

CITY OF SMYRNA, GEORGIA

ANNUAL FINANCIAL PLAN

For The Fiscal Year Beginning

July 1, 2010



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CITY OF SMYRNA, GEORGIA
FISCAL YEAR 2011 BUDGET SUMMARY
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FINANCIAL SUMMARIES AND STATISTICS

The purpose of this document is to provide the reader with an overview of the City's financial activity for the 2011 fiscal year. The consolidated budget and the individual fund totals, for both revenues and expenditures, are presented with comparative information from prior periods. Various line item comparisons are provided so that any trends or changes in focus can be clearly seen.

In addition, some of this information is provided in graph form to aid the user in understanding the budget. By demonstrating graphically where funds originate and how they will be spent, interrelationships are more easily seen.

Attempting to address the current economic climate, and according to current trends, the FY 2011 budget reflects conservative revenue forecasting. Property taxes are expected to decline 10% from the actual calendar year 2009 billings and motor vehicle, franchise and business license taxes & fees are expected to drop \$750,754 from the FY 2010 budget. To address the decline in revenue, the City made several budget cuts, improving operational efficiency.

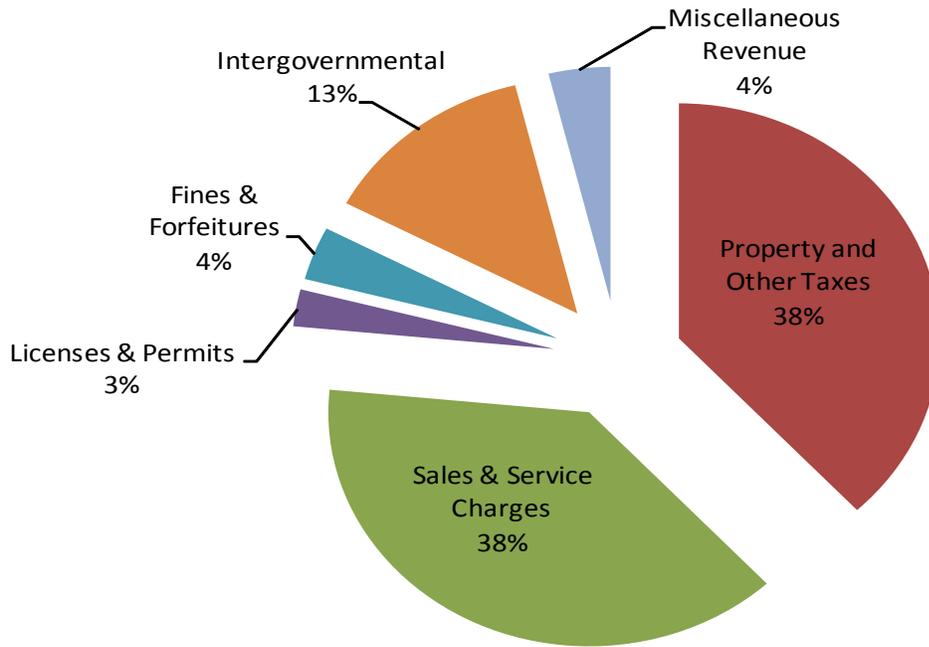
Notable budget highlights include:

- No employee salary increases, including the Mayor and Council.
 - A reduction in health insurance and workers compensation costs reflect current trends in recognition of cost reduction measures.
 - The elimination of 18 positions; 11 full time positions and 7 part time positions; these reductions were made possible, in part, by the following:
 - A consolidation of the Park's Facility division with Public Works.
 - Reorganizing Park's Administrative staffing.
 - Improving routing efficiency in the Sanitation and Recycling divisions.
 - Reducing operating hours at some City facilities.
 - Jail housing fees are budgeted at \$360,000, whereas no revenues were budgeted in FY 2010.
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STATEMENT OF REVENUES AND EXPENDITURES

	Actual FY 2009	Budget FY 2010	Budget FY 2011	General Fund Budget FY 2011	Special Revenue Budget FY 2011	Water - Sewer Budget FY 2011
Revenues:						
Taxes	\$ 25,986,063	\$ 26,812,752	\$ 24,817,800	\$ 23,947,659	\$ 870,141	\$ -
Sales and Service Charges	21,978,348	22,661,188	25,079,581	6,917,520	1,058,091	17,103,970
Licenses and Permits	1,826,310	2,018,625	1,657,220	1,657,220	-	-
Fines and Forfeitures	2,213,893	2,097,281	2,405,000	2,405,000	-	-
Intergovernmental	9,426,763	9,387,422	8,737,270	720,000	8,017,270	-
Investment earnings	107,290	47,468	38,000	20,000	4,000	14,000
Miscellaneous	4,182,124	2,128,262	2,125,578	2,121,578	-	4,000
Other Financing Sources	155,678	453,652	330,181	-	330,181	-
Total Revenues	<u>\$ 65,876,469</u>	<u>\$ 65,606,650</u>	<u>\$ 65,190,630</u>	<u>\$ 37,788,977</u>	<u>\$ 10,279,683</u>	<u>\$ 17,121,970</u>
Expenditures:						
General Government	\$ 10,199,119	\$ 26,388,585	\$ 26,547,486	\$ 15,269,145	\$ 109,000	\$ 11,169,341
Public Safety	\$ 14,881,268	13,890,428	13,926,183	12,359,356	1,566,827	-
Community Services	\$ 4,625,825	5,847,947	4,458,986	3,370,703	1,088,283	-
Public Works	\$ 12,948,840	19,479,690	20,257,975	6,789,773	7,515,573	5,952,629
Debt Service	452,095	-	-	-	-	-
Other Financing Uses	1,258,499	-	-	-	-	-
Personnel Services	1,324,437	-	-	-	-	-
Repairs & Maintenance	1,809,889	-	-	-	-	-
Supplies	7,163,992	-	-	-	-	-
Depreciation & Amortization	1,651,019	-	-	-	-	-
Other Costs	234,870	-	-	-	-	-
Operating Transfers Out	5,349,728	-	-	-	-	-
Total Expenditures	<u>\$ 61,899,581</u>	<u>\$ 65,606,650</u>	<u>\$ 65,190,630</u>	<u>\$ 37,788,977</u>	<u>\$ 10,279,683</u>	<u>\$ 17,121,970</u>

