

ELLIS, TUCKER & ALDRIDGE, LLP

CERTIFIED PUBLIC ACCOUNTANTS

200 West Main Street

Cabot, AR 72023

(501) 843-6515 or 982-9192

FAX (501) 843-4944

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 six months ended June 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
July 10, 2013

CITY OF CABOT, ARKANSAS
GENERAL FUND and STREET FUND
Statement of Revenues and Expenditures-Budget and Actual (Regulatory Basis)
Six Months Ended June 30, 2013

	Annual Budget 2013	Prorated Budget Through 6/30/2013	Actual Through 6/30/2013	Variance Favorable (Unfavorable) 6/30/2013
Revenues				
General Fund				
General Government	\$ 8,229,708	\$ 4,114,854	\$ 4,150,024	\$ 35,170
Recycle Center	15,560	7,780	7,019	(761)
1 City Plaza	111,848	55,924	50,557	(5,367)
	<u>\$ 8,357,116</u>	<u>\$ 4,178,558</u>	<u>\$ 4,207,600</u>	<u>\$ 29,042</u>
Public Safety				
Fire Department	\$ 237,828	\$ 118,914	\$ 75,658	\$ (43,256)
Public Works	94,375	47,188	67,970	20,783
	<u>\$ 332,203</u>	<u>\$ 166,102</u>	<u>\$ 143,628</u>	<u>\$ (22,474)</u>
Law Enforcement				
District Court	\$ 284,784	\$ 142,392	\$ 156,294	\$ 13,902
Police Department	308,660	154,330	82,866	(71,464)
Animal Control	50,362	25,181	61,135	35,954
	<u>\$ 643,806</u>	<u>\$ 321,903</u>	<u>\$ 300,295</u>	<u>\$ (21,608)</u>
Sanitation Fees	1,653,960	826,980	826,980	-
Total General Fund	<u>\$ 10,987,085</u>	<u>\$ 5,493,543</u>	<u>\$ 5,478,503</u>	<u>\$ (15,040)</u>
Street Fund	2,261,120	1,130,560	592,337	(538,223)
Total General & Street	<u>\$ 13,248,205</u>	<u>\$ 6,624,103</u>	<u>\$ 6,070,840</u>	<u>\$ (553,263)</u>
Expenditures				
General Fund				
General Government				
City Council	\$ 92,578	\$ 46,289	\$ 45,990	\$ 299
Mayor's Office	532,008	266,004	249,071	16,933
City Attorney's Office	225,711	112,856	108,036	4,820
Other General	446,823	223,412	262,672	(39,261)
City Clerk-Treasurer	375,966	187,983	172,021	15,962
Planning Commission	58,041	29,021	19,982	9,039
Recycle Center	21,341	10,671	8,898	1,773
1 City Plaza	50,414	25,207	20,584	4,623
	<u>\$ 1,802,882</u>	<u>\$ 901,441</u>	<u>\$ 887,254</u>	<u>\$ 14,187</u>
Public Safety				
Fire Department	\$ 3,036,874	\$ 1,518,437	\$ 1,182,702	\$ 335,735
Public Works	464,127	232,064	232,240	(177)
	<u>\$ 3,501,001</u>	<u>\$ 1,750,501</u>	<u>\$ 1,414,942</u>	<u>\$ 335,559</u>

See Accountant's Compilation Report

CITY OF CABOT, ARKANSAS
General Fund and Street Fund
Statement of Revenues and Expenditures-Budget and Actual (Regulatory Basis)
Six Months Ended June 30, 2013

	Annual Budget 2013	Prorated Budget Through 6/30/2013	Actual Through 6/30/2013	Variance Favorable (Unfavorable) 6/30/2013
Expenditures (cont'd)				
General Fund (cont'd)				
Law Enforcement				
District Court	\$ 288,936	\$ 144,468	\$ 145,078	\$ (610)
Police Department	3,574,738	1,787,369	1,461,062	326,307
Animal Control	295,415	147,708	184,275	(36,568)
	<u>\$ 4,159,089</u>	<u>\$ 2,079,545</u>	<u>\$ 1,790,415</u>	<u>\$ 289,130</u>
Sanitation Contractor	1,653,960	826,980	826,980	-
Total General Fund	\$ 11,116,932	\$ 5,558,466	\$ 4,919,591	\$ 638,875
Street Fund	2,563,620	1,281,810	640,120	641,690
Total General & Street	<u>\$ 13,680,552</u>	<u>\$ 6,840,276</u>	<u>\$ 5,559,711</u>	<u>\$ 1,280,565</u>
Excess of Revenues Over (Under) Expenditures				
General Fund	\$ (129,847)	\$ (64,924)	\$ 558,912	\$ 623,836
Street Fund	(302,500)	(151,250)	(47,783)	103,467
Total Over (Under)	<u>\$ (432,347)</u>	<u>\$ (216,174)</u>	<u>\$ 511,129</u>	<u>\$ 727,303</u>
Other Financing Sources (Uses)				
General Fund				
Transfers Out				
District Court	\$ (3,468)	\$ (1,734)	\$ (4,280)	\$ (2,546)
Street Fund	-	-	-	-
Parks & Recreation	(600,000)	(300,000)	(108,000)	192,000
Other Transfers	-	-	-	-
Total General Fund	<u>\$ (603,468)</u>	<u>\$ (301,734)</u>	<u>\$ (112,280)</u>	<u>\$ 189,454</u>
Street Fund				
Transfers In				
General Fund	-	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses				
General Fund	\$ (733,315)	\$ (366,658)	\$ 446,632	\$ 813,290
Street Fund	(302,500)	(151,250)	(47,783)	103,467
Total Sources and Uses	<u>\$ (1,035,815)</u>	<u>\$ (517,908)</u>	<u>\$ 398,849</u>	<u>\$ 916,757</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 June 30, 2013, and December 31, 2012

