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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 eight months ended August 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
September 12, 2013

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

	Annual Budget 2013	Prorated Budget Through 8/31/2013	Actual Through 8/31/2013	Variance Favorable (Unfavorable) 8/31/2013
Expenditures (cont'd)				
General Fund (cont'd)				
Law Enforcement				
District Court	\$ 288,936	\$ 192,624	\$ 191,384	\$ 1,240
Police Department	3,609,258	2,406,172	2,188,221	217,951
Animal Control	295,415	196,943	246,083	(49,140)
	<u>\$ 4,193,609</u>	<u>\$ 2,795,739</u>	<u>\$ 2,625,688</u>	<u>\$ 170,051</u>
Sanitation Contractor	1,653,960	1,102,640	1,102,640	-
Total General Fund	\$ 11,676,628	\$ 7,784,419	\$ 7,021,878	\$ 762,541
Street Fund	2,563,620	1,709,080	1,026,163	682,917
Total General & Street	<u>\$ 14,240,248</u>	<u>\$ 9,493,499</u>	<u>\$ 8,048,041</u>	<u>\$ 1,445,458</u>
Excess of Revenues Over (Under) Expenditures				
General Fund	\$ (689,543)	\$ (459,695)	\$ 681,682	\$ 1,141,377
Street Fund	(302,500)	(201,667)	(105,100)	96,567
Total Over (Under)	<u>\$ (992,043)</u>	<u>\$ (661,362)</u>	<u>\$ 576,582</u>	<u>\$ 1,237,944</u>
Other Financing Sources (Uses)				
General Fund				
Transfers Out				
District Court	\$ (3,468)	\$ (2,312)	\$ (4,280)	\$ (1,968)
Street Fund	-	-	-	-
Parks & Recreation	(600,000)	(400,000)	(484,000)	(84,000)
Other Transfers	-	-	-	-
Total General Fund	<u>\$ (603,468)</u>	<u>\$ (402,312)</u>	<u>\$ (488,280)</u>	<u>\$ (85,968)</u>
Street Fund				
Transfers In				
General Fund	-	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses				
General Fund	\$ (1,293,011)	\$ (862,007)	\$ 193,402	\$ 1,055,409
Street Fund	(302,500)	(201,667)	(105,100)	96,567
Total Sources and Uses	<u>\$ (1,595,511)</u>	<u>\$ (1,063,674)</u>	<u>\$ 88,302</u>	<u>\$ 1,151,976</u>

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

	Annual Budget 2013	Prorated Budget Through 8/31/2013	Actual Through 8/31/2013	Variance Favorable (Unfavorable) 8/31/2013
Revenues				
General Fund				
General Government	\$ 8,229,708	\$ 5,486,472	\$ 5,548,400	\$ 61,928
Recycle Center	15,560	10,373	8,798	(1,575)
1 City Plaza	111,848	74,565	63,148	(11,417)
	<u>\$ 8,357,116</u>	<u>\$ 5,571,411</u>	<u>\$ 5,620,346</u>	<u>\$ 48,935</u>
Public Safety				
Fire Department	\$ 237,828	\$ 158,552	\$ 280,582	\$ 122,030
Public Works	94,375	62,917	91,581	28,664
	<u>\$ 332,203</u>	<u>\$ 221,469</u>	<u>\$ 372,163</u>	<u>\$ 150,694</u>
Law Enforcement				
District Court	\$ 284,784	\$ 189,856	\$ 195,474	\$ 5,618
Police Department	308,660	205,773	315,523	109,750
Animal Control	50,362	33,575	80,534	46,959
	<u>\$ 643,806</u>	<u>\$ 429,204</u>	<u>\$ 591,531</u>	<u>\$ 162,327</u>
Sanitation Fees	1,653,960	1,102,640	1,119,520	16,880
Total General Fund	<u>\$ 10,987,085</u>	<u>\$ 7,324,723</u>	<u>\$ 7,703,560</u>	<u>\$ 378,837</u>
Street Fund	2,261,120	1,507,413	921,063	(586,350)
Total General & Street	<u>\$ 13,248,205</u>	<u>\$ 8,832,137</u>	<u>\$ 8,624,623</u>	<u>\$ (207,514)</u>
Expenditures				
General Fund				
General Government				
City Council	\$ 92,578	\$ 61,719	\$ 63,447	\$ (1,728)
Mayor's Office	532,008	354,672	332,499	22,173
City Attorney's Office	225,711	150,474	147,001	3,473
Other General	473,494	315,663	385,003	(69,340)
City Clerk-Treasurer	375,966	250,644	235,344	15,300
Planning Commission	58,041	38,694	26,510	12,184
Recycle Center	21,341	14,227	13,448	779
1 City Plaza	50,414	33,609	31,796	1,813
	<u>\$ 1,829,553</u>	<u>\$ 1,219,702</u>	<u>\$ 1,235,048</u>	<u>\$ (15,346)</u>
Public Safety				
Fire Department	\$ 3,501,712	\$ 2,334,475	\$ 1,768,290	\$ 566,185
Public Works	497,794	331,863	290,212	41,651
	<u>\$ 3,999,506</u>	<u>\$ 2,666,337</u>	<u>\$ 2,058,502</u>	<u>\$ 607,835</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 August 31, 2013, and December 31, 2012

