

City of Aransas Pass

Financial Impact of COVID-19

Update April 6 ,2020

Sources of Revenue for General Fund

- Property Tax – 37.56%
- Sales Tax – 24.09%
- Charge for Services – 18.21%
- Other - 20.14% - (fines, franchise tax, IDS, transfers, etc.)

Revenue Sources of Concern

- Property Tax

We have collected approximately 91.20% of property tax levied, \$4,612,207. There is approximately \$444,906 still to collect

- Sales Tax

We anticipate the impact in sales tax revenue to come in the month of May. This is when sales tax for the month of March will be paid to the City.

Revenue Sources of Concern

- Charge for Service

Charge for services include: charges for transfer station, library fines and book sales, fire inspections, and garbage collection charges.

For the month of March the accounts receivable for garbage collection increased by \$16,395 for the month. In FY 20119, the accounts receivable for garbage collection increased by \$7,397 for the entire year.

Sources of Revenue for Water & Sewer Fund

- Water & Sewer – 91.20%
- Other Revenue – 8.80%

Revenue Sources of Concern

- Water & Sewer

The number of customers on the disconnect list in March was 350. Normally we have approximately 150 customers on the list.

For the month of March the accounts receivable for water & sewer increased by \$48,617 for the month. In FY 20119, the accounts receivable for water and sewer increased by \$14,086 for the entire year.

Revenue Sources of Concern

- Other Revenue

This is charges include: tap fees, bulk sewer, customer penalties, late fees, and disconnect fees.

In March, penalties, late charges, and disconnection fees were waived. This was a loss of revenue of approximately \$13,309.

Summary

- The increase in the number of businesses closing and the increase unemployment will have an adverse financial impact on the City's revenues.
- Sales tax is anticipated to decrease in the months to come.
- Utility Collection will more than likely decrease as well.