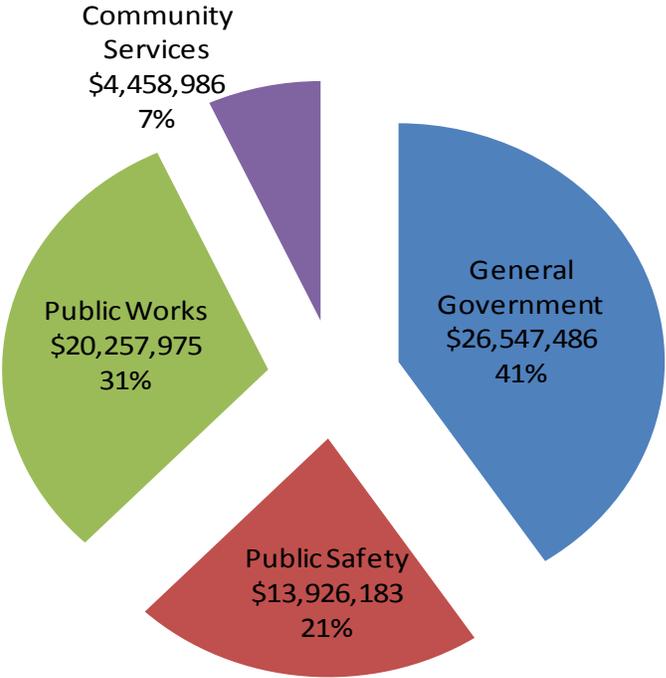
SUMMARY OF REVENUES BY SOURCE
CONSOLIDATED - ALL FUNDS
FY 2011



DETAIL OF REVENUES
CONSOLIDATED - ALL FUNDS

<u>Revenue Type:</u>	<u>Budget FY 2011</u>	<u>Budget FY 2010</u>	<u>Actual FY 2009</u>
Property and Other Taxes	\$ 24,817,800	\$ 26,812,752	\$ 26,062,361
Sales & Service Charges	\$ 25,079,581	22,661,188	21,978,348
Licenses & Permits	\$ 1,657,220	2,018,625	1,826,310
Fines & Forfeitures	\$ 2,405,000	2,097,281	2,213,893
Intergovernmental	\$ 8,737,270	9,387,422	9,426,763
Miscellaneous Revenue	\$ 2,493,759	2,629,382	7,647,015
Total Revenue:	<u>\$ 65,190,630</u>	<u>\$ 65,606,650</u>	<u>\$ 69,154,690</u>

SUMMARY OF EXPENDITURES BY DIVISION
CONSOLIDATED - ALL FUNDS
FY 2011 \$65,190,630



**DETAIL OF EXPENDITURES BY DIVISION
CONSOLIDATED**

DIVISION	BUDGET FY 2011	BUDGET FY 2010	INCREASE (DECREASE)	PERCENT CHANGE
11100 Governing Body	\$ 263,907	\$ 286,464	\$ (22,557)	-7.87%
13200 City Administrator	518,395	607,922	(89,527)	-14.73%
15100 Financial Administration	622,990	641,032	(18,042)	-2.81%
15180 Debt Service	1,301,410	1,326,640	(25,230)	-1.90%
15350 Data Processing / MIS	564,386	519,192	45,194	8.70%
15400 Human Resources	355,110	369,715	(14,605)	-3.95%
15650 General Govt. Buildings & Plant	12,510,806	12,866,011	(355,205)	-2.76%
25000 Municipal Court	433,551	435,306	(1,755)	-0.40%
37000 Capital Projects Fund	109,000	-	109,000	100.00%
44100 Water Administration	580,473	523,433	57,040	10.90%
44200 Water Supply	9,287,458	8,812,870	474,588	5.39%
TOTAL GENERAL GOVERNMENT	\$ 26,547,486	\$ 26,388,585	\$ 158,901	0.60%
32100 Police Administration	\$ 6,605,085	\$ 6,542,359	\$ 62,726	0.96%
33250 Jail Operations	949,588	861,018	88,570	10.29%
21000 Confiscated Assets (MCS)	122,164	149,814	(27,650)	-18.46%
25000 Mutiple Grant Fund	54,391	71,161	(16,770)	-23.57%
35100 Fire Administration	4,216,306	4,212,157	4,149	0.10%
35300 Fire Prevention	290,729	297,956	(7,227)	-2.43%
35400 Fire Training	204,270	219,028	(14,758)	-6.74%
38000 E-911 Communications	1,390,272	1,441,042	(50,770)	-3.52%
39200 Emergency Management	93,378	95,893	(2,515)	-2.62%
TOTAL PUBLIC SAFETY	\$ 13,926,183	\$ 13,890,428	\$ 35,755	0.26%
42100 Highways & Streets Admin.	\$ 2,148,290	\$ 2,099,046	\$ 49,244	2.35%
20200 1% SPLOST	7,515,573	7,879,530	(363,957)	-4.62%
42700 Traffic Engineering	205,260	218,854	(13,594)	-6.21%
43100 Sanitary Administration	3,848,632	4,134,359	(285,727)	-6.91%
44400 Distribution (Water)	5,952,629	4,483,607	1,469,022	32.76%
45400 Recycling	274,826	339,601	(64,775)	-19.07%
49000 Maintenance and Shop	312,765	324,693	(11,928)	-3.67%
TOTAL PUBLIC WORKS	\$ 20,257,975	\$ 19,479,690	\$ 778,285	4.00%
45800 Keep Smyrna Beautiful	158,468	166,412	(7,944)	-4.77%
61100 Parks Administration	1,177,489	1,217,918	(40,429)	-3.32%
61200 Parks Programs	366,542	278,128	88,414	31.79%
61220 Parks Athletics & Aquatics	280,406	423,263	(142,857)	-33.75%
61490 Other Rec. Facil. (C.D.B.G.)	216,142	221,000	(4,858)	-2.20%
61720 Hotel - Motel (Community Relations)	872,141	1,166,418	(294,277)	-25.23%
62200 Park Facilities	-	873,989	(873,989)	-100.00%
65100 Library Administration	646,923	703,596	(56,673)	-8.05%
26100 Tax Allocation District (TAD)	-	91,729	(91,729)	-100.00%
72100 Community Development	740,875	705,494	35,381	5.02%
TOTAL COMMUNITY SERVICES	\$ 4,458,986	\$ 5,847,947	\$ (1,388,961)	-23.75%
TOTAL EXPENDITURES	\$ 65,190,630	\$ 65,606,650	\$ (416,020)	-0.63%

