance.

Financial Section



Independent Auditor's Report

Honorable Mayor and Town Council
Town of Smyrna, Tennessee

Report on the Audit of the Financial Statements

Opinions

We have audited the 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, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in note 1 to the financial statements, the City adopted new accounting guidance GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-14 and schedules of changes in net pension liability (asset) and related ratios and employer contributions on pages 68-71 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and other schedules on pages 72-89 and the schedule of expenditures of federal awards and state financial assistance, as required by Title 2 *US Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, on pages 120-121 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information on pages 72-89 and the schedule of expenditures of federal awards and state financial assistance on pages 120-121 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists; we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2025, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town's internal control over financial reporting and compliance.

Blankenship CPA Group, PLLC

Blankenship CPA Group, PLLC
Brentwood, Tennessee
December 23, 2025

Management's Discussion and Analysis

As management of the Town of Smyrna, Tennessee (the Town or the Town of Smyrna), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2025. The analysis focuses on significant financial position, budget changes and variances from the budget, and specific issues related to funds and the economic factors affecting the Town. Please consider the information presented here in conjunction with our Letter of Transmittal (page i-ix) and the Town's financial statements (beginning on page 15).

Financial Highlights

- The assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$534,650,133 (net position). Of this amount, \$78,310,309 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$30,527,311.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$79,515,152, a decrease of \$4,494,384 in comparison with the prior year. Approximately 40.68% of this total amount, \$32,342,806, is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$32,342,806, or 62.93% of total general fund expenditures. This demonstrates the Town's fiscal discipline and places the Town in a financial position to meet unexpected emergencies, uncertainties at the State level, or a general slowdown in the economy.
- The Town of Smyrna's total outstanding debt (bonds and notes) decreased by \$4,118,742 during the current fiscal year. This primarily resulted from paying off \$4,566,392 in debt, of which \$1,320,000 related to Water & Sewer bonds.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction of the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Town's "assets and deferred outflows of resources" and "liabilities and deferred inflows of resources," with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, highways and streets, stormwater,

recreation and community development. The business-type activities of the Town include the Water and Sewer Fund and the Natural Gas Fund.

The government-wide financial statements can be found on pages 15-16 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the capital projects fund, both of which are considered to be major funds. Data from the other five governmental funds are combined into a single, aggregated presentation.

The basic governmental fund financial statements can be found on pages 17-20 of this report.

The general fund statement of revenues, expenditures, and changes in fund balance provides additional details of the fund, as well as a budget comparison to demonstrate compliance with the budget. This statement can be found on pages 21-26 of this report.

Individual fund data for each of the non-major governmental funds is provided in the form of combining and individual fund statements and schedules. The schedules provide a budget comparison to demonstrate compliance with the budget.

The combining and individual fund statements and schedules can be found on pages 72-80 of this report.

Proprietary funds. The Town maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its Water and Sewer Fund and Natural Gas Fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The Town uses an internal service fund to account for its self-insured insurance. Because this service benefits both governmental and business-type functions, it has been allocated between both governmental activities and business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund

and the Natural Gas Fund, both of which are considered to be major funds of the Town. The internal service fund is also presented in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 27-32 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 33-34 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35-67 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$504,512,020 at the close of the most recent fiscal year.

**Net Position - Primary Government
June 30**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and Other Assets	\$ 107,028,050	\$ 113,281,965	\$ 49,964,237	\$ 48,600,286	\$ 156,992,287	\$ 161,882,251
Capital Assets	198,701,826	183,784,912	277,219,076	262,152,678	475,920,902	445,937,590
Total Assets	305,729,876	297,066,877	327,183,313	310,752,964	632,913,189	607,819,841
Deferred Outflows of Resources	-	568	16,928	39,778	16,928	40,346
Long-term Liabilities Outstanding	24,458,946	24,924,673	44,867,807	47,328,793	69,326,753	72,253,466
Other Liabilities	4,061,036	6,117,068	7,287,976	7,442,358	11,349,012	13,559,426
Total Liabilities	28,519,982	31,041,741	52,155,783	54,771,151	80,675,765	85,812,892
Deferred Inflows of Resources	17,556,261	17,535,275	47,958	-	17,604,219	17,535,275
Net Positions:						
Net Investment in Capital Assets	178,616,590	160,303,972	232,652,853	214,320,483	411,269,443	374,624,455
Restricted	45,028,129	51,240,302	42,252	-	45,070,381	51,240,302
Unrestricted	36,008,914	36,946,155	42,301,395	41,701,108	78,310,309	78,647,263
Total Net Position	\$ 259,653,633	\$ 248,490,429	\$ 274,996,500	\$ 256,021,591	\$ 534,650,133	\$ 504,512,020

By far the largest portion of the Town's net position 76.92% reflects its investment in capital assets (e.g., land, infrastructure, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the Town's net position 8.43% represents resources that are subject to external restrictions on how they may be used. These include net position restricted for capital projects \$41,158,202, highways and streets \$657,275, stormwater \$1,589,220, debt service \$1,014,826, pensions \$107,820 and law enforcement \$543,038. The remaining balance of unrestricted net position \$78,310,309 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Governmental activities. Governmental activities increased the Town of Smyrna's net position by \$11,486,099. The town's revenues were \$8,908,457 less than last year. Revenue increased (or decreased) in the following categories:

- Other taxes 1.87% due to overall increase in assessed values
- Charges for services 6.71% due to rate increases in recreational fees and increased volume in permit fees
- Property and in lieu of taxes 14.06% due to PILOT agreement reached with manufacturing plant that previously disputed assessed values
- Sales tax 3.72% which is in line with economic forecasts forewarning slower growth patterns
- Capital grants and contributions -12.87% due to implementation of fewer capital projects over all
- Operating grants and contributions 21.53% due to additional funds received from the National Opioid Settlement and POST grants for police salaries, and community partnership for park improvements
- Grants and contributions not restricted to specific programs -96.24% due to ARPA project spending for the new fire station in the previous year
- Other revenues -91.40% due to the sale of a parcel of land

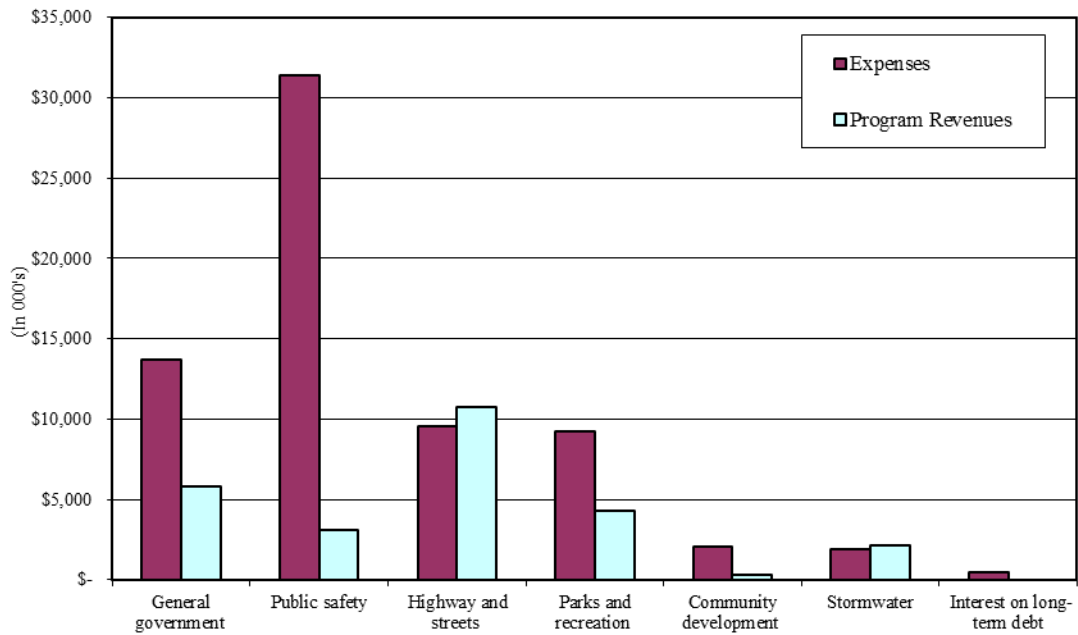
The town's expenses were \$5,625,318 more than last year. Departmental expenses increased (or decreased) in the following categories:

- General government 15.70% primarily due to significant increases to salaries in order to remain competitive in our area
- Public safety 7.41% primarily due to equipment purchases for the new fire station
- Highways and streets 6.06% due to steady growth in development and infrastructure
- Community development 7.28% due to increased costs associated with increased sales volume, such as food and merchandise for re-sale
- Parks and recreation 11.49% due to ongoing construction of Cedar Stone Park pickleball courts
- Long-term debt -10.56% primarily due to the payoff of a debt instrument
- Stormwater .51% due to efforts to curtail spending and rebuild fund balance

**Change in Net Position
For the Year Ended June 30**

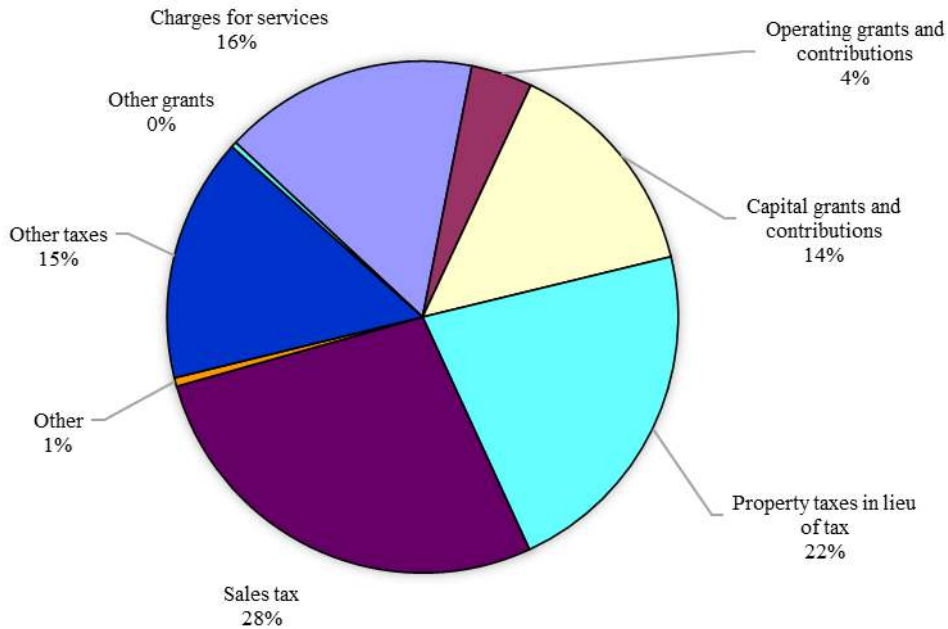
	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenue						
Charges for services	\$ 12,513,437	\$ 11,726,625	\$ 45,270,376	\$ 39,695,076	\$ 57,783,813	\$ 51,421,701
Operating grants and contributions	2,998,529	2,467,341	-	-	2,998,529	2,467,341
Capital grants and contributions	11,037,779	12,668,337	19,223,658	23,447,580	30,261,437	36,115,917
General Revenues						
Property taxes in lieu of tax	16,984,439	14,890,538	-	-	16,984,439	14,890,538
Sales tax	21,297,729	20,533,777	-	-	21,297,729	20,533,777
Other taxes	11,948,071	11,728,985	-	-	11,948,071	11,728,985
Unrestricted grants and contributions	269,442	7,164,615	-	-	269,442	7,164,615
Unrestricted investment earnings	1,507,195	1,791,892	910,023	1,172,036	2,417,218	2,963,928
Other	422,705	4,915,673	-	48,951	422,705	4,964,624
Total revenues	<u>78,979,326</u>	<u>87,887,783</u>	<u>65,404,057</u>	<u>64,363,643</u>	<u>144,383,383</u>	<u>152,251,426</u>
Expenses						
General government	13,686,073	11,828,595	-	-	13,686,073	11,828,595
Public Safety	31,401,463	29,235,701	-	-	31,401,463	29,235,701
Highway and streets	9,588,143	9,040,036	-	-	9,588,143	9,040,036
Parks and recreation	9,268,511	8,313,075	-	-	9,268,511	8,313,075
Community Development	2,061,159	1,921,326	-	-	2,061,159	1,921,326
Stormwater	1,895,735	1,886,085	-	-	1,895,735	1,886,085
Interest on long-term debt	431,622	482,570	-	-	431,622	482,570
Water and Sewer	-	-	28,663,515	26,164,264	28,663,515	26,164,264
Natural gas	-	-	16,859,851	13,170,467	16,859,851	13,170,467
Total expenses	<u>68,332,706</u>	<u>62,707,388</u>	<u>45,523,366</u>	<u>39,334,731</u>	<u>113,856,072</u>	<u>102,042,119</u>
Increase in net position before transfers	10,646,620	25,180,395	19,880,691	25,028,912	30,527,311	50,209,307
Transfers	839,479	758,823	(839,479)	(758,823)	-	-
Increase in net position	11,486,099	25,939,218	19,041,212	24,270,089	30,527,311	50,209,307
Net position - beginning, as previously reported	248,490,429	-	256,021,591	-	504,512,020	-
Change in accounting principle	(322,895)	-	(66,303)	-	(389,198)	-
Net position - beginning, as restated	<u>248,167,534</u>	<u>222,551,211</u>	<u>255,955,288</u>	<u>231,751,502</u>	<u>504,122,822</u>	<u>454,302,713</u>
Net position - ending	\$ 259,653,633	\$ 248,490,429	\$ 274,996,500	\$ 256,021,591	\$ 534,650,133	\$ 504,512,020

Expenses and Program Revenues – Governmental Activities



As the above graph shows, Public Safety is the largest activity which reflects the Town’s commitment to a safe community. General Government is the next largest activity, which is responsible for the administration of the government. Highways and Streets and Parks and Recreation were also substantial activities reflecting the Town’s commitment to safe roads and leisure activity.

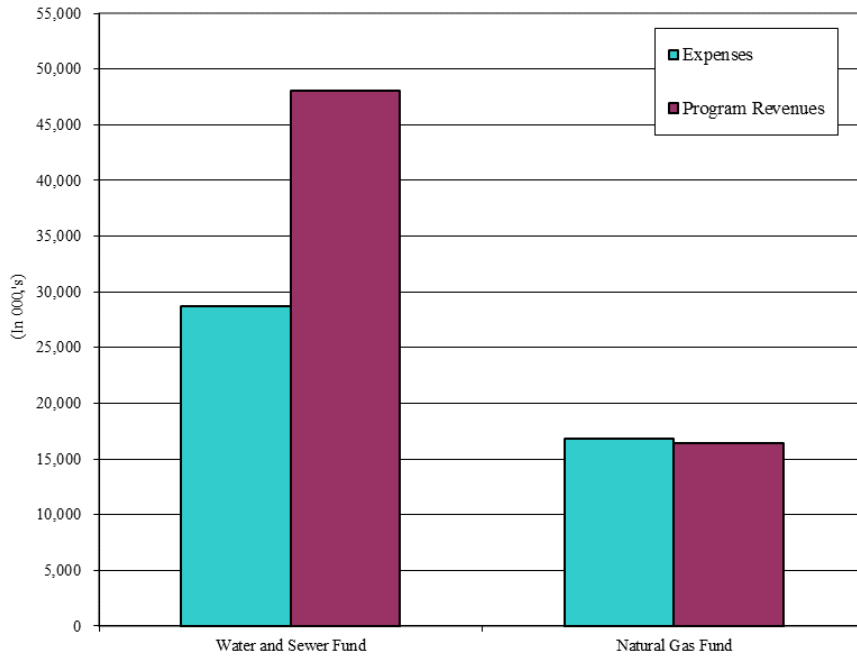
Revenue by Source – Governmental Activities



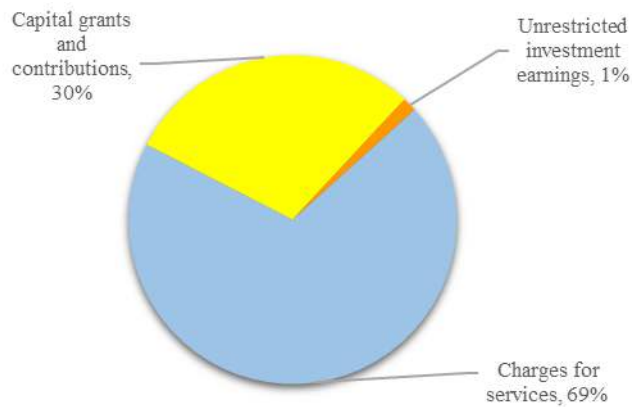
Business-type activities. Business-type activities increased the Town’s net position by \$19,041,212. Key elements of this increase are as follows:

- The business-type activities total revenue increased by \$1,041,414. Capitalized lines and contributed lines from developers decreased overall by -33.91% due to additional development of residential areas. Unrestricted investment earnings decreased by -22.36%.
- The business-type activities total expenses increased by \$6,188,635 due to a steep increase in expenses related to natural gas purchased for resale. Revenues for Water and Sewer decreased by -4.34% due to less water sold to other communities and Natural Gas increased by 24.02% due to colder weather conditions than the previous year.

Expenses and Program Revenues – Business-type Activities



Revenues by Source – Business-type activities



Financial Analysis of the Government's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental funds. The focus of the Town of Smyrna's governmental funds is to provide information on near term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance serves as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$79,515,152, a decrease of -\$4,494,384 in comparison with the prior year. Approximately 40.68% of this total amount \$32,342,806 constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved, committed, assigned or non-spendable to indicate that it is not available for new spending. This amounted to \$47,172,346 including inventory of \$140,926.

The general fund is the chief operating fund of the Town of Smyrna. The general fund balance increased by \$1,832,412 during the current fiscal year. At the end of the current fiscal year, unassigned fund balance of the general fund was \$32,342,806, while total fund balance was \$34,728,060. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 62.93% of total general fund expenditures, while total fund balance represents 67.57% of that same amount.

The capital projects fund has a total fund balance of \$33,604,962. There was a net decrease in fund balance of \$5,068,808 during the current year primarily resulting from the construction of a new fire station, which was partially funded by ARPA grants. Additionally, excess revenues in the general fund had been transferred to the capital projects fund to save up for future road projects. The Town is using these funds to pay cash for infrastructure projects to develop the west side.

Proprietary funds. The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewer Fund at the end of the year amounted to \$36,267,974 and the Natural Gas Fund amounted to \$7,042,378. The change in unrestricted net position for the funds was an increase of \$1,852,474 and a decrease of \$352,201 respectively. Other factors concerning the finances of these two funds have already been addressed in the discussion of the Town's business-type activities.

General Fund Budgetary Highlights

During the year, there was a \$683,600 increase in appropriations between the original and final amended General Fund operating expenditure budget and can be summarized with the following:

- \$1,361,400 in salaries and benefits. The Town completed a large salary study to compare existing pay scales to 10 cities in our area. The Town adjusted salaries in accordance with the findings in March 2025, raising salaries 3-7% across the board.
- \$107,000 in repair and maintenance costs. The Town continues to service aging equipment in the Fire Department while awaiting the arrival of new pumper trucks, which are expected to be delivered in 2027.
- \$91,000 in severance payout to a long-time employee.
- \$65,000 in supplies, primarily in supplies for re-sale such as food and merchandise.
- \$64,500 in employee engagement activities, including a consulting firm that evaluated leadership and outlined strategic goals for the future.
- \$37,500 in additional contractual services, primarily building repairs for the Judicial Center.
- \$13,000 in additional education and certification for leadership staff

- \$3,600 in miscellaneous expenses, primarily additional utilities at the cemetery and maintenance shop.

These amendments were funded by both increases in revenue and reduction in other expenses. The bulk of these amendments were funded by:

- \$558,000 reduction in personnel expenses for understaffed departments, primarily Event Center, Parks, and Police
- \$427,000 reduction in the Administrative budget, primarily re-appraisal services and funds originally set aside for a special census
- \$600,000 increase in payments in lieu of tax due to a new agreement reached with a local manufacturing plant.

There was an increase of \$5,763,400 in appropriations between the original and final amended general fund budget in Other Financing Uses for transfers to the Capital Projects Fund. This total mostly consists of the following large projects:

- \$5,000,000 amendment to appropriate funds for current and future capital projects
- \$330,000 amendment to appropriate funds to replace 5 wrecked police cars, including associated equipment
- \$163,000 amendment to fund radios that were budgeted in FY24 but purchased in FY25
- \$94,200 amendment to fund the increased cost of a consulting firm to update the Major Thoroughfare Plan.
- \$90,000 amendment to fund a vehicle that was originally budgeted in FY23 for the Street department but did not arrive until FY25 due to supply chain issues.
- \$57,000 amendment to upgrade equipment at the Event Center, including AV system, a smoker, and walk-in freezer.

The amendments for capital projects were funded by excess golf revenue, traffic fines, and tax revenue, as well as moving a \$75,000 redesign of a concession stand to FY26.

The Town had a surplus in the General Fund. The surplus primarily resulted from excess sales tax revenues, vacant positions, and delayed capital projects.

Additional information about the budget process can be found in Note 2, on page 44 of this report.

Capital Asset and Debt Administration

Capital assets. The Town of Smyrna's investment in capital assets for its governmental and business type activities as of June 30, 2025 amounts to \$475,920,902 (net of accumulated depreciation). This investment in capital assets includes land, buildings, water, sewer and gas systems, construction in progress, machinery and equipment, park facilities, roads, highways and bridges. The total increase in the Town of Smyrna's investment in capital assets for the current fiscal year was 6.72%, 8.12% for governmental activities and 5.75% for business-type activities.

Major capital asset events during the current fiscal year included the following:

- \$3,833,610 in construction for a new fire station, funded by ARPA grant and capital project fund reserves
- \$1,847,643 in construction of tennis and pickleball courts at Cedar Stone Park, funded by impact fees
- \$1,631,328 in implementation of the Signal Syncing project, funded by TDOT grant revenue
- \$1,550,561 in the purchase of a new aerial apparatus for the Fire department, funded by impact fees
- \$1,457,465 in continued construction of Enon Springs road, funded by capital project fund reserves
- \$1,221,722 in continued construction of the Genie Lane extension, funded by capital project fund reserves

Capital Assets
(net of accumulated depreciation)
June 30

	Governmental		Business-Type		Total	
	Activities		Activities			
	2025	2024	2025	2024	2025	2024
Land	\$ 7,298,165	\$ 7,298,165	\$ 1,681,903	\$ 1,681,903	\$ 8,980,068	\$ 8,980,068
Water rights	-	-	3,172,539	3,172,539	3,172,539	3,172,539
Buildings and system	10,923,578	11,657,673	250,034,580	234,401,484	260,958,158	246,059,157
Improvements other than buildings	40,339,967	25,727,341	-	-	40,339,967	25,727,341
Machinery and equipment	12,621,817	10,463,832	2,279,829	2,697,894	14,901,646	13,161,726
Infrastructure	116,259,705	107,981,173	-	-	116,259,705	107,981,173
Right-to-use assets	3,287,634	3,555,069	-	-	3,287,634	3,555,069
Construction in progress	7,970,960	17,101,659	20,050,225	20,198,858	28,021,185	37,300,517
Total	\$ 198,701,826	\$ 183,784,912	\$ 277,219,076	\$ 262,152,678	\$ 475,920,902	\$ 445,937,590

Additional information on the Town's capital assets can be found in note 7 on page 49-50 of this report.

Long-term debt. At the end of the current fiscal year, the Town of Smyrna had total bonded debt and revolving loan obligations outstanding of \$64,663,306. Of this amount, \$18,157,918 is debt backed by the full faith and credit of the government; \$43,155,456 is debt secured by specified revenue sources, but backed by the taxing authority of the Town (i.e., revenue and tax bonds and revolving loans).

Outstanding Debt
General Obligations, Revenue Bonds, Loans, Leases, and SBITAs
June 30

	Governmental		Business-Type		Total	
	Activities		Activities			
	2025	2024	2025	2024	2025	2024
General obligation bonds	\$ 16,730,223	\$ 17,767,408	\$ 1,427,695	\$ 2,840,866	\$ 18,157,918	\$ 20,608,274
Capital outlay notes	-	227,401	-	-	-	227,401
Revolving loans	-	-	43,155,456	44,342,450	43,155,456	44,342,450
Leases	3,349,932	3,510,299	-	-	3,349,932	3,510,299
SBITAs	-	93,624	-	-	-	93,624
Total	\$ 20,080,155	\$ 21,598,732	\$ 44,583,151	\$ 47,183,316	\$ 64,663,306	\$ 68,782,048

The Town of Smyrna's total outstanding debt decreased by \$4,118,742 or 5.99%. This was a result of the issuance of new debt of \$447,650 and payment of current debt owed. The Town of Smyrna has maintained a "AAA" rating from Standard and Poor's.

State statutes set no limit for the amount of general obligation debt a governmental entity may issue. However, the Town has established a policy that tax supported debt not exceed 10% of assessed property value. The Town's Governmental Activities tax supported debt is currently at 0.71% of assessed property value.

Additional information on the Town's long-term debt can be found in note 10 on pages 52-56 of this report.

Economic Factors and Next Year's Budgets and Rates

- Management believes unemployment in the area will continue to decrease due to the creation of local jobs.
- Property tax and in lieu of collections increased by 15.10% due to the Town's new agreement with Nissan. The assessment of the plant property for the past 2 years is in dispute.
- Local sales tax collections were 4.14% more than in the previous year. This is in line with economic trends in middle Tennessee that indicate a slower growth rate than previous years.
- Business tax collections increased 8.14% from the previous year. This is a result of additional development projects coming to town.
- State shared taxes were 2.25% more than in the previous year. This agrees with economic predictions of a nominal positive growth rate.
- Water (2%) and sewer (3%) rates were increased to fund a future plant expansion.
- A surplus of \$27,766 is projected for the General Fund in the 2026 fiscal year.

