

***REVENUE ESTIMATING CONFERENCE***

**QUARTERLY ECONOMIC REVIEW**



***REVENUE ESTIMATING CONFERENCE MEMBERS***

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***Presented Wednesday October 28, 2009***

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# **FINANCIAL FORECAST**

## **OBJECTIVE**

To present the FY 2010 Revenue Estimates and update the comprehensive five-year financial plan for the General Fund, incorporating the most recent economic data, current revenue collections and planned programmatic impacts on revenue collections and expenditures for FY 2010.

## **EXECUTIVE SUMMARY**

The financial forecast allows the City to incorporate the most recent information and to determine how deviations from budgetary expectations will impact current and future budgets. The original five year forecast has been adjusted based on revised economic outlook, collections for 2009 and more aggressive collection efforts.

Information regarding economic indicators and the performance of the national economy as a whole over the forecast period was taken from the most current UCLA Anderson Forecast, the President's Council of Economic Advisers and the Congressional Budget Office Forecasts.

## **BACKGROUND AND DISCUSSION**

The Quarterly Estimating Conference provides a forum for conveying the most recent trends in the City's fiscal outlook. The forecast focuses on two critical elements: operating position and fund balances, to determine the fiscal health of the City.

## ***OPERATING POSITION***

Based on current expenditure and revenue trends, the financial forecast indicates the need for significant budget adjustments in 2010 in order to stabilize the city's financial position. The national recession has severely impeded the financial outlook for the City's general fund.

Results of the forecast with respect to operating position (operating receipts less operating disbursements and expenditures) are shown in the following chart and tables.

## **FUND BALANCES**

Fund balance is the excess of revenues over the amount of expenditures and consists of the designated and undesignated fund balance.

**Designated Fund Balance:** The City's designated fund balance consists of reserves for encumbrances, remaining bond funds reserved for judgments and other designations.

**Undesignated Fund Balance and Emergency Reserve:** The undesignated fund balance is the portion that is available for appropriation. One of the main financial goals of the City, as defined in the City's Financial Policy, is to ensure that adequate resources will be available to fund emergency reserves and to sustain city operations through revenue fluctuations caused by unanticipated economic volatility. As shown, the projected ending undesignated fund balance for FY 2010 is 1.12% which is woefully inadequate for its intended purpose and far below the City's Financial Policy with respect to emergency reserves of 8.0%.

## **FORECAST SUMMARY**

Recurring City revenues are anticipated to grow in 2010 by 9.5% over the revised 2009 estimate. This increase is a result of anticipated improvements in the national and local economy, aggressive collection efforts and policy changes.

Expenditures for 2010 have been adjusted to reflect known expenditure increases such as the firefighter's pension fund and the necessity to balance the budget.

## **FACTORS NOT INCLUDED IN THE FORECAST**

- This forecast is based on the General Fund only.
- No new or enhanced programs are included in the forecast.
- No increases to current employee benefits are projected.

