

City of Jonesboro  
 Overview of Observations Regarding Financial Statements  
 August 2020

Select Data - Year to Date	Actual	Budget	\$ Variance	% Change	Status
Revenue	\$ 42,763,167	\$ 39,734,886	\$ 3,028,281	8%	Favorable
Expense	41,118,678	42,615,532	(1,496,854)	-4%	Favorable
Surplus (Deficit)	\$ 1,644,489	\$ (2,880,646)	\$ 4,525,135		Favorable
Select Data - Year to Date	Actual	Budget	\$ Variance	% Change	Status
Sales Tax (Combined)	\$ 23,604,064	\$ 22,695,446	\$ 908,618	4%	Favorable
State Turnback (Combined)	3,058,264	2,907,434	150,830	5%	Favorable
State Highway 1/2 Cent Sales Tax	1,079,234	1,033,333	45,901	4%	Favorable
Fuel Purchases	510,069	801,477	(291,408)	-36%	Favorable
Select Data - Year to Date	Curr Yr	Prev Yr	\$ Variance	% Change	Status
Franchise Fee	\$ 1,212,969	\$ 1,317,574	\$ (104,605)	-8%	Unfavorable
A & P Tax	370,064	442,353	(72,289)	-16%	Unfavorable
Alcohol Beverage Tax	255,956	319,369	(63,413)	-20%	Unfavorable

**Overview:**

- 10 measurable goals - 7 are Favorable comparing to budget. 3 are Unfavorable comparing to previous year.
- Projections forecasted a budget deficit of (\$2.9) million through August. Actual performance is surplus of \$1.6 million, resulting in a favorable variance of approximately \$4.5 million as two-thirds 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 \$3.5 million favorable compared to budget for 8 months of 2020.
- Revenue distributions from sales activities continue to perform better than year-to-date budget projections. June sales tax distributions, received in August, continue the previously established pattern of 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.