GENERAL FUND

The General Fund is the principal fund of the city and is used to account for all activities of the city not included in other specified funds.

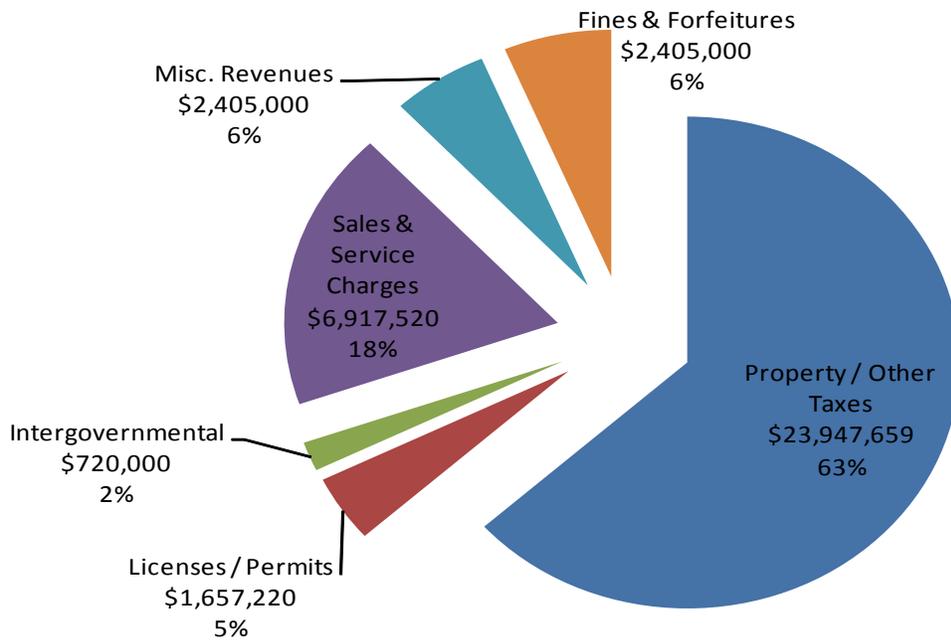
The General Fund reflects governmental activities of the city, such as police protection, fire protection, recreation, library, street repairs, sanitation service, and administration services. These activities are primarily funded through property taxes on individuals and businesses.

For Fiscal Year 2011 the General Fund budget of \$37,788,977 represents 58% of the total consolidated budget. The Fiscal Year 2010 budget was \$39,439,406; the FY 2011 budget reflects an overall decrease of 4.18% from the FY 2010 budget.