**Table 1**

**CITY OF NEW ORLEANS FIVE YEAR BUDGET PLAN**

|   | 2007                 | 2008                  | 2009                 | 2009                  | 2010                 | 2011                 | 2012                 | 2013                 | 2014                 |
|---|----------------------|-----------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|   | (Audited)            | (Audited)             | BUDGET               | Revised<br>9-9-09     | Projected            | Projected            | Projected            | Projected            | Projected            |
| <b>Revenues</b>                                     |                      |                       |                      |                       |                      |                      |                      |                      |                      |
| Recurring Revenues                                  | \$385,403,420        | \$406,453,368         | \$442,523,193        | \$421,949,273         | \$462,076,191        | \$468,679,782        | \$493,690,527        | \$504,129,940        | \$526,632,265        |
| CDL Loan  | \$32,748,404         | \$34,372,730          | \$35,268,866         | \$35,268,866          | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  |
| GO Zone Payment                                     | \$21,345,239         | \$12,344,538          | \$8,458,343          | \$8,458,343           | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  |
| Use of Prior Year Fund Balance                      | \$37,022,832         |                       |                      |                       |                      |                      |                      |                      |                      |
| <b>Total Revenues</b>                               | <b>\$476,519,894</b> | <b>\$453,170,636</b>  | <b>\$486,250,403</b> | <b>\$465,676,482</b>  | <b>\$462,076,191</b> | <b>\$468,679,782</b> | <b>\$493,690,527</b> | <b>\$504,129,940</b> | <b>\$526,632,265</b> |
| Expenditures  | \$416,437,750        | \$463,366,264         | \$437,538,347        | \$447,612,497*        | \$415,872,111        | \$427,505,034        | \$436,811,586        | \$440,582,336        | \$444,321,237        |
| Debt Services                                       | \$43,164,156         | \$47,789,445          | \$48,668,307         | \$48,668,307          | \$46,204,080         | \$41,084,702         | \$45,089,862         | \$41,484,629         | \$40,954,130         |
| <b>Total Expenditures</b>                           | <b>\$459,601,906</b> | <b>\$511,155,710</b>  | <b>\$486,206,654</b> | <b>\$496,280,804</b>  | <b>\$462,076,191</b> | <b>\$468,589,736</b> | <b>\$481,901,448</b> | <b>\$482,066,965</b> | <b>\$485,275,366</b> |
| Excess(Deficiency) of revenues<br>over expenditures | \$16,917,989         | (\$57,985,074)        | \$43,749             | (\$30,604,321)        | \$0                  | \$90,047             | \$11,789,078         | \$22,062,974         | \$41,356,898         |
| Revenue/Expenditure Adjustments                     |                      |                       |                      |                       |                      |                      |                      |                      |                      |
| <b>OTHER FINANCING SOURCES</b>                      |                      | <b>\$29,319,847</b>   |                      |                       |                      |                      |                      |                      |                      |
| <b>Adjusted Excess (Deficiency) Of<br/>Revenues</b> | <b>\$16,917,989</b>  | <b>(\$28,665,227)</b> | <b>\$43,749</b>      | <b>(\$30,604,321)</b> | <b>\$0</b>           | <b>\$90,047</b>      | <b>\$11,789,078</b>  | <b>\$22,062,974</b>  | <b>\$41,356,898</b>  |
| <b>Net Balance</b>                                  |                      |                       | <b>\$43,749</b>      | <b>(\$30,604,321)</b> | <b>\$0</b>           | <b>\$90,047</b>      | <b>\$11,789,078</b>  | <b>\$22,062,974</b>  | <b>\$41,356,898</b>  |
| <b>Fund Balance:</b>                                |                      |                       |                      |                       |                      |                      |                      |                      |                      |
| Beginning of Year                                   | \$50,761,730         | \$70,223,348          | \$43,218,143         | \$41,558,121          | \$10,953,800         | \$10,953,800         | \$11,023,603         | \$22,788,566         | \$44,826,684         |
| Prior Year adjustment                               | \$117,062            |                       |                      |                       |                      |                      |                      |                      |                      |
| End of Year   | \$67,796,781         | \$41,558,121          | \$43,261,892         | \$10,953,800          | \$10,953,800         | \$11,023,603         | \$22,788,566         | \$44,826,684         | \$86,157,968         |
| <b>Distribution of Fund Balance:</b>                |                      |                       |                      |                       |                      |                      |                      |                      |                      |
| Designations  | \$31,131,372         | \$5,757,822           | \$8,696,010          | \$5,757,822           | \$5,757,822          | \$5,757,822          | \$5,757,822          | \$5,757,822          | \$5,757,822          |
| Undesignated for Emergencies                        | \$32,500,000         | \$35,800,299          | \$34,565,882         | \$5,195,978           | \$5,195,978          | \$5,265,781          | \$17,030,744         | \$39,068,862         | \$80,400,146         |
| Undesignated/Unreserved                             | \$4,165,409          | \$0                   | \$0                  | \$0                   | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  |
| Undesignated Fund Balance %                         | 7.98%                | 7.00%                 | 7.11%                | 1.05%                 | 1.12%                | 1.12%                | 3.53%                | 8.10%                | 16.57%               |

\*Expenditure estimates provided by Budget Office

# REVENUE FORECAST

## GENERAL FUND REVENUE

General fund revenues consist of those revenue measures that are levied and collected by the City and are used to finance necessary public services. It also includes recurring revenues originating from the state, for the most part, to support the provision of necessary and critical city services. In the post-Katrina era, the General Fund has also included loan proceeds from the federal Community Disaster Loan program and the Louisiana Gulf Opportunity Tax Credit Bond Issuance. However, these funding sources will have been exhausted in 2009.

From a budgeting stand point, FY 2009 was a very challenging year. The national recession developed into the most severe downturn since the 1930's and depressing estimated city revenues below expectations.

Additionally, cost overruns for hospitalization, workman's comp and insurance further exasperated a delicately balanced budget necessitating the use of the remaining CDL funds and depleting our reserves. Consequently, there are no loan proceeds included in the 2010 budget.

## PROPERTY ASSESSMENTS

As certified by the Board of Review, real estate values for 2010 rose 5.8% over 2009 while business personal property declined by 4.5%. Public Service assessments rose 7.5% and the value of Homestead exemptions rose almost 10%. Net Assessments grew by 3.8% representing a rate higher than the 3.0% growth normally experienced during non re-assessment years.

**Table 2**  
**ORLEANS PARISH ASSESSMENT**

|                         | FY 2009                | FY 2010                | GROWTH       |
|-------------------------|------------------------|------------------------|--------------|
| REAL ESTATE             | \$2,353,204,380        | \$2,489,801,675        | 5.80%        |
| PERSONAL PROPERTY       | \$405,719,110          | \$387,334,015          | (4.53%)      |
| PUBLIC SERVICE          | \$152,439,600          | \$163,911,580          | 7.53%        |
| <b>TOTAL ASSESSMENT</b> | <b>\$2,911,363,090</b> | <b>\$3,041,047,270</b> | <b>4.45%</b> |
| HOMESTEAD EXEMPT.       | \$330,225,920          | \$362,665,406          | 9.82%        |
| <b>NET ASSESSMENT</b>   | <b>\$2,581,137,170</b> | <b>\$2,678,381,864</b> | <b>3.77%</b> |

## **Property Tax**

Collections for the current year is anticipated to improve over 2009 as a result of enhanced collection efforts reflected in multiple tax sales during the year, aggressively pursuing outstanding liens and sales of adjudicated properties which is anticipated to bring in an additional \$5 million in 2010.

