

City of Jonesboro
 Overview of Observations Regarding Financial Statements
 September 2020

Select Data - Year to Date	Actual	Budget	\$ Variance	% Change	Status
Revenue	\$ 47,490,940	\$ 44,216,972	\$ 3,273,968	7%	Favorable
Expense	48,352,691	50,137,593	(1,784,902)	-4%	Favorable
Surplus (Deficit)	\$ (861,751)	\$ (5,920,621)	\$ 5,058,870		Favorable
Select Data - Year to Date	Actual	Budget	\$ Variance	% Change	Status
Sales Tax (Combined)	\$ 26,763,469	\$ 25,491,400	\$ 1,272,069	5%	Favorable
State Turnback (Combined)	3,396,018	3,247,589	148,429	5%	Favorable
State Highway 1/2 Cent Sales Tax	1,223,471	1,162,500	60,971	5%	Favorable
Fuel Purchases	571,923	901,662	(329,739)	-37%	Favorable
Select Data - Year to Date	Curr Yr	Prev Yr	\$ Variance	% Change	Status
Franchise Fee	\$ 1,250,984	\$ 1,349,345	\$ (98,361)	-7%	Unfavorable
A & P Tax	415,966	503,078	(87,112)	-17%	Unfavorable
Alcohol Beverage Tax	285,706	360,766	(75,060)	-21%	Unfavorable

Overview:

- 10 measurable goals - 7 are Favorable comparing to budget. 3 are Unfavorable comparing to previous year.
- Projections forecasted a budget deficit of (\$5.9) million through September. Actual performance is a deficit of (\$861,751), resulting in a favorable variance of approximately \$5.1 million as three-fourths of 2020 have elapsed.
- 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 \$4.1 million favorable compared to budget for 9 months of 2020. Considering this non-recurring activity, revised Revenue & Expense % change would be 5% and (4%), respectively.
- Revenue distributions from sales activities continue to perform better than year-to-date budget projections. July sales tax distributions, received in September, continue the previous trend of revenues exceeding the same month of the previous year; however, we continue to monitor for COVID-19 impact in sales tax revenues.
- This report illustrates continuing pressure on A&P and Alcohol Beverage Tax receipts.