

**ELLIS, TUCKER & ALDRIDGE, LLP**

**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 three months ended March 31, 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  
April 10, 2013

**CITY OF CABOT, ARKANSAS**  
**GENERAL FUND and STREET FUND**  
**Statement of Revenues and Expenditures-Budget and Actual (Regulatory Basis)**  
**Three Months Ended March 31, 2013**

	Annual Budget 2013	Prorated Budget Through 3/31/2013	Actual Through 3/31/2013	Variance Favorable (Unfavorable) 3/31/2013
<b>Revenues</b>				
General Fund				
General Government	\$ 8,229,708	\$ 2,057,427	\$ 2,164,433	\$ 107,006
Recycle Center	15,560	3,890	1,968	(1,922)
1 City Plaza	111,848	27,962	28,963	1,001
	<u>\$ 8,357,116</u>	<u>\$ 2,089,279</u>	<u>\$ 2,195,364</u>	<u>\$ 106,085</u>
Public Safety				
Fire Department	\$ 237,828	\$ 59,457	\$ 37,982	\$ (21,475)
Public Works	94,375	23,594	39,875	16,281
	<u>\$ 332,203</u>	<u>\$ 83,051</u>	<u>\$ 77,857</u>	<u>\$ (5,194)</u>
Law Enforcement				
District Court	\$ 284,784	\$ 71,196	\$ 85,720	\$ 14,524
Police Department	308,660	77,165	23,310	(53,855)
Animal Control	50,362	12,591	28,284	15,694
	<u>\$ 643,806</u>	<u>\$ 160,952</u>	<u>\$ 137,314</u>	<u>\$ (23,638)</u>
Sanitation Fees	1,653,960	413,490	420,476	6,986
Total General Fund	<u>\$ 10,987,085</u>	<u>\$ 2,746,771</u>	<u>\$ 2,831,011</u>	<u>\$ 84,240</u>
Street Fund	2,261,120	565,280	276,046	(289,234)
Total General & Street	<u>\$ 13,248,205</u>	<u>\$ 3,312,051</u>	<u>\$ 3,107,057</u>	<u>\$ (204,994)</u>
<b>Expenditures</b>				
General Fund				
General Government				
City Council	\$ 92,578	\$ 23,145	\$ 22,254	\$ 891
Mayor's Office	532,008	133,002	128,561	4,441
City Attorney's Office	225,711	56,428	52,344	4,084
Other General	446,823	111,706	108,510	3,196
City Clerk-Treasurer	375,966	93,992	90,344	3,648
Planning Commission	58,041	14,510	5,398	9,112
Recycle Center	21,341	5,335	4,666	669
1 City Plaza	50,414	12,604	8,040	4,564
	<u>\$ 1,802,882</u>	<u>\$ 450,721</u>	<u>\$ 420,117</u>	<u>\$ 30,604</u>
Public Safety				
Fire Department	\$ 3,036,874	\$ 759,219	\$ 556,066	\$ 203,153
Public Works	464,127	116,032	102,969	13,063
	<u>\$ 3,501,001</u>	<u>\$ 875,250</u>	<u>\$ 659,035</u>	<u>\$ 216,215</u>

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**CITY OF CABOT, ARKANSAS**  
**General Fund and Street Fund**  
**Statement of Revenues and Expenditures-Budget and Actual (Regulatory Basis)**  
**Three Months Ended March 31, 2013**

	Annual Budget 2013	Prorated Budget Through 3/31/2013	Actual Through 3/31/2013	Variance Favorable (Unfavorable) 3/31/2013
<b>Expenditures (cont'd)</b>				
General Fund (cont'd)				
Law Enforcement				
District Court	\$ 288,936	\$ 72,234	\$ 72,729	\$ (495)
Police Department	3,574,738	893,685	670,116	223,569
Animal Control	295,415	73,854	90,669	(16,815)
	<u>\$ 4,159,089</u>	<u>\$ 1,039,772</u>	<u>\$ 833,514</u>	<u>\$ 206,258</u>
Sanitation Contractor	1,653,960	413,490	413,490	-
Total General Fund	\$ 11,116,932	\$ 2,779,233	\$ 2,326,156	\$ 453,077
Street Fund	2,563,620	640,905	272,012	368,893
Total General & Street	<u>\$ 13,680,552</u>	<u>\$ 3,420,138</u>	<u>\$ 2,598,168</u>	<u>\$ 821,970</u>
<b>Excess of Revenues Over (Under) Expenditures</b>				
General Fund	\$ (129,847)	\$ (32,462)	\$ 504,855	\$ 537,317
Street Fund	(302,500)	(75,625)	4,034	79,659
Total Over (Under)	<u>\$ (432,347)</u>	<u>\$ (108,087)</u>	<u>\$ 508,889</u>	<u>\$ 616,976</u>
<b>Other Financing Sources (Uses)</b>				
General Fund				
Transfers Out				
District Court	\$ (3,468)	\$ (867)	\$ (4,280)	\$ (3,413)
Street Fund	-	-	-	-
Parks & Recreation	(600,000)	(150,000)	(30,000)	120,000
Other Transfers	-	-	-	-
Total General Fund	<u>\$ (603,468)</u>	<u>\$ (150,867)</u>	<u>\$ (34,280)</u>	<u>\$ 116,587</u>
Street Fund				
Transfers In				
General Fund	-	-	-	-
<b>Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>				
General Fund	\$ (733,315)	\$ (183,329)	\$ 470,575	\$ 653,904
Street Fund	(302,500)	(75,625)	4,034	79,659
Total Sources and Uses	<u>\$ (1,035,815)</u>	<u>\$ (258,954)</u>	<u>\$ 474,609</u>	<u>\$ 733,563</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 March 31, 2013, and December 31, 2012**