	August 31, 2013	December 31, 2012	YTD Increase (Decrease)	2013 Reserve for Fire Station
General Fund				
Unreserved Cash & Equivalents				
Operating Account	\$ 381,107	\$ 395,939	\$ (14,832)	
Investment Account	210	123,044	(122,834)	
Payroll Account	30,757	14,637	16,120	
Credit Card Clearing Account	48,485	76,850	(28,365)	
Drug Buy Account	500	500	-	
Certificates of Deposit	895,658	1,051,722	(156,064)	
Total Unreserved	<u>\$ 1,356,717</u>	<u>\$ 1,662,692</u>	<u>\$ (305,975)</u>	
Reserved Cash & Equivalents				
Vehicle/Equipment Reserve	\$ 12,498	\$ 62,814	\$ (50,316)	
Animal Control Donations	23,800	-	23,800	
CD's - New Fire Station	398,250	343,312	54,938	\$ 54,938
	<u>\$ 434,548</u>	<u>\$ 406,126</u>	<u>\$ 28,422</u>	
Total General Fund	<u>\$ 1,791,265</u>	<u>\$ 2,068,818</u>	<u>\$ (277,553)</u>	
Street Fund				
Unreserved Cash & Equivalents				
Operating Account	\$ 155,074	\$ 167,349	\$ (12,275)	
Capital Reserve Account	163,418	214,680	(51,262)	
Certificates of Deposit	715,494	715,494	0	
Total Street Fund	<u>\$ 1,033,986</u>	<u>\$ 1,097,522</u>	<u>\$ (63,536)</u>	
Special Revenue Funds				
Sr. Citizens/Health/Liabrary				
Checking	\$ 342,615	\$ 271,453	\$ 71,163	
Certificates of Deposit	157,016	157,016	0	
	<u>\$ 499,631</u>	<u>\$ 428,469</u>	<u>\$ 71,163</u>	
Public Safety & Equipment	2,658	40,303	(37,645)	
Municipal (District) Court Costs	3,366	2,204	1,162	
Court Automation Fund	69,294	67,495	1,799	
District Court Retirement Fund	15,687	13,996	1,691	
Drug Control Fund	8,241	8,236	5	
State Law Enforcemt Drug Control	30,144	17,400	12,744	
Act 833 Fire Protection	40,353	39,089	1,264	
Half Street Improvements	68,144	53,504	14,640	
Street Bond Refund Account	12,400	12,392	8	
Road Impact Fees	14,847	41,544	(26,697)	
Fire Impact Fees	22,681	49,580	(26,899)	
Sidewalk Fund	281,796	168,663	113,133	
Parks & Recreation Payroll	-	575	(575)	
	<u>\$ 1,069,242</u>	<u>\$ 943,450</u>	<u>\$ 125,792</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 August 31, 2013, and December 31, 2012

	August 31, 2013	December 31, 2012	YTD Increase (Decrease)
Trust Funds			
Firemens Pension Fund	\$ 99,009	\$ 1,086,296	\$ (987,287)
Firemens Pension Fund CDs	41,163	41,163	-
	<u>\$ 140,172</u>	<u>\$ 1,127,459</u>	<u>\$ (987,287)</u>
Policemens Pension Fund	-	-	-
	<u>\$ 140,172</u>	<u>\$ 1,127,459</u>	<u>\$ (987,287)</u>
Agency Funds			
Administration of Justice	\$ 35,160	\$ 30	\$ 35,130
Custodial			
Advertising & Promotion			
Checking	\$ 171,444	\$ 284,970	\$ (113,526)
Investment Account	66,330	59,054	7,276
Certificates of Deposit	155,218	155,218	(0)
	<u>\$ 392,992</u>	<u>\$ 499,242</u>	<u>\$ (106,250)</u>
 Grand Total	 <u>\$ 4,462,818</u>	 <u>\$ 5,736,522</u>	 <u>\$ (1,273,704)</u>

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