

# REVENUE ESTIMATING CONFERENCE QUARTERLY ECONOMIC REVIEW



CITY OF NEW ORLEANS

**REVENUE ESTIMATING CONFERENCE MEMBERS**

HON. MITCHELL J. LANDRIEU, MAYOR, CHAIR

HON. STACY HEAD, COUNCILMEMBER-AT-LARGE

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Presented Thursday October 15<sup>th</sup> , 2015



# October 2015 Revenue Estimating Conference

- Part 1: 2015 Revenue Forecast Update
- Part 2: 2016 Revenue Forecast Update
- Part 3. 2016 Official Revenue Forecast
- Part 4. Other Matters
- Part 5: Appendix

# Part 1:

## 2015 Revenue Forecast Update

# 2015 Revenue Forecast Update

(in millions)

	A	B	C	D	E	F
	2015 Adopted Budget	Change REC May vs Amd. Budget	REC 2015 May	Ordinance	Change REC Sep vs REC May	REC 2015 Sep
TAXES	\$ 331.5	\$ 5.6	\$ 337.1		\$ 4.9	\$ 342.0
LICENSES and PERMITS	57.5	1.4	58.9		(0.8)	58.2
INTERGOV. REVENUE	8.4		8.4			8.4
SERVICES and CHARGES	78.4	1.0	79.4		0.9	80.3
FINES and FORFEITS	32.0		32.0		0.4	32.4
MISCELLANEOUS REV	9.6		9.6			9.6
OTHER FINANCING SOURCES	14.3		14.3			14.3

Total GF Revenues	\$ 531.7	\$ 8.0	\$ 539.7		\$ 5.4	\$ 545.2
Non-Rec. Rev (excluded in total above)	5.0	4.3	9.3	6.5	37.3	53.1
Total	\$ 536.8	\$ 12.3	\$ 549.1	\$ 6.5	\$ 42.7	\$ 598.3

Numbers may not add due to rounding

# Part 2: 2016 Revenue Forecast

# 2016 Revenue Forecast

	A	B	C	D	E
	REC 2015 Sep	Change 2015 vs 2016 REC Sep	2016 REC Sept Preliminary	Change 2016 Sep vs 2016 Oct	2016 REC Oct
<i>(in millions)</i>					
<b>TAXES</b>	\$ 342.0	\$ 8.7	\$ 350.7	\$ 4.9	\$ 355.6
<b>LICENSES and PERMITS</b>	58.2	0.6	58.8		58.8
<b>INTERGOV. REVENUE</b>	8.4	0.8	9.2		9.2
<b>SERVICES and CHARGES</b>	80.3	0.9	81.2	2.4	83.6
<b>FINES and FORFEITS</b>	32.4	2.9	35.3	1.9	37.2
<b>MISCELLANEOUS REV</b>	9.6	0.5	10.1		10.1
<b>OTHER FINANCING SOURCES</b>	14.3	(0.1)	14.2	0.2	14.4