These factors were considered in preparing the Town's budget for the 2026 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Town of Smyrna
Office of the Finance Director
315 South Lowry
Smyrna, Tennessee 37167
E-mail: sierra.lowry@townofsmyrna.org

Town of Smyrna, Tennessee

Statement of Net Position

June 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Charity Assistance Fund
Assets				
Cash and cash equivalents	\$ 80,225,912	\$ 38,767,094	\$ 118,993,006	\$ 572,974
Receivables, net of allowance for uncollectibles				
Property taxes	15,662,288	-	15,662,288	-
Other taxes	1,516,415	-	1,516,415	-
Due from other governments	5,958,256	1,036,963	6,995,219	-
Accounts receivable	274,546	4,742,697	5,017,243	1,025
Inventories	144,602	2,078,585	2,223,187	-
Prepaid items	163,060	-	163,060	-
Internal balances	1,008,957	(1,008,957)	-	-
Restricted assets				
Cash and cash equivalents, customer and developer deposits	-	4,305,603	4,305,603	-
Note receivable	981,250	-	981,250	-
Lease receivable	1,027,196	-	1,027,196	-
Other assets	-	-	-	-
Net pension asset	65,568	42,252	107,820	-
Lease assets, net	-	-	-	-
Capital assets not being depreciated	15,269,125	24,904,667	40,173,792	-
Capital assets, net	183,432,701	252,314,409	435,747,110	-
Total assets	305,729,876	327,183,313	632,913,189	573,999
Deferred Outflows of Resources	-	16,928	16,928	-
Liabilities				
Accounts payable	2,579,725	2,377,990	4,957,715	12,260
Accrued liabilities	1,182,502	917,460	2,099,962	-
Interest payable	143,165	17,750	160,915	-
Contracts payable	5,081	-	5,081	-
Unearned revenues	150,563	25,292	175,855	58,565
Liabilities payable from restricted assets	-	4,234,140	4,234,140	-
Noncurrent liabilities				
Due within one year	3,557,011	3,036,683	6,593,694	-
Due in more than one year				
Bonds, loans, leases, SBITA, and and compensated absences	20,901,935	41,546,468	62,448,403	-
Total liabilities	28,519,982	52,155,783	80,675,765	70,825
Deferred Inflows of Resources	17,556,261	47,958	17,604,219	-
Net Position				
Net investment in capital assets	178,616,590	232,652,853	411,269,443	-
Restricted				
Pensions	65,568	42,252	107,820	-
Street maintenance	657,275	-	657,275	-
Law enforcement	543,038	-	543,038	-
Stormwater	1,589,220	-	1,589,220	-
Debt service	1,014,826	-	1,014,826	-
Capital projects	41,158,202	-	41,158,202	-
Unrestricted	36,008,914	42,301,395	78,310,309	503,174
Total net position	\$ 259,653,633	\$ 274,996,500	\$ 534,650,133	\$ 503,174

Town of Smyrna, Tennessee
Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			Component Unit Charity Assistance Fund
		Charges for services	Operating grants and contributions	Capital grants and contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary Government								
Governmental Activities								
General government	\$ 13,686,073	\$ 5,196,783	\$ 583,870	\$ 32,105	\$ (7,873,315)	\$ -	\$ (7,873,315)	\$ -
Public safety								
Police	17,009,321	1,795,956	347,602	-	(14,865,763)	-	(14,865,763)	-
Fire	14,392,142	-	54,400	938,297	(13,399,445)	-	(13,399,445)	-
Highways and streets	9,588,143	-	2,012,657	8,784,347	1,208,861	-	1,208,861	-
Recreation	9,268,511	3,030,747	-	1,283,030	(4,954,734)	-	(4,954,734)	-
Community development	2,061,159	335,815	-	-	(1,725,344)	-	(1,725,344)	-
Stormwater	1,895,735	2,154,136	-	-	258,401	-	258,401	-
Interest on long-term debt	431,622	-	-	-	(431,622)	-	(431,622)	-
Total governmental activities	68,332,706	12,513,437	2,998,529	11,037,779	(41,782,961)	-	(41,782,961)	-
Business-type Activities								
Water and sewer	28,663,515	29,293,544	-	18,769,582	-	19,399,611	19,399,611	-
Natural gas	16,859,851	15,976,832	-	454,076	-	(428,943)	(428,943)	-
Total business-type activities	45,523,366	45,270,376	-	19,223,658	-	18,970,668	18,970,668	-
Total primary government	\$ 113,856,072	\$ 57,783,813	\$ 2,998,529	\$ 30,261,437	(41,782,961)	18,970,668	(22,812,293)	-
Component Unit								
Charity Assistance Fund	\$ 189,461	\$ -	\$ 241,715	\$ -	-	-	-	52,254
General Revenues								
Property taxes and in lieu of tax					16,984,439	-	16,984,439	-
Sales taxes					21,297,729	-	21,297,729	-
Business tax					2,459,733	-	2,459,733	-
Wholesale beer tax					1,087,022	-	1,087,022	-
Hotel/motel tax					855,265	-	855,265	-
Cable TV and gas franchise tax					238,619	-	238,619	-
Unrestricted other locally assessed taxes					158,139	-	158,139	-
Unrestricted state shared taxes								
State shared beer tax					22,335	-	22,335	-
State shared sales tax					6,696,799	-	6,696,799	-
State shared mixed drink tax					246,218	-	246,218	-
Other unrestricted state shared taxes					183,941	-	183,941	-
Grants and contributions not restricted to specific programs					269,442	-	269,442	-
Investment earnings					1,507,195	910,023	2,417,218	12,420
Other					422,705	-	422,705	-
Transfers					839,479	(839,479)	-	-
Total general revenues and transfers					53,269,060	70,544	53,339,604	12,420
Change in net position					11,486,099	19,041,212	30,527,311	64,674
Net position, beginning of year, as previously reported					248,490,429	256,021,591	504,512,020	438,500
Change in accounting principle					(322,895)	(66,303)	(389,198)	-
Net position, beginning of year, as restated					248,167,534	255,955,288	504,122,822	438,500
Net position, end of year					\$ 259,653,633	\$ 274,996,500	\$ 534,650,133	\$ 503,174

Town of Smyrna, Tennessee
Balance Sheet
Governmental Funds
June 30, 2025

	General	Capital projects	Other governmental	Total governmental
Assets				
Cash	\$ 33,040,103	\$ 34,513,689	\$ 9,723,258	\$ 77,277,050
Receivables, net				
Property taxes	15,662,288	-	-	15,662,288
Other taxes	1,516,415	-	-	1,516,415
Due from other governments	5,197,061	436,709	324,486	5,958,256
Due from other funds	-	-	269,392	269,392
Accounts receivable	42,821	-	231,725	274,546
Inventory of supplies	140,926	-	-	140,926
Prepaid items	163,060	-	-	163,060
Lease receivable	1,027,196	-	-	1,027,196
Note receivable	-	-	981,250	981,250
Total assets	\$ 56,789,870	\$ 34,950,398	\$ 11,530,111	\$ 103,270,379
Liabilities				
Accounts payable	\$ 359,374	\$ 1,017,555	\$ 168,187	\$ 1,545,116
Accrued costs	1,152,139	-	30,362	1,182,501
Due to other funds	-	269,392	-	269,392
Contracts payable	-	5,081	-	5,081
Unearned revenues	97,155	53,408	-	150,563
Total liabilities	1,608,668	1,345,436	198,549	3,152,653
Deferred Inflows of Resources	20,453,142	-	149,432	20,602,574
Fund balances				
Nonspendable	303,986	-	-	303,986
Restricted for				
Street maintenance	-	-	657,275	657,275
Law enforcement	-	-	543,038	543,038
Stormwater	-	-	1,589,220	1,589,220
General capital projects	175,469	33,604,962	-	33,780,431
Roads capital projects	-	-	2,970,186	2,970,186
Parks capital projects	-	-	1,752,902	1,752,902
Fire protection capital projects	-	-	2,654,683	2,654,683
Debt service	-	-	1,014,826	1,014,826
Committed for cemetery maintenance	1,905,799	-	-	1,905,799
Unassigned	32,342,806	-	-	32,342,806
Total fund balances	34,728,060	33,604,962	11,182,130	79,515,152
Total liabilities, deferred inflows of resources, and fund balances	\$ 56,789,870	\$ 34,950,398	\$ 11,530,111	\$ 103,270,379

Town of Smyrna, Tennessee
 Reconciliation of Balance Sheet - Governmental Funds to
 Government-wide Statement of Net Position
 June 30, 2025

Amounts reported for fund balance, total governmental funds	\$ 79,515,152
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds.	198,701,826
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 receivables	2,658,449
Property taxes receivable	462,288
Internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	2,926,886
Interest payable on long-term obligations is not due in the current period and, therefore, is not reported in the governmental funds balance sheet.	(143,165)
Prepaid insurance related to bond issues is amortized over the life	
Net differences between projected and actual earnings related to pensions are deferred and amortized as a component of pension expense.	(74,424)
Bond premiums are amortized as a component of interest in the statement of activities.	(1,205,223)
Long-term liabilities, including bonds payable, are not due in the current period and, therefore, are not recorded in the funds:	
Governmental bonds and notes payable	(15,525,000)
Compensated absences	(4,378,792)
Lease liabilities	(3,349,932)
Net pension (obligation) asset	65,568
Net position of governmental activities	\$ 259,653,633

Town of Smyrna, Tennessee
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	General	Capital projects	Other governmental	Total governmental
Revenues				
Taxes	\$ 41,713,816	\$ -	\$ -	\$ 41,713,816
Payment in lieu of taxes	1,367,130	-	-	1,367,130
Licenses and permits	2,509,089	-	4,621,646	7,130,735
Intergovernmental	7,603,972	2,480,574	1,915,783	12,000,329
Fines and forfeitures	1,764,276	-	31,680	1,795,956
Uses of money and property	6,799,368	422,843	2,444,288	9,666,499
Miscellaneous	458,920	-	-	458,920
Total revenues	<u>62,216,571</u>	<u>2,903,417</u>	<u>9,013,397</u>	<u>74,133,385</u>
Expenditures				
Current				
General government	11,888,977	-	-	11,888,977
Public safety				
Police	16,460,485	-	42,791	16,503,276
Fire	13,116,349	-	-	13,116,349
Highways and streets	690,019	-	1,935,477	2,625,496
Recreation	7,037,789	-	-	7,037,789
Community development	1,945,743	-	-	1,945,743
Stormwater	-	-	1,514,737	1,514,737
Debt service	256,385	-	1,703,353	1,959,738
Capital outlay	-	22,875,145	-	22,875,145
Total expenditures	<u>51,395,747</u>	<u>22,875,145</u>	<u>5,196,358</u>	<u>79,467,250</u>
Excess (deficiency) of revenues over expenditures	10,820,824	(19,971,728)	3,817,039	(5,333,865)
Other financing sources (uses)				
Transfers in	1,134,020	14,902,920	1,565,840	17,602,780
Transfers out	<u>(10,122,432)</u>	<u>-</u>	<u>(6,640,867)</u>	<u>(16,763,299)</u>
Total other financing sources (uses)	(8,988,412)	14,902,920	(5,075,027)	839,481
Net change in fund balances	1,832,412	(5,068,808)	(1,257,988)	(4,494,384)
Fund balances, beginning of year	32,895,648	38,673,770	12,440,118	84,009,536
Fund balances, end of year	\$ 34,728,060	\$ 33,604,962	\$ 11,182,130	\$ 79,515,152

Town of Smyrna, Tennessee
 Reconciliation of Statement of Revenues, Expenditures, and
 Changes in Fund Balance of Governmental Funds to Statement of Activities
 For the Year Ended June 30, 2025

Amounts reported for net change in fund balance, total governmental funds	\$ (4,494,384)
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	20,228,508
Depreciation expense	(9,841,010)
Basis of capital assets disposed	(36,217)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Contributed capital assets	4,833,068
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 has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Debt repayment	1,087,401
Amortization of debt-related premium	177,185
Interest is accrued on outstanding obligations in governmental activities whereas, in governmental funds, an interest expenditure is reported when due.	
Change in accrued interest on debt	10,743
Expenses reported for governmental activities which do not require the use of financial resources are not reported as expenditures in the governmental funds.	
Compensated absences	(1,024,017)
Changes in lease assets and lease liabilities	(13,444)
Pension expenditures in governmental funds represent amounts paid to currently fund the pension plan. However, pension expense in the statement of activities is a comprehensive measurement, consisting of elements having both immediate recognition and amortization of deferred amounts, which can increase (decrease) pension cost	
	284,639
Internal service funds are used by management to charge the costs of insurance to individual funds. The net revenues (expenses) of certain activities of internal service funds are reported with governmental activities (net of amount allocated to business activities)	
	273,627
Change in net position of governmental activities	\$ 11,486,099

Town of Smyrna, Tennessee
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2025

	<u>Budgeted amounts</u>		Actual amounts	Variance from final budget + / (-)
	Original	Final		
Revenues				
Taxes				
Real estate taxes	\$ 15,332,400	\$ 15,453,000	\$ 15,617,309	\$ 164,309
Business tax	2,300,000	2,300,000	2,459,733	159,733
Wholesale beer tax	1,200,000	1,200,000	1,087,022	(112,978)
Local option sales tax	22,326,000	22,326,000	21,297,729	(1,028,271)
Hotel/motel tax	917,260	917,260	855,265	(61,995)
Cable TV/gas franchise tax	407,800	407,800	238,619	(169,181)
Other	114,000	127,400	158,139	30,739
Total taxes	<u>42,597,460</u>	<u>42,731,460</u>	<u>41,713,816</u>	<u>(1,017,644)</u>
Payments in lieu of taxes	952,100	1,552,100	1,367,130	(184,970)
Licenses and permits	2,286,500	2,377,000	2,509,089	132,089
Intergovernmental revenues				
State income tax	30,000	30,000	-	(30,000)
State beer tax	26,000	26,000	22,335	(3,665)
State sales tax	6,950,000	6,950,000	6,696,799	(253,201)
State mixed drink tax	230,000	230,000	246,218	16,218
State petroleum special tax	160,000	160,000	96,874	(63,126)
Federal and state grants	6,000	6,000	151,356	145,356
State street maintenance contracts	180,000	180,000	-	(180,000)
State fire supplement	66,300	66,300	54,400	(11,900)
State police supplement	61,200	61,200	118,400	57,200
Other state and county shared taxes	99,000	186,000	183,941	(2,059)
Donations and memorials	-	23,000	33,649	10,649
Total intergovernmental revenues	<u>7,808,500</u>	<u>7,918,500</u>	<u>7,603,972</u>	<u>(314,528)</u>
Fines and forfeitures	1,384,000	1,444,000	1,764,276	320,276
Uses of property and money				
Penalties	45,500	45,500	38,727	(6,773)
Interest earned	660,000	660,000	745,112	85,112
Rent	90,000	90,000	107,247	17,247
Traffic school fees	80,000	80,000	103,214	23,214
Administrative support charges	2,207,601	2,207,601	2,207,601	-
Cemetery revenues	203,000	203,000	230,905	27,905
Recreation fees and community center fees	2,745,200	3,005,200	3,030,747	25,547
Food sales	334,000	334,000	335,815	1,815
Total uses of property and money	<u>6,365,301</u>	<u>6,625,301</u>	<u>6,799,368</u>	<u>174,067</u>

Continued

Town of Smyrna, Tennessee
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2025

	<u>Budgeted amounts</u>		Actual amounts	Variance from final budget + / (-)
	Original	Final		
Revenues				
Other				
Sale of property	\$ 65,000	\$ 145,000	\$ 157,444	\$ 12,444
Miscellaneous	196,400	308,900	301,476	(7,424)
Total other	<u>261,400</u>	<u>453,900</u>	<u>458,920</u>	<u>5,020</u>
Total revenues	61,655,261	63,102,261	62,216,571	(885,690)
Expenditures				
General government				
Current				
Legislative board				
Salaries	96,700	96,700	95,211	(1,489)
Benefits and payroll taxes	115,400	115,400	111,121	(4,279)
Insurance	300	300	300	-
Travel	-	-	1,769	1,769
Other	6,500	6,500	3,418	(3,082)
Total legislative board	<u>218,900</u>	<u>218,900</u>	<u>211,819</u>	<u>(7,081)</u>
Town and general sessions court				
Salaries	927,200	984,400	958,266	(26,134)
Benefits and payroll taxes	420,300	423,400	375,705	(47,695)
Contractual services	182,500	185,000	153,349	(31,651)
Repairs and maintenance	-	-	8,031	8,031
Supplies	12,800	12,800	17,847	5,047
Other	10,500	13,500	19,215	5,715
Total town and general sessions court	<u>1,553,300</u>	<u>1,619,100</u>	<u>1,532,413</u>	<u>(86,687)</u>
Codes, engineering, and planning				
Salaries	1,470,500	1,492,900	1,470,425	(22,475)
Benefits and payroll taxes	655,400	642,800	601,638	(41,162)
Contractual services	86,000	90,000	83,109	(6,891)
Insurance	17,100	17,100	17,100	-
Professional services	20,000	20,000	12,299	(7,701)
Repairs and maintenance	1,900	8,900	7,007	(1,893)
Supplies	33,300	33,300	33,246	(54)
Telephone and utilities	6,800	6,800	9,908	3,108
Travel	2,200	2,200	1,127	(1,073)
Other	12,200	12,200	7,870	(4,330)
Total codes, engineering, and planning	<u>2,305,400</u>	<u>2,326,200</u>	<u>2,243,729</u>	<u>(82,471)</u>

Continued

Town of Smyrna, Tennessee
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2025

	<u>Budgeted amounts</u>		Actual amounts	Variance from final budget +/-(-)
	Original	Final		
Expenditures				
General government				
Current				
Vehicle maintenance				
Salaries	\$ 327,600	\$ 339,800	\$ 339,975	\$ 175
Benefits and payroll taxes	163,200	155,200	152,517	(2,683)
Supplies and repairs	60,000	60,000	58,741	(1,259)
Utilities	18,100	18,100	18,392	292
Other	11,800	11,800	10,303	(1,497)
Total vehicle maintenance	<u>580,700</u>	<u>584,900</u>	<u>579,928</u>	<u>(4,972)</u>
Building and grounds				
Salaries	538,400	573,800	583,621	9,821
Benefits and payroll taxes	319,900	320,800	310,287	(10,513)
Cemetery	30,400	31,400	28,633	(2,767)
Insurance	16,400	16,400	16,400	-
Repairs and maintenance	126,400	133,900	123,012	(10,888)
Supplies	32,300	32,300	28,288	(4,012)
Other	-	-	-	-
Total building and grounds	<u>1,063,800</u>	<u>1,108,600</u>	<u>1,090,241</u>	<u>(18,359)</u>
Finance and administration				
Salaries	3,401,800	3,648,900	3,627,488	(21,412)
Benefits and payroll taxes	1,552,600	1,466,800	1,370,939	(95,861)
Contractual services	743,835	697,835	701,554	3,719
Insurance	32,500	32,500	32,885	385
Memberships and testing	75,100	75,100	91,616	16,516
Outside services	368,637	33,637	12,051	(21,586)
Professional services	103,300	103,300	50,298	(53,002)
Repairs and maintenance	9,500	9,500	11,187	1,687
Supplies	69,100	74,100	59,556	(14,544)
Telephone and utilities	166,300	141,300	178,803	37,503
Other	66,500	121,000	94,470	(26,530)
Total finance and administration	<u>6,589,172</u>	<u>6,403,972</u>	<u>6,230,847</u>	<u>(173,125)</u>
Total current general government expenditures	<u>12,311,272</u>	<u>12,261,672</u>	<u>11,888,977</u>	<u>(372,695)</u>
Debt service				
Principal	250,081	250,081	252,788	2,707
Interest and fiscal charges	6,473	6,473	3,597	(2,876)
Total debt service	<u>256,554</u>	<u>256,554</u>	<u>256,385</u>	<u>(169)</u>
Capital outlay	-	-	-	-
Total general government expenditures	<u>12,567,826</u>	<u>12,518,226</u>	<u>12,145,362</u>	<u>(372,864)</u>

Continued

Town of Smyrna, Tennessee
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2025

	<u>Budgeted amounts</u>		Actual amounts	Variance from final budget + / (-)
	Original	Final		
Expenditures				
Public safety				
Police department				
Current				
Salaries	\$ 10,036,000	\$ 10,334,800	\$ 10,496,878	\$ 162,078
Benefits and payroll taxes	4,586,300	4,586,700	4,227,673	(359,027)
Insurance	516,300	516,300	516,413	113
Memberships and testing	32,000	32,000	24,582	(7,418)
Outside services	292,216	292,216	328,805	36,589
Repairs and maintenance	116,600	168,600	260,568	91,968
Supplies	437,000	447,000	475,324	28,324
Telephone	52,000	52,000	78,933	26,933
Travel	87,400	87,400	35,819	(51,581)
Other	34,000	34,000	15,490	(18,510)
Total current	<u>16,189,816</u>	<u>16,551,016</u>	<u>16,460,485</u>	<u>(90,531)</u>
Capital outlay	-	-	-	-
Total police department	<u>16,189,816</u>	<u>16,551,016</u>	<u>16,460,485</u>	<u>(90,531)</u>
Fire department				
Current				
Salaries	8,005,600	8,464,600	8,502,946	38,346
Benefits and payroll taxes	3,832,900	3,867,500	3,574,527	(292,973)
Insurance	64,500	64,500	64,500	-
Memberships and testing	17,000	17,000	11,995	(5,005)
Outside services	206,200	206,200	162,092	(44,108)
Repairs and maintenance	216,800	246,800	241,258	(5,542)
Supplies	325,800	296,400	278,010	(18,390)
Telephone and utilities	130,500	125,500	148,003	22,503
Travel	116,800	116,800	38,774	(78,026)
Other	7,500	98,500	94,244	(4,256)
Total current	<u>12,923,600</u>	<u>13,503,800</u>	<u>13,116,349</u>	<u>(387,451)</u>
Capital outlay	-	-	-	-
Total fire department	<u>12,923,600</u>	<u>13,503,800</u>	<u>13,116,349</u>	<u>(387,451)</u>
Total public safety	<u>29,113,416</u>	<u>30,054,816</u>	<u>29,576,834</u>	<u>(477,982)</u>

Continued

Town of Smyrna, Tennessee
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2025

	<u>Budgeted amounts</u>		Actual amounts	Variance from final budget + / (-)
	Original	Final		
Expenditures				
Highways and streets				
Current				
Salaries	\$ 269,700	\$ 280,200	\$ 258,612	\$ (21,588)
Benefits and payroll taxes	201,600	153,300	191,889	38,589
Insurance	83,200	83,200	83,200	-
Outside services	3,400	3,400	5,213	1,813
Repairs and maintenance	10,000	10,000	24,099	14,099
Supplies	34,000	34,000	36,591	2,591
Telephone and utilities	5,400	115,400	82,792	(32,608)
Other	23,600	13,600	7,623	(5,977)
Total current	<u>630,900</u>	<u>693,100</u>	<u>690,019</u>	<u>(3,081)</u>
Capital outlay	-	-	-	-
Total highways and streets	<u>630,900</u>	<u>693,100</u>	<u>690,019</u>	<u>(3,081)</u>
Recreation				
Current				
Salaries	3,973,100	3,914,400	3,809,855	(104,545)
Benefits and payroll taxes	1,655,000	1,622,200	1,483,581	(138,619)
Advertising and promotion	3,700	3,700	2,914	(786)
Food purchases	187,500	227,500	222,749	(4,751)
Insurance	86,500	86,500	86,500	-
Memberships and testing	13,900	13,900	7,829	(6,071)
Outside services	311,280	311,280	309,175	(2,105)
Recreation programs	51,900	51,900	53,881	1,981
Rent	29,178	29,178	13,021	(16,157)
Repairs and maintenance	269,300	282,300	265,220	(17,080)
Supplies	339,500	319,500	306,309	(13,191)
Telephone and utilities	487,100	437,100	417,541	(19,559)
Other	57,300	57,300	59,214	1,914
Total current	<u>7,465,258</u>	<u>7,356,758</u>	<u>7,037,789</u>	<u>(318,969)</u>
Capital outlay	-	-	-	-
Total recreation	<u>7,465,258</u>	<u>7,356,758</u>	<u>7,037,789</u>	<u>(318,969)</u>

Continued

Town of Smyrna, Tennessee
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2025

	<u>Budgeted amounts</u>		Actual amounts	Variance from final budget +/-
	Original	Final		
Expenditures				
Community development				
Current				
Salaries	\$ 668,500	\$ 551,500	\$ 512,271	\$ (39,229)
Benefits and payroll taxes	264,800	254,800	225,103	(29,697)
Advertising and promotion	800	800	749	(51)
Contributions to non-profits	696,650	696,750	696,746	(4)
Food purchases	308,500	308,500	317,038	8,538
Insurance	2,300	2,300	2,300	-
Outside services	37,000	37,000	20,266	(16,734)
Repairs and maintenance	35,000	35,000	31,161	(3,839)
Supplies	38,000	38,000	46,567	8,567
Telephone and utilities	115,000	80,000	81,194	1,194
Other	13,500	13,500	12,348	(1,152)
Total current	<u>2,180,050</u>	<u>2,018,150</u>	<u>1,945,743</u>	<u>(72,407)</u>
Capital outlay	-	-	-	-
Total community development	<u>2,180,050</u>	<u>2,018,150</u>	<u>1,945,743</u>	<u>(72,407)</u>
Total expenditures	51,957,450	52,641,050	51,395,747	(1,245,303)
Excess revenues over expenditures	9,697,811	10,461,211	10,820,824	359,613
Other financing sources (uses)				
Transfer to capital projects fund	(10,565,800)	(16,329,200)	(9,893,192)	6,436,008
Transfer to debt service fund	(230,540)	(230,540)	(229,240)	1,300
Transfer from stormwater fund	294,541	294,541	294,541	-
Transfer from gas fund	211,344	211,344	211,344	-
Transfer from water and sewer fund	628,135	628,135	628,135	-
Total other financing sources (uses)	<u>(9,662,320)</u>	<u>(15,425,720)</u>	<u>(8,988,412)</u>	<u>6,437,308</u>
Net change in fund balance	35,491	(4,964,509)	1,832,412	6,796,921
Fund balance, beginning of year	<u>32,895,648</u>	<u>32,895,648</u>	<u>32,895,648</u>	<u>-</u>
Fund balance, end of year	\$ 32,931,139	\$ 27,931,139	\$ 34,728,060	\$ 6,796,921

Town of Smyrna, Tennessee
Statement of Net Position
Proprietary Funds
June 30, 2025

	Business-type Activities			Governmental Activities
	Water and sewer	Natural gas	Total enterprise	Internal service fund
Assets				
Current assets				
Cash and cash equivalents	\$ 32,475,201	\$ 6,291,893	\$ 38,767,094	\$ 2,948,862
Restricted assets				
Cash, customer deposits, and construction bond	3,111,116	1,194,487	4,305,603	-
Accounts receivable				
Utility customers, net	3,725,030	1,017,667	4,742,697	-
Grant receivable	1,036,963	-	1,036,963	-
Inventory, at cost	1,285,089	793,496	2,078,585	3,676
Total current assets	<u>41,633,399</u>	<u>9,297,543</u>	<u>50,930,942</u>	<u>2,952,538</u>
Noncurrent assets				
Capital assets	402,785,988	44,660,343	447,446,331	-
Less: accumulated depreciation	<u>(145,242,305)</u>	<u>(24,984,950)</u>	<u>(170,227,255)</u>	<u>-</u>
Capital assets, net	257,543,683	19,675,393	277,219,076	-
Net pension asset	<u>27,969</u>	<u>14,283</u>	<u>42,252</u>	<u>-</u>
Total noncurrent assets	<u>257,571,652</u>	<u>19,689,676</u>	<u>277,261,328</u>	<u>-</u>
Total assets	299,205,051	28,987,219	328,192,270	2,952,538
Deferred Outflows of Resources				
Deferred charge on refunding	<u>16,928</u>	<u>-</u>	<u>16,928</u>	<u>-</u>
Total deferred outflows of resources	16,928	-	16,928	-

Continued

Town of Smyrna, Tennessee
Statement of Net Position
Proprietary Funds
June 30, 2025

	Business-type Activities			Governmental Activities
	Water and sewer	Natural gas	Total enterprise	Internal service fund
Liabilities				
Current liabilities, payable from current assets				
Accounts payable	\$ 1,574,285	\$ 803,705	\$ 2,377,990	\$ 1,034,609
Accrued expenses	640,066	277,394	917,460	-
Interest payable	17,750	-	17,750	-
Unearned revenue	-	25,292	25,292	-
Long-term debt, current portion	<u>3,036,683</u>	<u>-</u>	<u>3,036,683</u>	<u>-</u>
Total current liabilities, payable from current assets	5,268,784	1,106,391	6,375,175	1,034,609
Current liabilities, payable from restricted assets				
Construction bonds	2,995,729	-	2,995,729	-
Customer deposits and project assistance	<u>105,849</u>	<u>1,132,562</u>	<u>1,238,411</u>	<u>-</u>
Total current liabilities, payable from restricted assets	<u>3,101,578</u>	<u>1,132,562</u>	<u>4,234,140</u>	<u>-</u>
Total current liabilities	8,370,362	2,238,953	10,609,315	1,034,609
Long-term liabilities, net of current portion	<u>41,546,468</u>	<u>-</u>	<u>41,546,468</u>	<u>-</u>
Total liabilities	49,916,830	2,238,953	52,155,783	1,034,609
Deferred Inflows of Resources				
Net difference between projected and actual earnings, pension	31,746	16,212	47,958	-
Net Position				
Net investment in capital assets	212,977,460	19,675,393	232,652,853	-
Restricted for pensions	27,969	14,283	42,252	-
Unrestricted	<u>36,267,974</u>	<u>7,042,378</u>	<u>43,310,352</u>	<u>1,917,929</u>
Total net position	\$249,273,403	\$ 26,732,054	276,005,457	\$ 1,917,929
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds			<u>(1,008,957)</u>	
Net position of business-type activities			\$274,996,500	

