



COLORADO
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Colorado Municipal League COVID-19 Fiscal Impact Survey

A new survey of Colorado municipalities drives home the crucial importance of federal stabilization assistance in ensuring that municipalities can avoid layoffs, deliver services, and maintain infrastructure. Municipalities are bracing themselves for continued financial losses, including those for whom summer months typically see the most tourism, and those whose winter ski seasons could be entirely canceled should another wave occur in winter 2020/2021. Also concerning is the future of local economies as the recession continues; the increased federal aid to individuals who have lost their jobs ends; and restaurants, bars, or other businesses permanently close.

Almost

80% of respondents



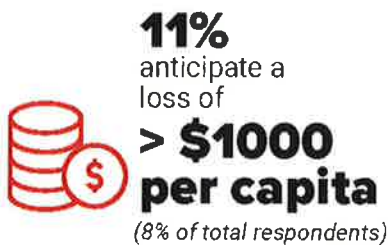
are anticipating a general fund shortfall

The average anticipated general fund reduction reported was

17%

with the actual dollar amount ranging from **thousands of dollars to hundreds of millions of dollars.**

Of those who offered estimates of a general fund decrease—



Reported a decrease in sales/use tax revenue in **March**,
as compared to **2019**



Reported a decrease in **April**



Reported a decrease in **May**

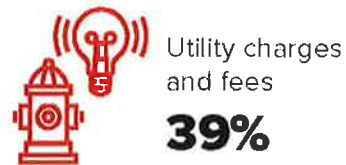
Approximately

10%

reported that their **sales tax revenue dropped
by more than a third each month between
March and May.**

The municipalities that saw no decline or even an increase in sales tax give credit to taxes brought in by essential businesses such as **grocery stores, wholesale club stores, and hardware stores**, as well as the **sales tax now being collected from online sales that municipalities could not collect previously.**

Other revenue source that have seen a decrease include:



**Other
taxes
34%**

The survey was conducted between June 30 and July 8, and 99 municipalities responded (37% response rate).