

# 2020 Budget Presentation

---





# Budget Goals

- Commitment to public safety, fire protection, and other essential municipal services
- Use city resources efficiently to ensure long-term financial stability.
- Provide responsive, cost effective service to the community.
- Provide matching funds to attract state and federal grants, private foundations, and other outside funding.



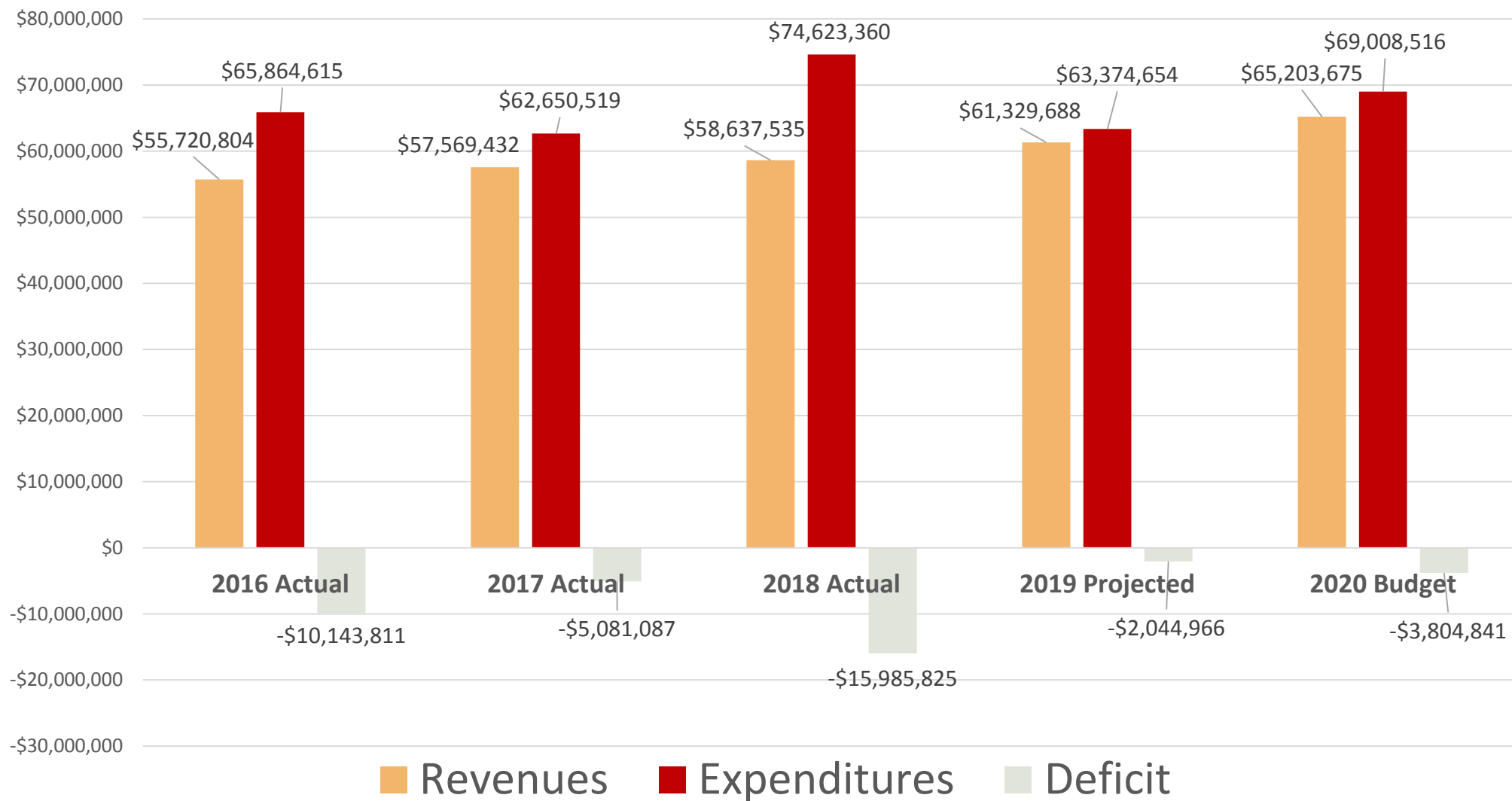
# Budget Highlights

- Total Revenues:
  - \$65.2 million
- Total Expenditures:
  - \$69.0 million
- Deficit:
  - \$3.8 million
- Ending Fund Balance:
  - \$30.3 million
- Excess Fund Balance:
  - \$20.5 million