Town of Smyrna, Tennessee
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2025

	Business-type Activities			Governmental Activities
	Water and sewer	Natural gas	Total enterprise	Internal service fund
Operating Revenues				
Services	\$ 28,771,949	\$ 15,794,208	\$ 44,566,157	\$ 14,113,268
Other	50,691	41,578	92,269	-
Forfeited discounts	470,904	141,046	611,950	-
Total operating revenues	<u>29,293,544</u>	<u>15,976,832</u>	<u>45,270,376</u>	<u>14,113,268</u>
Operating Expenses				
Gas purchases	-	11,572,241	11,572,241	-
Salaries	3,650,663	1,021,683	4,672,346	-
Benefits and payroll taxes	1,624,197	556,828	2,181,025	10,312,041
Administrative support services	1,389,076	818,525	2,207,601	-
Depreciation and amortization	11,533,786	1,175,874	12,709,660	-
Insurance	284,200	50,800	335,000	2,055,644
Maintenance and repair	1,020,915	113,435	1,134,350	-
Operating supplies	3,250,810	185,151	3,435,961	-
Outside services	12,267	372	12,639	154,412
Contractual services	2,366,909	371,961	2,738,870	-
Professional services	62,377	44,735	107,112	-
Property claims	-	-	-	2,275,195
Telephone and utilities	2,461,826	53,705	2,515,531	-
Travel	3,808	5,314	9,122	-
Other	122,283	232,801	355,084	-
Total operating expenses	<u>27,783,117</u>	<u>16,203,425</u>	<u>43,986,542</u>	<u>14,797,292</u>
Operating income (loss)	1,510,427	(226,593)	1,283,834	(684,024)
Nonoperating Revenues and Expenses				
Interest income	763,080	138,365	901,445	57,666
Interest expense	(628,260)	-	(628,260)	-
Total nonoperating revenues (expenses)	134,820	138,365	273,185	57,666
Net income (loss) before capital contributions and transfers	1,645,247	(88,228)	1,557,019	(626,358)

Continued

Town of Smyrna, Tennessee
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2025

	Business-type Activities			Governmental
	Water and sewer	Natural gas	Total enterprise	Internal service fund
Contributions and Special Items				
Capital contributions, tap fees	\$ 4,453,134	\$ 415,320	\$ 4,868,454	\$ -
Capital contributions from developers	12,273,035	38,756	12,311,791	-
Capital grant	2,043,413	-	2,043,413	-
Transfers out, in lieu tax payments	<u>(628,135)</u>	<u>(211,344)</u>	<u>(839,479)</u>	<u>-</u>
Change in net position	19,786,694	154,504	19,941,198	(626,358)
Net position, beginning of year, as previously reported	229,523,055	26,607,507	256,130,562	2,544,287
Change in accounting principle	<u>(36,346)</u>	<u>(29,957)</u>	<u>(66,303)</u>	<u>-</u>
Net position, beginning of year, as restated	<u>229,486,709</u>	<u>26,577,550</u>	<u>256,064,259</u>	<u>2,544,287</u>
Net position, end of year	\$ 249,273,403	\$ 26,732,054	\$ 276,005,457	\$ 1,917,929
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			<u>(899,985)</u>	
Change in net position of business-type activities			\$ 19,041,213	

Town of Smyrna, Tennessee
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Business-type Activities			Governmental Activities
	Water and Sewer	Natural Gas	Total Enterprise	Internal Service Fund
Cash flows from operating activities				
Receipts from customers	\$ 29,020,072	\$ 15,677,387	\$ 44,697,459	\$ -
Receipts from internal services provided	-	-	-	14,113,268
Payments to employees	(3,552,268)	(1,021,683)	(4,573,951)	-
Payments to suppliers	(10,951,049)	(12,957,792)	(23,908,841)	(14,778,290)
Payment for interfund administrative support services	<u>(1,389,076)</u>	<u>(818,525)</u>	<u>(2,207,601)</u>	<u>-</u>
Net cash provided (used) by operating activities	13,127,679	879,387	14,007,066	(665,022)
Cash flows from noncapital financing activities				
Transfers out	(628,135)	(211,344)	(839,479)	-
Cash flows from capital and related financing activities				
Tap fees	4,453,134	415,320	4,868,454	-
Capital grants	1,006,450	-	1,006,450	-
Payments on construction bonds	(439,528)	-	(439,528)	-
Receipts on revolving loan, net	447,650	-	447,650	-
Acquisition of capital assets	(14,553,061)	(1,599,583)	(16,152,644)	-
Principal paid on capital debt	(3,047,815)	-	(3,047,815)	-
Interest paid on capital debt	(621,691)	-	(621,691)	-
Receipts on sale of assets	<u>17,888</u>	<u>-</u>	<u>17,888</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	(12,736,973)	(1,184,263)	(13,921,236)	-
Cash flows from investing activities				
Interest on investments	763,080	138,365	901,445	57,666
Net change in cash, cash equivalents, and restricted cash	525,651	(377,855)	147,796	(607,356)
Cash, cash equivalents, and restricted cash, beginning of year	<u>35,060,666</u>	<u>7,864,235</u>	<u>42,924,901</u>	<u>3,556,218</u>
Cash, cash equivalents, and restricted cash, end of year	\$ 35,586,317	\$ 7,486,380	\$ 43,072,697	\$ 2,948,862
Reconciliation of amounts to statement of net position				
Cash and cash equivalents	\$ 32,475,201	\$ 6,291,893	\$ 38,767,094	\$ 2,948,862
Restricted cash and cash equivalents	<u>3,111,116</u>	<u>1,194,487</u>	<u>4,305,603</u>	<u>-</u>
Cash and cash equivalents, end of year	\$ 35,586,317	\$ 7,486,380	\$ 43,072,697	\$ 2,948,862

Continued

Town of Smyrna, Tennessee
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Business-type Activities			Governmental
	Water and Sewer	Natural Gas	Total Enterprise	Internal Service Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ 1,510,427	\$ (226,593)	\$ 1,283,834	\$ (684,024)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	11,515,899	1,175,874	12,691,773	-
Change in:				
Accounts receivable	(289,914)	(345,143)	(635,057)	-
Inventory	(232,488)	(169,381)	(401,869)	1,738
Net pension asset	(113,562)	(74,167)	(187,729)	-
Accounts payable	577,692	503,544	1,081,236	17,264
Accrued expenses	111,272	(72,065)	39,207	-
Unearned revenue	-	25,292	25,292	-
Customer deposits	16,442	45,698	62,140	-
Deferred outflows of resources related to pension	31,746	16,212	47,958	-
Deferred inflows of resources related to pension	165	116	281	-
Net cash provided (used) by operating activities	\$ 13,127,679	\$ 879,387	\$ 14,007,066	\$ (665,022)
Supplemental disclosures of noncash capital and related financing activities				
Contributions of capital assets	\$ 12,273,035	\$ 38,756	\$ 12,311,791	\$ -
Payment of contracts payable for capital assets	\$ 551,101	\$ 137,275	\$ 688,376	\$ -
Amortization of bond premiums	\$ 94,847	\$ -	\$ 94,847	\$ -
Amortization of deferred charge on refunding	\$ 22,596	\$ -	\$ 22,596	\$ -

Town of Smyrna, Tennessee
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	Pension	Custodial
Assets		
Cash	\$ -	\$ 31,313
Investments at fair value		
United States backed securities	305,395	-
Municipal obligations	509,227	-
Corporate obligations	2,125,649	-
Mutual funds and exchange traded funds	4,600,121	-
Contributions receivable	325,200	-
Total assets	7,927,666	31,313
Liabilities		
Accounts payable	-	31,313
Net Position		
Restricted for		
Pensions	7,927,666	-
Individuals and organizations	-	-
Total net position	\$ 7,927,666	\$ -

Town of Smyrna, Tennessee
Statement Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2025

	Pension	Custodial
Additions		
Contributions		
Employer	\$ 354,618	\$ -
Fines and fees for other governments	-	510,991
Taxes for other governments	-	242,649
Total contributions	<u>354,618</u>	<u>753,640</u>
Investment earnings		
Interest and dividends	237,393	-
Net increase (decrease) in fair value of investments	<u>434,870</u>	<u>-</u>
Total investment earnings	672,263	-
Total additions	1,026,881	753,640
Deductions		
Benefits	878,153	-
Administrative expenses	29,418	
Recipient payments	-	753,640
Total deductions	<u>907,571</u>	<u>753,640</u>
Change in net position	119,310	-
Net position, beginning of year	<u>7,808,356</u>	<u>-</u>
Net position, end of year	\$ 7,927,666	\$ -

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1. Summary of Significant Accounting Policies

Nature of Entity

The Town provides the following services as authorized by its charter: public safety (police and fire departments), highways and streets, cultural and recreation, public improvements, planning and zoning, utilities (water, sewer, and natural gas), and general administrative services. The Town also administers a pension plan and insurance internal service fund for the benefit of its employees.

The financial statements of the Town of Smyrna have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

Reporting Entity

The accompanying financial statements present the government and its component units. Component units are entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations. Each discretely presented component unit is presented in a separate column in the government-wide financial statements to emphasize it is legally separate from the government. The following is a description of the discretely presented component unit.

The Industrial Development Board was created to finance, acquire, own, lease, and/or dispose of properties to increase employment opportunities and housing availability, and to promote industry and trade in the Town. The Board is appointed by the Town Council. The Board issued bonds to construct housing units which were leased to the Housing Authority. The bonds were revenue and tax bonds backed by the Town. The project was completed in fiscal year 2005 and rents began in fiscal 2006. In fiscal 2016, the housing units were sold to the Housing Authority and the bonds were retired. The Industrial Development Board currently has no operations.

Smyrna Charity Assistance Fund (a 501(c)(3) entity) was created to accept funding from private donations. The purpose of the Fund is to provide financial aid to selected non-profit charitable organizations that provide year-round services benefiting the general welfare of the residents of the Town. The Town shall have discretion to allocate funds from the general fund budget to this component unit for the next year, subject to maximum amounts. The Town provided \$47,000 in funding for 2025. The Board consists of the Mayor or her/his appointee and five members appointed by the Town Council. Separate financial statements are not issued for the component unit. The component unit is a single fund component unit.

Related Organizations

The Town appoints the Board of Directors of the Smyrna Housing Authority; however, the Town's accountability does not extend beyond making the appointments, and the related organization has not been included as part of the reporting entity.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1. Summary of Significant Accounting Policies

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment of the Town are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (i) charges to customers or applicants (including fines and fees) who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (ii) grants and contributions that are restricted to the purpose of meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 30 days of the end of the current fiscal period, except for property taxes, which are collected within 60 days of year-end. Sales taxes and other shared revenues collected through intermediary governments are considered measurable and available if received within 30 days of year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Property taxes, franchise taxes, state shared revenues, and interest associated with the current fiscal period are all considered to be eligible for accrual and so have been recognized as revenues of the current fiscal period using the criteria specified in the paragraph above. All other revenue items are considered to be measurable and available only when cash is received by the government.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1. Summary of Significant Accounting Policies

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Town reports the following major governmental funds:

The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The capital projects fund is used to account for the financial resources to be used for the acquisition or construction of major government capital assets, improvements, or repairs.

The Town reports the following major proprietary funds:

The water and sewer fund accounts for the water and wastewater services provided to customers of the system.

The natural gas fund accounts for the provision of natural gas service to customers of the system.

Additionally, the Town reports the following fund types:

The internal service fund accounts for costs associated with the employees' health insurance plan, as well as property and liability insurance for Town assets.

The pension fund accounts for the activities of the pension plans maintained for employees of the Town, which accumulates resources for pension payments to qualified employees.

The custodial fund accounts for fines and fees collected for other governments.

As a general rule, the effects of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between the government's utilities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include (i) charges to customers or applicants (including fines and fees) for goods, services, or privileges provided, (ii) operating grants and contributions, and (iii) capital grants and contributions. General revenues include all taxes and internally dedicated resources.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the various utility funds and insurance fund are charges to customers for sales and services. Operating expenses for enterprise funds and the internal service fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1. Summary of Significant Accounting Policies

Joint Venture

The Town appoints two of the five members of the Smyrna/Rutherford County Airport Authority with the other members being appointed by Rutherford County and the City of La Vergne. The Town has no equity interest in the entity; however, the Town is required to appropriate funds to supplement short-falls in airport operations. Required disclosures regarding this joint venture are included in note 15.

Use of Estimates

The preparation of the Town's financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash, Cash Equivalents, and Investments

The Town is authorized to invest in US Treasury bills and certificates of deposit at local banks, as well as to participate in the Local Government Investment Pool (LGIP) administered by the State of Tennessee. The pool contains investments in certificates of deposit, US Treasury securities, and repurchase agreements backed by the Treasury securities. The investment pool is administered by the Treasurer of the State of Tennessee. Town policy, as required by state statutes, dictates that collateral meet certain requirements, such as being deposited in an institution which participates in the State Collateral Pool or being deposited in an escrow account in another institution for the benefit of the Town. Said collateral must be a minimum of 105% of the value of the deposits placed in the institutions, less the amount protected by federal deposit insurance. The State Collateral Pool is administered by the Treasurer of the State of Tennessee. Members of the pool may be required by agreement to pay an assessment to cover any deficiency.

An agent of the Town manages the investments of the pension fund and is authorized to make such purchases as is deemed to be in the best interest of the Town. All investments are stated at fair value.

Cash and cash equivalents consist of cash, savings accounts, and short-term certificates of deposit with an original maturity of three months or less. Due to liquidity needs, the Town considers the funds deposited in the LGIP to be a cash equivalent for financial statement and cash flow purposes. The fair value of the position in the investment pool is the same as the value of the pool shares.

Inventory and Prepaid Items

Inventory of proprietary funds, principally materials, supplies, and replacement parts, is valued at the lower of cost or net realizable value using the first-in, first-out method (FIFO). Any inventories of governmental funds have been valued at cost using the FIFO method. Inventory of governmental funds is accounted for on the consumption basis. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and are accounted for on the consumption basis.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1. Summary of Significant Accounting Policies

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as due to and due from other funds.

All trade receivables and property tax receivables are shown net of an allowance for uncollectible amounts.

Capital Assets

Capital assets, which include property, permanent water rights, plant, equipment, and infrastructure assets consisting of certain improvements other than buildings, including roads, bridges, streets and sidewalks, and drainage systems are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$4,000 and an estimated useful life in excess of three years. Infrastructure capital assets are defined as assets with an individual cost of more than \$50,000 and an estimated life in excess of three years. All capital assets are valued at historical cost or estimated historical cost, if actual historical cost is not available. Gifts or contributions of capital assets, including intangible assets, are recorded at acquisition value when received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, net of related interest income on unspent bond funds, is included as part of the capitalized value of the assets constructed.

Depreciation has been provided over estimated useful lives using the straight-line method.

The estimated useful lives are as follows:

Infrastructure (roads, bridges)	15 – 40 years
Buildings	25 – 50 years
Distribution systems	10 – 50 years
Equipment	3 – 10 years
Furniture and fixtures	3 – 10 years

Other Assets

Other assets in the government-wide financial statements include prepaid insurance related to bond issues.

Claims Payable

Medical, workers' compensation, property, and liability insurance claims payable are classified as accounts payable, and are recorded in accordance with GASB Statement No. 10.

Unearned Revenues

Unearned revenues consist primarily of unearned grant funds received, rent, and event charges.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1. Summary of Significant Accounting Policies

Appropriations

Appropriations to other funds are accounted for as interfund transfers in the governmental fund statements and are eliminated in the government-wide statements. Transactions that constitute reimbursements to a fund for expenditures initially made from it, which are properly applicable to another fund, are recorded as revenues in the fund being reimbursed and expenses in the fund reimbursing.

Town of Smyrna Pension Plan

The pension fund financial statements are prepared using the accrual basis of accounting. Employer and plan member contributions are recognized in the period that contributions are due. Plan investments are reported at fair value based on last reported sales price. Policies require accrual basis of accounting for contributions, benefits, and refunds. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Compensated Absences

The Town adopted a paid time off (PTO) policy on October 12, 2004 for its regular full-time employees. All full-time employees accrue from 144 to 224 hours of PTO per year, based on years of service, up to a maximum of 480 hours. Upon implementation of this policy, excess existing vacation and sick time over 360 hours was moved to a separate sick leave bank to be used by the employee for any approved Family and Medical Leave Act event. No amount of this sick leave bank shall be paid upon employee termination and all sick leave credit is lost, except in the case of retirement for participants in the Town of Smyrna Pension Plan, at which time every 20 workdays of accrued sick leave credit counts as one month of service time towards retirement. All PTO pay is accrued in the government-wide and proprietary fund financial statements when incurred. A liability for these amounts is reported in governmental funds only if they have matured, e.g., as a result of employee terminations or retirements. Governmental compensated absences are typically liquidated by the general and stormwater funds.

Leases

The Town determines if an arrangement is or contains a lease at contract inception and recognizes an intangible right of use asset and a lease liability at the lease commencement date. Subsequently, the intangible right of use asset is amortized on a straight-line basis over its useful life. The Town also enters into agreements, as lessor, to lease property, recognizing a lease receivable and a deferred inflow of resources. The lease term includes the noncancelable period of the lease plus an additional period covered by either an option to extend or not to terminate the lease that the lessee is reasonably certain to exercise, or an option to extend or not to terminate the lease controlled by the lessor. The Town uses its estimated incremental borrowing rate as the discount rate for leases.

The Town monitors for events or changes in circumstances that require a reassessment of its leases. When a reassessment results in the remeasurement of a lease liability, a corresponding adjustment is made to the carrying amount of the intangible right of use asset.

Subscription-Based Information Technology Arrangements

SBITA right-to-use assets and liabilities are recognized upon the commencement of the contract term in relation to contracts in which the Town is contracting for the right to use this type of asset. These assets include all subscription-based software contracts including cloud-based software contracts. These are measured at the present value of payments expected to be made by the Town during the contract term in addition to certain other costs related to the assets.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 1. Summary of Significant Accounting Policies

Subscription-Based Information Technology Arrangements

The interest rate utilized to calculate the present value of lease payments is calculated annually and represents the weighted cost of debt.

Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net position.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. These are included as a component of debt. Loss on refunding is reported as deferred outflows of resources and amortized over the shorter period of the old or new debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as part of other financing sources. Premiums received on debt issuance are also reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as current period costs in the year of issuance in all financial statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has the following items that qualify for reporting in this category: (1) deferred charge on bond refunding resulting from the difference in the carrying amount of refunded debt and its requisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt; (2) amounts relating to pensions and other postretirement benefits which may result from differences between expected and actual actuarial experience, differences between expected and actual investment earnings of the pension plan, certain changes in actuarial assumptions, and amounts of employer contributions to the plans made subsequent to the measurement date.

In addition to liabilities, the statement of net position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Town has the following types of deferred inflows of resources: the unavailable revenues reported in the governmental funds balance sheet, which arise under a modified accrual basis of accounting, representing amounts that are deferred and recognized as an inflow of resources in the periods in which the amounts become available. These amounts relate primarily to unavailable property taxes, lease receivables, and other receivables not within the collection period. The deferred inflows of resources reported in the statement of net position arise from imposed nonexchange revenues (property taxes) which are assessed prior to the end of the fiscal year, but levied in the subsequent year. Pension and other postretirement benefit-related deferred inflows of resources may result from actuarial gains related to the difference between expected and actual experience for the plan's adopted economic and demographic assumptions, and differences between expected and actual earnings on plan investments.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 1. Summary of Significant Accounting Policies

Equity Classification

In the government-wide financial statements, equity is shown as net position and classified into three components:

Net investment in capital assets – capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgage notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.

Unrestricted – all other net position that does not meet the definition of restricted or net investment in capital assets.

Fund Balance

In accordance with GASB Statement No. 54, fund balances are reported in the fund financial statements under the following categories:

Nonspendable – represents amounts that are not in spendable form, such as inventories, prepaid items, and the noncurrent portion of notes receivable.

Restricted – that portion of fund balance that can be spent only for the specific purposes stipulated by external resource or through enabling legislation.

Committed – includes amounts constrained to specific purposes as determined by formal action of the Town using its highest level of decision-making authority, an ordinance by the Town Council. In the same way, action by the Town Council is also required to rescind or modify a fund balance commitment.

Assigned – amounts are intended to be used by the Town for specific purposes but do not meet the criteria to be restricted or committed. Intent may be stipulated by the Town Council by resolution. Appropriations of fund balance to eliminate projected budgetary deficits in the subsequent year's budget are presented as assignments of fund balance.

Unassigned – the residual classification of the general fund. The general fund is the only governmental fund that reports a positive unassigned fund balance since all the other funds' balances are restricted.

It is the Town's policy to first use the restricted fund balance when an expenditure is incurred for purposes for which both restricted and unrestricted funds are available. The Town's policy for the use of unrestricted fund balance amounts requires that committed amounts be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

By action of the Town Council, the Town has set a policy to maintain general fund unassigned reserves equal to a minimum of 30% of general fund operating revenues, which equates to \$18,456,000. This policy may be modified by majority vote of the Council and the reserve is included in unassigned fund balance.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 1. Summary of Significant Accounting Policies

Property Tax

The Town's property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and personal property located in the Town's legal boundaries. Property taxes are secured by a statutory lien, effective as of the original assessment date of January 1 and, as such, an enforceable legal claim to the subsequent fiscal year levy exists at year-end. Assessed values are established by the State of Tennessee at the following rates of assessed value:

Industrial and commercial property	
Real property	40%
Public utility property	55%
Personal property	30%
Farm and residential property	25%

Taxes were levied at a rate of \$0.5257 and \$0.5257 per \$100 of assessed value for tax years 2024 and 2025, respectively. Payments may be made during the period from October 1 through February 28 of the subsequent calendar year. Current tax collections of \$14,768,394 for the fiscal year ended June 30, 2025 were approximately 100% of the tax levy. Delinquent taxes past due for 14 months are turned over to the county clerk for collection.

Of the \$15,662,288 of property taxes receivable at June 30, 2025, \$15,200,000 represents the estimated net realizable 2025 property taxes, which will be assessed but not levied in the current fiscal year, and which are included in deferred inflows of resources. This receivable is reported in the balance sheet – governmental funds with offsetting deferred inflows of resources for the amounts not available at June 30, 2025. Amounts available at June 30, 2025 have been recorded as revenues in the governmental fund statements.

Other taxes receivable reported in the governmental statements are \$225,069 for beer, liquor, and motel taxes, and \$1,254,641 for estimated net realizable 2025 in lieu of tax, assessed but not levied in the current fiscal year. There were no tax abatements requiring disclosure.

Change in Accounting Principle

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, which revises the recognition and measurement guidance for compensated absences. Effective for financial statements for periods beginning after December 15, 2023, the objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. Additionally, that objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previous required disclosures. As a result of implementing GASB Statement No. 101, beginning net position adjustments of (\$322,895) for the governmental activities and (\$66,303) for the business type activities have been presented to reflect the implementation of this standard.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 2. Budget Compliance and Accountability

The Town is required by state statute to adopt an annual budget. The Town legally adopts budgets for all governmental funds. These budgets are prepared on the premise 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 GAAP. The legal level of budgetary control is at the department level, including transfers. Any changes to departmental total budgets must be approved by the Town Council.

The Town applies the following procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to May 1, the Town Manager submits to the Town Council a proposed operating budget for the fiscal year commencing the following July 1. The operating departmental budgets establish 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 citizen 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 between 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. Budgets are adopted on a basis generally consistent with GAAP. All budget appropriations lapse at year-end.

During the fiscal year, the following budgets were amended:

	Revenues	Expenditures	Transfers (out)
General	\$ 1,447,000	\$ 683,600	\$ (5,763,400)
Capital projects	227,700	1,876,100	6,648,400
Impact fee	300,000	-	(650,000)
Stormwater	30,000	95,000	(125,000)

The capital projects expenditure amendments primarily related to road and street, park, police, and fire improvements. The general fund transfer of \$5,763,400 and the impact transfer of \$650,000 was to fund future capital projects and debt service. The stormwater amendments primarily related to salaries and benefits. General fund amendments primarily related to salaries and benefits, maintenance, and supplies.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 3. Deposits and Investments

Deposits

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Town's deposits may not be returned or the Town may not be able to recover collateral securities in the possession of an external party. The Town's policy, as required by state statutes, requires deposits to be 105% secured by collateral, less the amount of Federal Deposit Insurance Corporation insurance (FDIC), or deposited in an institution which participates in the State Collateral Pool. Deposited funds may be invested in certificates of deposit in institutions with an established record of fiscal health and service. Collateral agreements must be approved prior to deposit of funds as provided by law. The Town approves and designates a list of authorized depository institutions based on evaluation of solicited responses and certifications provided by financial institutions and recommendations of Town staff. At June 30, 2025, there were no amounts exposed to custodial credit risk.

Investments

The Town investments only in the types of investments permitted by TCA 6-56-106.

Investments, Primary Government

Investments in the State Treasurer's Investment Pool are reported at amortized cost using a stable net asset value. State statutes require the state treasurer to administer the Pool under the same terms and conditions, including collateral requirements, prescribed for other funds invested by the state treasurer. The Pool is required to maintain a high level of liquidity. The weighted average maturity range at June 30, 2025 was 1 to 105 days and the Pool credit quality is unrated. Due to the high liquidity, the Town classifies these amounts as cash equivalents. The balance at June 30, 2025 was \$75,000.

Investments, Fiduciary Fund

	Fair value/ carrying amount	Weighted average days to maturity	Average credit quality ratings	Fair value hierarchy classification
Pension				
US backed securities	\$ 305,395	2,753	Aaa	Level 2
Municipal obligations	509,227	1,606	A-AAA	Level 2
Corporate obligations	2,125,649	1,465	A-AAA	Level 2
Mutual funds and exchange traded funds	<u>4,600,121</u>	N/A	N/A	Level 1
	\$ 7,540,392			

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 3. **Deposits and Investments**

Investments, Fiduciary Fund

Level 1 hierarchy investments are valued using prices quoted in active markets for those securities. Level 2 hierarchy investments are based on fair values derived from a matrix pricing technique.

Investment Policy, Town of Smyrna Pension Fund

The assets of the Town’s pension plan are invested by a local bank under the terms of a trust agreement, which provides for the bank to have discretion over investments that are monitored and reviewed by the trustees of the plan. The following is a summary of the asset allocation as of June 30, 2025.

	Asset allocation	Target allocation	Actual allocation
Equity		40% to 60%	60.3%
Fixed income		40% to 60%	38.5%
Cash and receivables		0% to 10%	1.2%

The long-term expected rate of return on pension plan investments is 6.75%.

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return based on monthly cash flows on pension plan investments, net of pension plan investment expense, was 8.86%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Interest Rate Risk

The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, except that TCA 6-56-106 stipulates that investments may have a maturity of not greater than four years from the date of investment unless approved by the state director of local finance.