<b>Total General Fund Revenues</b>	\$ 545.2	\$ 14.3	\$ 559.5	\$ 9.4	\$ 568.9
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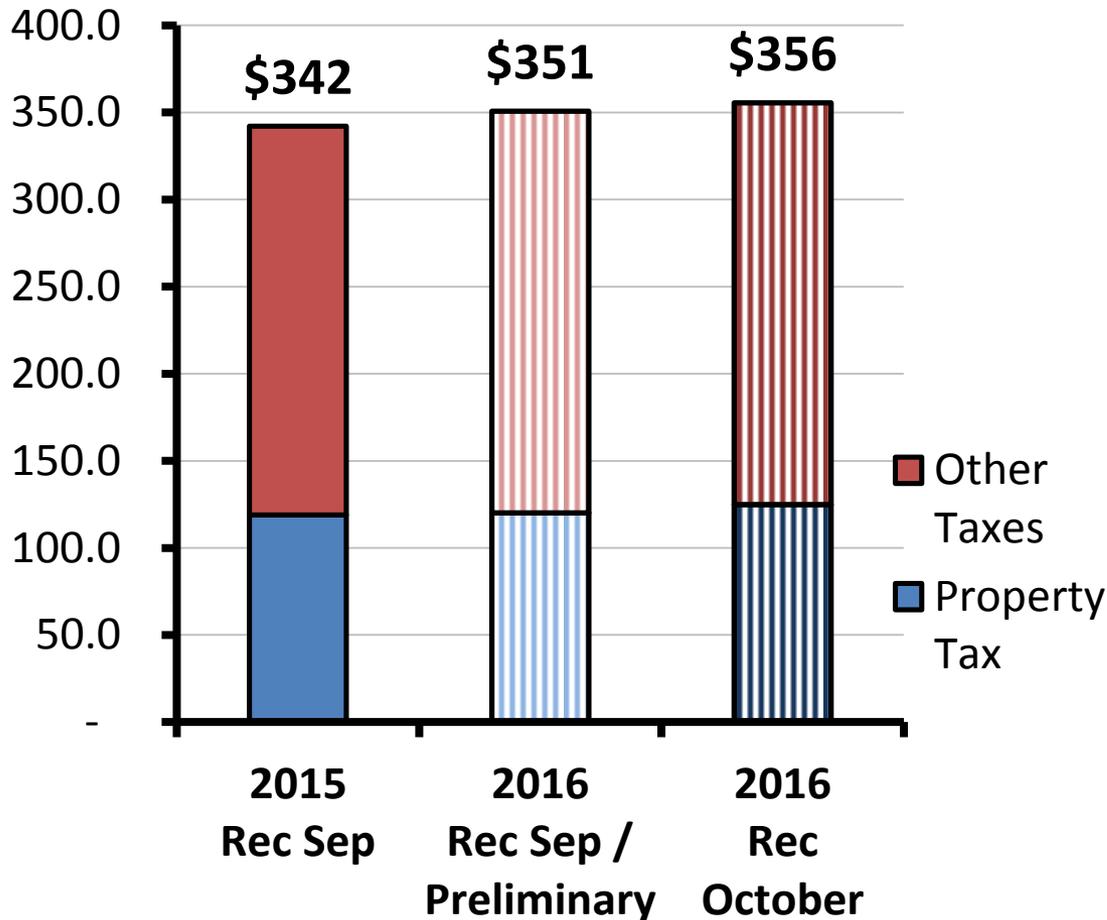
<b>Non-Rec. Rev (excluded in total above)</b>	53.1	(46.2)	6.9	16.9	23.8
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<b>Total</b>	\$ 598.3	\$ (31.9)	\$ 566.4	\$ 26.3	\$ 592.7
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# 2016 Revenue Forecast

