

City of Jonesboro
 Overview of Observations Regarding Financial Statements
 November 2020

Select Data - Year to Date	Actual	Budget	\$ Variance	% Change	Status
Revenue	\$ 62,988,194	\$ 56,207,028	\$ 6,781,167	12%	Favorable
Expense	61,535,903	63,468,600	(1,932,697)	-3%	Favorable
Surplus (Deficit)	\$ 1,452,291	\$ (7,261,572)	\$ 8,713,864		Favorable
Select Data - Year to Date	Actual	Budget	\$ Variance	% Change	Status
Sales Tax (Combined)	\$ 32,972,426	\$ 31,191,931	\$ 1,780,495	6%	Favorable
State Turnback (Combined)	4,091,179	3,927,880	163,298	4%	Favorable
State Highway 1/2 Cent Sales Tax	1,512,752	1,420,833	91,918	6%	Favorable
Fuel Purchases	696,361	1,102,031	(405,671)	-37%	Favorable
Select Data - Year to Date	Curr Yr	Prev Yr	\$ Variance	% Change	Status
Franchise Fee	\$ 1,513,252	\$ 1,648,415	\$ (135,163)	-8%	Unfavorable
A & P Tax	522,014	631,334	(109,320)	-17%	Unfavorable
Alcohol Beverage Tax	369,212	441,337	(72,125)	-16%	Unfavorable

Overview:

- 10 measurable goals - 7 are Favorable comparing to budget. 3 are Unfavorable comparing to previous year.
- Projections forecasted a budget deficit of (\$7.3) million through November. Actual performance is a surplus of \$1.5 million, resulting in a favorable variance of approximately \$8.7 million through 11 months.
- Current surplus includes unbudgeted revenue of \$1.2 million resulting from settlement of insurance claims relating to tornado destruction of City property, and \$2.6 million resulting from Covid Grant money. Approximately \$240,000 in expenses relating to the tornado destruction have been incurred. Considering this, surplus is approximately \$5.1 million favorable compared to budget for 11 months of 2020. Considering this non-recurring activity, revised Revenue & Expense % change would be 5% and (3%), respectively.
- Revenue distributions from sales activities continue to perform better than year-to-date budget projections. The current month Sales Tax Distribution, representing tax activity from two months prior, 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 YTD.