Credit Risk

The Town’s general investment policy is to apply the prudent-person rule: investments are made as a prudent person should be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk

Town policy is to limit investments classified as equity in the pension plan to a maximum of 40-60%.

As of June 30, 2025, the Town had investments in three organizations that each represented 5% or more of total investment value.

William Blair Large Cap Fund	\$	870,630
Vanguard Growth Index Admiral Fund	\$	918,284
Victory Portfolio Fund	\$	636,415

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 4. **Receivables**

A summary of receivables at June 30, 2025 is as follows:

	<u>General</u>	<u>Capital projects</u>	<u>Water and sewer</u>	<u>Natural gas</u>	<u>Nonmajor governmental</u>	<u>Internal service</u>	<u>Total</u>
Property tax	\$ 16,549,288	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,549,288
Other taxes and in lieu taxes	1,516,415	-	-	-	-	-	1,516,415
Customer	42,821	-	4,646,331	1,198,360	295,142	-	6,182,654
Other governments	5,197,061	436,709	-	-	324,486	-	6,103,583
Grants receivable	-	-	1,036,963	-	-	-	1,036,963
Less: allowance	<u>(887,000)</u>	<u>-</u>	<u>(921,301)</u>	<u>(180,693)</u>	<u>(63,417)</u>	<u>-</u>	<u>(2,052,411)</u>
Total	\$22,573,110	\$ 436,709	\$ 4,761,993	\$ 1,017,667	\$ 547,013	\$ -	\$29,336,492

The debt service fund (a nonmajor governmental fund) also includes a note from the Airport Authority for \$1,076,250 related to airport improvements. The note is repayable in semi-annual installments that mirror the 2014 general obligation bond issue, except that the Airport Authority is making monthly payments in lieu of semi-annual payments. The 2014B General Obligation Bond balance is \$1,005,000 (see note 10).

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 5. Interfund Balances and Transactions

Internal balances in the government-wide financial statements include \$1,008,957 related to the consolidation of the internal service fund.

Interfund receivables and payables are attributable to obligations between funds. The actual cash transfers had not been made at June 30, 2025. Any interfund amounts are a result of temporary interfund financing at year-end and are liquidated subsequent to year end. There was \$269,442 due to the impact fee fund from the capital projects fund as of June 30, 2025.

Interfund transfers for the year are attributable to the budgeted allocation of resources from one fund to another and consist of the following:

	Transfers in			Total
	General	Capital projects	Debt service	
Transfers out				
Natural gas	\$ 211,344	\$ -	\$ -	\$ 211,344
Water and sewer	628,135	-	-	628,135
General	-	9,893,194	229,240	10,122,434
State street aid	-	40,000	-	40,000
Stormwater	294,541	966,898	-	1,261,439
Impact fee	-	<u>4,002,828</u>	<u>1,336,600</u>	<u>5,339,428</u>
Total	\$ 1,134,020	\$ 14,902,920	\$ 1,565,840	\$ 17,602,780

The transfers from the proprietary funds to the general fund relate to in lieu of tax payments. Also, transfers were made from the general and capital projects funds to the debt service fund to pay debt principal and interest requirements.

Note 6. Restricted Assets

A summary of restricted assets is as follows:

	Governmental Funds	Enterprise Funds		Total
	Capital Projects	Water and sewer	Natural gas	
Cash	\$ -	\$ 3,111,116	\$ 1,194,487	\$ 4,305,603

Cash is restricted for approved capital projects in the governmental activities and for construction bonds and customer deposits in the business-type activities.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 7. Capital Assets

Governmental Activities

Capital assets activity for the year was as follows:

	<u>Beginning balance</u>	<u>Increases</u>	<u>Decreases and transfers</u>	<u>Ending balance</u>
Capital assets not being depreciated				
Land	\$ 7,298,165	\$ -	\$ -	\$ 7,298,165
Construction in progress	<u>17,101,659</u>	<u>15,381,399</u>	<u>(24,512,098)</u>	<u>7,970,960</u>
	24,399,824	15,381,399	(24,512,098)	15,269,125
Capital assets being depreciated				
Buildings	31,197,877	-	-	31,197,877
Improvements	41,307,720	1,253,899	14,858,152	57,419,771
Equipment	39,002,572	2,762,141	861,392	42,626,105
Right-to-use lease assets – Land	3,980,690	-	-	3,980,690
Right-to-use lease assets – Copier	19,967	-	-	19,967
Right-to-use SBITA assets	330,319	-	-	330,319
Infrastructure	<u>190,354,064</u>	<u>5,664,137</u>	<u>8,083,716</u>	<u>204,101,917</u>
	306,193,209	9,680,177	23,803,260	339,676,646
Less: accumulated depreciation				
Buildings	(19,540,204)	(734,095)	-	(20,274,299)
Improvements	(15,580,379)	(1,499,425)	-	(17,079,804)
Equipment	(28,538,740)	(2,138,169)	672,621	(30,004,288)
Right-to-use lease assets - Land	(534,240)	(169,798)	-	(704,038)
Right-to-use lease assets - Copier	(4,991)	(3,994)	-	(8,985)
Right-to-use SBITA assets	(236,676)	(93,643)	-	(330,319)
Infrastructure	<u>(82,372,891)</u>	<u>(5,469,321)</u>	<u>-</u>	<u>(87,842,212)</u>
	(146,808,121)	(10,108,445)	672,621	(156,243,945)
Governmental activities capital assets, net	\$ 183,784,912	\$ 14,953,131	\$ (36,217)	\$ 198,701,826

Depreciation expense, including amortization on assets acquired through leases and SBITA, was charged to functions/ programs of the primary government as follows:

General government	\$ 640,879
Public safety	
Police	774,162
Fire	863,861
Highways and streets	5,439,332
Stormwater	324,594
Recreation	1,976,580
Community development	<u>89,037</u>
Total depreciation expense	\$ 10,108,445

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 7. Capital Assets

Governmental Activities

Infrastructure donated by developers in the current year was valued at \$4,833,068.

Business-type Activities

Capital assets activity for enterprise funds for the year was as follows:

	<u>Beginning balance</u>	<u>Increases</u>	<u>Decreases and transfers</u>	<u>Ending balance</u>
Capital assets not being depreciated				
Land and land rights	\$ 1,681,903	\$ -	\$ -	\$ 1,681,903
Water rights	3,172,539	-	-	3,172,539
Construction in progress	<u>20,198,858</u>	<u>11,140,715</u>	<u>(11,289,348)</u>	<u>20,050,225</u>
	25,053,300	11,140,715	(11,289,348)	24,904,667
Capital assets being depreciated				
Utility plant and buildings	380,181,182	16,187,307	11,269,473	407,637,962
Machinery and equipment	<u>14,522,926</u>	<u>448,037</u>	<u>(67,261)</u>	<u>14,903,702</u>
	394,704,108	16,635,344	11,202,212	422,541,664
Less: accumulated depreciation				
Utility plant and buildings	(145,779,698)	(11,825,671)	1,987	(157,603,382)
Machinery and equipment	<u>(11,825,032)</u>	<u>(866,102)</u>	<u>67,261</u>	<u>(12,623,873)</u>
	(157,604,730)	(12,691,773)	69,248	(170,227,255)
Business-type activities capital assets, net	\$ 262,152,678	\$ 15,084,286	\$ (17,888)	\$ 277,219,076

Depreciation expense for the year was \$12,691,773.

Current year donated infrastructure was valued at \$12,270,175.

Note 8. Leases

Lessor

The Town, as lessor, leases land for cell towers under non-cancelable lease arrangements. Terms of the leases range from 10 to 30 years and contain fixed payment terms. Certain leases contain an option to renew that has been considered in the lease receivable when the lessee is reasonably certain to exercise the renewal option. The Town recognized lease revenue, which is included in other operating revenues, of \$107,247 in 2025. Total lease receivables were \$1,027,196 (\$86,194 current) as of June 30, 2025, and are included in other assets on the statement of net position.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 8. **Leases**

Lessor

Principal and interest requirements on these leases are as follows:

Years ending June 30,	Principal	Interest	Total
2026	\$ 86,194	\$ 25,242	\$ 111,436
2027	86,387	25,047	111,434
2028	90,930	24,812	115,742
2029	68,321	24,645	92,966
2030	26,566	24,451	51,017
2031-2035	46,347	118,379	164,726
2036-2040	91,509	106,163	197,672
2041-2045	152,857	84,350	237,207
2046-2050	235,051	49,597	284,648
2051-2053	143,034	6,600	149,634
Total	\$ 1,027,196	\$ 489,286	\$ 1,516,482

Lessee

The Town leases land for Sharp Springs Park. Lease payments are \$8,120 per year. The Town used the risk-free rate in effect as of the lease inception date, which was 0.37%.

The Town holds multiple land leases with the Rutherford County Airport Authority. Lease terms are as follows:

Golf course - Lease payments are \$10,303 per month, with escalating increases through lease expiration in June 2046. The Town used the risk-free rate in effect as of the lease inception date, which was 0%.

Park – Lease payments are \$1,154 per month, with escalating increases through lease expiration in June 2046. The Town used the risk-free rate in effect as of the lease inception date, which was 0%.

Firing Range - Lease payments are \$974 per month, with escalating increases through lease expiration in June 2046. The Town used the risk-free rate in effect as of the lease inception date, which was 0.91%.

The Town leases a copier.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 8. Leases

Lessee

Principal and interest requirements on these leases are as follows:

Year ending June 30,	Principal	Interest	Total
2026	\$ 162,011	\$ 1,015	\$ 163,026
2027	163,675	738	164,413
2028	164,632	457	165,089
2029	162,605	264	162,869
2030	162,223	130	162,353
2030-2035	760,598	90	760,688
2036-2040	782,423	-	782,423
2041-2045	822,333	-	822,333
2046	169,431	-	169,431
Total	<u>\$ 3,349,932</u>	<u>\$ 2,694</u>	<u>\$ 3,352,626</u>

Note 9. Subscription-Based Information Technology Arrangements (SBITAs)

The Town has SBITAs for various technology systems. The most significant contracts are for e-mail and office productivity in a contract that ended in fiscal year 2025. The Town has contracted with other software subscription providers, and the remaining terms on those contracts range from one to two years. There were no termination penalties, no material variable payments not included in the lease term, no commitments prior to the commencement of the SBITA contracts, and no impairments to subscription liabilities for the year ended June 30, 2025.

Note 10. Long-term Debt and Other Obligations Payable

The government issues general obligation bonds and notes to provide funds for the acquisition and construction of major capital facilities for general government purposes. Service of this debt is paid from the general fund by transfer to the debt service fund (a nonmajor fund). Pension liabilities and compensated absences are liquidated by the fund responsible for the employee, which could be any of the general, stormwater, water and sewer, or natural gas fund.

As a result of implementing GASB Statement No. 101, beginning compensated absences adjustments of \$322,895 for the governmental activities and \$66,303 for the business type activities have been presented to reflect the implementation of this standard. Beginning balances have been restated as follows:

	Governmental Activities	Business Type Activities
Compensated absences, beginning of year, as previously reported	\$ 3,031,879	\$ 622,538
Change in accounting principle	<u>322,895</u>	<u>66,303</u>
Compensated absences, beginning of year, as restated	<u>\$ 3,354,774</u>	<u>\$ 688,841</u>

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 10. Long-term Debt and Other Obligations Payable

The following is a summary of changes in long-term liabilities for the year, except for the net pension obligation, which is described in note 12:

	<u>Beginning balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending balance</u>	<u>Due within one year</u>
Governmental Activities					
General obligation bonds	\$ 16,385,000	\$ -	\$ (860,000)	\$ 15,525,000	\$ 895,000
Capital outlay notes	227,401	-	(227,401)	-	-
Unamortized premiums	<u>1,382,408</u>	<u>-</u>	<u>(177,185)</u>	<u>1,205,223</u>	<u>-</u>
	17,994,809	-	(1,264,586)	16,730,223	895,000
Lease liabilities	3,510,299	-	(160,367)	3,349,932	162,011
SBITA liabilities	93,624	-	(93,624)	-	-
Compensated absences, as restated	<u>3,354,774</u>	<u>1,024,018</u>	<u>-</u>	<u>4,378,792</u>	<u>2,500,000</u>
Total governmental activities	\$ 24,953,506	\$ 1,024,018	\$ (1,518,577)	\$ 24,458,947	\$ 3,557,011

	<u>Beginning balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending balance</u>	<u>Due within one year</u>
Business-type Activities					
General obligation bonds	\$ 2,700,000	\$ -	\$ (1,320,000)	\$ 1,380,000	\$ 1,380,000
Unamortized premiums	140,866	-	(93,171)	47,695	-
Direct borrowings					
State revolving loans	<u>44,342,450</u>	<u>447,650</u>	<u>(1,634,644)</u>	<u>43,155,456</u>	<u>1,656,683</u>
Total business-type activities	\$ 47,183,316	\$ 447,650	\$ (3,047,815)	\$ 44,583,151	\$ 3,036,683
Compensated absences, as restated*	\$ 688,841	\$ -	\$ (4,185)	\$ 684,656	\$ 400,000

*Amount due in one year included in accrued liabilities

Long-term debt payable is comprised of the following:

Governmental Activities

2014B General Obligation Bonds (\$1,765,000), due in annual installments through April 2034 at 1.10% to 4.125% interest (airport improvements, noncapital-related) \$ 1,005,000

2019 General Obligation Refunding Bonds (\$18,000,000), due in annual installments through April 2039 at 2.00% to 5.00% interest 14,520,000

Total governmental activities **\$ 15,525,000**

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 10. Long-term Debt and Other Obligations Payable

Business-type Activities

2009 State Revolving Loan Program (\$5,750,000 with \$2,300,000 forgiven), due in 240 installments through 2032 at an interest rate of 2.14%	\$ 1,240,314
2010 State Revolving Loan Program (\$600,000 with \$120,000 forgiven), due in 240 installments through 2033 at an interest rate of 1.94%	137,436
2015 State Revolving Loan Program (\$83,377), due in monthly installments of \$384 through 2038 at an interest rate of 1.00%	54,708
2015 State Revolving Loan Program (\$190,683), due in monthly installments of \$635 through 2048 at an interest rate of 1.24%	150,376
2017 General Obligation Refunding Bonds (\$20,042,150), due in annual installments through 2026 at an interest rate of 5.00%	1,380,000
2019 State Revolving Loan Program (\$3,000,000 loan with \$300,000 forgiveness), due in monthly installments of \$9,593 through 2050 at an interest rate of 1.70%	2,321,562
2020 State Revolving Loan Program (\$18,000,000), due in monthly installments of \$60,409 through 2051 at an interest rate of 1.30%	16,028,586
2020-01 State Revolving Loan Program, (\$17,200,000) due in monthly installments of \$54,535 through 2053 at an interest rate of 0.90%	15,979,831
2021 State Revolving Loan Program (\$2,687,373), due in monthly installments of \$11,951 through 2042 at an interest rate of 0.68%	2,269,835
2022 State Revolving Loan Program (\$2,500,000), due in monthly installments of \$12,179 through 2044 at an interest rate of 1.60%	2,320,832
2022 State Revolving Loan Program (\$800,000), due in monthly installments of \$4,017 through 2044 at an interest rate of 1.92%	741,593
2022 State Revolving Loan Program, \$1,100,000 authorized, \$466,462 draws at June 30, 2025. Amortization to begin at project completion at an interest rate of 3.10%	445,003
2023 State Revolving Loan Program, \$1,300,000 authorized, \$1,088,430 draws at June 30, 2025. Amortization to begin at project completion at an interest rate of 2.95%	1,017,730

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 10. Long-term Debt and Other Obligations Payable

Business-type Activities

2022 State Revolving Loan Program, \$1,760,000 authorized, \$447,650 draws at June 30, 2025. Amortization to begin at project completion at an interest rate of 1.21%

	447,650
Total business-type activities	\$ 44,535,456

The annual requirements to amortize all bonds and notes outstanding as of June 30, 2025, including interest payments, are as follows:

Governmental Activities

Year ending June 30,	General obligation bonds	
	Principal	Interest
2026	\$ 895,000	\$ 572,657
2027	920,000	553,450
2028	940,000	533,425
2029	980,000	487,869
2030	1,030,000	439,919
2031 – 2035	5,795,000	1,423,818
2036 – 2039	4,965,000	378,150
	\$ 15,525,000	\$ 4,389,288

Business-type Activities

Year ending June 30,	General obligation bonds		Loans from direct borrowings and placements	
	Principal	Interest	Principal	Interest
2026	\$ 1,380,000	\$ 69,000	\$ 1,656,683	\$ 533,159
2027	-	-	1,679,094	512,943
2028	-	-	1,701,857	492,491
2029	-	-	1,724,963	471,758
2030	-	-	1,748,458	450,681
2031 – 2035	-	-	8,217,431	1,932,175
2036 – 2040	-	-	8,414,832	1,391,690
2041 – 2045	-	-	7,986,569	828,164
2046 – 2050	-	-	7,127,866	356,412
2051 – 2053	-	-	2,450,053	28,206
*	-	-	447,650	-
	\$ 1,380,000	\$ 69,000	\$ 43,155,456	\$ 6,997,679

*This is for certain state revolving loan funds drawn down in 2025; amortization will be over 30 years and will begin upon completion of the project.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 10. Long-term Debt and Other Obligations Payable

Other

The 2014B general obligation bonds were issued as part of a joint project with Rutherford County. The proceeds of the bonds were loaned to the Rutherford County Airport Authority, a joint venture of the Town and Rutherford County, to make improvements to the local airport. The repayment terms for the Airport Authority mirror the payment terms on the Town bonds; however, the Airport Authority is making monthly payments, whereas the Town's payments are semi-annual. The receivable for the Airport Authority note is accounted for in the debt service fund, a nonmajor governmental fund.

The Town's outstanding notes and bonds payable contain provisions stating that, in the event of default, outstanding amounts are to become immediately due if the Town is unable to make payments. At June 30, 2025, there were no unused lines of credit. Governmental activities general obligation bonds are secured by the full taxing authority of the Town. Business-type activities general obligation bonds are secured by the user fees of the various systems, with the general obligation bonds being further secured by the taxing authority of the Town. The state revolving loans are draw loans whereby funding draws occur after expenditures for the projects are made and are also secured by the user fees of the system and additionally secured by the Town's state shared tax revenues. It is not anticipated that revenues from the state shared taxes will be required.

Note 11. Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred inflows of resources on the governmental funds balance sheet consist of amounts that are unavailable to liquidate liabilities of the current period, which include property taxes, in lieu of property taxes, leases, and state shared revenues. At June 30, 2025, the components of deferred outflows and inflows of resources on the government-wide statement of net position consisted of the following:

	Governmental activities	Business-type activities
Deferred outflows of resources		
Deferred charge on refunding	\$ -	\$ 16,928
Deferred inflows of resources		
Leases	\$ 1,027,196	\$ -
Property taxes		
2025 assessed and unlevied	15,200,000	-
2025 in lieu assessed and unlevied	1,254,641	-
Net difference in projected and actual earnings, pension	74,424	47,958
	\$ 17,556,261	\$ 47,958

Deferred inflows of resources in the fund statements of \$20,602,574 consist of unlevied property taxes and in lieu taxes of \$16,454,641, delinquent property taxes of \$462,288, deferred inflows of leases of \$1,027,196 and unavailable state and county-shared taxes of \$2,658,449.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 12. **Defined Benefit Pension Plan**

Plan Description and Benefits

Effective October 20, 1970, the Town established the Town of Smyrna Pension Plan (the Plan), a single employer defined benefit pension plan, to provide benefits for employees of the Town. The Plan is administered by the Plan Trustees, who serve at the pleasure of the Mayor and Town Council. The Plan does not issue a stand-alone financial report nor is it included in the report of another entity. The assets of the Plan are invested at a local bank in accordance with the terms of the Trust Agreement. Effective June 30, 1999, the Town began the Retirement Choice Program, which allowed participants of the Plan to transfer accrued benefits in the Plan to a new Retirement Savings Plan. Many employees elected to transfer benefits and participate in the new plan. The Trustees establish the benefits of the plan and have the authority to amend such benefits, with approval of the Town Council.

Changes in Plan Provisions, Assumptions, and Methods

No changes were made to actuarial assumptions and methods effective June 30, 2024.

Effective Date of the Plan Year

The effective date of the restated plan is July 1, 1999. The original effective date was October 20, 1970.

Plan Eligibility

Each full-time employee hired on or before July 1, 1999 is eligible to become a participant in the plan on July 1 of the year following the date on which the employee completes one year of service. All full-time employees as of July 1, 1999 who elected to participate in the Town of Smyrna Retirement Savings Plan will not receive additional benefits under this plan.

Employees hired after July 1, 1999 are not eligible to participate in this plan.

Plan Benefit and Vesting Service

Service credited for vesting and benefit purposes means the number of plan years since the date of employment upon which the participant has earned 1,000 hours of service, subject to certain "break-in-service" rules.

Compensation

For plan purposes, compensation means the total cash compensation, including overtime, bonuses, and commissions, paid to a participant by the employer during the plan year.

Normal Retirement

The normal retirement date of a participant is the first day of the calendar month coincident with or next following the earlier of (1) the date of the participant's 65th birthday and the fifth anniversary of the participant's date of participation, or (2) the latter of the participant's 55th birthday and 30 years of service.

The participant's normal retirement benefit, 1/12th of which is payable for 120 months guaranteed and for life thereafter, is computed by multiplying 1.5% of annual earnings by the years of benefit service at normal retirement.

Earnings used for the benefit calculation are the greater of a) the compensation for the full plan year preceding retirement, b) the compensation for the plan year of retirement, or c) the average compensation for the two consecutive plan years which produce the highest average.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 12. **Defined Benefit Pension Plan**

Early Retirement

A participant may retire early on the first day of the month coincident with or next following attainment of age 55 and completion of 15 years of service.

The deferred benefit, commencing at the normal retirement date, is computed in the same manner as for normal retirement above, based on the participant's annual compensation and years of benefit service at termination.

Upon request to the retirement committee, the participant's benefit may commence at any time after termination of employment. If the benefit is to commence before the normal retirement date, the deferred benefit is actuarially reduced for each year that commencement of benefit payments precedes the normal retirement date.

Death Before Retirement

In the event of the death of a participant, a survivorship benefit shall be payable to the participant's spouse, or, if there is no spouse, to the designated beneficiary.

The automatic form of survivorship benefit shall be an immediate 100% qualified joint and survivor annuity payable to the spouse, which is payable on the first day of the calendar month following the participant's death and for life thereafter. The monthly benefit shall be determined assuming that the deceased participant had retired and elected immediate payment of benefits in the form of a 100% qualified joint survivor benefit immediately prior to the employee's death. If the participant and spouse elect, benefits may be paid in another form or to another designated beneficiary. If there is no spouse, benefits shall be paid in lump sum to the designated beneficiary.

Termination of Employment after Five Years of Vesting Service

If a participant terminates employment after completion of five years of vesting service, the participant is entitled to a deferred vested retirement benefit commencing on the normal retirement date.

The amount of the benefit is determined as the product of a vesting percentage and an amount calculated in the same manner as for the deferred early retirement benefit above, using the participant's annual earnings and service at date of termination. A participant's vesting percentage shall be determined from the following table:

Years of vesting	Vesting percentage
Less than 5	0%
5	50%
6	60%
7	70%
8	80%
9	90%
10 or more	100%

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 12. **Defined Benefit Pension Plan**

Other Termination of Employment

If employment is otherwise terminated before retirement, no benefits are provided under the plan.

Optional Form of Benefit Payments

Subject to the applicable plan conditions, a participant may select an actuarially equivalent optional method of benefit payment, in lieu of the prescribed ten-year certain and life income. The purpose of the optional method is to permit the guarantee of a continued life income to a surviving beneficiary after the death of a participant (e.g., 50% of the participant's actuarially reduced retirement income from the plan). However, if no monthly option is elected and the participant is married at the date on which benefits commence, the monthly benefit will automatically be paid in the form of a 50% joint and survivor annuity.

Benefits Provided, Cost of Living Adjustment

None.

Contributions

The policy as set by the Trustees is to contribute actuarially determined amounts to finance the plan benefits; participating employees do not contribute to the cost of the plan. Administrative costs are paid by the Town. There were no amounts payable by the Town to the plan at year-end. The Town has elected to make additional contributions in each of the last three years.

Other Plan Provisions

None.

Summary of Participants

Inactive plan participants	
Retirees and beneficiaries currently receiving benefits	22
Terminated employees entitled to deferred benefits	12
Total	<u>34</u>
Active plan participants	
Vested (fully and partially)	7

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 12. Defined Benefit Pension Plan

Net Pension Liability (Asset)

The Town's net pension liability (asset) was measured as of June 30, 2025 and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

<p>Actuarial valuation</p> <p>Salary increases</p> <p>Rate of retirement</p> <p>Cost-of-living adjustment</p> <p>Mortality rate</p> <p>Asset valuation method</p> <p>Amortization method and period</p> <p>No assumptions are made for disability rates, disabled mortality, or recovery rates.</p> <p>Plan expenses are paid separately.</p> <p>Investment rate of return</p> <p>Provision for expenses</p> <p>Marriage assumptions</p>	<p>Entry age normal</p> <p>4.00% annual increase to age 85</p> <p>Participants are assumed to retire 100% at age 65</p> <p>None</p> <p>105% at the RP-2014 (adjusted to 2006) Blue Collar Mortality Base Table</p> <p>Fair value</p> <p>Level-dollar amortization of unfunded liabilities. Investment gains or losses are amortized over 5 years. Experience gains or losses are amortized over the average working lifetime of all participants which, for the current period, is one year. Plan amendments are recognized immediately. Changes in actuarial assumptions are amortized over the average working lifetime of all participants. The actuarially determined contribution is based on amortization of the unfunded supplemental liability over 25 years, as of July 1, 2014.</p> <p>6.75% per annum effective July 1, 2021 – the assets of the pension plan are invested by Pinnacle Bank in accordance with the terms of the Trust agreement.</p> <p>None – paid separately by employer</p> <p>100% of both males and females are assumed to be married with husbands three years older than their wives.</p>
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Best estimates of forward-looking rates of return for each major asset class included in the Plan's target asset allocation are summarized in the following table:

Asset Class	Long-term Expected Rate of Return
US equity	7.2%
International equity	7.4%
Private equity	9.6%
Equity Hedge	6.2%
Core plus fixed income	5.1%
Cash	3.6%

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 12. **Defined Benefit Pension Plan**

Net Pension Liability (Asset)

The annual money-weighted rate of return based on monthly cash flows on pension investments, net of pension expense, was 8.86%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate Beginning July 2021, 6.75% per annum

The standard method for calculating the annual required contribution to the Pension Plan is based on the Plan's fiduciary net position, derived from projected contributions, benefit payments, and investment earnings. Paragraph 43 of GASB Statement No. 67 provides for an alternative method to be used. The Town of Smyrna's funding policy is to contribute the amounts calculated under the actuarial cost method. Effective July 1, 2016, the cost method is based on Entry Age Normal with a 30-year closed amortization period. Effective July 1, 1999, the cost method is the Projected Unit Credit method with a 25-year level-dollar amortization of the unfunded liability. Prior to July 1, 1999, the Town's contribution policy was to amortize the unfunded AAL over 25 years (level-dollar basis). The ratio of the actuarial value of assets to the present value of accrued benefits as of July 1, 2025 was 101.37%. Based on actuarial theory, if the actuarial assumptions are met, the Plan's fiduciary net position will remain positive.

