The Economy and Cities: WHAT AMERICA’S LOCAL LEADERS ARE SEEING

Local leaders understand the needs of their residents and are best positioned to make emergency management decisions related to allocation of resources.

The federal government MUST act to ensure every city, town and village impacted by this pandemic—regardless of size—has direct access to emergency funding.

UNDER THE CURRENT CARES ACT:

Only municipalities of more than 500,000 residents will receive direct funding through the Coronavirus Relief Fund

Only 36/19,000 American cities, towns and villages are 500,000+

That equals less than 0.5% of all municipalities

And only represents 14% of the country’s total population

96% of all cities report that budget shortfalls are the result of unanticipated revenue declines.

53% of municipalities <50,000 are anticipating having to cut public services.

70% of municipalities 200K-499,999 are anticipating having to cut public services.

63% of municipalities 50k-199,999 are anticipating having to cut public services.

76% of municipalities 500,000+ are anticipating having to cut public services.

PUBLIC SERVICES WILL BE IMPACTED BY THE ECONOMIC STRAIN OF COVID-19.

MORE THAN HALF of all cities of all all sizes reported that police will be affected.

MUNICIPALITIES OF ALL SIZES WILL FEEL THE ECONOMIC IMPACT OF COVID-19.

Nearly 100% of cities with populations above 50,000 will see a revenue decline this year.

87% of municipalities <50,000 anticipate a revenue shortfall this year.

100% of municipalities 200K-499,999 anticipate a revenue shortfall this year.

98% of municipalities 50k-199,999 anticipate a revenue shortfall this year.

100% of municipalities 500,000+ anticipate a revenue shortfall this year.

LOCAL LEADERS ARE REPORTING AN IMMEDIATE ECONOMIC IMPACT FROM LOSS OF REVENUE SOURCES THEY DEPEND ON TO FUND ESSENTIAL SERVICES.

CORONAVIRUS WILL HAVE A STAGGERING IMPACT ON ALL MUNICIPAL EMPLOYMENT.

THERE WILL BE FURLOUGHS

26% of municipalities <50,000 will have to furlough their employees.

55% of municipalities 50K-199,999 will have to furlough their employees.

54% of municipalities 200K-499,999 will have to furlough their employees.

59% of municipalities 500,000+ will have to furlough their employees.

AND THERE WILL BE LAYOFFS

26% of municipalities <50,000 will have to lay off their employees.

36% of municipalities 50K-199,999 will have to lay off their employees.

39% of municipalities 200K-499,999 will have to lay off their employees.

47% of municipalities 500,000+ will have to lay off their employees.

PERCENTAGES OF MUNICIPALITIES OF ALL SIZES

OF MUNICIPALITIES <50,000 will have to furlough their employees

OF MUNICIPALITIES 50K-199,999 will have to furlough their employees

OF MUNICIPALITIES 200K-499,999 will have to furlough their employees

OF MUNICIPALITIES 500,000+ will have to furlough their employees

OF MUNICIPALITIES <50,000 will have to lay off their employees

OF MUNICIPALITIES 50K-199,999 will have to lay off their employees

OF MUNICIPALITIES 200K-499,999 will have to lay off their employees

OF MUNICIPALITIES 500,000+ will have to lay off their employees

Unanticipated revenue declines and unanticipated expenditure increases

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property taxes</td>
<td>35%</td>
</tr>
<tr>
<td>Sales taxes</td>
<td>61%</td>
</tr>
<tr>
<td>Other service fees</td>
<td>68%</td>
</tr>
<tr>
<td>State intergovernmental aid</td>
<td>38%</td>
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<tr>
<td>Utility fees</td>
<td>63%</td>
</tr>
<tr>
<td>Income taxes</td>
<td>18%</td>
</tr>
<tr>
<td>Permits fees</td>
<td>53%</td>
</tr>
<tr>
<td>Other fees</td>
<td>43%</td>
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</tbody>
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