

COVID-19 Financial Impact Action Plan

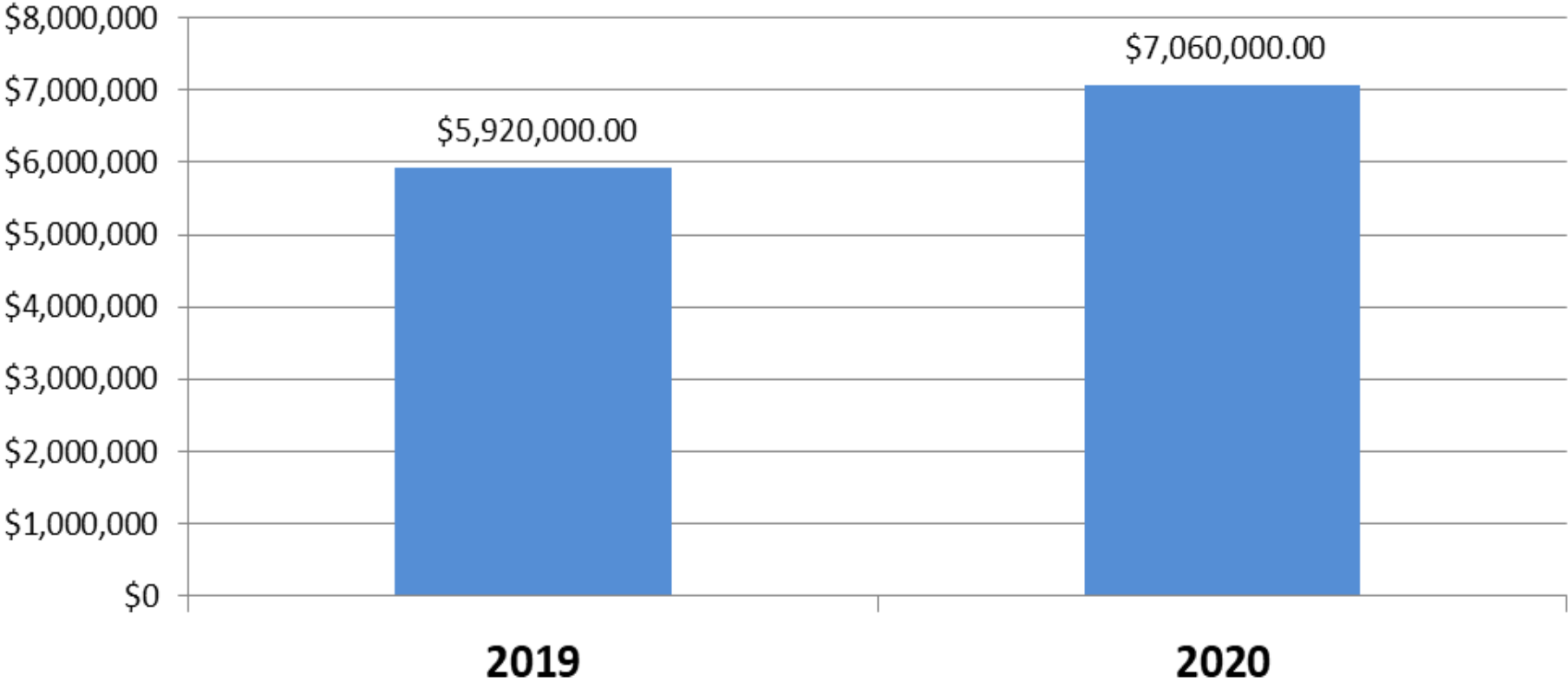
Fiscal Year 2020

City of Grand Forks, ND
2020 Budget Year Impacts
May 5, 2020



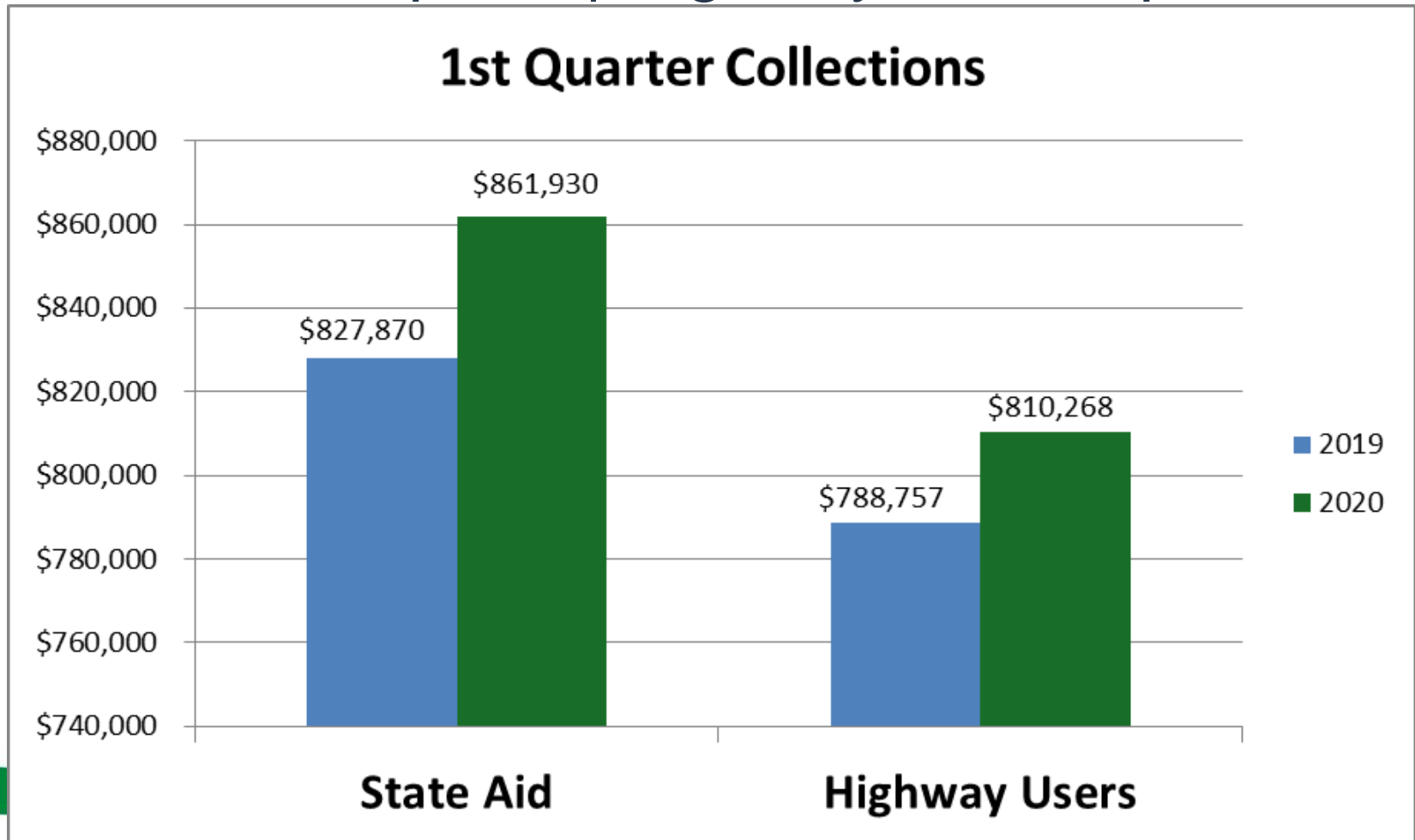
2020 REVENUE COMPARISON

Sales Tax Collections up 6% through April



2020 REVENUE COMPARISON

State Aid up 4% | Highway Users up 2.7%



2020 REVENUE COMPARISON

Permits Issued Through April

	Total Permits Issued	Building Permits Issued	Value of Construction
2020	1,084	350	\$33,631,004
5-Year Average	1,139	398	\$39,949,866
2020 Percent of 5-Year Average	95%	88%	84%



GUIDING PRINCIPLES

- **Flexible Approach**

 - Adapting to New & Better Information

 - Monitoring CARES Act

- **Reduce Operating Expenditures**

- **Delay Capital Projects & Capital Expenses**

- **Strategic Use of Cash Reserves**

- **Pause on Salary & Benefits**

 - Positions | Promotions | Training



COVID-19: MOVING FORWARD

- Monitoring Available Programs

CARES Act: Tracking COVID-19 Related Expenses

CDBG | Public Transit | Health – Contact Tracing

Police & Public Safety | Other Direct COVID-19 Related Expenses

No Funding included at this time due to Revenue Loss

Continue to Monitor and Reassess as Needed



2020 REVENUE IMPACTS