City of Jonesboro Summary Budget FY 2020							
OPERATION & MAINTENANCE FUNDS	Beginning Fund Balance	Revenues	Expenditures	Surplus / (Deficit)	Ending Fund Balance	Required Reserves	Excess Fund Balance
General	19,272,634	45,216,241	44,248,290	967,951	20,240,585	6,637,243	13,603,342
Street	6,720,256	6,321,000	6,307,768	13,232	6,733,488	946,165	5,787,323
Street (STIP Earmarked)	3,811,826	-	1,072,501	(1,072,501)	2,739,325	-	-
Cemetery Fund	747,353	53,000	15,290	37,710	785,063	2,294	782,770
E-911	659,849	1,343,544	1,439,674	(96,131)	563,719	215,951	347,767
<b>Total</b>	<b>31,211,918</b>	<b>52,933,785</b>	<b>53,083,523</b>	<b>(149,738)</b>	<b>31,062,180</b>	<b>7,801,653</b>	<b>20,521,201</b>
OTHER FUNDS/EARMARKED	Beginning Fund Balance	Revenues	Expenditures	Surplus / (Deficit)	Ending Fund Balance	Required Reserves	Excess Fund Balance
Library	-	2,832,710	2,832,710	-	-	-	-
Capital Improvement	1,589,676	428,962	3,827,968	(3,399,006)	(1,809,330)	-	-
A & P	611,845	677,500	600,000	77,500	689,345	-	-
Federal Grants	206,673	5,322,991	5,312,991	10,000	216,673	-	-
CDBG	-	935,659	935,659	-	-	-	-
MPO	112,939	240,868	238,980	1,888	114,827	-	-
JET	275,580	1,318,500	1,666,960	(348,460)	(72,880)	-	-
Police Suspense	14,608	2,700	-	2,700	17,308	-	-
State Forfeiture	9,251	22,125	22,000	125	9,376	-	-
Federal Forfeiture	5,759	20,150	20,000	150	5,909	-	-
Miracle League	-	55,419	55,419	-	-	-	-
Non-Federal Grants	21,651	412,306	412,306	-	21,651	-	-
<b>Total</b>	<b>2,847,982</b>	<b>12,269,890</b>	<b>15,924,993</b>	<b>(3,655,103)</b>	<b>(807,121)</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>\$ 34,059,900</b>	<b>\$ 65,203,675</b>	<b>\$ 69,008,516</b>	<b>\$ (3,804,841)</b>	<b>\$ 30,255,059</b>	<b>\$ 7,801,653</b>	<b>\$ 20,521,201</b>