Schedule of Changes in Net Pension Liability

	Total pension liability (a)	Plan fiduciary net position (b)	Net pension liability (asset) (a)-(b)
Balance, June 30, 2024	\$ 8,247,895	\$ 7,808,356	\$ 439,539
Service cost	18,094	-	18,094
Interest	528,382	-	528,382
Changes of benefit terms	-	-	-
Experience (gains)/losses	(96,460)	-	(96,460)
Changes in assumptions	-	-	-
Contributions, town	-	354,618	(354,618)
Contributions, members	-	-	-
Expected investment return	-	508,405	(508,405)
Difference between expected and actual returns	-	163,770	(163,770)
Benefits paid, including refunds and contributions	(878,065)	(878,065)	-
Administrative expenses	-	(29,418)	29,418
Other changes	-	-	-
Net change	<u>(428,049)</u>	<u>119,310</u>	<u>(547,359)</u>
Balance, June 30, 2025	\$ 7,819,846	\$ 7,927,666	\$ (107,820)

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 12. **Defined Benefit Pension Plan**

Net Pension Liability (Asset)

Notes to Schedule

The plan fiduciary net position as a percentage of total pension liability is 101.37%. See Summary of Plan Provisions for notes regarding benefit changes. See Summary of Actuarial Assumptions and Methods for note regarding changes in assumptions.

Sensitivity of Net Pension Liability to Changes in the Discount Rate

The following represents the net pension liability calculated using the stated discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate:

	1% Decrease (5.75%)	Current rate (6.75%)	1% Increase (7.75%)
Net pension liability (asset)	\$ 471,438	\$ (107,820)	\$ (620,219)

Pension Expense (Negative Pension Expense) and Deferred Outflows/Inflows of Resources

For the year ended June 30, 2025, governmental activities negative pension expense was \$(284,639), water and sewer and gas activities negative pension expense was \$(81,650) and \$(57,839), respectively, for the total negative pension expense of \$(424,128). At June 30, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Difference between expected and actual experience	\$ -	\$ -
Net difference between expected and actual earnings	-	122,382
Changes in assumptions	-	-
Contributions made subsequent to measurement date	-	-
	\$ -	\$ 122,382

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,	
2026	\$ 136,141
2027	(121,798)
2028	(103,971)
2029	(32,754)
2030	-
Thereafter	-

The pension contribution receivable of \$325,200 was liquidated immediately after year end.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 13. Defined Contribution Pension Plans

Town employees are eligible to participate in the following defined contribution pension plans depending on date of hire and certain eligibility factors:

Plan name	Plan administrator	Plan type
Town of Smyrna Retirement Savings Plan	Town	401(a)
Town of Smyrna 457(b) Deferred Compensation Plan	Town	457(b)

Participation in the defined contribution pension plans permits participants to defer a portion of their salary to future years. The deferred compensation is not available to them until termination, retirement, death, or unforeseeable emergency. The plans' investments are each held in trust by VOYA Retirement, Insurance and Annuity Company. Investments in both plans are managed by the Plan trustees through a selection of mutual funds. The choice of investments is made by the participants. The Plan assets do not include any type of securities of the employer or any related party.

The Town has determined that neither of its defined contribution pension plans are fiduciary component units or fiduciary activities of the government.

Town of Smyrna Retirement Savings Plan

The Town has also established the Town of Smyrna Retirement Savings Plan, which is in accordance with Internal Revenue Service Code Section 401(a). The Plan is available to all Town employees with six months and 1,000 hours of service. The Town has no fiduciary responsibility for this Plan. The Plan provides that all assets and all income attributable to those assets are solely the property of the respective employees and, accordingly, are not reported as Town assets. The Plan was established to hold assets transferred by participants who elected out of the Town of Smyrna Pension Plan and basic and matching contributions made by the Town. The Town contributes 3% of eligible employee pay for a basic contribution and matches 50% of the employee 457 Plan contributions up to 6% of employee pay. Vesting of amounts in the plan occurs at 20% per year until full vesting after five years. Plan amounts are not available to employees until termination, retirement, death, or an unforeseeable emergency. Any forfeited benefits by employees can be used to reduce future contributions by the Town. During 2025, there were \$62,122 in forfeitures and there is \$261,578 in the forfeiture account that can be used to reduce the Town's contribution in future years. None of these funds were used in the current year. During the fiscal year ended June 30, 2025, the Town contributed \$2,018,351 (6.12% of \$32,982,968 covered payroll) and the employees contributed \$2,396,798 (7.27% of \$32,982,968 covered payroll).

Town of Smyrna 457(b) Deferred Compensation Plan

The Town offers its employees a deferred compensation plan, Town of Smyrna 457(b) Deferred Compensation Plan (the 457 Plan), created in accordance with Internal Revenue Service Code Section 457. The plan, available to all Town employees, permits them to defer a portion of their salary to future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The Town has no fiduciary responsibility under the provisions of the Plan and, accordingly, the assets are not reported as Town assets. The Plan specifically provides that all assets under the Plan and all income attributable to those assets are solely the property of the respective employees. The Town does not make matching or non-matching contributions and, as such, forfeiture policies are not applicable. Benefit terms and contribution rates are established and may be amended by formal resolution of the Town Council.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 14. Commitments and Contingencies

Litigation

There were several pending lawsuits in which the Town was involved as of June 30, 2025, as well as certain unasserted claims and assessments. The Town contests all the claims and intends to vigorously defend itself. The Town attorney is unable, at this time, to determine the probable outcome of such litigation; however, Town officials do not believe the eventual outcome will materially affect the financial condition of the Town.

The Town has a commitment with the Army Corps of Engineers to reimburse the Corps for water storage operations and maintenance costs. These costs will be based on 1.98% of the Corps' actual costs. In 2025, the Town paid \$49,576.

Commitments

Gas Service Contract

The Town has a contract with a local industry to provide natural gas service on a firm basis. The contract provides that the Town will guarantee natural gas service to the industry up to 160,000 mcf per month on a "best efforts" basis and deliver the gas at a minimum pressure of 25 pounds per square inch. The industry will be billed all costs incurred plus a mark-up of \$0.31 per mcf. The industry can hedge a portion of the required supply. The Town has entered into a contract with Symmetry Energy for its natural gas supply. The local industry will execute hedges through Symmetry Energy. The industry will be responsible for all associated costs with the hedge.

Contracts

At June 30, 2025, the Town has entered into several construction contracts totaling approximately \$25,045,000. These contracts were approximately 62.61% complete at year-end. The projects involved road, park, and utility projects and will be funded by unspent bond funds and reserves.

Purchase Agreement

The Town has entered into a purchase agreement in the amount of \$5,754,954 for the purchase of four fire trucks.

Contingencies

In a prior fiscal year, the Town received a Department of Housing and Urban Development Home Investment Partnership Grant Note. The funds, in the amount of \$403,973, were passed through to a subrecipient. This grant note is forgivable as long as the Town continues to meet the terms of the grant note through June 2032. Amounts received from Grantor agencies are subject to audit and adjustment by Grantor agencies. Any disallowed claims, including amounts already collected, could become a liability to the applicable fund.

The Town previously participated in the Local Government Insurance Cooperative (LOGIC), a public entity risk pool that operated as a common risk management and worker's compensation insurance program for approximately 100 governmental entities. LOGIC was self-sustaining through member premiums and also obtained excess and aggregate excess coverage through a commercial insurance company. The Town has learned the commercial insurance company is in bankruptcy, and the Town will be assessed by LOGIC to help cover claims incurred during the Town's participation. All known assessments have been accrued. The Town does not believe, based on current information, that any potential future assessments would be material to the Town's financial statements.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 15. Joint Venture with Rutherford County

In 1991, Metropolitan Nashville Airport Authority transferred the assets of the Smyrna airport to the Smyrna/Rutherford County Airport Authority. The Smyrna/Rutherford County Airport Authority is operated through a joint operations agreement between Rutherford County and the Town of Smyrna. The agreement provides that the county and Town will share in any funding shortfalls 60% and 40%, respectively. At June 30, 2025, the Authority had net position of \$56,462,450. Net operating income (losses) for the 2025 and 2024 fiscal years were (\$367,126) and \$64,484, respectively. During the year, the Town of Smyrna paid a total of \$149,167 in rent for use of Authority property for recreational purposes. Separate financial statements for this joint venture are available at Smyrna Town Hall from the Town Manager. The Town does not have an explicit claim to net resources. In the past five years of operation, it has not been necessary for the Town to provide supplemental funding. The Town originally loaned the Authority \$497,784 in 1999 and increased the loan amount by \$285,879 in 2007. This loan is being repaid in monthly installments of \$3,650. Interest accrued at 2% and the balance on the loan was repaid in 2024. During 2015, the Town also loaned the Airport Authority \$1,765,000 for improvements. This loan is being repaid under approximately the same terms as the Town's 2014B bond issue and the note balance is \$981,250. The note is accounted for in the debt service fund.

Note 16. Related Party Transactions

The Town has extended a loan to the Airport Authority, which is a related organization, but does not meet the criteria for component units. During the year, repayments were made on the loan in the amount of \$136,711, including interest.

Note 17. Major Customer

The Town supplies water, sewer, and natural gas services to a large manufacturing company. During the fiscal year ended June 30, 2025, services to this company accounted for the following percentages of total revenues of the natural gas, water and sewer, and stormwater fund customer revenues.

Natural gas	27.4%
Water and sewer	7.8%
Stormwater	5.9%

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 18. Risk Management

The Town has chosen to establish the self-insurance fund for risks associated with employees health insurance, workers' compensation insurance, and other liability risks. The fund is accounted for as an internal service fund, in which assets are set aside for claim settlements.

Employee Health Insurance

The Town retains the risk of loss to a limit of \$100,000 per employee, The Town has obtained an unlimited stop-loss commercial insurance policy to cover claims beyond this liability. All full-time employees of the government are eligible to participate. A premium charge is allocated to each fund that accounts for full-time employees. This charge is based on estimates of the amounts needed to pay prior- and current-year claims, and to establish an amount for catastrophic losses.

Workers' Compensation Insurance

The Town is self-insured for its workers' compensation claims up to a limit of \$500,000 for police and fire and \$250,000 for all other employees per claim. The Town obtained commercial insurance for claims beyond the noted limit.

Liability and Property Insurance

The Town is self-insured to a limit of \$200,000 per claim for liability claims and \$50,000 per claim for property and crime claims. The Town obtained commercial insurance for claims beyond the above noted amounts.

Liabilities of the self-insurance fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. The process used to compute claims liabilities does not necessarily result in an exact amount but is the best estimate available, and is based on credible information. For the government-wide financial statements, the activity and assets and liabilities of the fund have been allocated to the participating funds.

Changes in the balance of claims liabilities during the past two fiscal years are as follows:

	Liability at beginning of fiscal year	Claims	Changes in estimates	Claim payments	Liability at end of fiscal year*
2023-2024	\$ 1,204,114	\$ 10,824,062	\$ (118,170)	\$(10,892,661)	\$ 1,017,345
2024-2025	\$ 1,017,345	\$ 11,641,718	\$ 1,061,986	\$(12,686,440)	\$ 1,034,609

*The balance includes amounts for medical, workers' comp, property, and liability claims.

The Town continues to carry commercial insurance for all other risks of loss, such as employee honesty and surety bonds. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Town of Smyrna, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2025

Note 19. Restatement of Beginning Net Position

During the current fiscal year, the Town implemented GASB Statement No. 101 (Statement 101), *Compensated Absences*. Statement 101 updates the recognition and measurement criteria for liabilities related to employee leave benefits, such as vacation and sick leave. Implementation of this standard resulted in an increase to its previously reported liabilities for compensated absences. Restatements were made to the Town's compensated absences liabilities and net position as of July 1, 2024. The effect of the change in accounting principle on the Town's net position was as follows:

	Governmental Activities	Business-Type Activities
Net position, beginning of year, as previously reported	\$ 248,490,429	\$ 256,021,591
Change in accounting principle	<u>(322,895)</u>	<u>(66,303)</u>
Net position, beginning of year, as restated	\$ 248,167,534	\$ 255,955,288
	Water and Sewer Fund	Gas Fund
Net position, beginning of year, as previously reported	\$ 229,523,055	\$ 26,607,507
Change in accounting principle	<u>(36,346)</u>	<u>(29,957)</u>
Net position, beginning of year, as restated	\$ 229,486,709	\$ 26,577,550

Note 20. Subsequent Events

Management has evaluated subsequent events through December 23, 2025, the date on which the financial statements were available for issuance.

Required Supplementary Information

Town of Smyrna, Tennessee
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios -
Town of Smyrna Pension Plan (Unaudited)
Last 10 Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service cost	\$ 18,094	\$ 19,021	\$ 25,796	\$ 35,011	\$ 38,166	\$ 37,474	\$ 54,970	\$ 52,724	\$ 51,187	\$ 54,304
Interest	528,382	499,066	499,661	482,661	492,116	488,539	507,958	463,624	445,440	450,429
Changes in benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(96,460)	609,446	(34,762)	307,670	(39,779)	(91,457)	(7,136)	131,200	189,721	(164,933)
Changes in assumptions	-	-	-	(136,988)	-	-	(23,995)	-	-	-
Benefit payments/refunds	(878,065)	(494,825)	(485,771)	(380,904)	(360,876)	(371,060)	(430,044)	(423,259)	(423,646)	(398,497)
Net change in total pension liability	(428,049)	632,708	4,924	307,450	129,627	63,496	101,753	224,289	262,702	(58,697)
Total pension liability, beginning	8,247,895	7,615,187	7,610,263	7,302,813	7,173,186	7,109,690	7,007,937	6,783,648	6,520,946	6,579,643
Total pension liability, ending (a)	7,819,846	8,247,895	7,615,187	7,610,263	7,302,813	7,173,186	7,109,690	7,007,937	6,783,648	6,520,946
Plan Fiduciary Net Position										
Contributions, employer	354,618	325,200	325,200	325,200	325,200	325,200	325,200	805,100	205,100	145,402
Contributions, employee	-	-	-	-	-	-	-	-	-	-
Net investment income	672,175	832,665	540,384	(778,568)	1,323,942	166,541	294,713	342,900	367,587	78,722
Benefit payments, including refunds of employee contributions	(878,065)	(494,825)	(485,771)	(380,904)	(360,876)	(371,060)	(430,044)	(423,259)	(423,646)	(398,497)
Change in mortality assumptions	-	-	-	-	-	-	4,032	-	-	-
Administrative expenses	(29,418)	-	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	119,310	663,040	379,813	(834,272)	1,288,266	120,681	193,901	724,741	149,041	(174,373)
Plan fiduciary net position, beginning	7,808,356	7,145,316	6,765,503	7,599,775	6,311,509	6,190,828	5,996,927	5,272,186	5,123,145	5,297,518
Plan fiduciary net position, ending (b)	7,927,666	7,808,356	7,145,316	6,765,503	7,599,775	6,311,509	6,190,828	5,996,927	5,272,186	5,123,145
Net pension liability (asset), ending (a)-(b)	\$ (107,820)	\$ 439,539	\$ 469,871	\$ 844,760	\$ (296,962)	\$ 861,677	\$ 918,862	\$ 1,011,010	\$ 1,511,462	\$ 1,397,801
Plan fiduciary net position as a percentage of total pension liability	101.4%	94.7%	93.8%	88.9%	104.1%	88.0%	87.1%	85.6%	77.7%	78.6%
Covered payroll	\$ 725,000	\$ 747,743	\$ 765,941	\$ 856,982	\$ 810,601	\$ 793,071	\$ 898,722	\$ 885,460	\$ 860,733	\$ 934,571
Net pension liability (asset) as a percentage of covered payroll	-14.9%	58.8%	61.3%	98.6%	-36.6%	108.7%	102.2%	114.2%	175.6%	149.6%
Annual money-weighted rate of return, net of investment expense	8.86%	12.03%	8.24%	-10.48%	21.52%	3.23%	5.54%	7.25%	7.95%	2.00%

Town of Smyrna, Tennessee
 Schedule of Employer Contributions -
 Town of Smyrna Pension Plan (Unaudited)
 Last 10 Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 49,742	\$ 111,293	\$ 96,489	\$ 35,011	\$ 109,110	\$ 108,232	\$ 189,266	\$ 186,129	\$ 176,181	\$ 145,402
Contributions in relation to the actuarially determined contribution	<u>354,618</u>	<u>325,200</u>	<u>325,200</u>	<u>325,200</u>	<u>325,200</u>	<u>325,200</u>	<u>325,200</u>	<u>805,100</u>	<u>205,100</u>	<u>145,402</u>
Contribution deficiency (excess)	\$ (304,876)	\$ (213,907)	\$ (228,711)	\$ (290,189)	\$ (216,090)	\$ (216,968)	\$ (135,934)	\$ (618,971)	\$ (28,919)	\$ -
Covered payroll	\$ 725,000	\$ 747,743	\$ 765,941	\$ 856,982	\$ 810,601	\$ 793,071	\$ 898,722	\$ 885,460	\$ 860,733	\$ 934,571
Contributions as a percentage of covered payroll	48.9%	43.5%	42.5%	37.9%	40.1%	41.0%	36.2%	90.9%	23.8%	15.6%

Town of Smyrna, Tennessee
Notes to Schedule Relating to the Actuarially Determined Contribution
For the Year Ended June 30, 2025

Pension schedules are intended to show information for 10 years. Data will be displayed as it becomes available.

Actuarially determined contributions rates for fiscal year 2025 were calculated based on the results of the June 30, 2025 actuarial valuation. At June 30, 2016, the cost method was changed from Projected Unit Credit to Entry Age Normal.

The discount rate and rate of investment return were both lowered from 7.00% to 6.75% as of July 1, 2021.

Methods and assumptions used to determine contribution rates:

Actuarial valuation method	Entry age normal, with amortization of initial unfunded over 30 years. Annual amortization of actuarial and investment gains and losses over 30 years.
Amortization method	Level dollar
Amortization period	30 years closed period
Asset valuation	Fair value
Salary increases	4.00% annual increase to age 85
Investment rate of return	6.75%, net of investment expense, including inflation
Retirement age	Participants assumed to retire 100% at age 65
Rate of retirement	100% at age
Mortality	105% of the RP-2014 (adjusted to 2006) Blue Collar Mortality Base Table
Cost-of-living	None
Provision for expense	Paid separately by employer
Form of payment	Participants elect normal form of payment
Marriage assumption	100% assumed with husbands 3 years older than wives
Change in assumptions	None
Disability rates	None assumed
Disability mortality	None assumed
Recovery rates	None assumed
Amortization period	For Statement 68 as of June 30, 2020: Investment gains or losses are amortized over 5 years. Experience gains or losses are amortized over the average working lifetime of all participants, which for the current period is one year. Plan amendments are recognized immediately. Changes in actuarial assumptions are amortized over the average working lifetime of all participants. For determining the actuarially determined contribution: Amortization of unfunded supplemental liability over 25 years as of July 01, 2014.
Withdrawal rates	See table below per 1,000 employees

Town of Smyrna, Tennessee
Notes to Schedule Relating to the Actuarially Determined Contribution
For the Year Ended June 30, 2025

Estimated experience in years (select and ultimate years)

Age	1	5	10	15
20	171.0	52.8	52.8	52.8
25	171.2	43.2	43.2	43.2
30	169.2	35.6	35.6	35.6
35	164.7	29.9	29.9	29.9
40	158.5	25.7	25.7	25.7
45	149.8	22.2	22.2	22.2
50	138.5	19.2	19.2	19.2
55	125.3	17.3	17.3	17.3
60	109.7	15.7	15.7	15.7
65	0.0	0.0	0.0	0.0

**Combining and Individual Fund
Financial Statements and Schedules**

Town of Smyrna, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue			Capital Projects	Debt service	Total nonmajor governmental
	Drug	State street aid	Stormwater	Impact fee		
Assets						
Cash	\$ 558,954	\$ 532,425	\$ 1,413,064	\$ 7,185,239	\$ 33,576	\$ 9,723,258
Due from other governments	-	324,486	-	-	-	324,486
Accounts receivable	-	-	231,725	-	-	231,725
Due from other funds	-	-	-	269,392	-	269,392
Note receivable	-	-	-	-	981,250	981,250
Total assets	\$ 558,954	\$ 856,911	\$ 1,644,789	\$ 7,454,631	\$ 1,014,826	\$ 11,530,111
Liabilities						
Accounts payable	\$ 15,916	\$ 50,204	\$ 25,207	\$ 76,860	\$ -	\$ 168,187
Accrued liabilities	-	-	30,362	-	-	30,362
Total liabilities	15,916	50,204	55,569	76,860	-	198,549
Deferred inflows of resources	-	149,432	-	-	-	149,432
Fund balances						
Nonspendable	-	-	-	-	-	-
Restricted for						
Law enforcement	543,038	-	-	-	-	543,038
Highways and streets	-	657,275	-	-	-	657,275
Stormwater	-	-	1,589,220	-	-	1,589,220
Debt service	-	-	-	-	1,014,826	1,014,826
Capital projects	-	-	-	7,377,771	-	7,377,771
Total fund balances	543,038	657,275	1,589,220	7,377,771	1,014,826	11,182,130
Total liabilities, deferred inflows of resources, and fund balances	\$ 558,954	\$ 856,911	\$ 1,644,789	\$ 7,454,631	\$ 1,014,826	\$ 11,530,111

Town of Smyrna, Tennessee
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue			Capital Projects		Total nonmajor governmental
	Drug	State street aid	Stormwater	Impact fee	Debt service	
Revenues						
Intergovernmental						
Gasoline tax inspection fees	\$ -	\$ 1,856,591	\$ -	\$ -	\$ -	\$ 1,856,591
State street maintenance contracts	-	59,192	-	-	-	59,192
Licenses and permits	-	-	-	4,621,646	-	4,621,646
Fines, forfeitures, and seizures	31,680	-	-	-	-	31,680
Use of money and property						
Interest	12,800	8,915	34,961	191,765	41,711	290,152
Stormwater fees, rental, and sales	-	-	2,154,136	-	-	2,154,136
Total uses of money and property	12,800	8,915	2,189,097	191,765	41,711	2,444,288
Miscellaneous	-	-	-	-	-	-
Total revenues	44,480	1,924,698	2,189,097	4,813,411	41,711	9,013,397
Expenditures						
Current						
Drug enforcement	42,791	-	-	-	-	42,791
Highways and streets	-	1,935,477	-	-	-	1,935,477
Stormwater	-	-	1,514,737	-	-	1,514,737
Total current	42,791	1,935,477	1,514,737	-	-	3,493,005
Debt service	-	-	-	-	1,703,353	1,703,353
Total expenditures	42,791	1,935,477	1,514,737	-	1,703,353	5,196,358
Excess (deficiency) of revenues over expenditures	1,689	(10,779)	674,360	4,813,411	(1,661,642)	3,817,039
Other Financing Sources (Uses)						
Transfer from general fund	-	-	-	-	229,240	229,240
Transfer from impact fee fund	-	-	-	-	1,336,600	1,336,600
Transfer to general fund	-	-	(294,541)	-	-	(294,541)
Transfer to debt service fund	-	-	-	(1,336,600)	-	(1,336,600)
Transfer to capital projects fund	-	(40,000)	(966,898)	(4,002,828)	-	(5,009,726)
Total other financing sources (uses)	-	(40,000)	(1,261,439)	(5,339,428)	1,565,840	(5,075,027)
Net change in fund balances	1,689	(50,779)	(587,079)	(526,017)	(95,802)	(1,257,988)
Fund balances, beginning of year	541,349	708,054	2,176,299	7,903,788	1,110,628	12,440,118
Fund balances, end of year	\$ 543,038	\$ 657,275	\$ 1,589,220	\$ 7,377,771	\$ 1,014,826	\$ 11,182,130

Budgetary Information for Governmental Funds

Nonmajor Funds and Major Capital Projects Fund

The following are explanations of the various types of activity of the Town's governmental funds.

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.

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

Stormwater Fund – This fund is used to account for the collection of fees restricted for improvements related to stormwater drainage and related projects.

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 disbursement of funds for governmental debt service requirements.

Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition and construction of major government capital assets, improvements, or repairs.