## **Sales Tax**

Sales taxes on retail sales in 2010 are anticipated to increase by 11.2% over 2009 principally in response to the accelerated recovery expenditures planned for 2010. Growth in the national and local economy will also assist growth in retail sales.

Hotel-Motel tax revenue for 2010 is anticipated to improve by 6.3% over the recessionary lows of 2009. Improvements in the national economy and expansion in the local cruise ship industry should strengthen this important sector of the New Orleans economy.

Automobile sales nationally have been battered by the recession and the long standing competitive weakness of the domestic manufactures. These industrial clouds are anticipated to weaken in 2010 and revenues are anticipated to grow by 9.8%.

## **LICENSES AND PERMITS**

One of the programmatic initiatives which will begin in 2010 is the ticketing of parked vehicles for Brake tag violations by the parking control officers. This enforcement effort is anticipated to raise \$1.6 million in 2010 fines and improved compliance.

Additionally, fees have been raised to conform to prevailing rates in comparable jurisdictions and to adjust for inflation. These rate adjustments are anticipated to generate approximately \$1.8 million.

## **INTEREST INCOME**

Interest Income for 2010 is anticipated to grow as a result of the issuance of General Obligation bonds and the firming of investment yields.

## **SERVICE CHARGES**

Significant efforts to collect the \$12.00 per month Sanitation Service Charge will be exerted in 2010. The rate of compliance is anticipated to

## **SERVICE CHARGES (Continued)**

improve from 73% to 90% and generate \$3.2 million as a result of these efforts.

Additionally, enhanced services in the French Quarter will again be financed through the use of EDF funds in the amount of \$2.3 million. This funding source is one-time and is not anticipated in future years.

Parking meter hours will be extended 3 hours a day from 8 AM to 6 PM to 8 AM to 9 PM and will include Saturdays as well. It will generate an additional \$1.7 million.

The city has historically absorbed some the administrative costs associated with grants. In 2010, efforts to recover all allowable indirect costs from grants will generate an additional \$1.6 million.

The city will also exert efforts to reclaim fees for services which it stopped collecting after Katrina. Charges for false alarms, police records, NORD will be re-instituted and generate \$800,000 in 2010.

The city will also sell unused assets and equipment in 2010 and is anticipated to bring in \$250,000 in one-time revenues.

## **FUND BALANCE**

The Undesignated Fund Balance for 2009 is anticipated to fall to approximately \$5.2 million or 1.05% of budget from the 2008 level of \$35.8 million amounting to 7.0% of budget.

The Undesignated Fund Balance for 2010 is projected to remain at a dangerously inadequate level to sustain necessary and critical city operations in the event of a natural disaster or another severe economic downturn.

It is critical that the city remain committed to restoring and maintaining adequate reserves to ensure its continued operation in the event of adversity and to promote efficient financial operations.

## **EXPENDITURES**

The Mayor is required to submit and the City Council to adopt a balanced budget by Home Rule Charter and state constitution.

A budget equal to the projected General Fund revenues is assumed for 2010 and inflated by 1.0% per year for purposes of the five year plan.

## **DEBT SERVICE**

This forecast assumes no new debt issuance. Debt payments are based on current debt obligations. Repayment of CDL has not been incorporated in these projections. Congress has authorized the President to forgive these loans and the proposed forgiveness rules have not been finalized. In addition, the city has the right to request an extension of 5 years, which would carry this obligation to 2015 thereby bring it beyond the current forecast horizon. Starting in 2012, the projection does include a \$4.9 million per year repayment to the state for the \$52.3 million GO Zone debt reduction loan. The annual payments are enumerated in the Recommended Five Year Plan.

Because of the unanticipated spillover from the collapse of the sub-prime credit market, the City of New Orleans has faced increases in its interest payments that result from the terms of an interest rate swap agreement in connection with the City's issuance of variable rate Taxable Pension Revenue Bonds Series 2000 issued to fund the City's obligations to the pre-1968 New Orleans Firefighters Pension Plan (the "Bonds"). These interest rate increases are based on variable rates and, thus, cannot be predicted with certainty.

In addition, because the Bonds are now held in a Liquidity Facility at JP Morgan Chase Bank, N.A. ("Chase"), the City may face an obligation to begin an accelerated amortization of the Bonds by payment of 1/10<sup>th</sup> of the outstanding principal amount (presently approximately \$134 million) in ten semi-annual installments beginning in June, 2010.

The City has been meeting with its financial advisors to review potential options that would provide a structure that would allow for reasonable interest rates and provide greater budget certainty.

