



Date: May 12, 2020
To: Town Council
From: Mark Witsman, Town Engineer, Staci Starcher, Clerk Treasurer
Ryan Crum, Director of Planning & Building & Ron Crider, Public Works Commissioner
Re: Expected Revenue Shortfall for MVH and LRS

Dear Councilors:

Staff has been alerted of some expected decreases in both gas tax revenues and property tax revenues all related to COVID-19 impacts to gas tax revenues and property tax revenue impacts like 2008 recession impacts. Below is a simplified budget from both MHV and LRS for 2020 and what the expected financial impacts from COVID-19.

MVH and LRS 2020 Budget Information

Simplified 2020 MVH Budget

Capital projects	\$912,000.00
Salaries and benefits	\$265,153.53
Other	\$455,888.00
Total	\$1,633,041.53

Simplified 2020 LRS Budget

Equipment purchases	\$81,532.00
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2020 Estimated shortfalls

15-20% reduction of property taxes
35-45% reduction in monthly distributions

The distributions from 2019 as shown as an explanation of how the revenue comes to the town. The right-side list the projected revenue reductions we are expected to see from both property taxes as well as the monthly MVH and LRS distributions.

2019 Distributions

MVH Revenues from 2019

Spring property tax revenues	\$587,567.35
Fall property tax revenues	\$556,244.25
Permits and fees	\$77,003.89
Monthly distributions (total)	\$103,234.04

LRS Revenues from 2019

Monthly distributions	\$105,212.07
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2020 Reductions based on 20% property taxes and 40% monthly distribution shortfalls

Property tax reduction impact prorated based on increased 2020 budget amount over 2019
\$282,148

MVH Monthly distribution reduction total
\$42,646

Total MVH reduction
\$324,794

Total LRS reduction
\$26,588