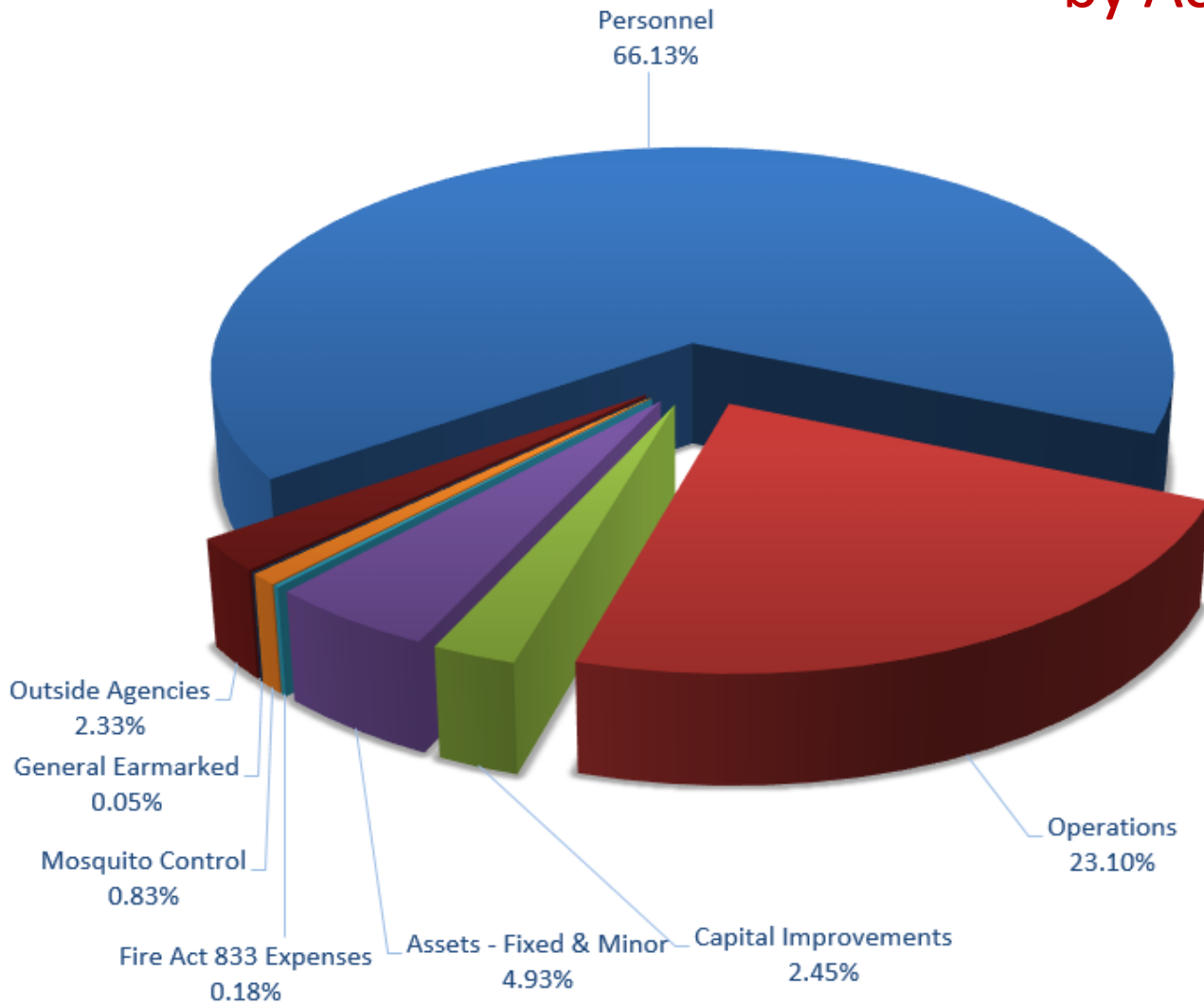


# Total Revenues and Expenditures





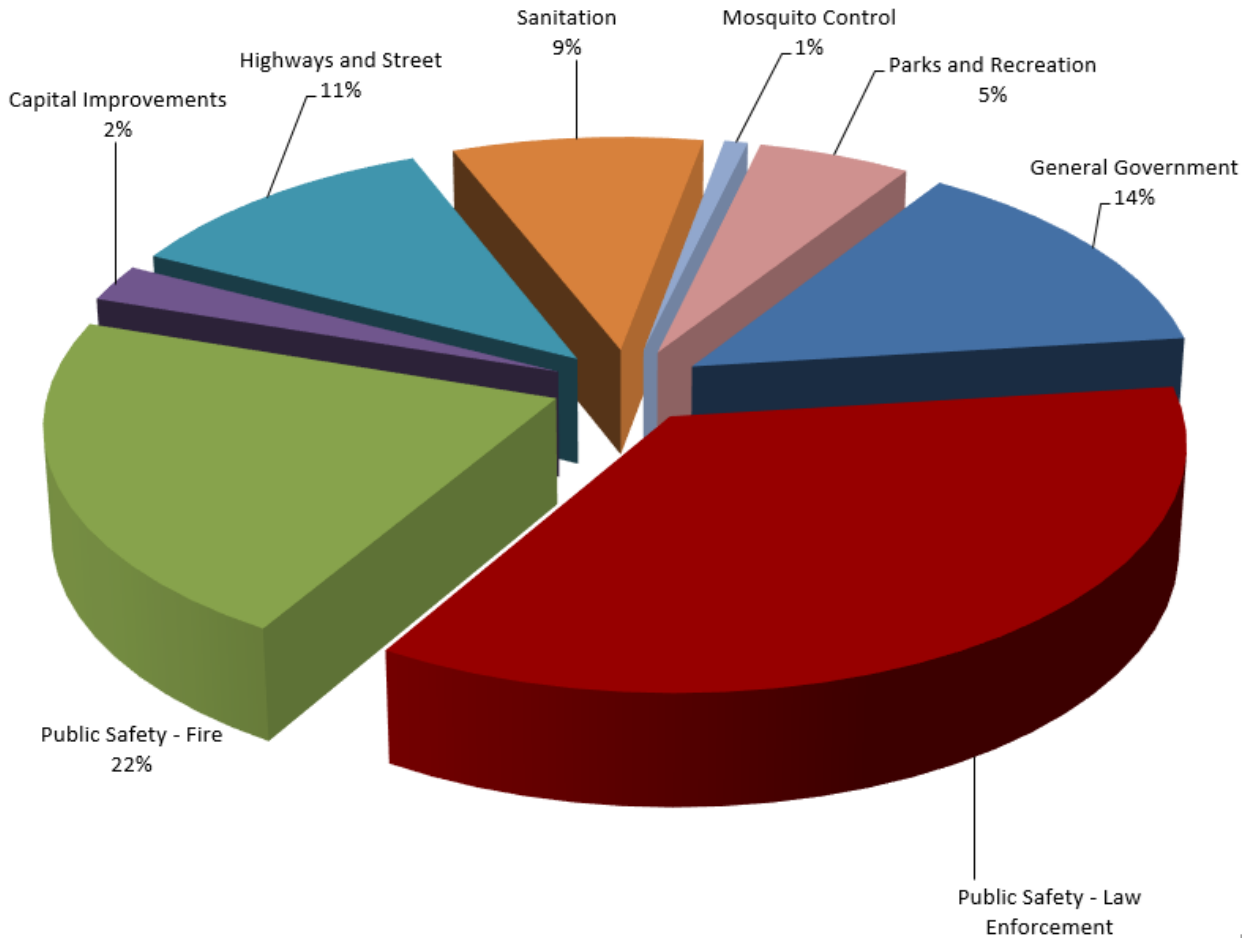
# Projected O&M Expenditures by Account Type



O&M Expenditure by Account Type	2019 Budget	2020 Budget	Difference
Personnel	\$34,670,493	\$35,102,723	\$432,230
Operations	\$12,172,568	\$12,262,555	\$89,987
Capital Improvements	\$3,671,250	\$1,300,501	(\$2,370,749)
Assets – Fixed and Minor	\$2,107,863	\$2,614,534	\$506,671
Fire Act 833 Expenses	\$85,000	\$95,000	\$10,000
Mosquito Control	\$436,000	\$442,000	\$6,000
General Earmarked	\$22,498	\$26,280	\$3,782
Outside Agencies	\$1,049,250	\$1,234,930	\$185,680
<b>TOTAL</b>	<b>\$54,214,922</b>	<b>\$53,078,523</b>	<b>(\$1,136,399)</b>