SUMMARY OF REVENUES BY SOURCE

GENERAL FUND

FY 2011 BUDGET \$37,788,977



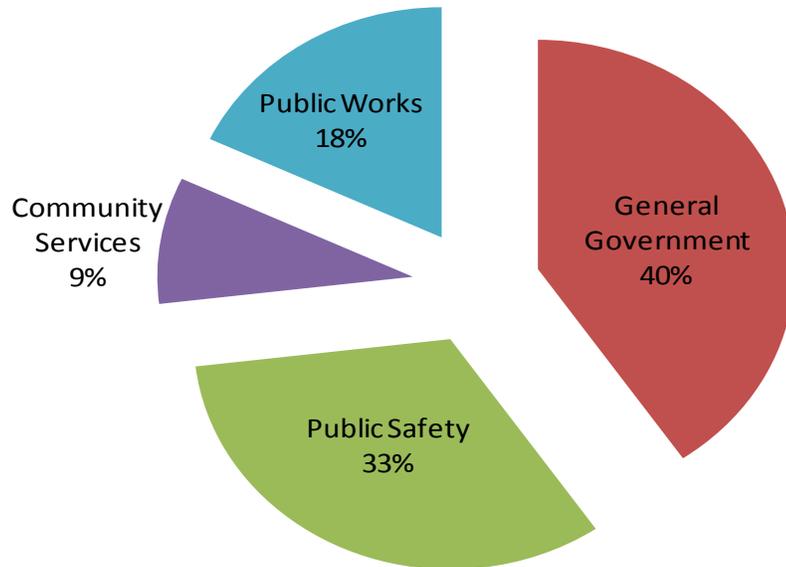
DETAIL OF REVENUES

GENERAL FUND

ACCOUNT DESCRIPTION	PROPOSED FY 2011	BUDGET FY 2010	ACTUAL FY 2009
Property Taxes - Current	15,860,437	\$ 17,409,932	16,630,672
Real Prop. - Public Utilities - Current	252,636	252,636	263,777
Property Taxes - Prior Year	100,000	100,000	114,676
Per. Prop. - Vehicles - Current	1,160,000	1,276,639	1,239,909
Intangibles Charge on Real Estate Loans	150,000	156,646	176,203
Railroad Equipment Tax	730	700	730
Real Estate Transfer	27,000	41,000	31,400
Franchise Taxes	3,100,000	3,323,808	3,224,221
Franchise Tax - Other Fox Creek	32,200	35,463	35,463
Accommodation Tax - Hotel/Motel	-	-	-
Alcoholic Beverage Excise Tax	593,000	614,332	618,204
Local Option Mixed Drink Tax	128,000	140,000	137,248
Insurance Premium Tax	2,273,000	2,295,000	2,294,640
Financial Institutions Tax	60,156	45,000	60,156
Pen. & Interest On Prop. Taxes	195,000	165,000	187,669
FI FAs	15,500	11,588	16,956
TOTAL PROPERTY / OTHER TAXES	<u>\$ 23,947,659</u>	<u>\$ 25,867,744</u>	<u>\$ 25,031,924</u>
Court Costs - Probation Fees	80,300	85,000	78,915
Court Costs - Other	4,700	4,100	3,969
Planning & Development Fees/Charges	12,000	14,500	13,810
Erosion and Sediment Fees	350	500	552
Printing and Duplicating Services	3,500	2,500	3,119
Map Sales	300	500	255
Accident Report Fees	51,000	60,120	59,007
Alarm Response Fees	17,000	19,050	17,573
Detention & Correction - Jail Housing	360,000	-	-
Emergency Management	12,300	8,756	8,756
Right-Of-Way- Permit Fee	12,000	-	-
Sanitation - Refuse Collection Charge	5,597,620	5,548,098	5,851,163
Sale of Recycled Material	3,000	42,000	22,887
Sanitation - Other Charges	15,000	10,000	24,368
Commercial Recycling	75,000	75,000	74,906
Library Use Fees	20,650	13,877	13,993
Activity Fees	-	240,336	264,748
Event Admission Fees	-	197,714	195,423
Program Fees	633,100	-	8,635
Other Culture/Rec. Fees and Charges	19,000	20,275	19,042
Bad Check Fees	100	-	-
Other Chrages - HR Copies	600	100	275
TOTAL SALES & SERVICE CHARGES	<u>6,917,520</u>	<u>\$ 6,342,426</u>	<u>\$ 6,661,396</u>

ACCOUNT DESCRIPTION	PROPOSED FY 2011	BUDGET FY 2010	ACTUAL FY 2009
Business Licenses - Alcohol	250,000	280,015	277,265
Business Licenses - General	1,125,000	1,505,292	1,319,202
Sign Permit	15,200	11,515	11,184
Motor Vehicle Operators Permit - Taxi	17,825	2,500	7,802
Alcohol Advertising Fee	6,895	5,264	6,775
Building Inspections	219,800	185,739	177,030
Plumbing Inspections	6,500	13,000	9,515
Electrical Inspections	4,700	3,500	4,216
Air Conditioning Inspections	4,500	2,800	2,880
Business License Penalty	6,800	9,000	10,439
TOTAL LICENSES AND PERMITS	\$ 1,657,220	\$ 2,018,625	\$ 1,826,308
Court - Municipal	2,100,000	\$ 1,815,506	1,933,136
Library Fines	30,000	16,924	17,647
Probation Fines	275,000	264,851	263,110
TOTAL FINES AND FORFEITURES	\$ 2,405,000	\$ 2,097,281	\$ 2,213,893
Intergovernmental Revenues	720,000	974,188	1,505,426
TOTAL INTERGOVERNMENTAL	\$ 720,000	\$ 974,188	\$ 1,505,426
Interest Income - Checking	20,000	20,000	34,093
Interest Income - Reserve	-	-	12,967
Rents and Royalties	175,000	150,000	186,185
Village Maintenance Fees	35,259	35,259	41,095
Telephone Commissions	2,000	2,000	2,114
Other Miscellaneous Revenue	25,000	100,000	36,898
Sale of General Fixed Assets	35,000	35,000	69,086
Transfers in Hotel/Motel	258,192	296,883	316,940
Operating Transfers in Water Fund	1,591,127	1,500,000	1,320,000
Capital Leases	-	-	-
Use of Unreserved Fund Balance	-	-	-
TOTAL INVESTMENT AND MISCELLANEOUS	\$ 2,141,578	\$ 2,139,142	\$ 2,019,378
TOTAL GENERAL FUND REVENUES	\$ 37,788,977	\$ 39,439,406	\$ 39,258,325

SUMMARY OF EXPENDITURES BY DEPARTMENT
GENERAL FUND
 FY 2010



SUMMARY OF EXPENDITURES BY DEPARTMENT
GENERAL FUND

<u>DEPARTMENT:</u>	<u>BUDGET FY 2011</u>	<u>BUDGET FY 2010</u>	<u>AMENDED FY 2009</u>
General Government	\$ 15,269,145	\$ 15,725,642 *	\$ 14,794,208
Public Safety	12,359,356	12,228,411 **	14,046,021
Community Services	3,370,703	4,368,800	4,835,818
Public Works	6,789,773	7,116,553	7,956,024
TOTAL REVENUE:	<u>\$ 37,788,977</u>	<u>\$ 39,439,406</u>	<u>\$ 41,632,071</u>

*Certain personnel and insurance costs were transferred to General Government causing the increase.