Town of Smyrna, Tennessee
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual - Nonmajor Governmental Funds
Drug
For the Year Ended June 30, 2025

	Budgeted amounts		Actual amounts	Variance from final budget +/-
	Original	Final		
Revenues				
Intergovernmental				
Grants	\$ 7,500	\$ 7,500	\$ -	\$ (7,500)
Fines, forfeitures, and seizures	90,000	90,000	31,680	(58,320)
Uses of money and property				
Interest	<u>5,000</u>	<u>5,000</u>	<u>12,800</u>	<u>7,800</u>
Total revenues	<u>102,500</u>	<u>102,500</u>	<u>44,480</u>	<u>(58,020)</u>
Expenditures				
Current				
Miscellaneous				
Drug enforcement				
Investigation	25,000	25,000	-	(25,000)
Training	3,800	3,800	450	(3,350)
Travel	4,000	4,000	-	(4,000)
Confiscation, storage, and operations	20,500	20,500	2,610	(17,890)
Supplies and repairs	<u>30,000</u>	<u>30,000</u>	<u>39,731</u>	<u>9,731</u>
Total current	<u>83,300</u>	<u>83,300</u>	<u>42,791</u>	<u>(40,509)</u>
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>83,300</u>	<u>83,300</u>	<u>42,791</u>	<u>(40,509)</u>
Net change in fund balance	19,200	19,200	1,689	(17,511)
Fund balance, beginning of year	<u>541,349</u>	<u>541,349</u>	<u>541,349</u>	<u>-</u>
Fund balance, end of year	\$ 560,549	\$ 560,549	\$ 543,038	\$ 17,511

Town of Smyrna, Tennessee
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual - Nonmajor Governmental Funds
State Street Aid
For the Year Ended June 30, 2025

	Budgeted amounts		Actual amounts	Variance from final budget + / (-)
	Original	Final		
Revenues				
Intergovernmental				
Gasoline and motor fuel tax	\$ 1,850,000	\$ 1,850,000	\$ 952,259	\$ (897,741)
Gas 3-cent tax	-	-	275,458	275,458
Gas 1989 tax	-	-	149,179	149,179
Gas 2017 tax	-	-	479,695	479,695
State street maintenance contracts	-	-	59,192	59,192
Uses of money and property				
Interest	15,000	15,000	8,915	(6,085)
Total revenues	1,865,000	1,865,000	1,924,698	59,698
Expenditures				
Current				
Street maintenance, repairs	1,500,000	1,500,000	1,500,000	-
Lighting	350,000	350,000	350,000	-
Signals	97,000	97,000	85,477	(11,523)
Total expenditures	1,947,000	1,947,000	1,935,477	(11,523)
Other Financing Sources (Uses)				
Transfers	(40,000)	(40,000)	(40,000)	-
Net change in fund balance	(122,000)	(122,000)	(50,779)	71,221
Fund balance, beginning of year	708,054	708,054	708,054	-
Fund balance, end of year	\$ 586,054	\$ 586,054	\$ 657,275	\$ 71,221

Town of Smyrna, Tennessee
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual - Nonmajor Governmental Funds
Stormwater
For the Year Ended June 30, 2025

	Budgeted amounts		Actual amounts	Variance from final budget +/-
	Original	Final		
Revenues				
Intergovernmental Grants	\$ -	\$ -	\$ -	\$ -
Uses of money and property				
Interest	80,000	80,000	34,961	(45,039)
Fees	<u>1,917,000</u>	<u>1,947,000</u>	<u>2,154,136</u>	<u>207,136</u>
Total revenues	1,997,000	2,027,000	2,189,097	162,097
Expenditures				
Current				
Salaries	890,400	805,400	799,675	(5,725)
Benefits and payroll taxes	446,200	432,400	393,254	(39,146)
Membership and registrations	4,300	4,300	7,772	3,472
Telephone	2,000	2,000	2,597	597
Supplies	62,100	62,100	45,441	(16,659)
Contract services	110,000	110,000	135,455	25,455
Professional services	4,100	4,100	1,042	(3,058)
Insurance	15,600	15,600	15,600	-
Public promotions	10,500	14,300	16,898	2,598
Other	<u>105,000</u>	<u>105,000</u>	<u>97,003</u>	<u>(7,997)</u>
Total expenditures	1,650,200	1,555,200	1,514,737	(40,463)
Excess (deficiency) of revenues over expenditures	346,800	471,800	674,360	202,560
Other Financing Sources (Uses)				
Transfers to general fund	(294,541)	(294,541)	(294,541)	-
Transfers to capital projects fund	<u>(1,001,100)</u>	<u>(1,126,100)</u>	<u>(966,898)</u>	<u>159,202</u>
Total other financing sources (uses)	(1,295,641)	(1,420,641)	(1,261,439)	159,202
Net change in fund balance	(948,841)	(948,841)	(587,079)	361,762
Fund balance, beginning of year	<u>2,176,299</u>	<u>2,176,299</u>	<u>2,176,299</u>	<u>-</u>
Fund balance, end of year	\$ 1,227,458	\$ 1,227,458	\$ 1,589,220	\$ 361,762

Town of Smyrna, Tennessee
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual - Nonmajor Governmental Funds
Impact Fee
For the Year Ended June 30, 2025

	Budgeted amounts		Actual amounts	Variance from final budget + / (-)
	Original	Final		
Revenues				
Licenses and permits	\$ 4,350,000	\$ 4,650,000	\$ 4,621,646	\$ (28,354)
Uses of money and property				
Interest	5,200	5,200	191,765	186,565
Total revenues	4,355,200	4,655,200	4,813,411	158,211
Expenditures				
Current				
Impact fee study	-	-	-	-
Total expenditures	-	-	-	-
Other Financing Sources (Uses)				
Transfers to debt service fund	(1,336,600)	(1,336,600)	(1,336,600)	-
Transfers to capital projects fund	(4,862,500)	(5,512,500)	(4,002,828)	1,509,672
Total other financing sources (uses)	(6,199,100)	(6,849,100)	(5,339,428)	1,509,672
Net change in fund balance	(1,843,900)	(2,193,900)	(526,017)	1,667,883
Fund balance, beginning of year	7,903,788	7,903,788	7,903,788	-
Fund balance, end of year	\$ 6,059,888	\$ 5,709,888	\$ 7,377,771	\$ 1,667,883

Town of Smyrna, Tennessee
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual - Nonmajor Governmental Funds
Debt Service
For the Year Ended June 30, 2025

	Budgeted amounts		Actual amounts	Variance from final budget + / (-)
	Original	Final		
Revenues				
Uses of money and property				
Interest	\$ 42,513	\$ 42,513	\$ 41,711	\$ (802)
Expenditures				
Debt service				
Principal	1,087,400	1,087,400	1,087,400	-
Interest and fiscal charges	<u>617,253</u>	<u>617,253</u>	<u>615,953</u>	<u>(1,300)</u>
Total expenditures	1,704,653	1,704,653	1,703,353	(1,300)
Excess (deficiency) of revenues over expenditures	(1,662,140)	(1,662,140)	(1,661,642)	498
Other Financing Sources (Uses)				
Transfers from other funds	1,567,140	1,567,140	1,565,840	(1,300)
Proceeds from note receivable	<u>95,000</u>	<u>95,000</u>	<u>-</u>	<u>(95,000)</u>
Total other financing sources (uses)	1,662,140	1,662,140	1,565,840	(96,300)
Net change in fund balance	-	-	(95,802)	(95,802)
Fund balance, beginning of year	<u>1,110,628</u>	<u>1,110,628</u>	<u>1,110,628</u>	<u>-</u>
Fund balance, end of year	\$ 1,110,628	\$ 1,110,628	\$ 1,014,826	\$ (95,802)

Town of Smyrna, Tennessee
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Capital Projects Fund
For the Year Ended June 30, 2025

	Budgeted amounts		Actual amounts	Variance from final budget +/-
	Original	Final		
Revenues				
Intergovernmental				
Grants, state and federal	\$ 8,278,500	\$ 8,278,500	\$ 1,930,353	\$ (6,348,147)
Donations and memorials	-	227,700	550,221	322,521
Total intergovernmental	8,278,500	8,506,200	2,480,574	(6,025,626)
Uses of money and property				
Interest	10,900	10,900	422,843	411,943
Total revenues	8,289,400	8,517,100	2,903,417	(5,613,683)
Expenditures				
Current				
Recreation and culture				
Capital outlay	3,511,000	3,861,000	3,682,780	(178,220)
Highways and streets				
Capital outlay	16,492,900	17,015,400	9,383,205	(7,632,195)
Public safety				
Capital outlay, fire	8,096,800	8,364,300	6,012,629	(2,351,671)
Capital outlay, police	1,493,500	1,883,900	1,613,432	(270,468)
Stormwater				
Supplies and repairs	5,100	5,100	-	(5,100)
Capital outlay	996,000	1,121,000	977,322	(143,678)
General government				
Capital outlay	1,495,700	1,716,400	1,205,777	(510,623)
Total expenditures	32,091,000	33,967,100	22,875,145	(11,091,955)
Other Financing Sources (Uses)				
Transfers from water and sewer	40,000	40,000	40,000	-
Transfers from drug fund	13,100	13,100	-	(13,100)
Transfers from general fund	10,565,800	16,439,200	9,893,194	(6,546,006)
Transfers from stormwater fund	1,001,100	1,126,100	966,898	(159,202)
Transfers from impact fee fund	4,862,500	5,512,500	4,002,828	(1,509,672)
Total other financing sources (uses)	16,482,500	23,130,900	14,902,920	(8,227,980)
Net change in fund balance	(7,319,100)	(2,319,100)	(5,068,808)	(2,749,708)
Fund balance, beginning of year	38,673,770	38,673,770	38,673,770	-
Fund balance, end of year	\$ 31,354,670	\$ 36,354,670	\$ 33,604,962	\$ (2,749,708)

Town of Smyrna, Tennessee
 Capital Assets Used in Operation of Governmental Funds
 Schedule by Function and Activity
 June 30, 2025

Function and Activity	Land	Building and improvements	Improvements other than buildings	Equipment	Infrastructure	Right-to-use assets	Construction in progress	Total
General	\$ 995,588	\$ 6,604,550	\$ 1,810,155	\$ 6,596,300	\$ 2,510,077	\$ 4,330,976	\$ 54,859	\$ 22,902,505
Public safety								
Police	216,060	3,841,739	663,370	10,500,865	-	-	-	15,222,034
Fire	155,690	5,175,284	14,272,697	12,181,506	-	-	20,870	31,806,047
Highway and streets	1,431,685	234,850	3,339,560	3,162,900	194,399,479	-	7,889,573	210,458,047
Stormwater	-	-	387,579	2,723,942	6,013,171	-	3,833	9,128,525
Recreation	4,499,142	11,460,302	36,823,229	6,752,330	1,179,190	-	-	60,714,193
Community development	-	3,881,152	123,181	708,262	-	-	1,825	4,714,420
Total governmental capital assets	\$ 7,298,165	\$ 31,197,877	\$ 57,419,771	\$ 42,626,105	\$ 204,101,917	\$ 4,330,976	\$ 7,970,960	\$ 354,945,771

Town of Smyrna, Tennessee
 Capital Assets Used in the Operation of Governmental Funds
 Schedule of Changes by Function and Activity
 For the Year Ended June 30, 2025

Function and Activity	Balance July 1, 2024	Additions	Reclasses and disposals	Balance June 30, 2025
General	\$ 22,223,298	\$ 697,594	\$ (18,387)	\$ 22,902,505
Public safety				
Police	14,188,595	1,373,521	(340,082)	15,222,034
Fire	25,984,264	5,813,475	8,308	31,806,047
Highways and streets	197,933,063	12,763,552	(238,568)	210,458,047
Stormwater	8,175,988	952,537	-	9,128,525
Recreation	57,449,732	3,384,570	(120,109)	60,714,193
Community development	4,638,093	76,327	-	4,714,420
Total governmental capital assets	\$ 330,593,033	\$ 25,061,576	\$ (708,838)	\$ 354,945,771

Town of Smyrna, Tennessee
Schedule of Changes in Property Taxes Receivable
General Fund
For the Year Ended June 30, 2025

Fiscal Year	Property tax receivable balance July 1, 2024	Assessments	Collections	Adjustments	Property tax receivable balance June 30, 2025
2024 - 2025	\$ -	\$ 14,764,038	\$ (14,483,777)	\$ 13,950	\$ 294,211
2023 - 2024	764,220	-	(256,347)	(5,793)	502,080
2022 - 2023	501,892	-	(22,815)	(1,471)	477,606
2021 - 2022	24,199	-	(4,587)	89	19,701
2020 - 2021	10,311	-	(275)	-	10,036
2019 - 2020	10,309	-	(319)	-	9,990
2018 - 2019	8,731	-	(85)	-	8,646
2017 - 2018	9,264	-	(92)	-	9,172
2016 - 2017	8,733	-	(97)	52	8,688
2015 - 2016	9,158	-	-	-	9,158
2014 - 2015	6,428	-	-	(6,428)	-
	<u>\$ 1,353,245</u>	<u>\$ 14,764,038</u>	<u>\$ (14,768,394)</u>	<u>\$ 399</u>	<u>1,349,288</u>
2025 - 2026**					<u>15,200,000</u>
Allowance for uncollectibles					16,549,288
Property taxes receivable, net					<u>(887,000)</u>
					\$ 15,662,288

** Unlevied taxes receivable (anticipated current year levy)

Receivables from fiscal year 2023-2024 and prior have been turned over to the County Clerk and Master for collection.

Town of Smyrna, Tennessee
Schedule of Changes in Long-term Debt by Individual Issue
For the Year Ended June 30, 2025

Description of indebtedness	Original amount of issue	Interest rate	Date of issue	Last maturity date	Outstanding July 1, 2024	Issued during period	Paid and/or matured during period	Refunded during period	Outstanding June 30, 2025
Governmental Activities									
<i>General obligation bonds</i>									
Payable through debt service fund									
2014B GO bonds	\$ 1,765,000	1.10% - 4.125%	12/18/14	04/01/34	\$ 1,100,000	\$ -	\$ 95,000	\$ -	\$ 1,005,000
2019 GO refunding bonds	18,000,000	2.00% - 5.00%	06/12/19	04/01/39	<u>15,285,000</u>	<u>-</u>	<u>765,000</u>	<u>-</u>	<u>14,520,000</u>
Total GO bonds payable through debt service fund					16,385,000	-	860,000	-	15,525,000
<i>Capital outlay note</i>									
Payable through debt service fund									
Capital Outlay Note Series 2022	682,207	0.50%	01/11/22	02/15/25	<u>227,401</u>	<u>-</u>	<u>227,401</u>	<u>-</u>	<u>-</u>
Total payable through debt service fund					\$ 16,612,401	\$ -	\$ 1,087,401	\$ -	\$ 15,525,000
Business-type Activities									
<i>Loans from direct borrowings and direct placements</i>									
Payable through water and sewer fund									
2009 State revolving loan	\$ 5,750,000	2.14%	10/01/11	04/01/32	\$ 1,423,828	\$ -	\$ 183,514	\$ -	\$ 1,240,314
2010 State revolving loan	600,000	1.94%	08/01/12	01/01/33	155,376	-	17,940	-	137,436
2015 State revolving loan DWA	83,377	1.00%	03/01/15	02/01/38	58,746	-	4,038	-	54,708
2015 State revolving loan CWA	190,683	1.24%	03/01/18	08/01/48	156,088	-	5,712	-	150,376
2019 State revolving loan CWA	3,000,000	1.70%	06/01/19	03/01/50	2,396,286	-	74,724	-	2,321,562
2020 State revolving loan CWA	18,000,000	1.30%	05/01/20	07/01/51	16,541,502	-	512,916	-	16,028,586
2020-01 State revolving loan CWA	17,200,000	1.30%	08/01/21	01/01/53	16,487,947	-	508,116	-	15,979,831
2021 State revolving loan DWA	2,687,373	0.68%	04/01/22	03/01/42	2,397,347	-	127,512	-	2,269,835
2022 State revolving loan DWF	2,500,000	1.60%	04/26/22	10/01/43	2,428,904	-	108,072	-	2,320,832
2022 State revolving loan CG	800,000	1.92%	07/26/22	04/01/44	775,205	-	33,612	-	741,593
2022 State revolving loan DWF	1,100,000	3.10%	05/31/23	09/01/43	462,235	-	17,232	-	445,003
2023 State revolving loan SRF	1,300,000	2.95%	02/15/23	10/01/24	1,058,986	-	41,256	-	1,017,730
2022 State revolving loan CG	1,760,000	1.21%	06/22/22	***	<u>-</u>	<u>447,650</u>	<u>-</u>	<u>-</u>	<u>447,650</u>
Total loans payable through water and sewer fund					44,342,450	447,650	1,634,644	-	43,155,456
<i>General obligation bonds</i>									
Payable through water and sewer fund									
2017 GO refunding bonds (split)	20,042,150	5.00%	08/17/17	04/01/26	<u>2,700,000</u>	<u>-</u>	<u>1,320,000</u>	<u>-</u>	<u>1,380,000</u>
Total payable through water and sewer fund					\$ 47,042,450	\$ 447,650	\$ 2,954,644	\$ -	\$ 44,535,456

*** 30-year amortization to begin at project completion.

Town of Smyrna, Tennessee
 Schedule of Debt Service Requirements
 General Obligation Debt
 June 30, 2025

Year Ended June 30,	2014B General obligation bonds	2019 General obligation ref. bonds	Principal requirements	Interest requirements	Total
2026	\$ 95,000	\$ 800,000	\$ 895,000	\$ 572,657	\$ 1,467,657
2027	100,000	820,000	920,000	553,450	1,473,450
2028	105,000	835,000	940,000	533,425	1,473,425
2029	105,000	875,000	980,000	487,869	1,467,869
2030	110,000	920,000	1,030,000	439,919	1,469,919
2031	115,000	965,000	1,080,000	389,519	1,469,519
2032	120,000	1,015,000	1,135,000	336,668	1,471,668
2033	125,000	1,065,000	1,190,000	280,969	1,470,969
2034	130,000	1,110,000	1,240,000	233,212	1,473,212
2035	-	1,150,000	1,150,000	183,450	1,333,450
2036	-	1,185,000	1,185,000	148,950	1,333,950
2037	-	1,220,000	1,220,000	113,400	1,333,400
2038	-	1,260,000	1,260,000	76,800	1,336,800
2039	-	1,300,000	1,300,000	39,000	1,339,000
Total	\$ 1,005,000	\$ 14,520,000	\$ 15,525,000	\$ 4,389,288	\$ 19,914,288

Town of Smyrna, Tennessee
Schedule of Debt Service Requirements
Enterprise Fund Debt
June 30, 2025

Year Ended June 30,	2017 Gen obligation ref. bonds	2010 Revolving loan	2009 Revolving loan	2015 Revolving loan	2015 Revolving loan	2019 Revolving loan	2020 Revolving loan	2020 Revolving loan	2021 Revolving loan	2022 Revolving loan	2022 Revolving loan	2022 Revolving loan	2023 Revolving loan	Interest requirements	Total
2026	\$ 1,380,000	18,288	187,481	\$ 4,074	\$ 5,784	\$ 76,008	\$ 519,624	512,712	128,376	\$ 109,812	\$ 34,260	\$ 17,772	\$ 42,492	\$ 602,159	\$ 3,638,842
2027	-	18,648	191,532	4,110	5,856	77,316	526,416	517,344	129,252	111,588	34,932	18,336	43,764	512,943	2,192,037
2028	-	19,020	195,671	4,158	5,928	78,648	533,304	522,024	130,128	113,388	35,604	18,912	45,072	492,491	2,194,348
2029	-	19,392	199,901	4,194	6,000	80,004	540,276	526,740	131,016	115,212	36,300	19,512	46,416	471,758	2,196,721
2030	-	19,764	204,220	4,242	6,084	81,384	547,344	531,504	131,916	117,072	36,996	20,124	47,808	450,681	2,199,139
2031	-	20,148	208,635	4,278	6,156	82,788	554,508	536,304	132,816	118,956	37,716	20,748	49,236	429,371	2,201,660
2032	-	20,556	52,874	4,326	6,240	84,216	561,756	541,152	133,716	120,876	38,448	21,408	50,700	407,705	2,043,973
2033	-	1,620	-	4,362	6,312	85,668	569,100	546,036	134,628	122,820	39,192	22,080	52,224	386,091	1,970,133
2034	-	-	-	4,410	6,396	87,144	576,540	550,980	135,552	124,800	39,948	22,776	53,784	365,088	1,967,418
2035	-	-	-	4,458	6,468	88,644	584,088	555,948	136,476	126,816	40,728	23,484	55,392	343,920	1,966,422
2036	-	-	-	4,506	6,552	90,180	591,720	560,976	137,400	128,856	41,508	24,228	57,048	322,464	1,965,438
2037	-	-	-	4,542	6,636	91,728	599,460	566,052	138,348	130,932	42,312	24,984	58,752	300,972	1,964,718
2038	-	-	-	3,048	6,720	93,312	607,296	571,164	139,284	133,044	43,140	25,776	60,504	278,582	1,961,870
2039	-	-	-	-	6,804	94,920	615,240	576,324	140,232	135,192	43,968	26,580	62,316	256,188	1,957,764
2040	-	-	-	-	6,888	96,552	623,292	581,532	141,192	137,364	44,820	27,420	64,188	233,484	1,956,732
2041	-	-	-	-	6,972	98,220	631,440	586,788	142,152	139,584	45,696	28,284	66,096	210,444	1,955,676
2042	-	-	-	-	7,056	99,912	639,696	592,092	95,312	141,828	46,572	29,172	68,076	187,100	1,906,816
2043	-	-	-	-	7,140	101,628	648,060	597,444	12,039	144,120	47,472	30,084	70,116	164,085	1,822,188
2044	-	-	-	-	7,236	103,380	656,532	602,844	-	48,572	11,981	23,323	23,746	142,095	1,619,709
2045	-	-	-	-	7,320	105,168	665,124	608,292	-	-	-	-	-	124,440	1,510,344
2046	-	-	-	-	7,416	106,980	673,824	613,788	-	-	-	-	-	107,208	1,509,216
2047	-	-	-	-	7,512	108,828	682,632	619,332	-	-	-	-	-	89,796	1,508,100
2048	-	-	-	-	4,900	110,700	691,560	624,936	-	-	-	-	-	72,141	1,504,237
2049	-	-	-	-	-	112,608	700,608	630,576	-	-	-	-	-	54,396	1,498,188
2050	-	-	-	-	-	85,626	709,764	636,276	-	-	-	-	-	32,871	1,464,537
2051	-	-	-	-	-	-	719,052	642,024	-	-	-	-	-	19,716	1,380,792
2052	-	-	-	-	-	-	60,330	647,832	-	-	-	-	-	7,245	715,407
2053	-	-	-	-	-	-	-	380,815	-	-	-	-	-	1,245	382,060
Total	\$ 1,380,000	\$ 137,436	\$ 1,240,314	\$ 54,708	\$ 150,376	\$ 2,321,562	\$ 16,028,586	\$ 15,979,831	\$ 2,269,835	\$ 2,320,832	\$ 741,593	\$ 445,003	\$ 1,017,730	\$ 7,066,679	51,154,485

State revolving loan funds * 447,650
\$ 51,602,135

* 20-30-year amortization to begin at project completion.

Town of Smyrna, Tennessee
Schedule of Changes in Lease Obligations
For the Year Ended June 30, 2025

Description of indebtedness	Original amount of issue	Interest rate	Date of issue	Maturity date	Outstanding July 1, 2024	Issued during period	Paid and/or matured during period	Re-measurements	Outstanding June 30, 2025
Governmental Activities									
<i>Leases Payable</i>									
Payable through general fund									
Land - Golf Course	\$ 587,500	0.00%	07/01/21	06/30/46	\$ 3,025,572	\$ -	\$ 123,637	\$ -	\$ 2,901,935
Land- Park	379,589	0.00%	07/01/21	06/30/46	338,864	-	13,847	-	325,017
Land - Firing Range	132,330	0.91%	05/01/18	04/30/30	66,354	-	11,127	-	55,227
Land - Sharp Springs Park	79,655	0.37%	04/15/22	12/31/31	63,890	-	7,883	-	56,007
Copier	19,967	3.54%	04/11/23	04/11/28	<u>15,619</u>	<u>-</u>	<u>3,873</u>	<u>-</u>	<u>11,746</u>
Total leases payable through general fund					\$ 3,510,299	\$ -	\$ 160,367	\$ -	\$ 3,349,932

Town of Smyrna, Tennessee
Schedule of Lease Obligations, Principal, and Interest Requirements by Fiscal Year
June 30, 2025

Fiscal Year Ending	Land Rental - Golf Course		Land Rental - Park		Land Rental - Firing Range		Land Rental - Sharp Springs		Copier		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 124,872	\$ -	\$ 13,986	\$ -	\$ 11,228	\$ 456	\$ 7,913	\$ 208	\$ 4,012	\$ 351	162,011	\$ 1,015
2027	126,121	-	14,125	-	11,331	353	7,942	178	4,156	207	163,675	738
2028	127,382	-	14,267	-	11,434	250	7,971	149	3,578	58	164,632	457
2029	128,656	-	14,409	-	11,539	145	8,000	119	-	-	162,604	264
2030	129,943	-	14,554	-	9,695	40	8,030	90	-	-	162,222	130
2031	131,242	-	14,699	-	-	-	8,060	60	-	-	154,001	60
2032	132,554	-	14,846	-	-	-	8,091	30	-	-	155,491	30
2033	133,880	-	14,995	-	-	-	-	-	-	-	148,875	-
2034	135,219	-	15,144	-	-	-	-	-	-	-	150,363	-
2035	136,571	-	15,296	-	-	-	-	-	-	-	151,867	-
2036	137,937	-	15,449	-	-	-	-	-	-	-	153,386	-
2037	139,316	-	15,603	-	-	-	-	-	-	-	154,919	-
2038	140,709	-	15,759	-	-	-	-	-	-	-	156,468	-
2039	142,116	-	15,917	-	-	-	-	-	-	-	158,033	-
2040	143,537	-	16,076	-	-	-	-	-	-	-	159,613	-
2041	144,972	-	16,237	-	-	-	-	-	-	-	161,209	-
2042	146,422	-	16,399	-	-	-	-	-	-	-	162,821	-
2043	147,886	-	16,563	-	-	-	-	-	-	-	164,449	-
2044	149,365	-	16,729	-	-	-	-	-	-	-	166,094	-
2045	150,859	-	16,896	-	-	-	-	-	-	-	167,755	-
2046	152,376	-	17,068	-	-	-	-	-	-	-	169,444	-
	\$ 2,901,935	\$ -	\$ 325,017	\$ -	\$ 55,227	\$ 1,244	\$ 56,007	\$ 834	\$ 11,746	\$ 616	\$ 3,349,932	\$ 2,694

Town of Smyrna, Tennessee
 Schedule of Utilities Data
 June 30, 2025

Services			Number of customers
Water			16,774
Sewer			19,920
Natural Gas			12,685
Fire Hydrants			1,966
Rates			
Water (in Town)			
First 2,000 gallons	\$	13.37	
2,001 - 5,000 gallons	\$	4.17	per 1,000 gallons
5,001 - 10,000 gallons	\$	4.74	per 1,000 gallons
Thereafter	\$	5.29	per 1,000 gallons
Water (outside Town)			
First 2,000 gallons	\$	16.38	
2,001 - 5,000 gallons	\$	6.15	per 1,000 gallons
5,001 - 10,000 gallons	\$	6.79	per 1,000 gallons
Thereafter	\$	7.80	per 1,000 gallons
Water (wholesale)			
First 2,000 gallons	\$	14.01	
2,001 - 5,000 gallons	\$	4.29	per 1,000 gallons
5,001 - 10,000 gallons	\$	4.99	per 1,000 gallons
Thereafter	\$	5.51	per 1,000 gallons
Pre-certificate of occupancy	\$	4.17	/ thousand
Nissan	\$	2.54	/ thousand
Nolensville	\$	3.45	/ thousand
Irrigation Commercial	\$	25.71	
First 10,000 gallons	\$	5.30	per 1,000 gallons
15,000 gallons	\$	6.15	per 1,000 gallons
25,000 gallons	\$	6.79	per 1,000 gallons
50,000 gallons	\$	7.80	per 1,000 gallons
Irrigation Residential			
First 2,000 gallons	\$	13.37	
3,000 gallons	\$	4.17	
5,000 gallons	\$	4.74	
10,000 gallons	\$	5.29	
Sewer (in Town)			
First 2,000 gallons	\$	20.59	
Thereafter	\$	5.50	per 2,000 gallons
Sewer (outside Town)			
First 2,000 gallons	\$	30.73	
Thereafter	\$	7.34	per 2,000 gallons
Pre-certificate of occupancy	\$	5.50	/ thousand
Repurified water			
First 2,000 gallons	\$	20.94	
(April - October)	\$	3.08	per 1,000 gallons
(November - March)	\$	1.67	per 1,000 gallons
Natural gas			
Residential and small commercial	\$	5.75	demand charge
Commercial	\$	35.00	demand charge
Excess at current market rate	\$	2.20	plus market value at time of purchase

Statistical Section

This part of the Town of Smyrna's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

Contents

	Schedule #
Financial Trends These schedules contain trend information to help readers understand how the Town's financial performance and well-being changed over time.	1 – 4
Revenue Capacity These schedules contain trend information to help readers assess the Town's most significant local revenue source, its property tax	5 – 8
Debt Capacity These schedules present information to help readers assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.	9 – 13
Demographic and Economic Information These schedules offer demographic and economic indicators to help readers understand the environment within which the Town's financial activities take place.	14 – 15
Operating Information These schedules contain service and infrastructure data to help readers understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.	16 – 18

Except where noted, the information in these Schedules is derived from the Town of Smyrna's annual comprehensive financial reports for the relevant year.