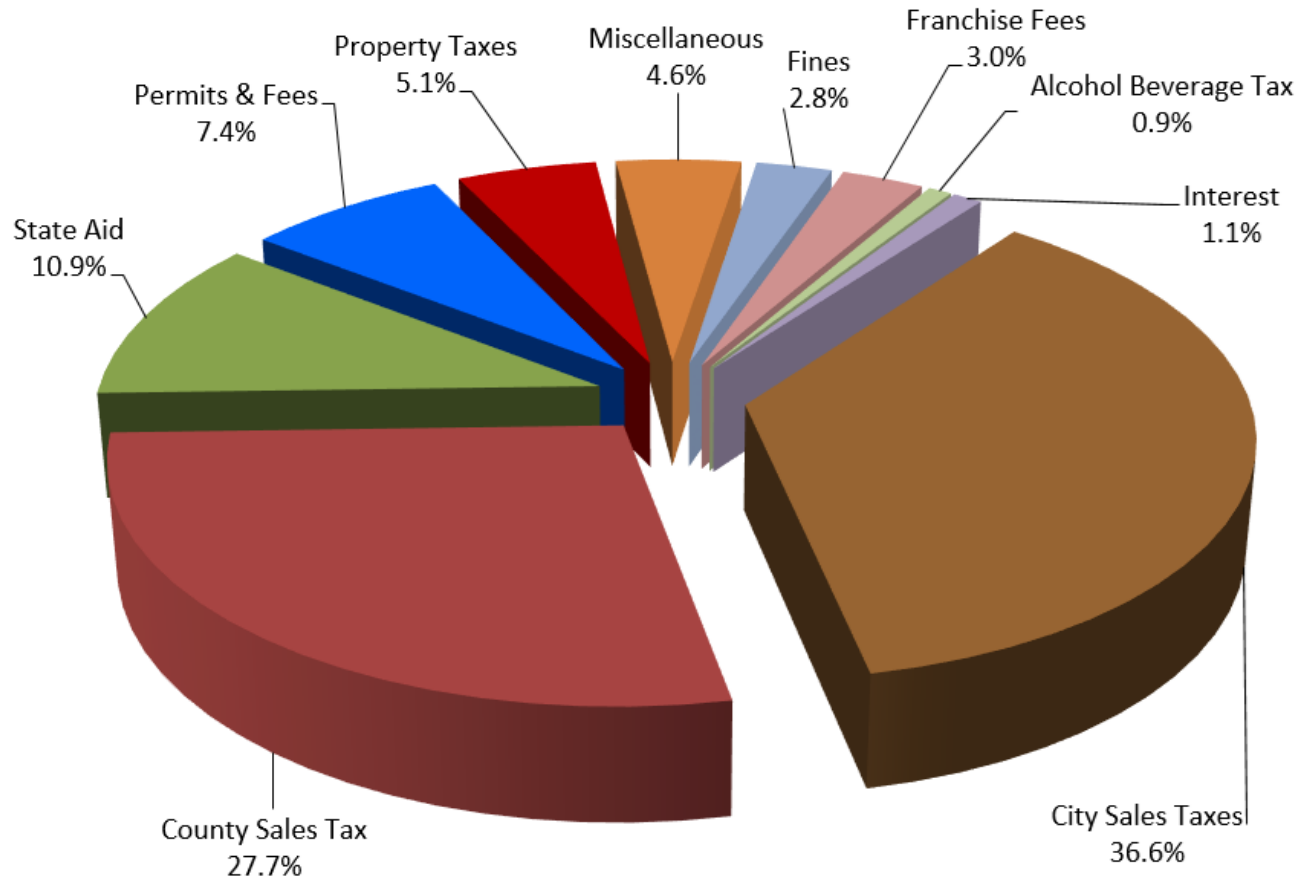
# Projected O&M Expenditures by Classification