**Capital expenditures have been reduced resulting in the overall decrease.

DETAIL OF EXPENDITURES BY DIVISION

GENERAL FUND

DIVISION	BUDGET FY 2011	BUDGET FY 2010	INCREASE (DECREASE)	PERCENT CHANGE
11100 Governing Body	\$ 263,907	\$ 286,464	\$ (22,557)	-7.87%
13200 City Administrator	518,395	607,922	(89,527)	-14.73%
15100 Financial Administration	622,990	641,032	(18,042)	-2.81%
15350 Data Processing / MIS	564,386	519,192	45,194	8.70%
15400 Human Resources	355,110	369,715	(14,605)	-3.95%
15650 General Govt. Buildings & Plant	12,510,806	12,866,011	(355,205)	-2.76%
25000 Municipal Court	433,551	435,306	(1,755)	-0.40%
TOTAL GENERAL GOVERNMENT	\$ 15,269,145	\$ 15,725,642	\$ (456,497)	-2.90%
32100 Police Administration	\$ 6,605,085	\$ 6,542,359	\$ 62,726	0.96%
33250 Jail Operations	949,588	861,018	\$ 88,570	10.29%
35100 Fire Administration	4,216,306	4,212,157	\$ 4,149	0.10%
35300 Fire Prevention	290,729	297,956	(7,227)	-2.43%
35400 Fire Training	204,270	219,028	(14,758)	-6.74%
39200 Emergency Management	93,378	95,893	(2,515)	-2.62%
TOTAL PUBLIC SAFETY	\$ 12,359,356	\$ 12,228,411	\$ 130,945	1.07%
42100 Highways & Streets Admin.	\$ 2,148,290	\$ 2,099,046	\$ 49,244	2.35%
42700 Traffic Engineering	205,260	218,854	(13,594)	-6.21%
43100 Sanitary Administration	3,848,632	4,134,359	(285,727)	-6.91%
45400 Recycling	274,826	339,601	(64,775)	-19.07%
49000 Maintenance and Shop	312,765	324,693	(11,928)	-3.67%
TOTAL PUBLIC WORKS	\$ 6,789,773	\$ 7,116,553	\$ (326,780)	-4.59%
45800 Keep Smyrna Beautiful	158,468	166,412	(7,944)	-4.77%
61100 Parks Administration	1,177,489	1,217,918	(40,429)	-3.32%
61200 Parks Programs	366,542	278,128	88,414	31.79%
61220 Parks Athletics & Aquatics	280,406	423,263	(142,857)	-33.75%
62200 Park Facilities	-	873,989	(873,989)	-100.00%
65100 Library Administration	646,923	703,596	(56,673)	-8.05%
72100 Community Development	740,875	705,494	35,381	5.02%
TOTAL COMMUNITY SERVICES	\$ 3,370,703	\$ 4,368,800	\$ (998,097)	-22.85%
TOTAL EXPENDITURES	\$ 37,788,977	\$ 39,439,406	\$ (1,650,429)	-4.18%

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the collection and disbursement of specific revenues that are legally restricted to expenditures for specified purposes. Included in this classification are Communications (E-911), Community Development Block Grant (C.D.B.G.), a Special Purpose Local Option Sales Tax (SPLOST) Program for roadway improvements and the Hotel – Motel (Museums) Fund.

Also adopted in FY 2011 were two funds for the Police Department. These included the Multiple Grant Fund and Confiscated Assets Fund. The Multiple Grant Fund is money received from the United States Department of Justice that is restricted for public safety purposes and sometimes very specific as to its use. The Confiscated Assets Fund is money received from the Marietta Cobb Smyrna (MCS) Narcotics squad. Usually these funds are received after confiscated assets are sold and the money is then divided between the agencies involved.

First adopted in FY 2011 is the Capital Projects Fund which is used to fund General Fund capital purchases. In the past, these purchases were budgeted as part of the General Fund. Separating this fund from the General Fund will allow a more streamlined budgetary process as well more accurate and direct tracking of spending.

The \$741,011, decrease in this year's special revenue fund is attributable to major declines in 1% SPLOST, Hotel-Motel, and E-911 revenues. For Fiscal Year 2011, the Special Revenue Funds total of \$10,279,683 comprises approximately 16% of the city's total consolidated expenditures. The decrease from the FY 2010 budget of \$11,020,694 reflects a 6.72% decrease.

STATEMENT OF REVENUES AND EXPENDITURES

SPECIAL REVENUE FUNDS

	BUDGET FY 2011	BUDGET FY 2010	ACTUAL FY 2009
Revenues:			
Franchise and Other Taxes	\$ 870,141	\$ 945,008	\$ 954,134
Sales and Service Charges	1,058,091	1,200,000	1,120,098
Intergovernmental	8,017,270	8,413,234	7,921,337
Interest Income	4,000	8,800	10,000
Other Financing Sources	330,181	453,652	155,678
Total	<u>\$ 10,279,683</u>	<u>\$ 11,020,694</u>	<u>\$ 10,161,247</u>
Expenditures:			
General Government	\$ 109,000	\$ -	\$ -
Public Safety	1,566,827	1,662,017	1,306,743
Community Services	1,088,283	1,479,147	1,200,057
Public Works	7,515,573	7,879,530	5,433,151
Operating Transfers Out	-	-	316,940
Total	<u>\$ 10,279,683</u>	<u>\$ 11,020,694</u>	<u>\$ 8,256,891</u>

DETAIL OF REVENUES BY SOURCE
SPECIAL REVENUE FUNDS

<u>REVENUE SOURCE</u>	<u>BUDGET FY 2011</u>	<u>BUDGET FY 2010</u>	<u>ACTUAL FY 2009</u>
<u>GENERAL GOVERNMENT</u>			
Capital Projects Fund			
Transfers from General Fund	\$ 109,000	\$ -	\$ -
TOTAL CAPITAL PROJECTS FUND	109,000	-	-
TOTAL GENERAL GOVERNMENT	\$ 109,000	\$ -	\$ -
<u>PUBLIC SAFETY</u>			
Confiscated Assets Fund (Police)	\$ 122,164	\$ 149,814	\$ 149,116
TOTAL CONFISCATED ASSETS	122,164	149,814	149,116
Multiple Grant Fund (Police)	\$ 54,391	\$ 71,161	\$ 86,204
TOTAL MULTIPLE GRANTS	54,391	71,161	86,204
<u>E-911 Communications</u>			
E-911 Charges	\$ 1,058,091	\$ 1,200,000	\$ 1,120,098
E-911 Charges 30 Cent Fee	-	-	-
Interest Revenues	2,000	4,000	5,556
Operating Transfers In	330,181	237,042	79,380
TOTAL COMMUNICATIONS	1,390,272	1,441,042	1,205,034
TOTAL PUBLIC SAFETY	\$ 1,566,827	\$ 1,662,017	\$ 1,440,354
<u>COMMUNITY SERVICES</u>			
C.D.B.G. Program	\$ 216,142	\$ 221,000	\$ 670,401
TOTAL C.D.B.G.	216,142	221,000	670,401
Tax Allocation District	\$ -	\$ 91,729	\$ 103,848
TOTAL T.A.D.	-	91,729	103,848
<u>Hotel - Motel</u>			
Hotel - Motel Taxes	\$ 804,976	\$ 871,136	\$ 936,039
Excise Tax on Rental Motor Veh.	65,165	73,872	76,298
Interest Revenues	2,000	4,800	4,033
Other - Use of Reserves	-	216,610	-
TOTAL HOTEL - MOTEL	872,141	1,166,418	1,016,370
TOTAL COMMUNITY SERVICES	\$ 1,088,283	\$ 1,387,418	# \$ 1,686,771
<u>PUBLIC WORKS</u>			
<u>1% SPLOST</u>			
Roadway Improvements	\$ 7,515,573	\$ 7,879,530	\$ 6,930,274
TOTAL 1% S.P.L.O.S.T.	7,515,573	7,879,530	6,930,274
TOTAL PUBLIC WORKS	\$ 7,515,573	\$ 7,971,259	\$ 7,034,122
TOTAL SPECIAL REVENUES	\$ 10,279,683	\$ 11,020,694	\$ 10,161,247