- **\$12,760,000**

Estimated City-Wide Revenue Declines*

- **Assumed 25% Revenue Decreases**

Sales Tax | State Aid | Gas Tax (Highway Users Tax)

Building & Related Permit Fees | Engineering & Admin Fees

- **Utility Fund Revenue Decreases**

2.5% Stormwater

5% Sanitation

15% Water & Wastewater



2020 EXPENSE & CASH REDUCTIONS

- **\$9,780,000 City-Wide Expense Cuts**

 - Delayed Construction Projects

 - Capital Expenditure Decreases

 - General Operating Expenses & Fuel Cost Savings

 - Wages & Benefits

- **\$2,975,000 City-Wide Use of Cash**

 - \$1.96M Use of Cash Balances*

 - \$1.00M Use of Reserves



*Includes \$750K Transfer from Street/Infrastructure to Street Department

STAFFING STRATEGIES

- **Soft Freeze on Hiring**

Attrition | 2 Positions | \$82K

- **Hold on Filling Vacant Positions**

Vacancies | 8 Positions | \$620K

Promotions | 3 Positions | \$21K

Seasonal & Internships | 15-20 Positions | \$95K

- **Reducing Other Costs**

Travel | Education | Etc. | \$293K

- **Reducing Authorized Overtime**

\$102K



COVID-19 FINANCIAL IMPACT 2020 SUMMARY

2020 Estimated Revenue Decrease	(\$12,760,000)
Expense Reduction	\$9,785,000
Use of Cash & Reserves	\$2,975,000
Estimated 2020 Gap in Funding	\$0