	June 30, 2013	December 31, 2012	YTD Increase (Decrease)	2013 Reserve for Fire Station
General Fund				
Unreserved Cash & Equivalents				
Operating Account	\$ 716,605	\$ 395,939	\$ 320,666	
Investment Account	210	123,044	(122,834)	
Payroll Account	34,259	14,637	19,622	
Credit Card Clearing Account	42,188	76,850	(34,662)	
Drug Buy Account	500	500	-	
Certificates of Deposit	908,533	1,051,722	(143,189)	
Total Unreserved	<u>\$ 1,702,295</u>	<u>\$ 1,662,692</u>	<u>\$ 39,603</u>	
Reserved Cash & Equivalents				
Vehicle/Equipment Reserve	\$ 39,287	\$ 62,814	\$ (23,527)	
Animal Control Donations	18,340			
CD's - New Fire Station	385,375	343,312	42,063	\$ 42,064
	<u>\$ 443,002</u>	<u>\$ 406,126</u>	<u>\$ 18,536</u>	
Total General Fund	<u>\$ 2,145,297</u>	<u>\$ 2,068,818</u>	<u>\$ 58,139</u>	
Street Fund				
Unreserved Cash & Equivalents				
Operating Account	\$ 239,636	\$ 167,349	\$ 72,287	
Capital Reserve Account	214,843	214,680	163	
Certificates of Deposit	715,494	715,494	-	
Total Street Fund	<u>\$ 1,169,973</u>	<u>\$ 1,097,522</u>	<u>\$ 72,451</u>	
Special Revenue Funds				
Sr. Citizens/Health/Liabrary				
Checking	\$ 354,601	\$ 271,453	\$ 83,149	
Certificates of Deposit	157,016	157,016	0	
	<u>\$ 511,617</u>	<u>\$ 428,469</u>	<u>\$ 83,149</u>	
Public Safety & Equipment	422	40,303	(39,881)	
Municipal (District) Court Costs	3,615	2,204	1,411	
Court Automation Fund	68,608	67,495	1,113	
District Court Retirement Fund	15,265	13,996	1,269	
Drug Control Fund	8,240	8,236	4	
State Law Enforcemt Drug Control	30,139	17,400	12,739	
Act 833 Fire Protection	36,491	39,089	(2,598)	
Half Street Improvements	62,988	53,504	9,484	
Street Bond Refund Account	12,398	12,392	6	
Road Impact Fees	41,564	41,544	20	
Fire Impact Fees	49,605	49,580	25	
Sidewalk Fund	273,532	168,663	104,869	
Parks & Recreation Payroll	-	575	(575)	
	<u>\$ 1,114,484</u>	<u>\$ 943,450</u>	<u>\$ 171,034</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 June 30, 2013, and December 31, 2012

	June 30, 2013	December 31, 2012	YTD Increase (Decrease)
Trust Funds			
Firemens Pension Fund	\$ 107,644	\$ 1,086,296	\$ (978,652)
Firemens Pension Fund CDs	41,163	41,163	-
	<u>\$ 148,807</u>	<u>\$ 1,127,459</u>	<u>\$ (978,652)</u>
Policemens Pension Fund	-	-	-
	<u>\$ 148,807</u>	<u>\$ 1,127,459</u>	<u>\$ (978,652)</u>
Agency Funds			
Administration of Justice	\$ 30	\$ 30	\$ -
Custodial			
Advertising & Promotion			
Checking	\$ 415,896	\$ 284,970	\$ 130,926
Investment Account	70,242	59,054	11,188
Certificates of Deposit	155,218	155,218	(0)
	<u>\$ 641,356</u>	<u>\$ 499,242</u>	<u>\$ 142,114</u>
 Grand Total	 <u>\$ 5,219,948</u>	 <u>\$ 5,736,522</u>	 <u>\$ (534,914)</u>

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