## OUTLOOK

The General Fund Revenue projections incorporate a national forecast which assumes an end to the recession in the fourth quarter of this year. Although there are preliminary indications that a recovery may already be underway, there is insufficient evidence at this time to alter the forecast. Subsequent Reviews will be adjusted for whatever new data becomes available.

The subsequent recovery will be subdued but will strengthen over time. Perceptible improvements to employment will be delayed till the second half of 2010. However, unemployment rates will not regain the 5% range until 2013.

Consumer prices as measured by the Consumer Price Index will be well behaved throughout the projected period.

The City's economy will perform much better than the national economy, registering consistent growth in payroll and wage & salary employment throughout the projection period. However, total employment which includes the self-employed is anticipated to dip in 2010 before regaining momentum.

All measures of income for workers and households will rise throughout the forecast period but will moderate from the torrid pace immediately following Katrina.

Assessed valuations are anticipated to grow by approximately 3.0% per year and 19% in the re-assessment year of 2012.

# **APPENDIX**

## NATIONAL ECONOMIC ASSUMPTIONS

|                              | 2007<br>(Actual) | 2008<br>(Actual) | 2009<br>(Projected) | 2010<br>(Projected) | 2011<br>(Projected) | 2012<br>(Projected) | 2013<br>(Projected) | 2014<br>(Projected) |
|------------------------------|------------------|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| GDP (Billions)               | \$13,807.5       | \$14,280.7       | \$13,979.7          | \$14,339.5          | \$14,986.6          | \$15,692.0          | \$16,414.1          | \$17,139.2          |
| RGDP (Billions)              | \$11,523.9       | \$11,671.3       | \$11,262.5          | \$11,448.7          | \$11,842.7          | \$12,328.2          | \$12,821.4          | \$13,270.1          |
| USPI (Billions)              | \$11,663.2       | \$12,099.0       | \$12,071.4          | \$12,331.1          | \$12,810.6          | \$13,498.8          | \$14,113.5          | \$14,727.6          |
| PERS. CONSUMPTION (Billions) | \$9,710.2        | \$10,058.5       | \$9,942.2           | \$10,289.1          | \$10,664.4          | \$11,166.3          | \$11,680.2          | \$12,196.2          |
| WAG&SAL (Billions)           | \$6,362.0        | \$6,546.9        | \$6,488.4           | \$6,616.5           | \$6,832.6           | \$7,210.9           | \$7,529.3           | \$7,851.6           |
| CIV. EMP. (Millions)         | 146,047          | 145,362          | 140,383             | 139,895             | 142,063             | 145,076             | 147,797             | 149,546             |
| NON-FARM EMP. (Millions)     | 137,598          | 137,066          | 133,086             | 133,724             | 136,129             | 142,802             | 144,863             | 146,411             |
| U.E.RATE                     | 4.6%             | 5.8%             | 9.1%                | 9.4%                | 8.6%                | 6.2%                | 5.4%                | 5.1%                |
| CORP. PROFITS (Billions)     | \$1,642.4        | \$1,634.7        | \$1,338.0           | \$1,532.3           | \$1,761.1           | \$1,732.2           | \$1,845.2           | \$1,895.4           |
| CPI                          | 207.3            | 215.3            | 210.0               | 214.2               | 217.4               | 222.0               | 225.3               | 229.0               |
| CPI RATE                     | 2.8%             | 3.8%             | -2.5%               | 2.0%                | 1.5%                | 2.1%                | 1.5%                | 1.7%                |
| AAA(MOODY'S)                 | 5.56%            | 5.63%            | 5.55%               | 5.80%               | 6.15%               | 5.72%               | 6.47%               | 6.88%               |
| T-BILL                       | 4.41%            | 1.48%            | 0.35%               | 1.03%               | 2.38%               | 3.45%               | 3.90%               | 4.15%               |
| MORTG.(FHFB)                 | 6.41%            | 6.06%            | 4.72%               | 5.22%               | 5.88%               | 6.45%               | 7.01%               | 7.44%               |
| 10-YEAR TREASURY NOTES       | 4.63%            | 3.66%            | 3.28%               | 3.75%               | 4.35%               | 4.85%               | 5.05%               | 5.20%               |

