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CERTIFIED PUBLIC ACCOUNTANTS

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Accountant's Compilation Report

City Officials and Council Members
City of Cabot, Arkansas

We have compiled the accompanying statement of revenues and expenses-budget and actual (regulatory basis) of the general fund and street fund of the City of Cabot, Arkansas for the two months ended February 28, 2013, which is a selected financial statement on two funds of the City. We have not audited or reviewed the accompanying financial statement and, accordingly, do not express an opinion or provide any assurance about whether the financial statement is in accordance with the regulatory basis of accounting.

The management of the City of Cabot, Arkansas is responsible for the preparation and fair presentation of the financial statement in accordance with the regulatory basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statement.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of a financial statement without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statement. During our compilation, we did become aware of a departure from the regulatory basis of accounting that is described in the following paragraph.

Under the regulatory basis of accounting as prescribed or permitted by Arkansas Code, revenues are recognized as soon as they are both measurable and available, rather than when received, and expenditures are recorded as incurred, rather than when paid. Management considers revenues to be available if they are collected within 60 days of the end of the current period. However, management has informed us that accrued revenues are not included in the financial statement. Revenues are reported when collected. The effect on the financial statement of this departure from the regulatory basis has not been determined.

Management has elected to omit substantially all of the disclosures ordinarily included in a financial statement prepared on the regulatory basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the results of operations of the City. Accordingly, this financial statement is not designed for those who are not informed about such matters.

The supplementary information contained in the schedule of cash and cash equivalents is presented for purposes of additional analysis and is not a required part of the basic financial statement. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

Ellis, Tucker & Aldridge, LLP

Cabot, Arkansas
March 14, 2013

CITY OF CABOT, ARKANSAS
GENERAL FUND and STREET FUND
Statement of Revenues, and Expenditures-Budget and Actual (Regulatory Basis)
Two Months Ended February 28, 2013

	Annual Budget 2013	Prorated Budget Through 2/28/2013	Actual Through 2/28/2013	Variance Favorable (Unfavorable) 2/28/2013
Revenues				
General Fund				
General Government	\$ 8,229,708	\$ 1,371,618	\$ 1,639,703	\$ 268,085
Recycle Center	15,560	2,593	1,560	(1,033)
1 City Plaza	111,848	18,641	19,646	1,005
	<u>\$ 8,357,116</u>	<u>\$ 1,392,853</u>	<u>\$ 1,660,909</u>	<u>\$ 268,056</u>
Public Safety				
Fire Department	\$ 237,828	\$ 39,638	\$ 37,982	\$ (1,656)
Public Works	94,375	15,729	30,633	14,904
	<u>\$ 332,203</u>	<u>\$ 55,367</u>	<u>\$ 68,615</u>	<u>\$ 13,248</u>
Law Enforcement				
District Court	\$ 284,784	\$ 47,464	\$ 60,759	\$ 13,295
Police Department	308,660	51,443	13,624	(37,819)
Animal Control	50,362	8,394	21,176	12,782
	<u>\$ 643,806</u>	<u>\$ 107,301</u>	<u>\$ 95,559</u>	<u>\$ (11,742)</u>
Sanitation Fees	1,653,960	275,660	280,208	4,548
Total General Fund	<u>\$ 10,987,085</u>	<u>\$ 1,831,181</u>	<u>\$ 2,105,291</u>	<u>\$ 274,110</u>
Street Fund	2,261,120	376,853	186,853	(190,000)
Total General & Street	<u>\$ 13,248,205</u>	<u>\$ 2,208,034</u>	<u>\$ 2,292,144</u>	<u>\$ 84,110</u>
Expenditures				
General Fund				
General Government				
City Council	\$ 92,578	\$ 15,430	\$ 14,748	\$ 682
Mayor's Office	532,008	88,668	82,598	6,070
City Attorney's Office	225,711	37,619	34,084	3,535
Other General	446,823	74,471	86,376	(11,906)
City Clerk-Treasurer	375,966	62,661	59,540	3,121
Planning Commission	58,041	9,674	3,620	6,054
Recycle Center	21,341	3,557	2,985	572
1 City Plaza	50,414	8,402	5,823	2,579
	<u>\$ 1,802,882</u>	<u>\$ 300,480</u>	<u>\$ 289,774</u>	<u>\$ 10,706</u>
Public Safety				
Fire Department	\$ 3,036,874	\$ 506,146	\$ 394,694	\$ 111,452
Public Works	464,127	77,355	65,457	11,898
	<u>\$ 3,501,001</u>	<u>\$ 583,500</u>	<u>\$ 460,151</u>	<u>\$ 123,349</u>

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CITY OF CABOT, ARKANSAS
General Fund and Street Fund
Statement of Revenues, and Expenditures-Budget and Actual (Regulatory Basis)
Two Months Ended February 28, 2013

