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LOCAL VOICES MAKING LOCAL CHOICES

Municipal Finance: What We Think We Know

June 17, 2020

LOCAL VOICES MAKING LOCAL CHOICES

COVID-19 Impacts

▶ Increased Expenditures:

- Public Safety Cost
- Sanitation Cost
- Protective Gear
- Remote Workforce
- Business & Community Assistance

▶ Potential Funding Sources:

- FEMA
- CARES Act
- Additional Federal Stimulus?



Sales & Use Tax

- ▶ Municipal and Local Half Cent Revenue Sharing Programs
- ▶ Local Option Surtaxes (restricted revenues)
- ▶ April collections down 24.1% based on March sales activity



Ad Valorem

- ▶ March 26 Order extended the final due date for property tax payments for the 2019 tax year until April 15
- ▶ Tax Rolls for FY 2020-21 are based on January 2020 assessments
- ▶ Long lag on ad valorem impacts from COVID-19 compared to other revenue sources
- ▶ Local decisions regarding millage rates.



Other Revenues

- ▶ Fuel Taxes
- ▶ Insurance Premium Tax
- ▶ Public Service Tax
- ▶ Communication Services Tax
- ▶ Local Business Tax
- ▶ Local Revenues- franchise fees, permit fees, utility fees, user fees



State Budget Outlook

- ▶ HB 5001- \$93.2 billion budget
- ▶ State fiscal year starts July 1
- ▶ Vetoes are expected to offset revenue reductions
- ▶ April collections down \$878.1 million based on March activity



What's Next...

- ▶ Cities are currently developing budgets for next year
- ▶ U.S. now in a recession, what does that mean for Florida?
- ▶ Special Session?
- ▶ It's Hurricane Season!





Thank you

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