	March 31, 2013	December 31, 2012	YTD Increase (Decrease)	2013 Reserve for Fire Station
<b>General Fund</b>				
Unreserved Cash & Equivalents				
Operating Account	\$ 743,850	\$ 395,939	\$ 347,911	
Investment Account	47	123,044	(122,997)	
Payroll Account	46,529	14,637	31,892	
Credit Card Clearing Account	13,834	76,850	(63,016)	
Drug Buy Account	500	500	-	
Certificates of Deposit	1,032,410	1,051,723	(19,313)	
Total Unreserved	<u>\$ 1,837,170</u>	<u>\$ 1,662,692</u>	<u>\$ 174,478</u>	
Reserved Cash & Equivalents				
Vehicle/Equipment Reserve	\$ 62,835	\$ 62,814	\$ 21	
Animal Control Donations	8,780			
CD's - New Fire Station	362,625	343,312	19,313	\$ 19,313
	<u>\$ 434,240</u>	<u>\$ 406,126</u>	<u>\$ 19,334</u>	
Total General Fund	<u>\$ 2,271,410</u>	<u>\$ 2,068,818</u>	<u>\$ 193,812</u>	
<b>Street Fund</b>				
Unreserved Cash & Equivalents				
Operating Account	\$ 171,815	\$ 167,349	\$ 4,466	
Capital Reserve Account	214,733	214,680	53	
Certificates of Deposit	715,494	715,494	-	
Total Street Fund	<u>\$ 1,102,042</u>	<u>\$ 1,097,522</u>	<u>\$ 4,520</u>	
<b>Special Revenue Funds</b>				
Sr. Citizens/Health/Library				
Checking	\$ 265,735	\$ 271,453	\$ (5,718)	
Certificates of Deposit	157,016	157,016	(0)	
	<u>\$ 422,751</u>	<u>\$ 428,469</u>	<u>\$ (5,718)</u>	
Public Safety & Equipment	23,790	40,303	(16,513)	
Municipal (District) Court Costs	1,600	2,204	(604)	
Court Automation Fund	66,210	67,495	(1,285)	
District Court Retirement Fund	14,628	13,996	632	
Drug Control Fund	8,238	8,236	2	
State Law Enforcemt Drug Control	18,097	17,400	697	
Act 833 Fire Protection	30,000	39,089	(9,089)	
Half Street Improvements	53,517	53,504	13	
Street Bond Refund Account	12,395	12,392	3	
Road Impact Fees	41,554	41,544	10	
Fire Impact Fees	49,592	49,580	12	
Sidewalk Fund	175,669	168,663	7,006	
Parks & Recreation Payroll	-	575	(575)	
	<u>\$ 918,041</u>	<u>\$ 943,450</u>	<u>\$ (25,409)</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 March 31, 2013, and December 31, 2012

	March 31, 2013	December 31, 2012	YTD Increase (Decrease)
<b>Trust Funds</b>			
Firemens Pension Fund	\$ 142,250	\$ 1,086,296	\$ (944,046)
Firemens Pension Fund CDs	41,163	41,163	-
	<u>\$ 183,413</u>	<u>\$ 1,127,459</u>	<u>\$ (944,046)</u>
Policemens Pension Fund	-	-	-
	<u>\$ 183,413</u>	<u>\$ 1,127,459</u>	<u>\$ (944,046)</u>
<b>Agency Funds</b>			
Administration of Justice	\$ 30	\$ 30	\$ -
<b>Custodial</b>			
Advertising & Promotion			
Checking	\$ 274,801	\$ 284,970	\$ (10,169)
Investment Account	122,173	59,054	63,119
Certificates of Deposit	155,218	155,218	(0)
	<u>\$ 552,192</u>	<u>\$ 499,242</u>	<u>\$ 52,950</u>
 Grand Total	 <u>\$ 5,027,128</u>	 <u>\$ 5,736,522</u>	 <u>\$ (718,174)</u>

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