PROPRIETARY FUND

Proprietary funds are used to account for activities that governments finance and operate in a manner similar to private business enterprises. The goods and/or services from such activities are generally provided to outside parties and the end user pays for the product. The activities of the city that render services to the general public on a user charge basis or which require periodic determination of revenues for public policy are accounted for as Enterprise Funds. Enterprise Funds are one fund type included under the Proprietary Fund category. The City of Smyrna has only one enterprise fund, the Water – Sewer Fund.

The Water – Sewer Fund reflects the operation of the city's water and sewer system. Revenues are generated from the sale of water and sewer service. Expenses reflect the cost to operate and maintain the system.

In an effort to comply with the Federal Government extension of the 1972 Clean Water Act and new rules which took effect in March 2003, stormwater utilities are becoming increasingly common with county and municipal governments. Compliance will require development and expansion of stormwater programs in order to meet federal and state guidelines. Proper stormwater management will improve water quality as it relates to pollutants, ensure environmental protection and infrastructure needs.

The City of Smyrna elected to use a stormwater user fee to provide revenue for its stormwater program. The fee method is calculated upon both user and impervious areas. The set equivalency runoff unit (ERU) is 3,900 square feet of impervious surface for each ERU. The fee per month is \$2.25 for single family and multi-family units and \$2.25 for each 3,900 square feet of impervious surface on non-residential properties.

For fiscal year 2011, the City's Water – Sewer Fund shows an increase of 13% or \$1,975,420 over FY 2010 of \$15,146,550. The primary reason for the increase is higher wholesale rates paid for water and sewer as well as \$1.6 million for system upgrades.

The monthly revenues that are generated by water and sewer user fees are sufficient to meet capital expansion needs, annual debt payments and the day-to-day operating costs of the system. For Fiscal Year 2011, the Water – Sewer Fund of \$17,121,970 represents approximately 26%, of the total consolidated budget.

STATEMENT OF REVENUES AND EXPENDITURES

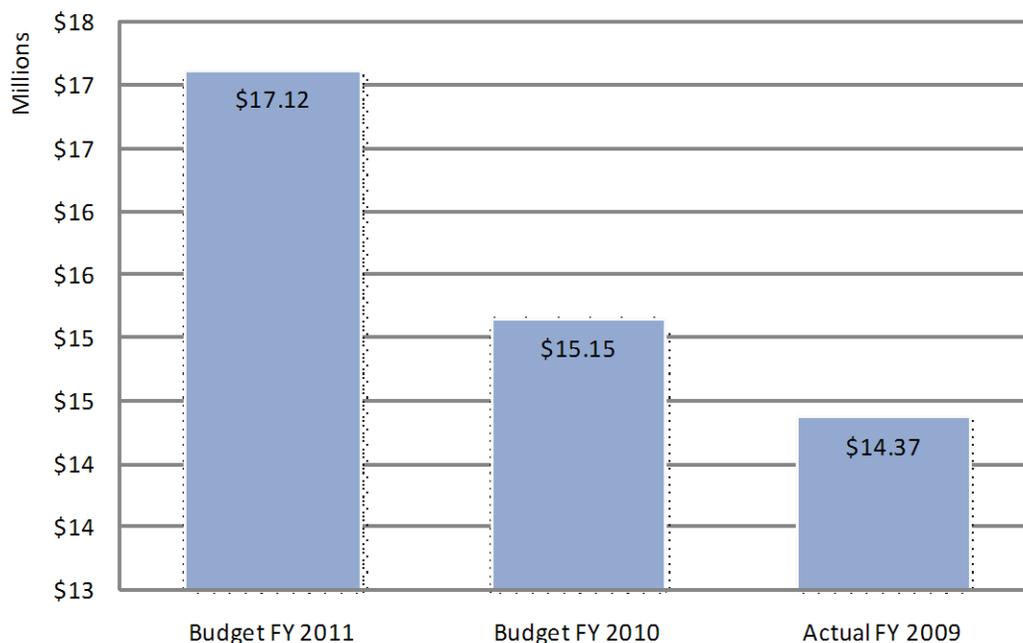
WATER - SEWER FUND

	PROPOSED FY 2011	BUDGET FY 2010	ACTUAL FY 2009
Revenues:			
Sales and Service Charges	\$ 17,103,970	\$ 15,116,262	\$ 14,196,848
Interest Income	14,000	18,668	31,173
Other	4,000	11,620	-
Total	<u>\$ 17,121,970</u>	<u>\$ 15,146,550</u>	<u>\$ 14,228,021</u>
Expenditures:			
General Government	\$ 11,169,341	\$ 10,662,943	\$ -
Public Works	5,952,629	4,483,607	-
Personnel Services	-	-	1,324,437
Repairs & Maintenance	-	-	1,809,889
Supplies	-	-	7,163,992
Depreciation & Amortization	-	-	1,651,019
Other Costs	-	-	234,870
Operating Transfers Out	-	-	1,320,000
Total	<u>\$ 17,121,970</u>	<u>\$ 15,146,550</u>	<u>\$ 13,504,207</u>