## LOCAL ECONOMIC ASSUMPTIONS

|                        | 2007<br>(Actual) | 2008<br>(Estimated) | 2009<br>(Estimated) | 2010<br>(Projected) | 2011<br>(Projected) | 2012<br>(Projected) | 2013<br>(Projected) | 2014<br>(Projected) |
|------------------------|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| NEW ORLEANS EMP.       | 224,626          | 223,207             | 235,646             | 232,700             | 240,997             | 239,624             | 245,191             | 267,869             |
| N.O. PAYROLL EMP.      | 165,777          | 170,083             | 174,027             | 177,639             | 180,947             | 183,978             | 186,754             | 189,571             |
| N.O. WAGE & SAL. EMP.  | 189,018          | 193,927             | 198,424             | 202,542             | 206,315             | 209,770             | 212,935             | 216,148             |
| N.O. EARNINGS (000's)  | \$13,254,376     | \$13,868,597        | \$13,795,221        | \$13,938,889        | \$14,062,383        | \$14,201,033        | \$14,261,286        | \$15,007,602        |
| N.O. PAYROLL           | \$7,823,027,408  | \$8,222,282,765     | \$8,287,692,384     | \$8,356,973,845     | \$8,425,383,998     | \$8,504,904,322     | \$8,596,282,837     | \$9,301,521,345     |
| N.O. WAGES (000's)     | \$8,758,844      | \$9,076,312         | \$9,131,612         | \$9,191,735         | \$9,251,810         | \$9,323,878         | \$9,408,631         | \$10,113,766        |
| N.O. PERS. INC.(000's) | \$15,394,618     | \$16,667,655        | \$16,905,430        | \$17,084,409        | \$17,226,209        | \$17,400,194        | \$7,662,937         | \$19,164,287        |
| N.O. POPULATION        | 288,113          | 325,000             | 350,000             | 375,000             | 380,000             | 385,000             | 390,000             | 395,000             |
| ASSESSED VALUATION     |                  |                     |                     |                     |                     |                     |                     |                     |
| REAL ESTATE            | \$1,666,628,230  | \$2,295,689,798     | \$2,353,204,380     | \$2,423,800,511     | \$2,496,514,527     | \$2,986,081,025     | \$3,075,663,456     | \$3,167,933,360     |
| PERSONAL PROP.         | \$343,886,441    | \$393,879,207       | \$405,719,110       | \$417,890,683       | \$430,427,404       | \$468,348,058       | \$482,398,500       | \$496,870,455       |
| PUB. SERVICE           | \$124,506,900    | \$145,035,610       | \$152,439,600       | \$157,012,788       | \$161,723,172       | \$169,130,093       | \$174,203,996       | \$179,430,116       |
| AUTO                   | \$0              | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 |
| HOMESTEAD EXEMP.       | \$294,827,495    | \$297,101,026       | \$330,225,920       | \$338,902,576       | \$346,251,263       | \$356,501,103       | \$364,817,884       | \$374,124,309       |
| NET ASSESSED VALUE     | \$1,840,194,076  | \$2,537,503,589     | \$2,581,137,170     | \$2,659,801,407     | \$2,742,413,839     | \$3,267,058,073     | \$3,367,448,068     | \$3,470,109,621     |
| NO. OF HOMESTEADS      | 61,806           | 52,589              | 57,262              | 58,332              | 59,401              | 60,471              | 61,541              | 62,610              |
| MILLAGE                | 37.87            | 27.86               | 27.86               | 27.86               | 27.86               | 26.36               | 26.36               | 26.36               |

| GENERAL FUND REVENUE PROJECTIONS |                      |                      |                      |                      |                      |                      |                      |                      |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| FOR THE YEARS 2009 THRU 2014     | FY 2008              | FY 2009              | FY 2009              | FY 2010              | FY 2011              | FY 2012              | FY 2013              | FY 2014              |
| DESCRIPTION                      | AUDITED              | BUDGET               | Revised 10-28-09     | BUDGET               | PROJECTED            | PROJECTED            | PROJECTED            | PROJECTED            |
| <b>TAXES</b>                     |                      |                      |                      |                      |                      |                      |                      |                      |
| <b>PROPERTY TAXES</b>            |                      |                      |                      |                      |                      |                      |                      |                      |
| REAL ESTATE                      | \$55,764,677         | \$53,909,965         | \$59,047,755         | \$61,029,253         | \$63,003,780         | \$74,484,998         | \$76,810,888         | \$79,128,308         |
| PERSONAL PROPERTY                | \$12,645,207         | \$17,955,029         | \$13,961,358         | \$13,802,999         | \$14,237,213         | \$16,921,092         | \$17,443,626         | \$17,973,731         |
| <b>TOTAL PROPERTY TAXES</b>      | <b>\$68,409,884</b>  | <b>\$71,864,994</b>  | <b>\$73,009,113</b>  | <b>\$74,832,252</b>  | <b>\$77,240,993</b>  | <b>\$91,406,090</b>  | <b>\$94,254,514</b>  | <b>\$97,102,038</b>  |
| <b>PENALTY AND INTEREST</b>      | <b>\$5,193,090</b>   | <b>\$6,000,000</b>   | <b>\$6,042,281</b>   | <b>\$6,152,281</b>   | <b>\$6,312,281</b>   | <b>\$6,422,281</b>   | <b>\$6,532,281</b>   | <b>\$6,642,281</b>   |
| <b>SALES TAX</b>                 |                      |                      |                      |                      |                      |                      |                      |                      |
| GENERAL SALES-USE TAX            | \$119,774,867        | \$135,822,331        | \$118,516,405        | \$131,780,535        | \$132,610,829        | \$132,855,600        | \$133,998,296        | \$141,264,681        |
| MOTOR VEHICLE TAX                | \$8,543,958          | \$9,070,885          | \$7,249,469          | \$7,948,279          | \$7,996,921          | \$8,123,341          | \$8,277,604          | \$8,464,111          |
| HOTEL/MOTEL TAX                  | \$9,261,802          | \$12,545,555         | \$8,356,446          | \$8,883,337          | \$9,615,618          | \$10,026,334         | \$10,640,686         | \$12,224,004         |
| <b>TOTAL SALES TAX</b>           | <b>\$137,580,626</b> | <b>\$157,438,771</b> | <b>\$134,122,320</b> | <b>\$148,612,152</b> | <b>\$150,223,368</b> | <b>\$151,005,276</b> | <b>\$152,916,587</b> | <b>\$161,952,796</b> |
| <b>TOTAL UTILITY</b>             | <b>\$10,058,791</b>  | <b>\$10,097,895</b>  | <b>\$10,368,956</b>  | <b>\$11,254,372</b>  | <b>\$11,672,840</b>  | <b>\$11,936,043</b>  | <b>\$12,298,476</b>  | <b>\$13,194,797</b>  |
| <b>PARKING TAX</b>               | <b>\$2,490,377</b>   | <b>\$2,499,575</b>   | <b>\$2,986,674</b>   | <b>\$3,511,378</b>   | <b>\$3,615,974</b>   | <b>\$3,720,570</b>   | <b>\$3,825,166</b>   | <b>\$3,929,763</b>   |
| <b>DOCUMENTARY TRANSACTION</b>   | <b>\$5,852,978</b>   | <b>\$5,100,000</b>   | <b>\$4,023,090</b>   | <b>\$4,000,000</b>   | <b>\$4,000,000</b>   | <b>\$4,000,000</b>   | <b>\$4,000,000</b>   | <b>\$4,000,000</b>   |
| <b>TOTAL GAMING TAXES</b>        | <b>\$1,402,012</b>   | <b>\$2,180,000</b>   | <b>\$2,136,446</b>   | <b>\$2,104,552</b>   | <b>\$2,129,418</b>   | <b>\$2,164,692</b>   | <b>\$2,190,431</b>   | <b>\$2,219,203</b>   |
| <b>TOTAL OTHER TAXES</b>         | <b>\$523,868</b>     | <b>\$500,000</b>     | <b>\$645,332</b>     | <b>\$5,550,000</b>   | <b>\$550,000</b>     | <b>\$550,000</b>     | <b>\$550,000</b>     | <b>\$550,000</b>     |
| <b>TOTAL TAXES</b>               | <b>\$231,511,625</b> | <b>\$255,681,234</b> | <b>\$233,334,212</b> | <b>\$256,016,986</b> | <b>\$255,744,874</b> | <b>\$271,204,951</b> | <b>\$276,567,455</b> | <b>\$289,590,878</b> |

