



**Department of Administration
Budget and Management Division**

Tom Barrett
Mayor

Sharon Robinson
Administration Director

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Budget and Management Director

April 24, 2020

MEMORANDUM

To: Common Council Aldermen

From: Dennis Yaccarino, Budget and Management Director

Subject: Impact of COVID-19 on the 2020 City Budget

The national outbreak of Covid-19 and the local response to the pandemic will present challenges to the City's finances in 2020.

The most immediate impact of Covid-19 is a loss in City revenue. Necessary public health measures, including closures of public and private facilities to reduce the spread of Covid-19 have also reduced regular revenue for City departments. The table at the end of this memo shows an estimate of lost revenue for a period of six months.

The table included in this memo shows the actual loss of revenue for two months, March and April, and the projected loss from May to August if conditions remain the same. Some revenues were less impacted by required closures and service adjustments.

The length of the pandemic and resulting economic slowdown cannot yet be projected, and a second wave of infections in the fall or winter will further impact revenues.

Departmental expenditures will also be impacted by the pandemic. Federal grants will support some additional public health costs and other increased City expenditures related to Covid-19 response. Federal and State relief legislation does not allow the City to use Covid-19 grant funds to replace lost revenue.

The Budget Office will continue to monitor revenues, grant funds, and expenses and report our outlook for the 2020 City budget as the pandemic progresses.

Projected Revenue Loss May - August 2020					
	Actual March - April	Budgeted March - April	Loss March - April	Estimate May-August	Loss May-August
City Clerk	\$ 307,862	\$ 893,667	\$ (585,805)	\$ 196,000	\$ (1,591,333)
DNS Permits	\$ 991,530	\$ 1,436,075	\$ (444,545)	\$ 1,700,000	\$ (1,172,150)
DNS Inspections	\$ 543,928	\$ 1,779,583	\$ (1,235,655)	\$ 920,000	\$ (2,639,167)
Court Fines	\$ 334,252	\$ 546,000	\$ (211,748)	\$ 632,000	\$ (460,000)
Court Fees	\$ 153,106	\$ 226,833	\$ (73,727)	\$ 280,000	\$ (173,667)
Parking Meters	\$ 472,161	\$ 864,000	\$ (391,839)	\$ -	\$ (1,728,000)
Parking Structures	\$ 534,188	\$ 1,055,833	\$ (521,645)	\$ 532,000	\$ (1,579,667)
Parking Citations	\$ 1,570,437	\$ 2,700,000	\$ (1,129,563)	\$ 2,720,000	\$ (2,680,000)
DPW Charges for Service	\$ 350,241	\$ 2,336,542	\$ (1,986,300)	\$ 700,483	\$ (3,972,601)
Assessor	\$ 98,968	\$ 140,500	\$ (41,532)	\$ 119,200	\$ (161,800)
Health	\$ 129,276	\$ 239,667	\$ (110,391)	\$ 258,551	\$ (220,782)
Potawatomi	\$ -		\$ -		\$ (1,000,000)
Water Late Fees	\$ -		\$ -		\$ (1,655,000)
Sewer Late Fee	\$ -		\$ -		\$ (685,000)
Total			\$ (6,732,752)		\$ (19,719,166)
Total					\$ (26,451,918)

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COVID-19 Budget Impact Memo.doc