Town of Smyrna, Tennessee
Financial Trends Information
Net Position by Components
Last Ten Fiscal Years

Schedule 1 (prepared using the accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental Activities										
Net investment in capital assets	\$ 178,616,590	\$ 160,303,972	\$ 141,357,695	\$ 129,719,519	\$ 122,406,762	\$ 115,483,122	\$ 104,041,833	\$ 95,417,145	\$ 89,247,641	\$ 83,122,476
Restricted for										
Pensions	65,568	-	-	-	-	-	-	-	-	-
Capital projects	41,158,202	46,703,972	39,983,325	32,200,110	26,712,136	12,149,496	11,624,083	9,305,483	4,855,604	6,618,988
Highway and streets maintenance	657,275	708,054	441,870	903,429	1,209,425	1,705,351	1,408,171	1,205,131	898,849	479,032
Stormwater	1,589,220	2,176,299	3,210,946	3,468,429	3,290,034	3,784,072	3,979,036	3,874,736	3,618,993	3,354,896
Debt service	1,014,826	1,110,628	1,200,610	1,291,978	1,377,752	1,463,168	1,543,628	1,624,048	1,704,368	1,779,574
Law enforcement	543,038	541,349	500,585	400,754	367,275	314,757	348,803	351,513	311,696	260,177
Unrestricted	<u>36,008,914</u>	<u>36,623,260</u>	<u>35,856,180</u>	<u>34,801,397</u>	<u>34,858,576</u>	<u>37,499,467</u>	<u>35,093,277</u>	<u>32,664,607</u>	<u>32,446,364</u>	<u>27,389,321</u>
Total governmental activities net position	\$ 259,653,633	\$ 248,167,534	\$ 222,551,211	\$ 202,785,616	\$ 190,221,960	\$ 172,399,433	\$ 158,038,831	\$ 144,442,663	\$ 133,083,515	\$ 123,004,464
Business-type Activities										
Net investment in capital assets	\$ 232,652,853	\$ 214,320,483	\$ 186,625,988	\$ 164,349,049	\$ 155,202,163	\$ 135,882,437	\$ 116,462,875	\$ 114,009,907	\$ 106,389,815	\$ 99,677,909
Restricted for pensions	42,252	-	-	-	-	-	-	-	-	-
Unrestricted	<u>42,301,395</u>	<u>41,634,805</u>	<u>45,125,514</u>	<u>48,177,928</u>	<u>46,476,269</u>	<u>49,463,811</u>	<u>53,411,032</u>	<u>44,354,441</u>	<u>38,148,611</u>	<u>32,473,431</u>
Total business-type activities net position	\$ 274,996,500	\$ 255,955,288	\$ 231,751,502	\$ 212,526,977	\$ 201,678,432	\$ 185,346,248	\$ 169,873,907	\$ 158,364,348	\$ 144,538,426	\$ 132,151,340
Primary Government										
Net investment in capital assets	\$ 411,269,443	\$ 374,624,455	\$ 327,983,683	\$ 294,068,568	\$ 277,608,925	\$ 251,365,559	\$ 220,504,708	\$ 209,427,052	\$ 195,637,456	\$ 182,800,385
Restricted for										
Pensions	107,820	-	-	-	-	-	-	-	-	-
Capital projects	41,158,202	46,703,972	39,983,325	32,200,110	26,712,136	12,149,496	11,624,083	9,305,483	4,855,604	6,618,988
Highway and streets maintenance	657,275	708,054	441,870	903,429	1,209,425	1,705,351	1,408,171	1,205,131	898,849	479,032
Stormwater	1,589,220	2,176,299	3,210,946	3,468,429	3,290,034	3,784,072	3,979,036	3,874,736	3,618,993	3,354,896
Debt service	1,014,826	1,110,628	1,200,610	1,291,978	1,377,752	1,463,168	1,543,628	1,624,048	1,704,368	1,779,574
Law enforcement	543,038	541,349	500,585	400,754	367,275	314,757	348,803	351,513	311,696	260,177
Unrestricted	<u>78,310,309</u>	<u>78,258,065</u>	<u>80,981,694</u>	<u>82,979,325</u>	<u>81,334,845</u>	<u>86,963,278</u>	<u>88,504,309</u>	<u>77,019,048</u>	<u>70,594,975</u>	<u>59,862,752</u>
Total primary government net position	\$ 534,650,133	\$ 504,122,822	\$ 454,302,713	\$ 415,312,593	\$ 391,900,392	\$ 357,745,681	\$ 327,912,738	\$ 302,807,011	\$ 277,621,941	\$ 255,155,804

Town of Smyrna, Tennessee
Financial Trends Information
Changes in Net Position
Last Ten Fiscal Years

Schedule 2, (prepared using the accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses										
Governmental activities										
General government	\$ 13,686,073	\$ 11,828,595	\$ 10,905,015	\$ 10,196,302	\$ 9,571,888	\$ 8,577,960	\$ 9,086,900	\$ 8,018,956	\$ 7,005,326	\$ 7,174,316
Public safety										
Police	17,009,321	16,836,958	14,318,626	12,539,803	12,334,996	11,053,136	10,179,164	10,571,974	8,979,232	9,703,392
Fire	14,392,142	12,398,743	11,486,195	10,791,949	10,570,262	9,446,916	8,999,957	8,222,826	7,627,186	8,468,330
Highways and streets	9,588,143	9,040,036	8,746,028	7,774,708	7,132,171	5,699,686	5,848,241	5,236,993	1,554,776	4,832,478
Recreation	9,268,511	8,313,075	7,895,203	7,332,665	7,220,160	6,088,077	6,002,908	5,713,129	3,981,542	4,608,184
Community development	2,061,159	1,921,326	1,742,981	1,733,871	1,517,870	1,474,586	1,501,940	1,494,284	1,421,652	1,344,574
Stormwater	1,895,735	1,886,085	1,681,209	1,328,658	1,078,904	1,113,956	1,099,104	989,918	1,019,653	984,420
Interest expense on long-term debt	431,622	482,570	551,383	567,908	786,004	833,528	306,249	329,234	2,983,735	537,178
Total governmental activities expenses	68,332,706	62,707,388	57,326,640	52,265,864	50,212,255	44,287,845	43,024,463	40,577,314	34,573,102	37,652,872
Business-type activities										
Water and sewer	28,663,515	26,164,264	22,803,376	21,376,002	18,810,895	16,847,386	16,588,841	16,651,408	16,140,048	15,129,731
Natural gas	16,859,851	13,170,467	19,802,234	18,953,750	12,053,397	9,763,929	12,843,143	12,888,817	11,348,911	9,862,349
Total business-type activities expenses	45,523,366	39,334,731	42,605,610	40,329,752	30,864,292	26,611,315	29,431,984	29,540,225	27,488,959	24,992,080
Total primary government expenses	113,856,072	102,042,119	99,932,250	92,595,616	81,076,547	70,899,160	72,456,447	70,117,539	62,062,061	62,644,952
Program Revenues										
Governmental activities					885000					
Charges for services										
General government	\$ 5,196,783	\$ 4,955,444	\$ 4,714,937	\$ 3,899,747	\$ 3,939,511	\$ 3,881,023	\$ 3,520,121	\$ 3,363,106	\$ 3,289,674	\$ 2,886,033
Public safety										
Police	1,795,956	1,455,497	1,665,652	1,566,073	1,462,829	1,382,506	1,228,309	1,410,754	1,290,661	1,549,752
Highways and streets	-	-	-	-	-	-	-	-	-	-
Recreation	3,030,747	2,990,707	2,648,285	2,371,230	1,923,413	1,409,637	1,758,617	1,611,736	1,477,395	1,437,676
Community development	335,815	284,663	233,947	165,500	72,743	192,929	265,846	274,015	257,660	230,705
Stormwater	2,154,136	2,040,314	1,902,554	1,913,856	1,836,879	1,768,739	1,697,248	1,669,700	1,621,485	1,556,722
Debt service	-	-	47,238	49,825	52,121	54,052	55,773	57,152	58,091	58,298
Operating grants and contributions	2,998,529	2,467,341	2,334,565	3,039,094	5,073,647	2,025,256	1,962,869	1,966,594	1,720,208	1,558,844
Capital grants and contributions	11,037,779	12,668,337	13,187,692	6,207,551	12,549,424	9,115,689	7,844,548	5,164,168	2,876,947	2,536,075
Total governmental activities program revenues	26,549,745	26,862,303	26,734,870	19,212,876	26,910,567	19,829,831	18,333,331	15,517,225	12,592,121	11,814,105

Continued

Town of Smyrna, Tennessee
 Financial Trends Information
 Changes in Net Position
 Last Ten Fiscal Years

Schedule 2, Continued (prepared using the accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Program Revenues										
Business-type activities										
Charges for services										
Water and sewer	29,293,544	\$ 26,827,838	\$ 25,644,459	\$ 24,040,051	\$ 22,920,501	\$ 22,232,165	\$ 21,482,036	\$ 20,757,352	\$ 20,358,329	\$ 18,893,503
Natural gas	15,976,832	12,867,238	19,658,617	18,551,156	11,750,721	9,657,061	13,780,586	13,451,717	11,390,277	10,118,378
Operating grants and contributions										
Water and Sewer	-	-	-	-	83,000	-	-	-	-	-
Natural Gas	-	-	-	-	25,500	-	-	-	-	-
Capital grants and contributions										
Water and sewer	18,769,582	23,159,148	16,254,444	9,072,964	12,913,987	10,177,878	5,246,005	9,313,433	8,509,335	4,847,990
Natural gas	454,076	288,432	284,045	180,994	170,766	207,069	195,583	169,030	252,850	170,050
Total business-type activities program revenues	<u>64,494,034</u>	<u>63,142,656</u>	<u>61,841,565</u>	<u>51,845,165</u>	<u>47,864,475</u>	<u>42,274,173</u>	<u>40,704,210</u>	<u>43,691,532</u>	<u>40,510,791</u>	<u>34,029,921</u>
Total primary government program revenues	\$ 91,043,779	\$ 90,004,959	\$ 88,576,435	\$ 71,058,041	\$ 74,775,042	\$ 62,104,004	\$ 59,037,541	\$ 59,208,757	\$ 53,102,912	\$ 45,844,026
Net (Expenses)Revenues										
Governmental activities	\$ (41,782,961)	\$ (35,845,085)	\$ (30,591,770)	\$ (33,052,988)	\$ (23,301,688)	\$ (24,458,014)	\$ (24,691,132)	\$ (25,060,089)	\$ (21,980,981)	\$ (25,838,767)
Business-type activities	<u>18,970,668</u>	<u>23,807,925</u>	<u>19,235,955</u>	<u>11,515,413</u>	<u>17,000,183</u>	<u>15,662,858</u>	<u>11,272,226</u>	<u>14,151,307</u>	<u>13,021,832</u>	<u>9,037,841</u>
Total primary government net (expenses) revenues	\$ (22,812,293)	\$ (12,037,160)	\$ (11,355,815)	\$ (21,537,575)	\$ (6,301,505)	\$ (8,795,156)	\$ (13,418,906)	\$ (10,908,782)	\$ (8,959,149)	\$ (16,800,926)

Continued

Town of Smyrna, Tennessee

Financial Trends Information

Changes in Net Position

Last Ten Fiscal Years

Schedule 2, Continued (prepared using the accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Revenues and Other Changes in Net Position										
Governmental activities										
Taxes										
Property and in lieu of taxes	\$ 16,984,439	\$ 14,890,538	\$ 16,529,520	\$ 15,413,365	\$ 14,591,093	\$ 14,074,182	\$ 13,818,771	\$ 13,441,018	\$ 12,941,104	\$ 12,490,583
Sales	21,297,729	20,533,777	19,872,296	18,451,706	16,206,646	14,476,624	14,044,696	13,104,269	12,367,721	11,981,850
Business	2,459,733	2,274,542	2,115,122	1,865,402	1,717,074	1,664,432	1,559,262	1,481,956	1,512,055	1,579,207
Wholesale beer	1,087,022	1,176,156	1,148,261	1,154,215	1,147,249	1,095,413	1,098,048	1,076,999	1,121,947	1,137,639
Hotel/motel	855,265	789,512	861,990	791,414	584,216	553,150	662,758	662,932	578,719	535,643
Cable TV franchise	238,619	359,642	428,770	478,504	507,084	541,312	566,107	582,045	610,982	609,206
Other locally assessed taxes	158,139	137,302	132,933	83,402	56,686	26,978	26,610	27,480	27,527	25,490
State shared income tax	-	-	20,540	4,718	27,656	7,672	106,979	111,320	96,989	136,237
State shared beer tax	22,335	23,327	24,233	24,241	22,498	22,260	21,999	22,169	22,945	19,518
State shared sales tax	6,696,799	6,517,724	6,313,872	6,004,232	5,041,809	4,348,876	4,214,626	4,051,324	3,883,964	3,233,301
State shared mixed drink tax	246,218	220,986	229,182	233,119	174,575	144,218	164,905	144,387	126,435	119,970
Other state shared taxes	183,941	229,794	244,149	95,132	99,449	101,021	59,688	123,750	50,166	37,558
Grants and contributions not restricted to specific programs	269,442	7,164,615	-	-	-	-	-	-	-	-
Unrestricted investment earnings and rental income	1,507,195	1,791,892	1,327,910	100,125	57,036	803,882	1,067,922	567,727	252,565	71,040
Other governmental general revenues	422,705	4,915,673	287,541	185,718	180,028	112,493	96,283	128,846	79,442	132,776
Transfers	839,479	758,823	821,046	731,351	711,116	846,103	778,645	839,214	848,137	833,402
Total governmental activities	<u>53,269,060</u>	<u>61,784,303</u>	<u>50,357,365</u>	<u>45,616,644</u>	<u>41,124,215</u>	<u>38,818,616</u>	<u>38,287,299</u>	<u>36,365,436</u>	<u>34,520,698</u>	<u>32,943,420</u>
Business-type activities										
Investment earnings	910,023	1,172,036	809,616	64,483	43,117	655,586	1,015,978	513,829	213,391	71,536
Other	-	48,951	-	-	-	-	-	-	-	351,930
Special items	-	-	-	-	-	-	-	-	-	-
Transfers	(839,479)	(758,823)	(821,046)	(731,351)	(711,116)	(846,103)	(778,645)	(839,214)	(848,137)	(843,402)
Total business-type activities	<u>70,544</u>	<u>462,164</u>	<u>(11,430)</u>	<u>(666,868)</u>	<u>(667,999)</u>	<u>(190,517)</u>	<u>237,333</u>	<u>(325,385)</u>	<u>(634,746)</u>	<u>(419,936)</u>
Total primary government	\$ 53,339,604	\$ 62,246,467	\$ 50,345,935	\$ 44,949,776	\$ 40,456,216	\$ 38,628,099	\$ 38,524,632	\$ 36,040,051	\$ 33,885,952	\$ 32,523,484
Change in Net Position										
Governmental activities	\$ 11,486,099	\$ 25,939,218	\$ 19,765,595	\$ 12,563,656	\$ 17,822,527	\$ 14,360,602	\$ 13,596,167	\$ 11,305,347	\$ 12,539,717	\$ 7,104,653
Business-type activities	19,041,212	24,270,089	19,224,525	10,848,545	16,332,184	15,472,341	11,509,559	13,825,922	12,387,086	8,617,905
Total primary government	\$ 30,527,311	\$ 50,209,307	\$ 38,990,120	\$ 23,412,201	\$ 34,154,711	\$ 29,832,943	\$ 25,105,726	\$ 25,131,269	\$ 24,926,803	\$ 15,722,558

Town of Smyrna, Tennessee
 Financial Trends Information
 Fund Balances of Governmental Funds
 Last Ten Fiscal Years

Schedule 3 (prepared using the modified accrual basis of accounting, unaudited)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental Funds										
General										
Nonspendable	\$ 303,986	\$ 119,796	\$ 118,368	\$ 185,115	\$ 119,040	\$ 86,031	\$ 98,044	\$ 100,992	\$ 108,827	\$ 107,036
Restricted	175,469	126,414	110,738	61,700	59,240	52,879	17,314	39,783	34,412	32,448
Committed	1,905,799	1,716,112	1,531,825	1,355,271	1,188,738	1,046,815	940,783	849,745	775,012	715,127
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	32,342,806	30,933,326	30,573,457	30,506,635	30,340,809	30,491,885	30,440,130	30,335,657	30,365,392	25,702,736
Total general fund	<u>34,728,060</u>	<u>32,895,648</u>	<u>32,334,388</u>	<u>32,108,721</u>	<u>31,707,827</u>	<u>31,677,610</u>	<u>31,496,271</u>	<u>31,326,177</u>	<u>31,283,643</u>	<u>26,557,347</u>
All other governmental										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted										
Special revenue	10,167,304	11,329,490	10,486,355	4,772,612	4,706,176	5,725,856	5,655,032	5,357,673	4,770,180	4,051,314
Debt service	1,014,826	1,110,628	1,200,610	1,291,978	1,377,616	1,463,168	1,543,628	1,624,048	1,704,368	1,779,574
Capital projects	33,604,962	38,673,770	33,539,633	32,138,410	28,085,881	19,390,038	26,762,386	9,265,700	4,821,192	6,586,540
Total all other governmental funds	<u>44,787,092</u>	<u>51,113,888</u>	<u>45,226,598</u>	<u>38,203,000</u>	<u>34,169,673</u>	<u>26,579,062</u>	<u>33,961,046</u>	<u>16,247,421</u>	<u>11,295,740</u>	<u>12,417,428</u>
Total governmental funds	\$ 79,515,152	\$ 84,009,536	\$ 77,560,986	\$ 70,311,721	\$ 65,877,500	\$ 58,256,672	\$ 65,457,317	\$ 47,573,598	\$ 42,579,383	\$ 38,974,775

Town of Smyrna, Tennessee
 Financial Trends Information
 Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years

Schedule 4 (prepared using the modified accrual basis of accounting, unaudited)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues										
Taxes and in lieu of taxes	\$ 43,080,946	\$ 40,161,469	\$ 40,676,318	\$ 37,952,005	\$ 34,778,582	\$ 32,443,443	\$ 31,564,888	\$ 30,254,565	\$ 29,172,961	\$ 28,246,126
Licenses and permits	7,130,735	7,435,712	7,143,270	4,514,596	5,129,638	4,434,458	3,971,000	3,658,765	3,919,187	2,477,602
Intergovernmental	12,000,329	16,942,213	10,014,314	11,508,359	15,069,336	8,811,675	9,069,954	8,044,717	6,342,991	5,531,934
Fines and fees	1,795,956	1,455,497	1,665,652	1,566,073	1,462,829	1,382,506	1,228,309	1,410,754	1,290,661	1,549,752
Uses of property and money	9,666,499	9,570,058	8,194,745	6,676,136	5,785,922	5,998,109	6,464,392	5,684,228	5,147,278	4,888,921
Other	458,920	428,687	293,773	185,716	242,655	139,667	113,917	131,936	449,316	784,627
Total revenues	<u>74,133,385</u>	<u>75,993,636</u>	<u>67,988,072</u>	<u>62,402,885</u>	<u>62,468,962</u>	<u>53,209,858</u>	<u>52,412,460</u>	<u>49,184,965</u>	<u>46,322,394</u>	<u>43,478,962</u>
Expenditures										
General government	11,888,977	10,740,214	10,908,572	9,507,891	8,956,432	8,573,812	8,634,285	7,446,549	7,011,704	6,816,854
Public safety										
Police	16,503,276	14,554,994	12,667,728	11,338,636	11,000,195	10,609,703	9,965,443	9,731,325	9,458,175	9,329,660
Fire	13,116,349	11,766,792	11,362,402	9,948,542	9,782,158	9,315,459	8,397,932	7,745,783	8,169,620	8,163,837
Highways and streets	2,625,496	2,747,282	3,987,033	3,259,707	3,124,284	2,107,172	2,368,489	1,783,910	1,611,464	1,414,885
Recreation	7,037,789	6,661,300	6,382,270	5,787,162	5,496,313	4,957,009	5,026,260	4,917,553	4,273,344	3,917,232
Community development	1,945,743	1,824,093	1,720,938	1,679,478	1,421,136	1,426,318	1,490,264	1,423,067	1,419,521	1,247,276
Stormwater	1,514,737	1,551,849	1,479,310	1,104,201	873,129	951,117	878,797	863,412	887,856	834,593
Debt service										
Principal	1,528,116	2,472,696	2,192,812	2,680,000	2,570,000	2,402,850	2,399,850	2,348,785	2,496,748	2,543,103
Interest	431,622	482,570	781,340	861,713	963,498	860,718	373,193	360,404	475,915	542,527
Capital outlay	<u>22,875,145</u>	<u>22,681,420</u>	<u>10,427,735</u>	<u>12,532,684</u>	<u>11,372,105</u>	<u>20,052,448</u>	<u>15,934,335</u>	<u>8,434,241</u>	<u>7,761,576</u>	<u>4,402,582</u>
Total expenditures	<u>79,467,250</u>	<u>75,483,210</u>	<u>61,910,140</u>	<u>58,700,014</u>	<u>55,559,250</u>	<u>61,256,606</u>	<u>55,468,848</u>	<u>45,055,029</u>	<u>43,565,923</u>	<u>39,212,549</u>
Excess of revenues over (under) expenditures	\$ (5,333,865)	\$ 510,426	\$ 6,077,932	\$ 3,702,871	\$ 6,909,712	\$ (8,046,748)	\$ (3,056,388)	\$ 4,129,936	\$ 2,756,471	\$ 4,266,413

Continued

Town of Smyrna, Tennessee
 Financial Trends Information
 Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years

Schedule 4, Continued (prepared using the modified accrual basis of accounting, unaudited)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Other Financing Sources and Uses										
Bond, notes, and leases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,000,000	\$ 3,107,850	\$ -	\$ -
Premium on issuance of bonds	-	-	-	-	-	-	2,161,462	522,818	-	-
Bond refundings	-	-	-	-	-	-	-	(3,605,603)	-	-
Transfers	839,481	758,822	821,046	731,350	711,116	846,103	778,645	839,214	848,137	833,402
Leases (as lessee)	-	-	19,967	-	-	-	-	-	-	-
SBITA	-	-	330,320	-	-	-	-	-	-	-
Sale of capital assets	-	5,179,302	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	839,481	5,938,124	1,171,333	731,350	711,116	846,103	20,940,107	864,279	848,137	833,402
Net change in fund balance	\$ (4,494,384)	\$ 6,448,550	\$ 7,249,265	\$ 4,434,221	\$ 7,620,828	\$ (7,200,645)	\$ 17,883,719	\$ 4,994,215	\$ 3,604,608	\$ 5,099,815
Debt service as percentage of non-capital expenditures	3.3%	5.4%	5.8%	7.7%	8.0%	7.9%	7.0%	7.4%	8.3%	8.9%

Town of Smyrna, Tennessee
 Revenue Capacity Information
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years

Schedule 5

Fiscal year	Appriased value					Assessed value	Total direct tax rate*
	Public utilities	Commerical and industrial	Personal property	Residential, farm, and exempt	Total		
2025	\$ 122,592,625	\$ 3,243,515,301	\$ 1,333,484,822	\$ 6,247,339,248	\$ 10,946,931,996	\$ 2,811,519,815	\$ 0.5257
2024	126,583,718	3,016,627,015	1,417,341,883	4,999,380,332	9,559,332,948	2,936,712,247	0.5257
2023	119,345,233	2,886,994,590	882,007,647	4,841,374,880	8,729,722,350	2,681,838,044	0.5257
2022	100,810,179	2,049,661,704	710,967,653	3,740,087,076	6,601,526,612	1,787,414,605	0.7007
2021	89,537,931	1,991,719,065	650,419,877	3,477,098,130	6,208,775,003	1,687,635,165	0.7007
2020	84,592,942	1,742,458,645	565,965,720	2,935,456,944	5,328,474,251	1,637,562,229	0.7007
2019	76,872,515	1,693,065,875	481,941,567	2,821,113,036	5,072,992,993	1,560,641,932	0.7007
2018	60,744,696	1,472,870,638	447,984,669	2,224,624,743	4,206,224,746	1,190,402,066	0.8840
2017	49,397,267	1,014,184,934	385,529,250	2,212,237,277	3,661,348,728	1,130,249,953	0.8840
2016	50,973,662	1,000,642,356	328,359,756	2,125,016,852	3,504,992,626	1,090,555,706	0.8840

Property is assessed as follows

Industrial and commercial	
Real	40%
Personal	30%
Public utility	55%
Farm and residential	25%

* Per \$100 of assessed valuation

Note to Schedule

Property of the Town is reappraised frequently. For this reason, appraised value is considered equal to actual value. Property was reappraised in tax years 2019 and 2023.

Town of Smyrna, Tennessee
 Revenue Capacity Information
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years

Schedule 6

Fiscal year	Direct rate		Overlapping rate		Total
	Town*	County**			
2025	\$ 0.5257	\$ 1.8762	\$	2.4019	
2024	\$ 0.5257	\$ 1.8762	\$	2.4019	
2023	\$ 0.5257	\$ 1.6162	\$	2.1419	
2022	\$ 0.7007	\$ 2.2194	\$	2.9201	
2021	\$ 0.7007	\$ 2.2194	\$	2.9201	
2020	\$ 0.7007	\$ 2.2194	\$	2.9201	
2019	\$ 0.7007	\$ 2.0994	\$	2.8001	
2018	\$ 0.8840	\$ 2.6800	\$	3.5640	
2017	\$ 0.8840	\$ 2.6800	\$	3.5640	
2016	\$ 0.8840	\$ 2.6800	\$	3.5640	

* Source: County Tax Assessor

There are no components of the Town direct tax rate.

**Levied on County property within the Town.

Per \$100 of assessed valuation

Town of Smyrna, Tennessee
 Revenue Capacity Information
 Principal Property Taxpayers
 Current Year and Nine Years Ago

Schedule 7

	2025			2016		
	Taxable assessed value	Rank	Percent of total assessed value	Taxable assessed value	Rank	Percent of total assessed value
Taxpayer						
Nissan North America	\$ 150,583,512	1	5.36%	\$ 23,975,347	1	2.27%
Prologis L.P.	48,574,000	2	1.73%	17,734,200	3	1.68%
Topre America Corporation	38,414,613	3	1.37%	-		0.00%
Depot Apartments Owner LLC	28,240,000	4	1.00%	-		0.00%
Grand Oak 1 LLC	28,240,000	5	1.00%	-		0.00%
HCA Health Services	25,731,315	6	0.92%	21,452,720	2	2.03%
Taylor Farms Tennessee	25,386,755	7	0.90%	9,292,980	9	0.88%
MAA BRIK	25,000,000	8	0.89%	13,064,040	4	1.23%
Wop Sterling LLC	24,800,320	9	0.88%	-		0.00%
Star Stoneridge LLC	23,400,000	10	0.83%	12,920,000	5	1.22%
Vi Jon, Inc.	-		0.00%	11,109,195	6	1.05%
Industrial Development Board	-		0.00%	10,209,720	7	0.96%
Capref Smyrna LLC	-		0.00%	9,871,960	8	0.93%
Middle Tennessee Electric	-		0.00%	8,525,565	10	0.81%
Totals	\$ 418,370,515		14.88%	\$ 138,155,727		13.06%
Total assessed value	\$ 2,811,519,815			\$ 1,058,010,712		

Notes to Schedule

Property of the Town is reappraised frequently. For this reason, appraised value is considered equal to actual value.

This data is sourced from the Town tax rolls.

Town of Smyrna, Tennessee
 Revenue Capacity Information
 Property Tax Levies and Collections
 Last Ten Fiscal Years

Schedule 8

Fiscal years	Total tax levy	Current tax collections	Percent collected	Delinquent tax collections	Total collections	Total collected as percent of current levy	Outstanding delinquent taxes	Outstanding delinquent taxes as percent of levy
2025	\$ 14,777,988	\$ 14,483,777	98.01%	\$ -	\$ 14,483,777	98.01%	\$ 294,211	2.03%
2024	15,474,770	14,716,343	95.10%	256,347	14,972,690	96.76%	502,080	3.35%
2023	14,165,106	13,570,155	95.80%	117,345	13,687,500	96.63%	477,606	3.49%
2022	12,574,395	12,438,177	98.92%	116,517	12,554,694	99.84%	19,701	0.16%
2021	11,848,872	11,710,486	98.83%	128,350	11,838,836	99.92%	10,036	0.08%
2020	11,443,406	11,269,205	98.48%	164,211	11,433,416	99.91%	9,990	0.09%
2019	10,943,576	10,674,286	97.54%	260,644	10,934,930	99.92%	8,646	0.08%
2018	10,539,436	10,413,926	98.81%	116,338	10,530,264	99.91%	9,172	0.09%
2017	10,007,529	9,882,560	98.75%	116,281	9,998,841	99.91%	8,688	0.09%
2016	9,645,439	9,370,811	97.15%	265,470	9,636,281	99.91%	9,158	0.10%
							\$ 1,349,288	

Notes to Schedule

Taxes are assessed as of January 1 and are due on October 1 each year.

Taxes become delinquent on February 28 of the following year.

