State of the Cities 2020: Leading through a Pandemic

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Housekeeping

- Event is being recorded and the recording will be posted online afterward.
- The speaker biographies are available online.
- All participants are muted.
- Type your questions or comments into the Q&A box at any time.
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Many City Revenue Sources Are At Risk in The COVID-19 Pandemic and Recession

FIGURE 1
Breakdown of General Revenue by Source

Share of total, 906 largest cities with population over 50,000, fiscal year 2017

Notes: General revenue excludes “business-like” government activities such as water and gas utilities or employee retirement trusts.
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Carolyn M. Coleman, Executive Director
League of California Cities
September 29, 2020
Share of Cities **Better / Less Able** to Meet Fiscal Needs
FY 2020 - FY 2021 Revenue Loss Estimation by TAX STRUCTURE

<table>
<thead>
<tr>
<th>Tax Structure</th>
<th>High</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property</td>
<td>-10</td>
<td>-0.3</td>
</tr>
<tr>
<td>Property + Income</td>
<td>-10.3</td>
<td>-0.7</td>
</tr>
<tr>
<td>Property + Sales</td>
<td>-14.1</td>
<td>-3.6</td>
</tr>
<tr>
<td>Property, Sales, + Income</td>
<td>-13.3</td>
<td>-5.5</td>
</tr>
<tr>
<td>Sales</td>
<td>-12.4</td>
<td>-0.8</td>
</tr>
<tr>
<td>Average</td>
<td>-12.9</td>
<td>-2.9</td>
</tr>
</tbody>
</table>
Key Revenue Losses for CA Cities through FY 21-22

$2.26 billion  
Sales Taxes

$1.37 billion  
Hotel/Bed Taxes

Cities anticipate a nearly $7 BILLION  
GENERAL REVENUE SHORTFALL
The Impact on Core Services

Core Services Face Significant Impacts Regardless of City Size

Percentage of cities by population

- **Emergency Medical Services**
- **Sanitation/Waste**
- **Fire Services**
- **Homeless Services**
- **Police/Public Safety**
- **Planning/Housing**
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