INTRODUCTION

Clarence Anthony
CEO AND EXECUTIVE DIRECTOR
NATIONAL LEAGUE OF CITIES
OVERVIEW

- Welcome remarks
- Presentation of report findings
- Keynote presentation, Dr. Mark Zandi, Moody’s Analytics
- Fireside chat
- Q/A – for this section, please use the chat box
INTRODUCTION

Christiana K. McFarland
RESEARCH DIRECTOR
NATIONAL LEAGUE OF CITIES

Michael A. Pagano
DEAN OF THE COLLEGE OF URBAN PLANNING AND PUBLIC AFFAIRS AND DIRECTOR OF THE GOVERNMENT OF FINANCE RESEARCH CENTER
UNIVERSITY OF ILLINOIS AT CHICAGO
There’s no way Cincinnati or Columbus or any city can survive or thrive if local governments suffer the catastrophic loss of revenue that we are projecting right now.”

- Mayor John Cranley
CITY OF CINCINNATI, OH
Fiscal Year **Start Month**

- **January**: 24%
- **July**: 54%
- **October**: 17%
- **Other**: 4%
Share of Cities **Better / Less Able** to Meet Fiscal Needs
Share of Cities Less Able to Meet Fiscal Needs in FY 2020 and FY 2021, by Tax Structure
Year-Over-Year Change in General Fund Revenues and Expenditures

- Revenues
- Expenditures
FY 2020 - FY 2021 Revenue Loss Estimation by TAX STRUCTURE
The federal government, because it does not operate under a balanced-budget regulation as states and cities do, has the authority and ability to play a critical countercyclical role in the fiscal future of cities.
Introduction

Councilmember Joe Buscaino
COUNCIL PRESIDENT PRO TEMPORE, CITY OF LOS ANGELES, CALIFORNIA
PRESIDENT, NLC
Pandemic Economy

Mark Zandi, Chief Economist

August 2020
Not a V-Shaped Recovery…

U.S. Real GDP, Trillions 2012 $

Sources: BEA, Moody’s Analytics
...For Most of the Country

Average z-score across rankings, 0 = metro area average, Aug 20

Source: Moody’s Analytics
S&L Governments Are Under Severe Fiscal Stress

Fiscal impact of pandemic across all 50 states, Bil. $

Revenue losses and Medicaid surge are expected to extend across at least three fiscal years.

Majority of the financial stress will still be concentrated on the revenue side of the ledger.

Including local governments, total fiscal need will be as high as $500 billion.

Sources: Moody’s Analytics

Combined Fiscal Shock

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<th>2020</th>
<th>2021</th>
<th>2022</th>
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<tr>
<td>Revenue loss</td>
<td>-230.3B</td>
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<tr>
<td>Medicaid increase</td>
<td>-82.0B</td>
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<tr>
<td>Total</td>
<td>-312.3B</td>
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Helping S&L Govt Provides Big Bang For the Buck

Federal fiscal multipliers in recessions

Sources: BEA, Moody’s Analytics
Contact Us: Economics & Business Analytics Offices

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FIRESIDE CHAT
Thank you for attending

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