O&M Expenditure by Classification	2019 Budget	2020 Budget	Difference
General Government	\$6,804,125	\$7,381,451	\$577,326
Law Enforcement	\$17,525,952	\$18,833,665	\$1,307,713
Fire Protection	\$11,187,334	\$11,431,281	\$243,947
Capital Impr. (O&M)	\$3,671,250	\$1,300,501	(\$2,370,749)
Highways and Street	\$6,467,293	\$6,079,768	(\$387,525)
Sanitation	\$4,575,418	\$4,730,301	\$154,883
Mosquito Control	\$436,000	\$442,000	\$6,000
Parks and Recreation	\$2,807,256	\$2,884,556	\$77,300
<b>TOTAL</b>	<b>\$53,474,626</b>	<b>\$53,083,523</b>	<b>(\$391,105)</b>



# Projected O&M Revenues



O&M Revenues	2019 Budget	2020 Budget	Difference
City Sales Taxes	\$18,200,000	\$19,350,000	\$1,150,000
County Sales Tax	\$13,200,000	\$14,664,000	\$1,464,000
State Aid	\$5,224,350	\$5,766,000	\$541,650
Permits and Fees	\$3,896,550	\$3,913,500	\$16,950
Property Taxes	\$2,577,000	\$2,710,000	\$133,000
Miscellaneous	\$2,228,897	\$2,425,535	\$196,638
Fines	\$1,518,000	\$1,473,500	(\$44,500)
Franchise Fees	\$1,400,000	\$1,600,000	\$200,000
Alcohol Beverage Tax	\$450,000	\$460,000	\$10,000
Interest	\$717,697	\$571,250	(\$146,447)
<b>TOTAL O&amp;M REVENUES</b>	<b>\$49,412,494</b>	<b>\$52,933,785</b>	<b>\$3,521,291</b>

# Capital Improvements - Summary



## STREET FUND

- Transportation Projects: \$228,000
- STIP Projects: \$1,072,501
  - Hwy. 18/Main/Highland: \$844,121
  - Hwy. 1B Widening: \$155,752
  - Hwy 351/BNSF Hwy 49: \$72,628
- TOTAL, Street Fund Cap. Imprmt.: \$1,300,501

## CAPITAL IMPROVEMENTS FUND

- Transportation Projects: \$150,000
- Drainage Projects: \$450,000
- Facilities Projects: \$194,500
- Annual Obligations: \$227,500
- Parks Projects: \$2,682,250
- Local Match: \$87,516
- TOTAL Expenditures: \$3,791,766
- Revenues: \$428,962
- Net Cost: \$3,412,804



# Salary/Administrative Changes for 2020



- No new positions.
  - Except 3 new firefighters approved from recent grant.
- No change in salary structure.
  - Step program continues.
- Health Insurance:
  - 3.3% cost increase (\$120,000) to city.
  - Same share of city funding of policy (71%)
  - Deductible increase:
    - Individual: From \$600 to \$700
    - Family: From \$1,800 to \$2,100



# Fire and Police Pension

- 2020 budgeted cost of both pensions: \$4,600,000
- Authorization:
  - Can go up to 1 mil for each.
- Current:
  - Resolutions Approved Oct. 2019 for .5 mill for both fire and police.
    - Generates a total of \$1,260,000
    - State Funding (“Premium Tax Allocation”): \$1,620,000
  - Net cost to city: \$1,720,000
- Consideration:
  - Increase both to 1 mill. for 2020.
  - Amount of revenue both would generate: \$1,260,000
    - Net cost to city would be: \$460,000
  - Not included in 2020 budget.