**GENERAL FUND REVENUE  
PROJECTIONS  
FOR THE YEARS 2009 THRU 2014**

| <b>DESCRIPTION</b>                  | <b>FY 2008<br/>AUDITED</b> | <b>FY 2009<br/>BUDGET</b> | <b>FY 2009<br/>Revised 10-28-<br/>09</b> | <b>FY 2010<br/>BUDGET</b> | <b>FY 2011<br/>PROJECTED</b> | <b>FY 2012<br/>PROJECTED</b> | <b>FY 2013<br/>PROJECTED</b> | <b>FY 2014<br/>PROJECTED</b> |
|-------------------------------------|----------------------------|---------------------------|--|---------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| <b>LICENSES &amp; PERMITS</b>       |                            |                           |  |                           |                              |                              |                              |                              |
| OCCUPATIONAL LIC                    | \$8,590,697                | \$7,959,246               | \$8,832,037                              | \$9,816,817               | \$9,301,448                  | \$9,524,240                  | \$9,814,663                  | \$10,142,780                 |
| FRANCHISE FEES                      | \$36,389,931               | \$38,553,400              | \$38,078,275                             | \$41,511,948              | \$42,874,610                 | \$43,752,580                 | \$44,940,964                 | \$47,788,007                 |
| BUILDING PERMITS                    | \$6,770,076                | \$5,475,000               | \$5,872,647                              | \$4,801,379               | \$2,940,000                  | \$3,380,000                  | \$2,260,000                  | \$1,760,000                  |
| ELECTRICAL AND MECHANICAL           | \$3,861,085                | \$3,650,500               | \$3,025,828                              | \$3,184,562               | \$2,704,000                  | \$2,204,000                  | \$1,754,000                  | \$1,754,000                  |
| MOTOR VEHICLES                      | \$1,674,710                | \$1,957,934               | \$2,019,492                              | \$3,922,998               | \$2,120,000                  | \$2,220,000                  | \$2,320,000                  | \$2,420,000                  |
| BEVERAGE PERMITS                    | \$1,410,135                | \$1,390,000               | \$1,494,825                              | \$1,533,363               | \$1,556,408                  | \$1,589,098                  | \$1,612,952                  | \$1,639,617                  |
| HEALTH                              | \$20,614                   | \$30,000                  | \$32,442                                 | \$25,000                  | \$25,000                     | \$25,000                     | \$25,000                     | \$25,000                     |
| MAYORALTY PERMITS                   | \$198,485                  | \$181,000                 | \$255,639                                | \$200,000                 | \$200,000                    | \$200,000                    | \$200,000                    | \$200,000                    |
| OTHER LICENCES & PERMITS            | \$1,325,502                | \$1,553,950               | \$1,188,188                              | \$1,629,281               | \$1,323,090                  | \$1,311,090                  | \$1,297,090                  | \$1,299,090                  |
| <b>TOTAL LICENCES &amp; PERMITS</b> | <b>\$60,241,234</b>        | <b>\$60,751,030</b>       | <b>\$60,799,373</b>                      | <b>\$66,625,347</b>       | <b>\$63,044,556</b>          | <b>\$64,206,008</b>          | <b>\$64,224,669</b>          | <b>\$67,028,494</b>          |

