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%** UNANTICIPATED REVENUE DECLINE ONLY

**43%** UNANTICIPATED REVENUE DECLINES AND UNANTICIPATED EXPENDITURE INCREASES

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

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

**50%** 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.

MORE THAN HALF OF ALL CITIES OF ALL ALL SIZES REPORTED THAT POLICE WILL BE AFFECTED.

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

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

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permitting fees</td>
<td>69%</td>
</tr>
<tr>
<td>Other service fees</td>
<td>68%</td>
</tr>
<tr>
<td>Utility fees</td>
<td>63%</td>
</tr>
<tr>
<td>Sales taxes</td>
<td>61%</td>
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<tr>
<td>State intergovernmental aid</td>
<td>38%</td>
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<tr>
<td>Property taxes</td>
<td>35%</td>
</tr>
<tr>
<td>Income taxes</td>
<td>18%</td>
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