COMPARISON OF REVENUES

WATER - SEWER FUND

Water - Sewer Revenue



DETAIL OF REVENUES BY SOURCE

WATER - SEWER FUND

CODE	REVENUE SOURCE	BUDGET FY 2011	BUDGET FY 2010	ACTUAL FY 2009
34.4210	Water Charges	\$ 5,116,294	\$ 3,958,617	\$ 4,021,227
34.4255	Sewer Charges	7,524,299	6,865,704	6,490,538
34.4258	Base Rate	3,219,984	3,111,941	3,052,753
34.4260	Storm Sewer Fee	804,893	754,000	773,192
34.4265	Sewer Tap Fees	38,000	38,000	26,095
34.4270	Water Tap Fees	38,000	38,000	(29,262)
34.4275	Connection Fees	60,000	60,000	53,596
34.4280	Late Fees	300,000	290,000	303,396
	Total Sales and Service Charges	\$ 17,101,470	\$ 15,116,262	\$ 14,691,535
36.1000	Interest Income	\$ 14,000	\$ 18,668	\$ 27,348
38.9000	Other Miscellaneous	6,500	11,620	13,526
	Refunds / Rebates	-	-	(358,143)
	Total Miscellaneous Revenues	\$ 20,500	\$ 30,288	\$ (317,269)
	TOTAL WATER - SEWER REVENUES	\$ 17,121,970	\$ 15,146,550	\$ 14,374,266

DEBT SERVICE INFORMATION

Debt Service Requirements

Debt Service requirements on revenue bonds outstanding as of June 30, 2009, are as follows:

Governmental Activities:

Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	1,265,000	1,952,402	3,217,402
2011	1,315,000	1,900,930	3,215,930
2012	1,370,000	1,845,283	3,215,283
2013	1,425,000	1,781,910	3,206,910
2014-2018	8,305,000	7,777,136	16,082,136
2019-2023	10,785,000	5,387,875	16,172,875
2024-2028	<u>13,905,000</u>	<u>2,264,326</u>	<u>16,169,326</u>
	\$38,370,000	<u>\$22,909,862</u>	<u>\$61,279,862</u>
Deferred Charges	<u>806,383</u>		
	<u>\$39,176,383</u>		

Business-Type Activities:

Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	745,000	63,574	808,574
2011	<u>1,070,000</u>	<u>36,735</u>	<u>1,106,735</u>
	<u>\$ 1,815,000</u>	<u>\$ 100,309</u>	<u>\$ 1,915,309</u>

Payments for the annual debt obligations are included in both the General Fund (Governmental Activities) and Water-Sewer Fund (Business-Type Activities). The Downtown Development Authority payments are contained in **General Government Buildings and Plant** (Division 15650). The Water - Sewer bond payments are included in **Debt Service** (Division 15180).

Revenue Bonds

Long-Term bonded debt for the Downtown Smyrna Development Authority revenue bonds at June 30, 2009 is comprised of the following:

\$8,285,000 Series 1997 Downtown Smyrna Development Authority bonds, serviced through lease payments from the City, due in annual installments commencing February 1, 1998 of principal from \$35,000 to \$1,700,000, through February 1, 2020, together with interest ranging from 3.7% to 5.6% (\$7,570,000 outstanding). These bonds were issued to refund a portion of the Series 1994 bonds and to finance the cost of constructing, furnishing, and equipping a new fire station to be leased to the City.

\$2,875,000 Series 2001 Downtown Smyrna Development Authority bonds, serviced through lease payments from the City, due in annual installments commencing February 11, 2002 of principal from \$85,000 to \$225,000, through February 2021, together with interest of 5.14% (\$2,290,000 outstanding). These bonds were issued to purchase property.

\$11,885,000 Series 2002 Downtown Smyrna Development Authority bonds, serviced through lease payments from the City, due in annual installments commencing February 1, 2003 of principal from

\$755,000 to \$1,160,000, through February 1, 2016, together with interest ranging from 2.25% to 5.25% (\$7,945,000 outstanding). The bonds were issued to refund a portion of Series 1989 and 1993 bonds.

\$22,000,000 Series 2005 Downtown Smyrna Development Authority bonds, serviced through lease payments from the City, due in annual installments commencing on August 1, 2005 of principal from \$220,000 to \$3,070,000, through February 1, 2028 together with interest ranging from 3% to 5.25% (\$21,785,000) outstanding. These bonds were issued for acquiring, construction, and renovation of parks and recreation facilities.

On November 21, 2002, the City and the Smyrna Development Authority entered into an amended and restated intergovernmental contract. The contract obligates the City to make lease payments directly to the Authority for the purpose of paying the principal and interest on the outstanding balance of the Series 1997, 2001 and 2002 Revenue Bonds issued by the Authority. The contract will not expire until full payment of the bonds; however, the agreement will terminate absolutely on August 1, 2039. On April 1, 2005 the City and the Authority entered into an additional intergovernmental contract obligating the City to make lease payments directly to the Authority for the purpose of paying principal and interest on the Series 2005 Revenue Bonds issued by the Authority. The contract will not expire until full payment of the bonds; however, the agreement will terminate absolutely on February 1, 2028. The contracts enable the City to lease from the Authority the facilities constructed by the Authority. The leases are a direct financing lease in accordance with generally accepted accounting principles. The Authority has no obligation for the debt beyond the resources provided by the City under the contract; therefore the obligation for the bonds is not reported on the financial statements of the Smyrna Downtown Development Authority. Each agreement provides that prior to expiration of the leases upon payment in full of the bonds outstanding; the City may purchase the project from the Authority for \$100.

Smyrna has historically maintained a solid financial position and in July of 2007, Standard & Poor's bond rating for the city is a very respectable AA1. Moody's rating increased in May 2010 to Aa2. This rating reflects an expanding economic base combined with strong financial performance and maintenance of a manageable debt burden. The stable outlook reflects the expectation that the city will maintain a good financial position.