## Taxes

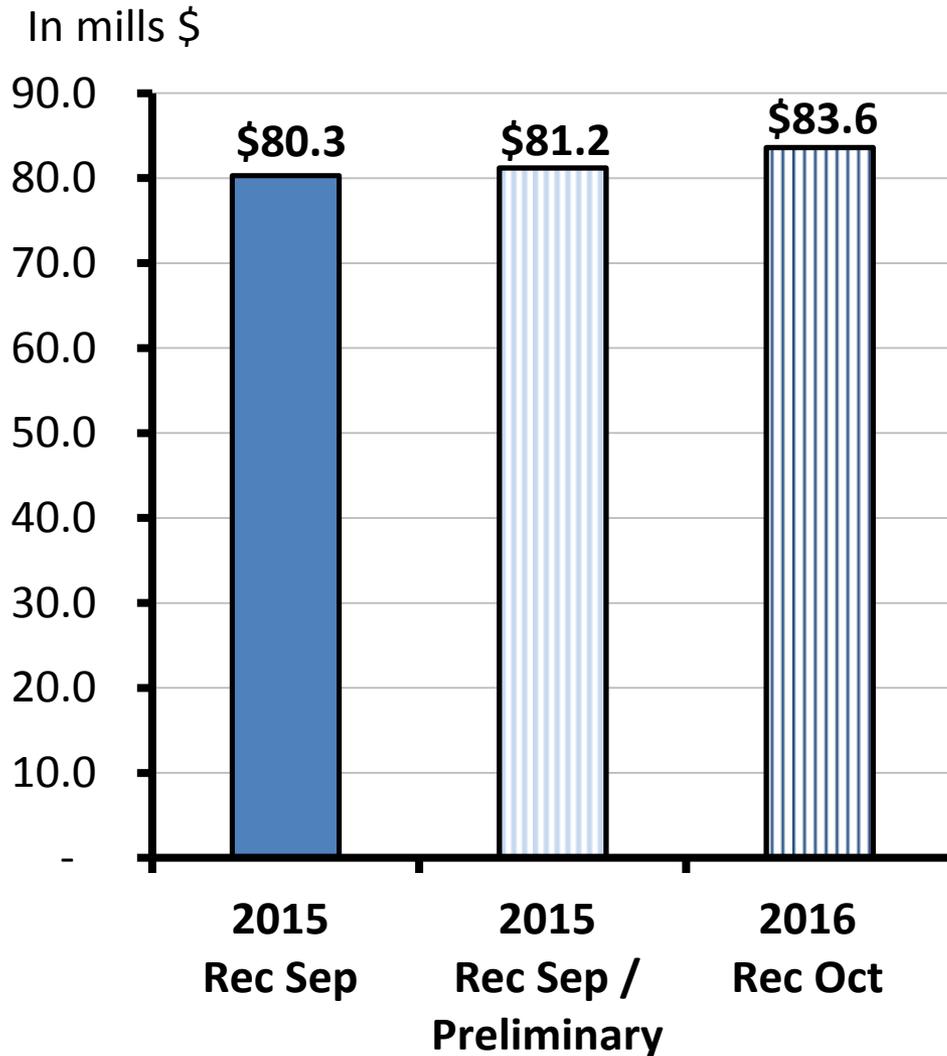


### Change 2016 REC Oct

2016 is a property reassessment year (as per Article VII, Section 18(F) of the Louisiana Constitution). With the proposed introduction of a property tax roll forward, ad valorem revenues are projected to grow by 5% from the 2015 REC September forecast and by \$4.9 million from the 2016 REC September forecast