# Concerns

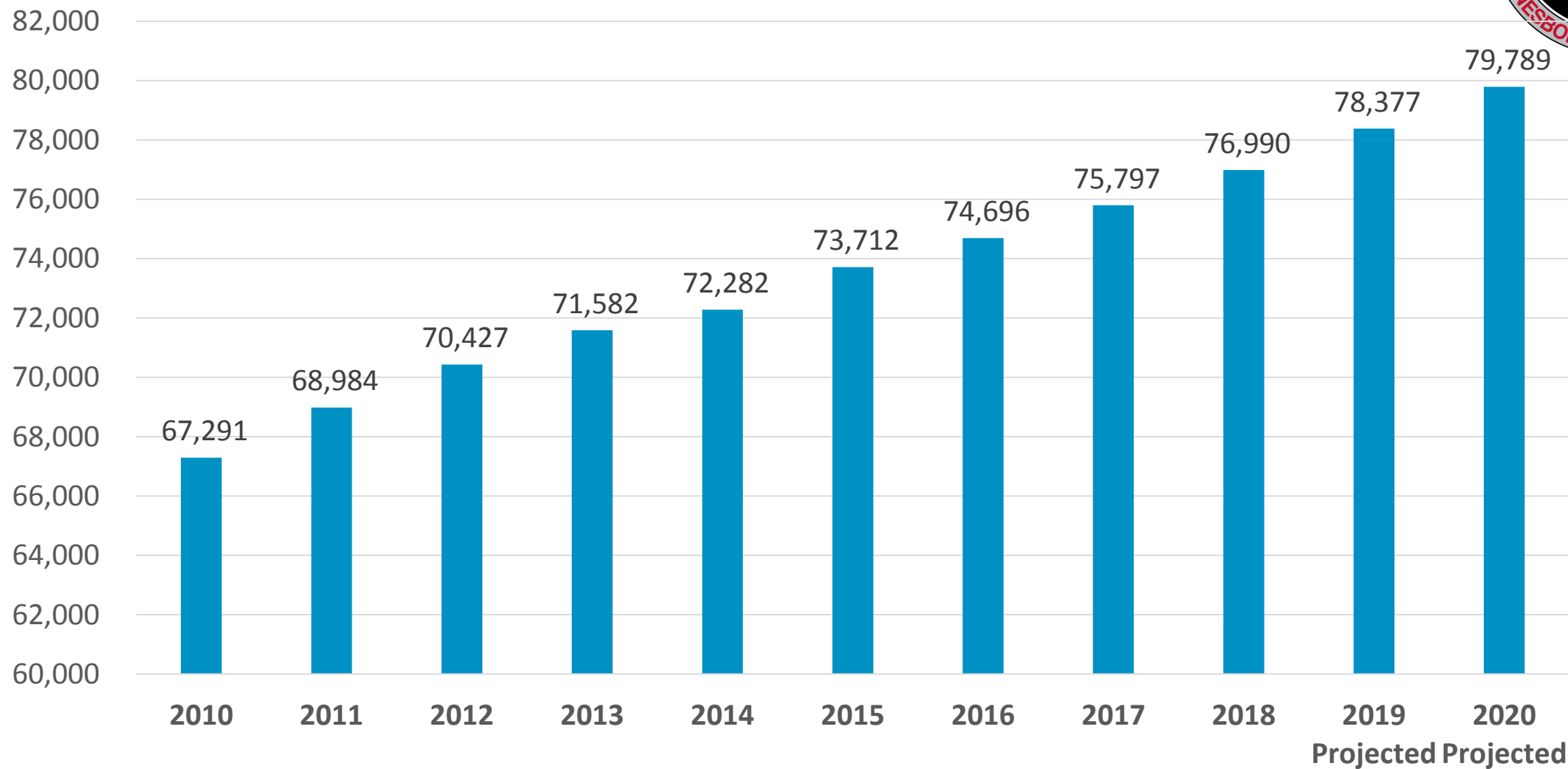
---





# Jonesboro Population

Average **1.7%** per year since 2016





# Budget Concerns

- Expenses will continue to rise with population growth and inflation.
  - Largest Costs: Police, Fire, Sanitation, Streets
- Revenues aren't keeping up with the population growth and inflation.
  - Population Growth: Averaged **1.7%**/year since 2016.
  - Inflation Rate: Averaged **1.7%**/year since 2016.

## Revenue\* Per Capita

- 2016: \$650
- 2020: \$612
- Difference: **-5.8%**

*\*Inflation Adjusted*

*\*O&M + Cap. Improvements*

# 2020 Budget Presentation

---