**GENERAL FUND REVENUE  
PROJECTIONS  
FOR THE YEARS 2009 THRU  
2014**

|                                       | <b>FY 2008</b>      | <b>FY 2009</b>      | <b>FY 2009</b>               | <b>FY 2010</b>      | <b>FY 2011</b>      | <b>FY 2012</b>      | <b>FY 2013</b>      | <b>FY 2014</b>      |
|---------------------------------------|---------------------|---------------------|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                       | <b>AUDITED</b>      | <b>BUDGET</b>       | <b>Revised 10-28-<br/>09</b> | <b>BUDGET</b>       | <b>PROJECTED</b>    | <b>PROJECTED</b>    | <b>PROJECTED</b>    | <b>PROJECTED</b>    |
| <b>DESCRIPTION</b>                    |                     |                     |                              |                     |                     |                     |                     |                     |
| <b>INTERGOVERNMENTAL</b>              |                     |                     |                              |                     |                     |                     |                     |                     |
| STATE REVENUE SHARING                 | \$885,795           | \$2,606,847         | \$745,345                    | \$1,056,605         | \$1,056,605         | \$1,056,605         | \$1,056,605         | \$1,056,605         |
| CONTRIBUTION TO RETIREMENT<br>FUNDS   | \$0                 | \$361,502           | \$0                          | \$564,692           | \$663,775           | \$790,761           | \$815,059           | \$839,907           |
| NET STATE REVENUE SHARING             | \$885,795           | \$2,245,345         | \$745,345                    | \$491,913           | \$392,830           | \$265,845           | \$241,546           | \$216,698           |
| PARISH TRANSPORTATION                 | \$4,585,152         | \$4,357,503         | \$4,357,503                  | \$4,357,503         | \$4,357,503         | \$4,357,503         | \$4,357,503         | \$4,357,503         |
| OTHER INTERGOVERNMENTAL               | \$14,654,165        | \$5,472,310         | \$4,553,910                  | \$4,769,002         | \$4,834,034         | \$4,934,817         | \$5,036,362         | \$5,138,680         |
| <b>TOTAL INTERGOVERNMENTAL</b>        | <b>\$20,125,112</b> | <b>\$12,075,158</b> | <b>\$9,656,757</b>           | <b>\$9,618,418</b>  | <b>\$9,584,367</b>  | <b>\$9,558,165</b>  | <b>\$9,635,412</b>  | <b>\$9,712,881</b>  |
| <b>CHARGES FOR SERVICES</b>           |                     |                     |                              |                     |                     |                     |                     |                     |
| HEALTH FEES                           | \$5,575,102         | \$6,377,674         | \$8,475,007                  | \$8,815,429         | \$9,015,429         | \$9,315,429         | \$9,415,429         | \$9,515,429         |
| PARKING METERS                        | \$2,804,071         | \$3,110,162         | \$4,057,135                  | \$6,329,391         | \$6,431,391         | \$6,533,391         | \$6,635,391         | \$6,737,391         |
| SANITATION SERVICE CHARGE             | \$16,669,937        | \$17,007,946        | \$19,283,835                 | \$23,052,750        | \$17,570,246        | \$17,652,093        | \$17,733,939        | \$17,815,785        |
| TAX COLLECTION SERVICE                | \$8,168,749         | \$9,658,911         | \$8,155,533                  | \$8,578,204         | \$19,898,590        | \$23,311,489        | \$23,988,595        | \$24,784,992        |
| INDIRECT COSTS                        | \$2,185,408         | \$3,000,000         | \$3,000,000                  | \$4,600,000         | \$4,600,000         | \$4,600,000         | \$4,600,000         | \$4,600,000         |
| UTILITY REGULATORY FEES               | \$1,005,475         | \$6,800,000         | \$6,800,000                  | \$7,450,400         | \$6,800,000         | \$6,800,000         | \$6,800,000         | \$6,800,000         |
| TOWING AND BOOTING                    | \$1,031,090         | \$1,270,000         | \$756,695                    | \$1,032,300         | \$1,032,300         | \$1,032,300         | \$1,032,300         | \$1,032,300         |
| OTHER CHARGES FOR SERVICES            | \$6,414,490         | \$5,481,910         | \$6,504,646                  | \$7,257,062         | \$6,944,781         | \$6,890,139         | \$6,882,541         | \$6,927,371         |
| <b>TOTAL CHARGES FOR<br/>SERVICES</b> | <b>\$43,854,322</b> | <b>\$52,706,602</b> | <b>\$57,032,851</b>          | <b>\$67,115,536</b> | <b>\$72,292,738</b> | <b>\$76,134,841</b> | <b>\$77,088,195</b> | <b>\$78,213,268</b> |