# 2016 Revenue Forecast

## Services and Charges



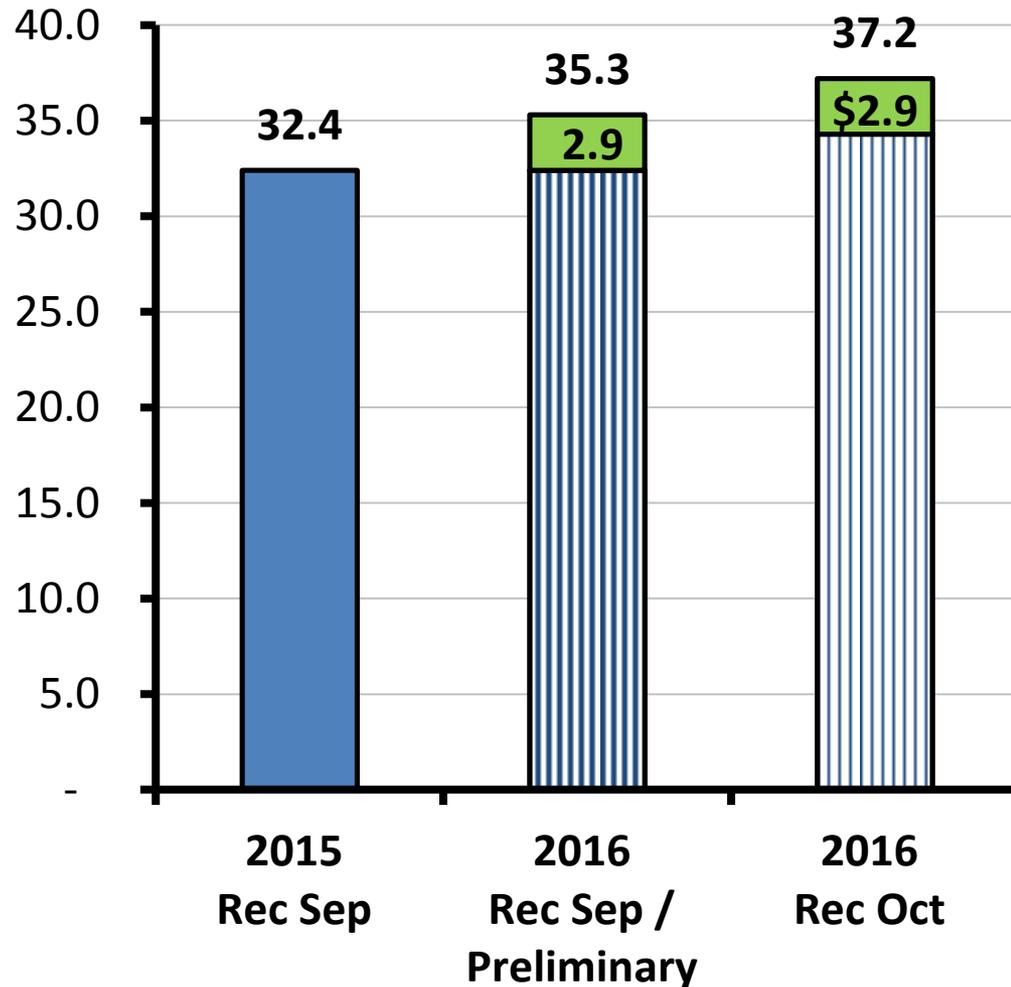
### Change 2016 REC Oct

Proposal to extend parking meter rates and hours of operation projected to increase Services and Charges related revenue by approximately \$2.4 million from the 2016 REC September forecast

# 2016 Revenue Forecast

## Fines and Forfeits

In mills \$



### Change 2016 REC Oct

Proposal to extend parking meter rates and hours of operation projected to generate additional \$1.9 million in parking ticket revenue from the 2016 REC September forecast

■ Technical Adjustment  
Traffic Court JEF

# Parking Meters

## Proposed Change

1. An increase in meter rates in the FQ and downtown area from \$1.50 per hour to \$3.00 per hour.
2. An increase in meter rates outside the FQ and downtown area \$1.50 per hour to \$2.00 per hour.
3. A change in the hours of operation City-wide from 8am – 6pm, Monday through Saturday, to 8am – 10 pm, Monday through Saturday.
4. Proposed change expected to generate additional meter revenue of \$2.4M and parking ticket revenue of \$1.9M. Cost associated with the change budgeted at \$1 M.

# Part 3:

## Official Revenue Forecast for 2016

# Official Revenue Forecast 2016

	REC October Recurring Revenues 2016	REC October Non-Recurring Revenues 2016	REC 2016 October
TAXES	\$ 355,571,688	\$ -	\$ 355,571,688
LICENSES and PERMITS	58,792,788	-	58,792,788
INTERGOV. REVENUE	9,201,000	3,600,000	12,801,000
SERVICES and CHARGES	83,617,361	-	83,617,361
FINES and FORFEITS	37,246,000	-	37,246,000
MISCELLANEOUS REV	10,115,050	250,000	10,365,050
OTHER FINANCING SOURCES	14,387,250	19,950,000	34,337,250
<b>Total General Fund Revenues</b>	<b>\$ 568,931,137</b>	<b>\$ 23,800,000</b>	<b>\$ 592,731,137</b>
<b>Non General Fund Revenues</b>			<b>423,321,049</b>
<b>Total</b>			<b>\$ 1,016,052,186</b>

