



## INTERNATIONAL CITY/COUNTY MANAGEMENT ASSOCIATION

Honorable Nancy Pelosi  
Speaker of the House  
Washington, DC 20515

The Honorable Mitch McConnell  
Senate Majority Leader  
Washington, DC 20510

The Honorable Kevin McCarthy  
House Minority Leader  
Washington, DC 20515

The Honorable Charles Schumer  
Senate Minority Leader  
Washington, DC 20510

Dear Leader McConnell, Speaker Pelosi, Leader Schumer, and Leader McCarthy,

On behalf of the International City/County Management Association (ICMA)'s 13,000 members, I am writing to you to urge your consideration of direct funding to cities and counties in your next stimulus bill, providing as much flexibility as possible. The fiscal and public health situation is grave on the front lines of cities and counties, required to operate within fixed budgets.

Please consider expansion of current programs like the Community Development Block Grant. Funding through that program would enable cities and counties to quickly build or refurbish facilities to address urgent health care needs, build housing for the homeless, and to address other community priorities. Restoring advance refunding of municipal bonds is another way to help cash-strapped local governments.

When ICMA sent out its survey of COVID-19 fiscal issues late March 19, 725 CAOs of cities and counties responded in less than 24 hours. The size of the jurisdictions ranges from small towns to mid-sized communities to one place with over 1 million residents.

- About half of all local governments will be going through their annual budgeting process within the next six months during this period of high uncertainty. The remainder will have to navigate the evolving situation with resource allocations established up to six months ago.
- The most common unanticipated expenses due to the COVID-19 crisis are: staff sick leave, staff overtime, equipment and technology, temporary employees and consultant expertise.

- While declines in all local government revenues are anticipated, the revenue sources most at risk include sales taxes, permitting fees, service charges and utilities
- Four local governments reported they have spent between \$500,000 to \$1 million **in the last two weeks alone**; one local government estimated spending over \$1 million. Most respondents reported spending \$100,000 or less.

**In the next six months,**

- 60% of local governments anticipate spending up to \$500,000 on COVID-19-related expenses
- 21% project spending up to \$1 million
- 16% anticipate spending up to \$5 million
- 3% project spending over \$5 million
- if just 3% of all local governments spent \$5,000,000 over the next six months, this alone would account for \$2.1 billion in total unanticipated spending by cities, towns, and counties.

Thank you for your consideration.



Marc Ott  
Executive Director  
International City/County Management Association

