



## CITY OF JONESBORO

November 21, 2011

To Members of the Jonesboro City Council  
And the Citizens of Jonesboro, Arkansas

I am proud to enclose my recommended budget for the Jonesboro's 2012 fiscal year. This document is the latest in our best efforts to present a comprehensive forecast of revenues and expenses for 2012. As in previous years, it is the culmination of hours and hours of hard work and tedious review by members of our administration, department heads, and members of our staff.

2011 followed recent trends and proved to be another year of unpredictability. Month after month revealed a new result of local economic conditions measured by the confidence of consumers spending monies locally to generate the sales tax that make up the overwhelming majority of our revenue budget. While we had an encouraging year, it remains increasingly difficult to predict with any degree of confidence or certainty exactly how consistent those revenue streams will continue to be.

Throughout 2011, our department heads and staff have continued our past practices of working diligently to manage expenses. We strive year after year to build on previous successes in these areas, and it's something we work very hard at every day. Their efforts of good planning and prudent management will once again yield the desired results, with us projecting a 2011 year end surplus.

For the second year in a row, I am pleased to present you a balanced budget. We continue to take nothing for granted, plan conservatively, and manage diligently. This strategy has proven effective for us for the past three years and I am confident it will do so again in 2012.

There are four new full-time positions created within this 2012 budget and an additional two part-time positions that have been elevated to full-time status. The new positions were limited to E-911 (2) and Parks & Recreation (1) and (1) Police Officer which justified the additional resources budgeted.

In the facing of rising costs, we are pleased that we have been able to maintain our health coverage for employees and their families at a minimal increase in premiums. As with last year, the 2012 budget does contain some \$2.9 million dollars in fixed assets and minor equipment purchases. This is a prudent process of systematically planning to replace and/or upgrade targeted equipment each year; eliminating the potential of facing a windfall expenditure for mass replacements or upgrades in future years.

The O & M Budget is projecting a surplus of \$3.1 million dollars, the second year in a row for projecting over a \$2 million dollar surplus. Once again, we have an aggressive Capital Improvement budget of over \$15.9 million dollars (with over \$4.2 million dollars in street and drainage projects); allowing us to continue to tackle many of the long-term infrastructure issues facing our city while still being fiscally responsible.

While we are happy with the strides we have made in budget management over the past three years, we are the first to realize there is always more that can be done to improve efficiencies and productivity. We continue to evaluate and liquidate non-performing assets and leverage those into either cash or assets of more operational value. This will become increasingly important as we look to finalize plans to consolidate management and administrative functions, work through a precinct management strategy for our police department, and complete the final phases of our ISO compliant fire station deployment strategy.

I remain optimistic for 2012 and as in previous years continue to pray for a complete economic recovery for our city, state and nation. While we have enjoyed continued growth in population and opportunity, we are part of a global economy that must ultimately function in harmony if we are to truly become the city that we are capable of becoming.

As always, I continue to be thankful for the confidence and trust you have placed in me and our entire administration. It remains the desire of our team to earn, honor and keep that trust.

I look forward to working with you closely in 2012 as we continue our journey together.

Sincerely,

Harold Perrin  
Mayor