# Official Forecast 2016

## Non-recurring Revenue General Fund

<b>Non - Recurring revenues</b>	<b>2016</b>
Upper Payment Limit (Medicaid) - Intergov. Revenue	\$ 3,600,000
Noise Health Agreement - Miscellaneous Contributions	250,000
French Market - Other Financing Sources	2,400,000
Adjudicated Sales - Other Financing Sources	4,650,000
Convention Center Hospitality Zone - Other Financing Sources	2,900,000
Fund Balance - Other Financing Sources	10,000,000
<b>Total</b>	<b>\$ 23,800,000</b>

# Part 4: Other Matters

# Fund Balance Projection (2015 – 2020)

## CITY OF NEW ORLEANS GENERAL FUND FIVE YEAR REVENUE AND EXPENDITURE PROJECTION

	2014 Audited	2015 Projected	2016 Mayor Oct 2015	2017 Projected	2018 Projected	2019 Projected	2020 Projected	
<i>Mayor's proposed budget, October 2015.</i>								
Revenues								
Recurring Revenues	530,381,205	545,195,832	568,931,137	582,109,363	594,900,971	607,695,191	620,540,894	
Non-Recurring revenues	5,956,771	53,056,600	23,800,000	6,250,000	6,250,000	6,250,000	6,250,000	
<b>Total Revenues</b>	<b>536,337,976</b>	<b>598,252,432</b>	<b>592,731,137</b>	<b>588,359,363</b>	<b>601,150,971</b>	<b>613,945,191</b>	<b>626,790,894</b>	
			<i>Includes \$10M from Fund Balance</i>					
Expenditures								
Recurring Expenditures	474,741,980	534,139,508	551,894,758	562,932,653	574,191,306	585,675,132	597,388,634	
Non-recurring Expenditures	2,461,353	9,822,000	16,400,000	1,750,000	1,750,000	1,750,000	1,750,000	
Debt Services	26,069,790	24,279,986	24,436,379	24,460,451	21,995,689	21,998,369	21,997,829	
<b>Total Expenditures</b>	<b>503,273,123</b>	<b>568,241,494</b>	<b>592,731,137</b>	<b>589,143,104</b>	<b>597,936,994</b>	<b>609,423,500</b>	<b>621,136,463</b>	
Excess(Deficiency) of revenues over expenditures	33,064,853	30,010,938	-	(783,741)	3,213,977	4,521,691	5,654,431	
OTHER FINANCING SOURCES & PRIOR YEAR ADJUSTMENTS	(5,725,548)		(11,500,000)					
Adjusted Excess (Deficiency) Of Revenues	27,339,305	30,010,938	(11,500,000)	(783,741)	3,213,977	4,521,691	5,654,431	
Net Balance for Year	27,339,305	30,010,938	(11,500,000)	(783,741)	3,213,977	4,521,691	5,654,431	
Beginning of Year	8,317,829	33,308,207	63,319,145	51,819,145	51,035,404	54,249,381	58,771,072	
Change in basis	(2,348,927)							
End of Year Fund Balance before Assignment	33,308,207	63,319,145	51,819,145	51,035,404	54,249,381	58,771,072	64,425,503	
Assigned fund balance for emergencies	21,215,248	32,711,750	45,514,491	49,479,296	53,541,087	57,731,043	62,054,089	
[Amount as percent of recurring revenues]	4.0%	6.0%	8.0%	8.5%	9.0%	9.5%	10.0%	
Unassigned fund balance	12,092,959	30,607,395	6,304,654	1,556,109	708,294	1,040,029	2,371,413	

Note: Recurring Expenditures grow at 2% per year in 2017, 2018, 2019 and 2020.

