

City of Jonesboro
 Overview of Observations Regarding Financial Statements
 July 2020

Select Data - Year to Date	Actual	Budget	\$ Variance	% Change	Status
Revenue	\$ 38,014,342	\$ 35,407,407	\$ 2,606,935	7%	Favorable
Expense	36,454,814	38,557,412	(2,102,598)	-5%	Favorable
Surplus (Deficit)	\$ 1,559,528	\$ (3,150,005)	\$ 4,709,533		Favorable
Select Data - Year to Date	Actual	Budget	\$ Variance	% Change	Status
Sales Tax (Combined)	\$ 20,470,377	\$ 19,763,213	\$ 707,164	4%	Favorable
State Turnback (Combined)	2,662,107	2,577,318	84,789	3%	Favorable
State Highway 1/2 Cent Sales Tax	934,524	904,167	30,357	3%	Favorable
Fuel Purchases	498,665	701,293	(202,628)	-29%	Favorable
Select Data - Year to Date	Curr Yr	Prev Yr	\$ Variance	% Change	Status
Franchise Fee	\$ 1,175,849	\$ 1,276,883	\$ (101,034)	-8%	Unfavorable
A & P Tax	326,669	380,174	(53,505)	-14%	Unfavorable
Alcohol Beverage Tax	220,600	282,271	(61,671)	-22%	Unfavorable

Overview:

- 10 measurable goals - 7 are Favorable comparing to budget. 3 are Unfavorable comparing to previous year.
- Projections forecasted a budget deficit of (\$3.1) million through July. Actual performance is surplus of \$1.6 million, resulting in a favorable variance of approximately \$4.7 million through the first 7 months of 2020.
- Current surplus includes unbudgeted revenue of \$1.2 million resulting from settlement of insurance claims relating to tornado destruction of City property. Approximately \$230,000 in relating expenses have been incurred. Considering this, surplus is approximately \$3.7 million favorable compared to budget for the first 7 months of 2020.
- Revenue distributions from sales activities continue to perform better than year-to-date budget projections. May sales tax distributions, received in July, were unexpectedly \$256,000 higher than the same month for the pervious year; however, we continue to monitor for COVID-19 impact in our sales tax revenues.
- This report illustrates continuing pressure on A&P and Alcohol Beverage Tax receipts.