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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 five months ended May 30, 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
June 12, 2013

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

	Annual Budget 2013	Prorated Budget Through 5/31/2013	Actual Through 5/31/2013	Variance Favorable (Unfavorable) 5/31/2013
Revenues				
General Fund				
General Government	$ 8,229,708	$ 3,429,045	$ 3,518,108	$ 89,063
Recycle Center	15,560	6,483	2,548	(3,935)
1 City Plaza	111,848	46,603	42,781	(3,822)
	$ 8,357,116	$ 3,482,132	$ 3,563,437	$ 81,305
Public Safety				
Fire Department	$ 237,828	$ 99,095	$ 75,576	$ (23,519)
Public Works	94,375	39,323	56,150	16,827
	$ 332,203	$ 138,418	$ 131,726	$ (6,692)
Law Enforcement				
District Court	$ 284,784	$ 118,660	$ 135,493	$ 16,833
Police Department	308,660	128,608	79,904	(48,704)
Animal Control	50,362	20,984	53,298	32,314
	$ 643,806	$ 268,253	$ 268,695	$ 443
Sanitation Fees	1,653,960	689,150	696,626	7,476
Total General Fund	$ 10,987,085	$ 4,577,952	$ 4,660,484	$ 82,532
Street Fund	2,261,120	942,133	528,759	(413,374)
Total General & Street	$ 13,248,205	$ 5,520,085	$ 5,189,243	$ (330,842)
Expenditures				
General Fund				
General Government				
City Council	$ 92,578	$ 38,574	$ 38,486	$ 88
Mayor's Office	532,008	221,670	214,111	7,559
City Attorney's Office	225,711	94,046	91,174	2,872
Other General	446,823	186,176	235,701	(49,525)
City Clerk-Treasurer	375,966	156,653	146,766	9,887
Planning Commission	58,041	24,184	13,892	10,292
Recycle Center	21,341	8,892	7,563	1,329
1 City Plaza	50,414	21,006	17,679	3,327
	$ 1,802,882	$ 751,201	$ 765,372	$ (14,171)
Public Safety				
Fire Department	$ 3,036,874	$ 1,265,364	$ 979,842	$ 285,522
Public Works	464,127	193,386	183,349	10,037
	$ 3,501,001	$ 1,458,750	$ 1,163,191	$ 295,559

See Accountant's Compilation Report

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

	Annual Budget 2013	Prorated Budget Through 5/31/2013	Actual Through 5/31/2013	Variance Favorable (Unfavorable) 5/31/2013
Expenditures (cont'd)				
General Fund (cont'd)				
Law Enforcement				
District Court	$ 288,936	$ 120,390	$ 122,471	$ (2,081)
Police Department	3,574,738	1,489,474	1,243,880	245,594
Animal Control	295,415	123,090	160,840	(37,750)
	$ 4,159,089	$ 1,732,954	$ 1,527,191	$ 205,763
Sanitation Contractor	1,653,960	689,150	689,150	-
Total General Fund	$ 11,116,932	$ 4,632,055	$ 4,144,904	$ 487,151
Street Fund	2,563,620	1,068,175	486,253	581,922
Total General & Street	$ 13,680,552	$ 5,700,230	$ 4,631,157	$ 1,069,073
Excess of Revenues Over (Under) Expenditures				
General Fund	$ (129,847)	$ (54,103)	$ 515,580	$ 569,683
Street Fund	(302,500)	(126,042)	42,506	168,548
Total Over (Under)	$ (432,347)	$ (180,145)	$ 558,086	$ 738,231
Other Financing Sources (Uses)				
General Fund				
Transfers Out				
District Court	$ (3,468)	$ (1,445)	$ (4,280)	$ (2,835)
Street Fund	-	-	-	-
Parks & Recreation	(600,000)	(250,000)	(71,000)	179,000
Other Transfers	-	-	-	-
Total General Fund	$ (603,468)	$ (251,445)	$ (75,280)	$ 176,165
Street Fund				
Transfers In				
General Fund	-	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses				
General Fund	$ (733,315)	$ (305,548)	$ 440,300	$ 745,848
Street Fund	(302,500)	(126,042)	42,506	168,548
Total Sources and Uses	$ (1,035,815)	$ (431,590)	$ 482,806	$ 914,396

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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 May 31, 2013, and December 31, 2012

	May 31, 2013	December 31, 2012	YTD Increase (Decrease)	2013 Reserve for Fire Station
General Fund				
Unreserved Cash & Equivalents				
Operating Account	$ 500,447	$ 395,939	$ 104,508	
Investment Account	47	123,044	(122,997)	
Payroll Account	41,637	14,637	27,000	
Credit Card Clearing Account	36,054	76,850	(40,796)	
Drug Buy Account	500	500	-	
Certificates of Deposit	1,013,097	1,051,723	(38,626)	
Total Unreserved	$ 1,591,782	$ 1,662,692	$ (70,910)	
Reserved Cash & Equivalents				
Vehicle/Equipment Reserve	$ 62,845	$ 62,814	$ 31	
Animal Control Donations	7,183			
CD's - New Fire Station	381,938	343,312	38,626	$ 38,626
	$ 451,966	$ 406,126	$ 38,657	
Total General Fund	$ 2,043,748	$ 2,068,818	$ (32,253)	
Street Fund				
Unreserved Cash & Equivalents				
Operating Account	$ 202,254	$ 167,349	$ 34,905	
Capital Reserve Account	214,769	214,680	89	
Certificates of Deposit	715,494	715,494	-	
Total Street Fund	$ 1,132,517	$ 1,097,522	$ 34,995	
Special Revenue Funds				
Sr. Citizens/Health/Liabrary				
Checking	$ 323,505	$ 271,453	$ 52,053	
Certificates of Deposit	157,016	157,016	0	
	$ 480,521	$ 428,469	$ 52,053	
Public Safety & Equipment	25,973	40,303	(14,330)	
Municipal (District) Court Costs	2,584	2,204	380	
Court Automation Fund	68,167	67,495	672	
District Court Retirement Fund	15,051	13,996	1,055	
Drug Control Fund	8,238	8,236	2	
State Law Enforcemt Drug Control	18,100	17,400	700	
Act 833 Fire Protection	36,488	39,089	(2,601)	
Half Street Improvements	62,983	53,504	9,479	
Street Bond Refund Account	12,397	12,392	5	
Road Impact Fees	41,561	41,544	17	
Fire Impact Fees	49,600	49,580	20	
Sidewalk Fund	245,099	168,663	76,436	
Parks & Recreation Payroll	-	575	(575)	
	$ 1,066,762	$ 943,450	$ 123,312	

See Accountant's Compilation Report

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 May 31, 2013, and December 31, 2012

	May 31, 2013	December 31, 2012	YTD Increase (Decrease)
Trust Funds			
Firemens Pension Fund	$ 86,872	$ 1,086,296	$ (999,424)
Firemens Pension Fund CDs	41,163	41,163	-
	$ 128,035	$ 1,127,459	$ (999,424)
Policemens Pension Fund	-	-	-
	$ 128,035	$ 1,127,459	$ (999,424)
Agency Funds			
Administration of Justice	$ 30	$ 30	$ -
Custodial			
Advertising & Promotion			
Checking	$ 380,441	$ 284,970	$ 95,471
Investment Account	73,318	59,054	14,264
Certificates of Deposit	155,218	155,218	(0)
	$ 608,977	$ 499,242	$ 109,735
Grand Total	$ 4,980,070	$ 5,736,522	$ (763,635)

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