# Part 5: Appendix

# 2015 and 2016 Revenue Detail

<i>(in millions)</i>	REC 2015 Sep	Change	2016 REC Sept (Preliminary)	Change	2016 REC October (Official)
<b>1A PROPERTY TAX</b>					
1 REAL ESTATE CURRENT YEAR	\$ 92.2	0.9	\$ 93.0	3.8	\$ 96.8
2 REAL ESTATE PRIOR YEAR	3.1	0.0	3.1	0.1	3.2
3 PERSONAL PROPERTY CURRENT YEAR	20.4	0.2	20.6	0.8	21.4
4 PERSONAL PROPERTY PRIOR YEAR	0.1	0.0	0.1	0.0	0.2
5 INTEREST & PENALTIES	3.2	0.0	3.3	0.1	3.4
<b>1A PROPERTY TAX Total</b>	<b>\$ 119.0</b>	<b>1.1</b>	<b>\$ 120.1</b>	<b>4.9</b>	<b>\$ 125.0</b>
<b>1B OTHER TAXES</b>					
1 SALES TAX	173.2	6.9	180.1	0.0	180.1
1.1 MOTOR VEHICLE TAX	11.9	0.5	12.4	-	12.4
1.2 HOTEL/MOTEL TAX	16.7	0.2	16.8	0.0	16.8
2 BEER & WINE TAX	0.5	0.0	0.5	-	0.5
3 PARKING TAX	4.3	0.1	4.4	-	4.4
4 DOCUMENT TRANSACTION TAX	4.0	-	4.0	-	4.0
5 CHAIN STORE TAX	0.2	0.0	0.2	-	0.2
6 OFF TRACK BETTING/RACING TAX	0.2	(0.0)	0.2	-	0.2
7 UTILITY TAX	10.6	0.0	10.6	-	10.6
8 FAIRGROUND SLOT MACHINE 4% TAX	1.5	(0.0)	1.5	-	1.5
<b>1B OTHER TAXES Total</b>	<b>\$ 223.0</b>	<b>7.6</b>	<b>\$ 230.6</b>	<b>0.0</b>	<b>\$ 230.6</b>
<b>2 LICENSES &amp; PERMITS</b>					
01 ALCOHOLIC BEVERAGE	2.7	0.0	2.7	-	2.7
02 CABLE TV FRANCHISE	4.1	0.3	4.4	-	4.4
03 ENTERGY FRANCHISE	27.1	-	27.1	-	27.1
04 TELEPHONE FRANCHISE	0.2	(0.0)	0.2	-	0.2
05 MISCELLANEOUS FRANCHISE	0.7	(0.3)	0.4	-	0.4
06 OCCUPATIONAL LICENSES	10.6	0.1	10.7	-	10.7
07 SAFETY/ELECTRICAL/MECHANICAL	2.5	(0.1)	2.4	-	2.4
08 TAXI/TOURGUIDE LICENSES	0.9	0.3	1.2	-	1.2
09 BUILDING PERMITS	5.9	0.1	6.0	-	6.0
10 MOTOR VEHICLE PERMITS	2.3	-	2.3	-	2.3
11 STREETS & CURBS	0.4	0.0	0.4	-	0.4
12 MAYORALTY PERMITS	0.3	(0.0)	0.3	-	0.3
13 OTHER	0.5	0.1	0.7	-	0.7
<b>2 LICENSES &amp; PERMITS Total</b>	<b>\$ 58.2</b>	<b>0.6</b>	<b>\$ 58.8</b>	<b>-</b>	<b>\$ 58.8</b>
<b>3 INTERGOVERNMENTAL REVENUE</b>					
1 FEDERAL AID - MEDICARE/OTHER	-	-	-	-	-
3 STATE AID - VIDEO POKER	2.6	(0.0)	2.6	-	2.6
4 STATE DEPT. OF CORRECTIONS	0.1	(0.0)	0.1	-	0.1
5 STATE AID-MEDICAID	3.6	(0.0)	3.6	-	3.6
6 STATE REVENUE SHARING	1.6	0.5	2.1	-	2.1
7 STATE AID OTHER	0.0	(0.0)	-	-	-
8 PARISH TRANSP FUND: ROADS	2.1	0.2	2.3	-	2.3
8 PARISH TRANSP FUND: TRANSIT	2.0	0.2	2.2	-	2.2
9 ORLEANS PARISH COMMUNICATION DIST.	0.5	(0.5)	-	-	-
<b>3 INTERGOVERNMENTAL REVENUE Total</b>	<b>\$ 12.5</b>	<b>0.3</b>	<b>\$ 12.8</b>	<b>-</b>	<b>\$ 12.8</b>

