



A RECOVERY LANDSCAPE

FORECASTING FLORIDA MUNICIPAL REVENUE IMPACTS FROM COVID-19

The Florida League of Cities report, *A Recovery Landscape – Forecasting Florida Municipal Revenue Impacts from COVID-19*, forecasts impacts to municipal revenue due to the pandemic through Fiscal Year 2023 for all 411 Florida municipal governments.

This report can be used as a planning tool to help guide policymakers with municipal finance decisions. Every municipal government's revenues will be affected differently by a host of economic factors. By historically examining the impact of local unemployment on municipal revenues from 2008 to 2018, this analysis offers new insights regarding what revenue streams may look like over the next few years.

KEY FINDINGS

- ▶ Florida cities are predicted to experience a **\$3.90 billion reduction in municipal revenues** over Fiscal Years 2021, 2022 and 2023.
- ▶ In FY 2021 alone, municipal revenues (excluding any property tax impacts) are projected to **decline by more than \$1.72 billion**.
- ▶ The variation in revenue impacts across the state is significant when looking at individual communities. **Some have forecast declines of up to nearly 20%**, while others are forecast to experience an incremental increase.
- ▶ **Large cities will be affected most.** Cities with populations greater than 100,000 are forecast to experience the largest revenue declines: 6.1% in FY 2021, 4.6% in FY 2022 and 3.2% in FY 2023.
- ▶ **Each region of the state will feel the impact of the pandemic differently.** Areas with an economy tied to tourism may take longer to recover. This longer recovery may also be true for areas that are more densely populated, as depicted in this map of forecast revenue impacts for FY 2021.

FY 2021 FORECAST REVENUE IMPACTS