Town of Smyrna, Tennessee
 Debt Capacity Information
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years

Schedule 9

Fiscal year	Population*	Governmental activities					Business activities		Total primary government	Percent of personal income	Debt per capita
		General obligation bonds	Capital outlay notes	SBITA	Leases	Unamortized Premiums	Water/Sewer bonds	Water/Sewer revolving loan			
2025	59,302	\$ 15,525,000	\$ -	\$ -	\$ 3,349,932	\$ 1,205,223	\$ 1,427,695	\$ 43,155,456	\$ 64,663,306	2.98%	\$ 1,090
2024	57,418	16,385,000	227,401	93,624	3,510,299	1,382,408	2,840,866	44,342,450	68,782,048	3.40%	1,198
2023	56,516	18,155,000	453,667	-	3,669,953	1,609,006	7,471,252	39,256,581	70,615,459	3.72%	1,249
2022	55,518	21,693,539	-	-	3,803,293	1,848,539	12,054,574	34,529,083	73,929,028	4.66%	1,332
2021	53,262	24,687,545	-	-	-	2,162,547	16,535,330	29,006,062	72,391,484	4.95%	1,359
2020	52,324	27,480,400	-	-	-	2,385,402	20,850,750	10,446,933	61,163,485	4.47%	1,169
2019	51,519	30,125,711	-	-	-	2,602,509	25,094,659	4,095,742	61,918,621	4.78%	1,202
2018	50,183 ***	12,499,969	-	-	-	3,294,268	29,556,568	2,973,260	48,324,065	3.55%	963
2017	48,596	14,727,713	-	-	-	704,567	32,735,382	3,149,935	51,317,597	4.24%	1,056
2016	47,521	17,252,315	-	-	-	793,070	36,400,810	3,287,260	57,733,455	4.25%	1,215

Notes to Schedule

Details of the Town's debt can be found in note 10 of the financial statements.

Personal income information is on Schedule 14.

Bond obligations include applicable premiums and discounts.

* Population is based on Town Planning Department estimates, except in years when a census is taken.

** Census year

*** US Census Bureau

Town of Smyrna, Tennessee
Debt Capacity Information
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Schedule 10

Fiscal year	Population*	Estimated actual value	Governmental activities general obligation bonds	Business activities general obligation bonds	Available debt service funds	Net general obligation debt	Ratio of net general obligation debt to actual value	Net general obligation debt per capita
2025	59,302	\$ 10,946,931,996	\$ 15,525,000	\$ 1,427,695	\$ 1,014,826	\$ 15,937,869	0.15%	\$ 269
2024	57,418	9,559,332,948	16,385,000	2,840,866	1,110,628	18,115,238	0.19%	315
2023	56,516	8,729,722,350	18,155,000	7,471,252	1,200,610	24,425,642	0.28%	432
2022	55,518	6,601,526,612	21,693,539	12,054,574	1,291,978	32,456,135	0.49%	585
2021	53,262 ***	6,208,775,003	24,687,545	16,535,330	1,377,616	39,845,259	0.64%	748
2020	52,324	5,328,474,251	27,480,400	19,600,750	1,463,168	45,617,982	0.86%	872
2019	51,519	5,072,992,993	30,125,711	22,644,659	1,543,628	51,226,742	1.01%	994
2018	50,183 **	4,206,224,746	12,499,969	23,661,568	1,624,048	34,537,489	0.82%	688
2017	48,596	3,661,348,728	14,727,713	2,154,463	1,704,368	15,177,808	0.41%	312
2016	47,521	3,504,992,626	17,252,315	2,915,936	1,779,574	18,388,677	0.52%	387

Notes to Schedule

The above general obligation debt includes the capital outlay notes since they are required to be paid from the tax base of the Town.

Debt includes any applicable premiums or discounts.

There have been no resources externally restricted for the payment of the above debt.

* Population is based on Town Planning Department estimates, except in years when a census is taken.

** Census year

*** US Census Bureau

Town of Smyrna, Tennessee
 Debt Capacity Information
 Direct and Overlapping Governmental Activities Debt

Schedule 11

Jurisdiction	Debt outstanding**	Percentage applicable to Town*	Amount applicable to Town*
Town of Smyrna	\$ 20,080,155	100.00%	\$ 20,080,155
Rutherford County	590,598,386	17.40% *	102,764,119
Total	<u>\$ 610,678,541</u>		<u>\$ 122,844,274</u>

* Based upon assessed value of property in:

County	\$ 16,162,650,388
Town	\$ 2,811,519,815

** Debt includes premiums

Notes to schedule

The percentage of overlapping debt applicable to the Town is estimated using the above assessed property tax values. Applicable percentages were estimated by determining the portion of the county's assessed value that is within the Town's boundaries and dividing it by the county's total assessed value.

Town of Smyrna, Tennessee
 Debt Capacity Information
 Debt Margin Information
 Last Ten Fiscal Years

Schedule 12

Fiscal Year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Assessed value	\$ 2,811,519,815	\$ 2,936,712,247	\$ 2,681,838,044	\$ 1,787,414,605	\$ 1,687,635,165	\$ 1,637,562,229	\$ 1,560,641,932	\$ 1,190,402,066	\$ 1,130,249,953	\$ 1,090,555,706
General obligation	\$ 16,952,695	\$ 19,225,866	\$ 25,626,252	\$ 32,456,137	\$ 39,845,260	\$ 45,617,984	\$ 51,226,744	\$ 34,537,489	\$ 15,177,808	\$ 18,388,677
Debt as percentage of assessed value	0.60%	0.65%	0.96%	1.82%	2.36%	2.79%	3.28%	2.90%	1.34%	1.69%

Note to Schedule

The Town has no legal debt limit.

Town of Smyrna, Tennessee
Debt Capacity Information
Pledged, Revenue Coverage
Last Ten Fiscal Years

Schedule 13

Water and Sewer Enterprise Fund

Year	Gross revenues*	Direct operating expenses**	Net revenues available for debt service	Debt service requirements			Coverage
				Principal	Interest***	Total	
2025	\$ 30,056,624	\$ 16,249,331	\$ 13,807,293	\$ 3,036,683	\$ 602,159	\$ 3,638,842	3.79%
2024	27,803,011	14,923,843	12,879,168	2,954,645	688,034	3,642,679	3.54%
2023	26,294,113	13,863,715	12,430,398	5,323,312	660,160	5,983,472	2.08%
2022	24,092,646	13,120,737	10,971,909	4,711,943	1,144,919	5,856,862	1.87%
2021	22,954,942	10,829,297	12,125,645	3,969,164	1,087,256	5,056,420	2.40%
2020	22,708,188	10,258,687	12,449,501	3,914,372	1,177,279	5,091,651	2.45%
2019	22,194,509	9,808,283	12,386,226	4,102,085	1,304,360	5,406,445	2.29%
2018	21,098,143	9,771,348	11,326,795	3,868,001	996,778	4,864,779	2.33%
2017	20,531,783	9,343,557	11,188,226	3,752,059	1,395,154	5,147,213	2.17%
2016	18,942,651	8,252,356	10,690,295	3,656,485	1,395,154	5,051,639	2.12%

Notes to schedule

* Includes non-operating revenues (does not include gain and/or loss on sale of capital assets)

** Net of depreciation and amortization

*** Does not include refunding amounts of \$1,470,000 for 2014 and \$22,119,450 for 2018

**** Does not include amortization of deferred charges on refundings and premiums

Town of Smyrna, Tennessee
Demographic and Economic Statistics
Last Ten Calendar Years

Schedule 14

Year	Population	Personal income	Per capita income	Median age**	School enrollment***	Unemployment rate ***
2025	59,302 ****	\$ 2,172,558,895	\$ 36,636 ****	35.1	16,981	2.9%
2024	57,418 ****	2,022,632,306	35,226 ****	33.9	16,836	2.2%
2023	56,516 ****	1,896,055,284	33,549 ****	34.4	16,335	2.8%
2022	55,518 ****	1,585,705,116	28,562 ****	33.8	16,052	2.6%
2021	53,262 ****	1,461,456,018	27,439 ****	35.2	15,896	4.5%
2020	52,324 ****	1,368,115,628	26,147 ****	34.7	15,243	9.1%
2019	51,519 ****	1,296,321,078	25,162 **	33.1	15,227	2.3%
2018	50,183 **	1,361,665,522	27,134 ****	34.3	15,090	3.3%
2017	48,596 *	1,210,088,996	24,901 **	34.0	14,220	3.4%
2016	47,521 ****	1,356,962,155	28,555 ****	35.0	14,141	4.1%

Notes to schedule

* Census Year

** US Census Bureau

*** Rutherford County Board of Education

**** Rutherford County Chamber of Commerce and Town, County, and State Planning Offices

Personal income is a calculation of per capita income and population.

Town of Smyrna, Tennessee
Demographic and Economic Information
Principal Employers
Current Year and Nine Years Ago

Schedule 15

	2025			2016		
	Employees	Rank	Percentage	Employees	Rank	Percentage
Taxpayer						
Nissan North America	8,500	1	56.40%	8,400	1	56.13%
Taylor Farms Tennessee	1,700	2	11.28%	1,000	3	6.68%
Asurion	1,250	3	8.29%	1,250	2	8.35%
TriStar StoneCrest Medical Center	955	4	6.34%	900	5	6.01%
Vi Jon (Cumberland Swan)	737	5	4.89%	728	6	4.87%
Square D/Schneider Electric	515	6	3.42%	900	4	6.01%
Federal Mogul	505	7	3.35%	500	7	3.34%
VA Mid-South CPAC	315	9	2.09%	456	9	3.05%
Franke Foodservice Systems	300	8	1.99%	350	10	2.34%
Smyrna Ready Mix	295	10	1.96%			
WWL Vehicle Service Americas	-		0.00%	480	8	3.21%
Total	15,072			14,964		

Notes to Schedule

Source: Rutherford County Chamber of Commerce

The percentages reflect the percentage of each employer's number of employees as a percentage of the top ten employers for that year

The Town's total employment is not available.

Town of Smyrna, Tennessee
 Operating Information
 Full-time Equivalent Town Government Employees by Function/Program
 Last Ten Fiscal Years

Schedule 16

Function	Full-time equivalent employees as of June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General government										
Administration	11.0	10.0	10.0	9.0	10.0	10.0	8.0	8.0	6.0	6.0
Finance	15.8	15.0	15.0	14.0	14.8	15.6	14.6	15.8	15.8	15.6
Personnel	6.0	6.0	5.8	6.0	5.8	5.8	4.8	4.0	4.0	3.0
Planning and codes	15.8	15.8	15.8	14.8	15.0	13.0	13.0	12.0	11.0	10.0
IT services	8.0	8.0	7.0	7.0	5.0	7.0	7.0	7.0	5.0	5.0
Courts	14.0	14.0	16.0	14.0	15.0	16.0	15.0	15.0	15.0	14.0
Building and grounds	9.0	9.0	8.8	9.0	8.8	8.0	8.0	8.0	7.0	7.0
Legislative	5.6	5.6	5.6	5.6	5.6	5.6	5.6	4.8	5.6	5.6
Public safety										
Police										
Officers	112.0	107.8	101.8	88.0	92.0	90.0	84.0	81.0	78.0	77.0
Civilians	27.0	27.0	24.0	18.6	18.0	25.0	24.0	21.0	21.0	21.0
Fire										
Firefighters	105.0	106.0	100.0	94.0	96.0	96.0	88.0	82.0	84.0	84.0
Civilians	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Highways and streets	14.8	15.4	15.4	13.8	12.8	14.8	12.8	14.8	13.8	12.8
Stormwater	15.0	17.0	17.0	15.0	15.0	12.0	11.0	10.0	10.0	9.0
Recreation										
Parks	76.0	74.5	71.5	50.8	56.3	48.1	57.9	53.6	49.6	28.1
Golf course	22.2	21.4	22.7	18.6	20.0	22.6	21.0	21.6	20.8	16.6
Community development	17.7	14.3	18.2	10.2	10.8	11.6	16.4	19.0	15.6	14.8
Water and sewer	56.0	53.0	51.0	48.0	45.0	43.0	46.0	46.0	42.0	42.0
Natural gas	19.0	19.0	19.0	19.0	19.0	18.0	18.0	19.0	18.0	17.0
Total	551.9	540.8	526.6	457.4	466.9	464.1	457.1	444.6	424.2	390.5

Source: Town departments

Town of Smyrna, Tennessee
 Operating Information
 Operating Indicators by Function/Program
 Last Ten Fiscal Years

Schedule 17

Function	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental activities										
Court										
General sessions cases	4,682	4,868	4,392	4,142	6,943	20,080	20,569	10,973	14,361	6,353
Traffic court cases	10,755	7,671	9,507	9,474	8,032	11,200	10,505	10,356	8,489	8,100
Juvenile court cases *	524	373	408	395	369	619	848	681	694	559
Planning and codes										
Building permits issued	1,225	1,196	1,196	1,005	1,428	1,288	887	844	915	933
Site plans reviewed	36	34	48	55	39	27	26	50	39	30
Zoning/annexation requests	22	34	37	33	38	35	39	39	22	18
Administration										
Population served per employee	107	106	107	121	114	110	106	105	107	119
Finance										
Checks processed	5,597	5,510	5,407	5,144	6,483	7,087	6,245	5,896	5,859	5,203
Amount purchased on competitive bid (in \$millions)	\$18.00	\$23.00	\$29.68	\$26.02	\$37.40	\$24.53	\$14.58	\$6.98	\$7.76	\$4.23
Treasury										
Total number of utility payments	194,640	190,121	183,698	181,448	179,405	174,074	142,886	94,350	98,545	100,628
Total number of other payments	13,815	14,347	8,817	10,301	13,560	10,982	8,010	95,850	111,590	104,777

Continued

* Juvenile court began in 2016.

** In 2019, the County began property tax collections for the Town. There were also changes regarding how payments are processed. Certain miscellaneous utility payments that were previously included in other payments are now included in utility payments.

Town of Smyrna, Tennessee
 Operating Information
 Operating Indicators by Function/Program
 Last Ten Fiscal Years

Schedule 17, continued

Function	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Human resources										
Personnel turnover rate	16.0%	18.0%	19.7%	21.0%	13.5%	19.6%	20%	18%	15%	17%
New hires	138	130	127	136	119	73	123	105	108	75
Vehicle maintenance										
Number of vehicles maintained	287	278	240	237	235	230	266	203	199	292
Pieces of equipment maintained	192	167	108	105	102	102	95	78	78	176
Public safety										
Police										
Average response time (in minutes)	8:42	6:02	6:03	6:22	4:50	4:38	6:49	6:40	6:23	6:27
Police calls per 1,000 population	1,122	805	1,112	1,097	1,082	1,172	1,240	552	481	491
Fire										
Average response time (in minutes)	20:51	12:00	7:29	7:52	12:23	12:42	6:31	6:28	6:41	6:14
Dispatch calls for service	6,110	3,072	2,901	2,841	2,800	2,668	2,211	2,074	1,904	1,870
Culture and recreation										
Parks and recreation										
Number of park users	1,728,488	2,063,877	1,698,223	1,647,712	1,472,025	1,069,212	1,655,518	1,555,815	1,333,678	1,106,680
Number of SOAC/pool users	56,727	68,725	60,735	56,941	20,051	-	-	-	-	-
Number of league participants	9,534	6,447	5,916	5,824	5,986	2,597	5,769	7,397	7,077	6,910
Town centre										
Number of functions	237	219	198	172	62	65	275	303	321	376
Golf course										
Total rounds	46,381	45,799	41,986	40,088	41,247	25,394	28,508	32,516	31,341	32,978

Continued

Town of Smyrna, Tennessee
 Operating Information
 Operating Indicators by Function/Program
 Last Ten Fiscal Years

Schedule 17, Continued

Function	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Business-type activities										
Water treatment plant										
Gallons treated (in millions)	4,236	4,536	4,266	4,155	4,172	4,013	4,000	3,776	3,363	3,366
Customers	16,774	16,291	15,738	15,629	15,421	15,080	14,738	14,724	14,522	13,720
Waste water treatment plant										
Gallons treated (in millions)	2,185	2,118	2,298	2,230	2,094	2,375	2,075	2,107	2,198.70	2,180.20
Customers	19,920	19,078	17,982	17,783	17,355	16,520	14,124	15,485	15,070	14,021
Natural gas										
Customers	12,685	12,340	11,736	11,664	11,592	11,390	11,057	10,769	10,792	10,048

Source: Town departments

Town of Smyrna, Tennessee
 Operating Information
 Capital Assets Statistics by Function/Program
 Last Ten Fiscal Years

Schedule 18

Function	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental activities										
General government										
Planning and codes										
Vehicles	11	10	12	11	10	8	8	9	5	5
Engineering										
Vehicles	2	2	1	1	1	1	1	1	-	-
Building and grounds maintenance										
Traffic signals	60	59	57	55	52	51	50	50	50	50
Shop	1	1	1	1	1	1	1	1	1	1
Vehicles	11	11	13	10	10	9	9	8	8	8
Administration										
Town Hall	1	1	1	1	1	1	1	1	1	1
Vehicles	-	1	1	1	1	1	1	1	1	1
Information services										
Vehicles	2	2	1	2	2	2	2	2	2	2
Stormwater										
Vehicles	22	23	9	9	8	6	5	5	5	4
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	117	112	120	110	102	90	81	76	77	79
Fire										
Stations	6	6	6	6	6	6	6	6	6	6
Vehicles	28	27	25	26	26	25	24	25	22	22
Highways and streets										
Streets (miles)	499.51	494.69	290.6	282.8	279.02	268.73	257	255.1	246.7	238
Salt storage bin	1	1	1	1	1	1	1	1	1	1
Shop	1	1	1	1	1	1	1	1	1	1
Vehicles	7	9	23	23	22	21	22	21	21	21

Continued

Town of Smyrna, Tennessee
 Operating Information
 Capital Assets Statistics by Function/Program
 Last Ten Fiscal Years

Schedule 18, Continued

Function	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental activities										
General government										
Cultural and recreation										
Parks and recreation										
Acres	801	826	826	820	826	826	826	826	822	822
Parks	13	13	13	13	13	13	12	12	12	12
Picnic areas (shelters)	21	21	21	21	21	21	20	20	20	19
Tennis courts	12	6	6	6	6	6	6	6	6	6
Racquetball courts	-	-	-	-	-	-	-	-	-	-
Practice areas	6	7	7	7	8	8	8	8	8	8
Soccer fields	13	13	13	13	13	13	13	10	10	10
Softball fields	8	8	6	6	6	6	6	6	6	6
Football fields	2	2	2	2	2	2	2	2	2	2
Baseball fields	7	7	7	7	7	7	5	5	5	5
Playgrounds	16	16	12	12	11	10	9	9	9	8
Shop	2	2	2	2	2	1	1	1	1	1
Pools	3	3	3	3	3	3	3	3	3	1
Splashpad	1	1	1	1	1	1	1	1	1	1
Workout facility	-	-	-	-	-	-	-	-	-	-
Trails and greenways (miles)	14	14	14	14	14	14	14	12	12	12
Disc golf course	1	1	1	1	1	1	1	1	1	1
Community center building	1	1	1	1	1	1	1	1	1	1
Assembly hall	1	1	1	1	1	1	1	1	1	1
Train depot	1	1	1	1	1	1	1	1	1	1
Outdoor adventure center	1	1	1	1	1	1	1	1	1	-
Vehicles	25	25	22	22	22	17	16	16	15	15
Tower slides	2	2	2	2	2	2	2	2	1	1
Kuss memorial	1	1	1	1	1	1	1	1	-	-
Mountain bike trail	1	1	-	-	-	-	-	-	-	-

Continued

Town of Smyrna, Tennessee
 Operating Information
 Capital Assets Statistics by Function/Program
 Last Ten Fiscal Years

Schedule 18, Continued

Function	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental activities										
General government										
Cultural and recreation										
Event center										
Banquet facility	1	1	1	1	1	1	1	1	1	1
Golf course										
Acres	211	211	211	211	211	211	211	211	211	211
Clubhouse	1	1	1	1	1	1	1	1	1	1
Maintenance facility	1	1	1	1	1	1	1	1	1	1
Regulation course	1	1	1	1	1	1	1	1	1	1
Executive course	1	1	1	1	1	1	1	1	1	1
Vehicles	1	1	1	1	1	1	1	1	1	1
Business-type activities										
Water treatment plant										
Plant	1	1	1	1	1	1	1	1	1	1
Storage tanks	7	7	7	7	7	7	7	7	7	7
Hydrants	1,966	1,898	1,806	1,777	1,863	1,828	1,792	1,786	1,765	1,765
Shop	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Vehicles	20	18	19	17	17	17	15	17	17	17
Waste water treatment plant										
Plant	1	1	1	1	1	1	1	1	1	1
Shop	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Vehicles	25	22	21	19	20	21	19	19	16	16
Natural gas										
Miles of main	315	310.75	298.67	295.22	292	289	282.98	277.98	273.63	268.6
Shop	1	1	1	1	1	1	1	1	1	1
Vehicles	15	14	15	15	13	12	13	13	11	10

Source: Town departments

Note to Schedule

The Town changed from centerline miles to lane miles in 2024.

Internal Control and Compliance Section



**Independent Auditor's Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

Honorable Mayor and Town Council
Town of Smyrna, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the 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, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents, and have issued our report thereon dated December 23, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Blankenship CPA Group, PLLC

Blankenship CPA Group, PLLC
Brentwood, Tennessee
December 23, 2025



**Independent Auditor’s Report on Compliance for Each Major Federal Program
and on Internal Control Over Compliance Required by the Uniform Guidance**

Honorable Mayor and Town Council
Town of Smyrna, Tennessee

**Report on Compliance for Each Major Federal Program
*Opinion on Each Major Federal Program***

We have audited the Town of Smyrna, Tennessee’s (the Town) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Town’s major federal programs for the year ended June 30, 2025. The Town’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 *US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Town’s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Town's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Blankenship CPA Group, PLLC

Blankenship CPA Group, PLLC
Brentwood, Tennessee
December 23, 2025

Town of Smyrna, Tennessee
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended June 30, 2025

Grantor / Pass-through Grantor	Program name	Assistance Listing	Contract number	Expenditures	Passed through to subrecipients
Federal Awards					
Department of Justice / N/A - Direct	Bulletproof Vest Program - Justice Assistance Grants	16.607	N/A	\$ 9,950	\$ -
Department of Homeland Security / N/A - Direct	Assistance to Firefighters	97.044	N/A	1,418	-
Tennessee Department of Finance and Administration	State and Local Cybersecurity Grant Program	97.137	31701-03483	28,895	
Department of Transportation / N/A - Direct	Safe Streets and Roads for All	20.939	693JJ32340236	202,140	-
Tennessee Department of Transportation	Highway Planning and Construction (Federal-Aid Highway Program)	20.205	STP-M-9315(12)	36,072	-
Tennessee Department of Transportation	Highway Planning and Construction (Federal-Aid Highway Program)	20.205	CM-9315(11)	983,154	-
Tennessee Department of Transportation	Highway Planning and Construction (Federal-Aid Highway Program)	20.205	CM-266(30)	238,079	-
Tennessee Department of Transportation	Highway Planning and Construction (Federal-Aid Highway Program)	20.205	STP-M-NH-1(352)	11,515	-
	Total Highway Planning and Construction (Federal-Aid Highway Program)			1,268,820	-
National Highway Traffic Safety Administration / Tennessee Department of Safety and Homeland Security	<u>Highway Safety Cluster</u> State and Community Highway Safety	20.600	Z24THS263	15,851	-
	State and Community Highway Safety	20.600	Z25THS278	36,049	-
	Total Highway Safety Cluster			51,900	-
Department of the Treasury / Tennessee Department of Environment and Conservation	Covid 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	20-1892-0-1-806	2,043,413	-
Environmental Protection Agency TN Office of State and Local Finance TDEC Total federal awards	Capitalization Grants for Clean Water State Revolving Funds	66.458	SRF 2022-472	620,200 4,226,736	- -
State Financial Assistance					
TN Office of Criminal Justice Programs	Violent Crime Intervention Fund		N/A	49,352	-
TN Department of Commerce and Insurance	TLETA Cost Sharing Grant		N/A	65,000	-
TN Department of Commerce and Insurance	TLETA Recruitment and Retention Grant		N/A	53,000	-
TN Department of Finance and Administration	State and Local Cybersecurity Grant Program		N/A	3,211	-
TN Department of Environmental Conservation	Local Parks and Recreation Fund (LPRF) Grant		N/A	578,102	-
	Total state financial assistance			748,665	-
Total federal awards and state financial assistance				\$ 4,975,400	\$ -

Continued

Town of Smyrna, Tennessee
 Schedule of Expenditures of Federal Awards and State Financial Assistance
 For the Year Ended June 30, 2025

Notes to Schedule

Note 1. Basis of Presentation

This schedule of expenditures of federal awards and state financial assistance summarizes the expenditures of the Town under programs of the federal and state governments for the year ended June 30, 2025. The information in this schedule is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, change in net position, or cash flows of the Town. Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 2. Indirect Cost Rate

The Town has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3. Loans Outstanding

At June 30, 2025, loan program outstanding balances were as follows:

Capitalization Grants for Drinking Water State Revolving Funds	DWA 14-154	\$ 54,708
Capitalization Grants for Drinking Water State Revolving Funds	CGO 2010-258	137,436
Capitalization Grants for Drinking Water State Revolving Funds	DG9 2021-231	2,269,835
Capitalization Grants for Drinking Water State Revolving Funds	DWF22-246	2,320,832
Capitalization Grants for Drinking Water State Revolving Funds	DWF22-246-01	445,003
Capitalization Grants for Clean Water State Revolving Funds	CWA 14-343	150,376
Capitalization Grants for Clean Water State Revolving Funds	CGA 2009-234	1,240,314
Capitalization Grants for Clean Water State Revolving Funds	CG7 2019-423	2,321,562
Capitalization Grants for Clean Water State Revolving Funds	SRF 2020-438	16,028,586
Capitalization Grants for Clean Water State Revolving Funds	SRF 2020-438-01	15,979,831
Capitalization Grants for Clean Water State Revolving Funds	CG20 22-474	741,593
Capitalization Grants for Clean Water State Revolving Funds	SRF 2023-481	1,017,730
Capitalization Grants for Clean Water State Revolving Funds	SRF 2022-472	<u>447,650</u>
		\$ 43,155,456

At June 30, 2025, there was a Department of Housing and Urban Development Home Investment Partnership grant note outstanding (Assistance Listing No. 14.239). In a prior fiscal year, the funds, in the amount of \$403,973, were passed through to a subrecipient. The grant note is forgivable, provided the Town continues to meet the terms of the grant. The remaining balance of the grant note is due in June 2032.

Town of Smyrna, Tennessee
Summary Schedule of Prior Year Findings
For the Year Ended June 30, 2025

Financial Statement Findings

Finding Number	Finding Title	Status
N/A	There were no prior findings reported	N/A

Federal Award Findings and Questioned Costs

Finding Number	Finding Title	Status
N/A	There were no prior findings reported	N/A

Town of Smyrna, Tennessee
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Section I. Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	_____ Yes	_____ X No	
Significant deficiency(ies) identified?	_____ Yes	_____ X	None Reported

Noncompliance material to financial statements noted? _____ Yes _____ X No

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?	_____ Yes	_____ X No	
Significant deficiency(ies) identified?	_____ Yes	_____ X	None Reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)? _____ Yes _____ X No

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster
20.205	Highway Planning and Construction (Federal-Aid Highway Program)
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs \$ 750,000

Auditee qualified as low-risk auditee? _____ Yes _____ X No

Section II. Financial Statement Findings

None

Section III. Federal Award Findings and Questioned Costs

None