Numbers may not add due to rounding  
Non-recurring revenues are included in the respective categories

# 2015 and 2016

## Revenue Detail (Continued)

<i>(in millions)</i>	REC 2015 Sep	Change	2016 REC Sept (Preliminary)	Change	2016 REC October (Official)
<b>4 SERVICE CHARGES</b>					
1 GENERAL GOVERNMENT	15.5	(0.3)	15.2	0.1	15.3
2 PUBLIC SAFETY	19.6	0.5	20.0	0.0	20.0
3 STREETS PARKING METERS	4.8	0.3	5.1	2.4	7.5
4 STREETS OTHER	3.5	0.1	3.5	-	3.5
5 SANITATION	34.8	0.4	35.2	-	35.2
6 PARKS AND PARKWAY	0.1	(0.0)	0.0	-	0.0
7 INDIRECT COSTS	2.1	(0.1)	2.0	-	2.0
8 OTHER	0.0	0.0	0.0	-	0.0
<b>4 SERVICE CHARGES Total</b>	<b>\$ 80.3</b>	<b>0.9</b>	<b>\$ 81.2</b>	<b>2.5</b>	<b>\$ 83.6</b>
<b>5 FINES &amp; FORFEITS</b>					
1 TRAFFIC FINES & VIOLATIONS	3.7	2.9	6.6	-	6.6
2 RED SIGNAL LIGHT/CAMERA ENFORCEMENT	16.5	-	16.5	-	16.5
3 PARKING TICKET COLLECTIONS	11.7	-	11.7	2.0	13.7
4 ADMIN. ADJUDICATION FEES	0.1	0.0	0.1	-	0.1
5 MUNICIPAL COURT FINES & COSTS	0.3	-	0.3	-	0.3
6 IMPOUNDED/ABANDONED VEHICLES	0.1	-	0.1	-	0.1
<b>5 FINES &amp; FORFEITS Total</b>	<b>\$ 32.4</b>	<b>2.9</b>	<b>\$ 35.3</b>	<b>2.0</b>	<b>\$ 37.2</b>
<b>6 MISCELLANEOUS REVENUE</b>					
1 INTEREST - OPERATING & CAPITAL	0.1	(0.0)	0.0	-	0.0
2 RENTS & ROYALTIES	1.2	(0.1)	1.2	-	1.2
3 CONTRIBUTIONS AND OTHER	4.3	(0.5)	3.8	-	3.8
4 MISCELLANEOUS REIMBURSEMENT	49.3	(43.5)	5.8	(0.5)	5.4
<b>6 MISCELLANEOUS REVENUE Total</b>	<b>\$ 54.9</b>	<b>(44.1)</b>	<b>\$ 10.8</b>	<b>(0.5)</b>	<b>\$ 10.4</b>
<b>7 OTHER FINANCING SOURCES</b>					
1 UDAG/HUD 108 LOAN	-	-	-	-	-
2 TRANSFER FROM OTHER FUNDS	18.0	(1.2)	16.8	7.6	24.3
3 FUND BALANCE	-	-	-	10.0	10.0
<b>7 OTHER FINANCING SOURCES Total</b>	<b>\$ 18.0</b>	<b>(1.2)</b>	<b>\$ 16.8</b>	<b>17.6</b>	<b>\$ 34.3</b>
<b>Grand Total</b>	<b>\$ 598.3</b>	<b>(31.9)</b>	<b>\$ 566.4</b>	<b>26.4</b>	<b>\$ 592.7</b>

Numbers may not add due to rounding

Non-recurring revenues are included in the respective categories