	Annual Budget 2013	Prorated Budget Through 2/28/2013	Actual Through 2/28/2013	Variance Favorable (Unfavorable) 2/28/2013
Expenditures (cont'd)				
General Fund (cont'd)				
Law Enforcement				
District Court	\$ 288,936	\$ 48,156	\$ 45,886	\$ 2,270
Police Department	3,574,738	595,790	480,695	115,095
Animal Control	295,415	49,236	64,706	(15,470)
	<u>\$ 4,159,089</u>	<u>\$ 693,182</u>	<u>\$ 591,287</u>	<u>\$ 101,895</u>
Sanitation Contractor	1,653,960	275,660	275,660	-
Total General Fund	\$ 11,116,932	\$ 1,852,822	\$ 1,616,872	\$ 235,950
Street Fund	2,563,620	427,270	159,810	267,460
Total General & Street	<u>\$ 13,680,552</u>	<u>\$ 2,280,092</u>	<u>\$ 1,776,682</u>	<u>\$ 503,410</u>
Excess of Revenues Over (Under) Expenditures				
General Fund	\$ (129,847)	\$ (21,641)	\$ 488,419	\$ 510,060
Street Fund	(302,500)	(50,417)	27,043	77,460
Total Over (Under)	<u>\$ (432,347)</u>	<u>\$ (72,058)</u>	<u>\$ 515,462</u>	<u>\$ 587,520</u>
Other Financing Sources (Uses)				
General Fund				
Transfers Out				
District Court	\$ (3,468)	\$ (578)	\$ (4,280)	\$ (3,702)
Street Fund	-	-	-	-
Parks & Recreation	(600,000)	(100,000)	(26,000)	74,000
Other Transfers	-	-	-	-
Total General Fund	<u>\$ (603,468)</u>	<u>\$ (100,578)</u>	<u>\$ (30,280)</u>	<u>\$ 70,298</u>
Street Fund				
Transfers In				
General Fund	-	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses				
General Fund	\$ (733,315)	\$ (122,219)	\$ 458,139	\$ 580,358
Street Fund	(302,500)	(50,417)	27,043	77,460
Total Sources and Uses	<u>\$ (1,035,815)</u>	<u>\$ (172,636)</u>	<u>\$ 485,182</u>	<u>\$ 657,818</u>

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CITY OF CABOT, ARKANSAS
ALL FUNDS (Except Water & Wastewater, Parks & Recreation,
Capital Projects Funds, and Debt Service Funds)
Schedule of Cash and Cash Equivalents
As of February 28, 2013, and December 31, 2012

	February 28, 2013	December 31, 2012	YTD Increase (Decrease)	2013 Reserve for Fire Station
General Fund				
Unreserved Cash & Equivalents				
Operating Account	\$ 868,728	\$ 395,939	\$ 472,789	
Investment Account	47	123,044	(122,997)	
Payroll Account	16,061	14,637	1,424	
Credit Card Clearing Account	13,832	76,850	(63,018)	
Drug Buy Account	500	500	-	
Certificates of Deposit	1,038,848	1,051,723	(12,875)	
Total Unreserved	<u>\$ 1,938,015</u>	<u>\$ 1,662,692</u>	<u>\$ 275,323</u>	
Reserved Cash & Equivalents				
Vehicle/Equipment Reserve	\$ 62,829	\$ 62,814	\$ 15	
CD's - New Fire Station	356,187	343,312	12,875	\$ 12,875
	<u>\$ 419,016</u>	<u>\$ 406,126</u>	<u>\$ 12,890</u>	
Total General Fund	<u>\$ 2,357,031</u>	<u>\$ 2,068,818</u>	<u>\$ 288,213</u>	
Street Fund				
Unreserved Cash & Equivalents				
Operating Account	\$ 182,086	\$ 167,349	\$ 14,737	
Capital Reserve Account	214,698	214,680	18	
Certificates of Deposit	715,494	715,494	-	
Total Street Fund	<u>\$ 1,112,278</u>	<u>\$ 1,097,522</u>	<u>\$ 14,756</u>	
Special Revenue Funds				
Sr. Citizens/Health/Liabrury				
Checking	\$ 274,114	\$ 271,453	\$ 2,662	
Certificates of Deposit	157,016	157,016	-	
	<u>\$ 431,130</u>	<u>\$ 428,469</u>	<u>\$ 2,662</u>	
Public Safety & Equipment	41,784	40,303	1,481	
Municipal (District) Court Costs	1,809	2,204	(395)	
Court Automation Fund	68,285	67,495	790	
District Court Retirement Fund	13,996	13,996	-	
Drug Control Fund	8,237	8,236	1	
State Law Enforcemt Drug Control	18,096	17,400	696	
Act 833 Fire Protection	37,410	39,089	(1,679)	
Half Street Improvements	53,513	53,504	9	
Street Bond Refund Account	12,394	12,392	2	
Road Impact Fees	41,550	41,544	6	
Fire Impact Fees	49,588	49,580	8	
Sidewalk Fund	173,335	168,663	4,672	
Parks & Recreation Payroll	643	575	67	
	<u>\$ 951,770</u>	<u>\$ 943,450</u>	<u>\$ 8,320</u>	

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CITY OF CABOT, ARKANSAS
 ALL FUNDS (Except Water & Wastewater, Parks & Recreation,
 Capital Projects Funds, and Debt Service Funds)
 As of February 28, 2013, and December 31, 2012

	February 2013	December 31, 2012	YTD Increase (Decrease)
Trust Funds			
Firemens Pension Fund	\$ 1,076,732	\$ 1,086,296	\$ (9,564)
Firemens Pension Fund CDs	41,163	41,163	-
	<u>\$ 1,117,895</u>	<u>\$ 1,127,459</u>	<u>\$ (9,564)</u>
Policemens Pension Fund	-	-	-
	<u>\$ 1,117,895</u>	<u>\$ 1,127,459</u>	<u>\$ (9,564)</u>
Agency Funds			
Administration of Justice	\$ 30	\$ 30	\$ -
Custodial			
Advertising & Promotion			
Checking	\$ 287,277	\$ 284,970	\$ 2,307
Investment Account	59,646	59,054	592
Certificates of Deposit	155,218	155,218	(0)
	<u>\$ 502,141</u>	<u>\$ 499,242</u>	<u>\$ 2,899</u>
 Grand Total	 <u>\$ 6,041,146</u>	 <u>\$ 5,736,522</u>	 <u>\$ 304,623</u>

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