Water and Sewerage Revenue Bonds

Long-Term bonded debt for the Water and Sewerage revenue bonds at June 30, 2009 is comprised of the following:

\$6,645,000 Series 1999 Water and Sewerage Revenue Bonds, serviced through Enterprise Fund revenues, due in annual installments commencing July 1, 2000 of principal from \$290,000 to \$780,000, through July 1, 2011, together with interest ranging from 3.08% to 4.05% (\$2,530,000 outstanding). These bonds were issued to provide for additions, extensions, and improvements to the water and sewerage system of the City.

DETAIL OF CAPITAL OUTLAY
CONSOLIDATED - FISCAL YEAR 2011

DIVISION	DESCRIPTION	AMOUNT	TOTAL
15350 - Information Systems	Self Replicating Storage Network	<u>60,000</u>	60,000
32100 - Police Administration	Replace 1 Uniform Patrol Vehicle	<u>22,000</u>	22,000
62200 - Parks Facilities	Partial Nets at Jonquil Park	<u>27,000</u>	27,000
44400 - Distribution (Water)	Drainage Improvements	200,000	
	Water & Sewer Line Repair / Maint.	1,600,000	
	Stormwater Expansion & Renewal	<u>764,000</u>	2,564,000
61490 - CDBG	Various Projects	<u>216,142</u>	216,142
202 - 1% SPLOST	Infrastructure Improvements	<u>7,515,573</u>	7,515,573
261 - Tax Allocation District (TAD)	Infrastructure Improvements	<u>-</u>	<u>-</u>
TOTAL CONSOLIDATED CAPITAL OUTLAY			<u>\$10,344,715</u>

* The Mayor and Council also approved the purchase of a comprehensive financial software package but no costs will be realized in FY 2011.

SUMMARY OF FULL-TIME PERSONNEL

CONSOLIDATED

DIVISION	ADOPTED FY 2009	BUDGET FY 2010	BUDGET FY 2011
11100 Governing Body	9	9	9
13200 City Administrator	7	6	5
15100 Financial Administration	8	8	7
15350 Data Processing / MIS	3	3	3
15400 Human Resources	4	4	4
15650 General Govt. Bldgs. & Plant	10	3	7
25000 Municipal Court	8	7	7
44100 Water Administration	8	8	7
TOTAL GENERAL GOVERNMENT	<u>57</u>	<u>48</u>	<u>49</u>
32100 Police Administration	125	101	101
33250 Jail Operations	incl in above	18	18
35100 Fire Administration	66	66	66
35300 Fire Prevention	5	4	4
35400 Fire Training	3	3	3
38000 E-911 Communications	18	18	18
39200 Emergency Management	1	1	1
TOTAL PUBLIC SAFETY	<u>218</u>	<u>211</u>	<u>211</u>
45800 Keep Smyrna Beautiful	3	3	3
61720 Hotel - Motel (Community Relations)	2	2	2
61100 Parks Administration	11	10	10
61200 Parks Programs	3	2	4
61220 Parks Athletics & Aquatics	3	3	1
62200 Parks Facilities	21	8	-
65100 Library Administration	8	8	8
72100 Community Development	14	10	11
TOTAL COMMUNITY SERVICES	<u>65</u>	<u>46</u>	<u>39</u>
42100 Highways & Streets Admin.	28	28	28
42700 Traffic Engineering	3	3	3
43100 Sanitary Administration	31	25	21
44400 Distribution (Water)	21	21	21
45400 Recyclables Collection	7	6	5
49000 Maintenance & Shop	8	7	7
TOTAL PUBLIC WORKS	<u>98</u>	<u>90</u>	<u>85</u>
TOTAL FULL-TIME EMPLOYEES	<u>438</u>	<u>395</u>	<u>384</u>

SUMMARY OF PART-TIME PERSONNEL

CONSOLIDATED

DIVISION		ADOPTED FY 2009	BUDGET FY 2010	BUDGET FY 2011
11100	Governing Body	-	-	1
13200	City Administrator	1	-	1
15100	Financial Administration	1	-	-
15350	Data Processing / MIS	-	-	-
15400	Human Resources	-	-	-
15650	General Govt. Bldgs. & Plant	-	-	-
25000	Municipal Court	4	5	5
44100	Water Administration	-	-	-
	TOTAL GENERAL GOVERNMENT	<u>6</u>	<u>5</u>	<u>7</u>
32100	Police Administration	1	-	-
33250	Jail Operations	-	1	1
35100	Fire Administration	1	-	-
35300	Fire Prevention	-	-	-
35400	Fire Training	-	-	-
38000	E-911 Communications	6	6	6
39200	Emergency Management	-	-	-
	TOTAL PUBLIC SAFETY	<u>8</u>	<u>7</u>	<u>7</u>
45800	Keep Smyrna Beautiful	1	-	-
61720	Hotel - Motel (Community Relations)	-	-	-
61100	Parks Administration	18	17	14
61200	Parks Programs	-	6	6
61220	Parks Athletics & Aquatics	22	3	1 *
62200	Parks Facilities	3	3	-
65100	Library Administration	8	7	7
72100	Community Development	-	-	-
	TOTAL COMMUNITY SERVICES	<u>52</u>	<u>36</u>	<u>28</u>
42100	Highways & Streets Admin.	-	-	-
42700	Traffic Engineering	-	-	-
43100	Sanitary Administration	-	-	-
44400	Distribution (Water)	-	-	-
45400	Recyclables Collection	-	-	-
49000	Maintenance & Shop	-	-	-
	TOTAL PUBLIC WORKS	<u>-</u>	<u>-</u>	<u>-</u>
	TOTAL PART-TIME EMPLOYEES	<u><u>66</u></u>	<u><u>48</u></u>	<u><u>42</u></u>

* Positions previously classified as part time have been reclassified as temporary/ seasonal.