**GENERAL FUND REVENUE  
PROJECTIONS  
FOR THE YEARS 2009 THRU 2014**

|                                       | <b>FY 2008</b>       | <b>FY 2009</b>       | <b>FY 2009</b>          | <b>FY 2010</b>       | <b>FY 2011</b>       | <b>FY 2012</b>       | <b>FY 2013</b>       | <b>FY 2014</b>       |
|---------------------------------------|----------------------|----------------------|-------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                       | <b>AUDITED</b>       | <b>BUDGET</b>        | <b>Revised 10-28-09</b> | <b>BUDGET</b>        | <b>PROJECTED</b>     | <b>PROJECTED</b>     | <b>PROJECTED</b>     | <b>PROJECTED</b>     |
| <b>DESCRIPTION</b>                    |                      |                      |                         |                      |                      |                      |                      |                      |
| <b>FINES &amp; FORFEITS</b>           |                      |                      |                         |                      |                      |                      |                      |                      |
| TRAFFIC FINES                         | \$3,379,943          | \$4,600,000          | \$8,151,355             | \$9,974,700          | \$11,643,673         | \$13,399,263         | \$15,144,911         | \$16,943,845         |
| RED LIGHT/CAMERA ENFORCEMENT          | \$3,467,782          | \$9,000,000          | \$11,336,184            | \$14,343,567         | \$17,000,129         | \$19,853,535         | \$22,684,346         | \$25,636,252         |
| PARKING METER FINES                   | \$9,250,576          | \$13,100,000         | \$10,814,985            | \$11,000,000         | \$11,200,000         | \$11,400,000         | \$11,600,000         | \$11,800,000         |
| OTHER FINES & FORFEITS                | \$344,518            | \$1,755,700          | \$328,889               | \$815,500            | \$818,500            | \$820,500            | \$820,500            | \$820,500            |
| <b>TOTAL FINES &amp; FORFEITS</b>     | <b>\$16,442,820</b>  | <b>\$28,455,700</b>  | <b>\$30,631,413</b>     | <b>\$36,133,767</b>  | <b>\$40,662,302</b>  | <b>\$45,473,298</b>  | <b>\$50,249,757</b>  | <b>\$55,200,597</b>  |
| <b>INTEREST INCOME</b>                |                      |                      |                         |                      |                      |                      |                      |                      |
| INTEREST-OPERATING FUNDS              | \$3,410,500          | \$2,769,281          | \$243,746               | \$784,125            | \$1,852,500          | \$2,742,750          | \$3,159,000          | \$3,423,750          |
| INTEREST - CAPITAL FUNDS              | \$5,020,148          | \$3,594,601          | \$1,927,530             | \$2,358,557          | \$2,719,351          | \$1,230,196          | \$22,427             | \$0                  |
| <b>TOTAL INTEREST INCOME</b>          | <b>\$8,430,649</b>   | <b>\$6,363,881</b>   | <b>\$2,171,276</b>      | <b>\$3,142,682</b>   | <b>\$4,571,851</b>   | <b>\$3,972,946</b>   | <b>\$3,181,427</b>   | <b>\$3,423,750</b>   |
| <b>MISCELLANEOUS REVENUES</b>         |                      |                      |                         |                      |                      |                      |                      |                      |
| GAMING REVENUES                       | \$17,537,537         | \$16,825,000         | \$16,825,000            | \$16,825,000         | \$16,825,000         | \$16,825,000         | \$16,825,000         | \$16,825,000         |
| OTHER MISCELLANEOUS REVENUES          | \$8,310,071          | \$9,664,588          | \$11,498,392            | \$6,598,455          | \$5,954,095          | \$6,315,317          | \$6,358,025          | \$6,637,396          |
| <b>TOTAL MISCELLANEOUS REVENUES</b>   | <b>\$25,847,607</b>  | <b>\$26,489,588</b>  | <b>\$28,323,392</b>     | <b>\$23,423,455</b>  | <b>\$22,779,095</b>  | <b>\$23,140,317</b>  | <b>\$23,183,025</b>  | <b>\$23,462,396</b>  |
| <b>GENERAL FUND RECURRING REVENUE</b> |                      |                      |                         |                      |                      |                      |                      |                      |
|                                       | <b>\$406,453,368</b> | <b>\$442,523,193</b> | <b>\$421,949,273</b>    | <b>\$462,076,191</b> | <b>\$468,679,782</b> | <b>\$493,690,527</b> | <b>\$504,129,940</b> | <b>\$526,632,265</b> |
| CDL DRAW DOWN                         | \$34,372,730         | \$35,268,866         | \$35,268,866            |                      |                      |                      |                      |                      |
| GO ZONE PAYMENTS                      | \$12,344,538         | \$8,458,343          | \$8,458,343             |                      |                      |                      |                      |                      |
| <b>TOTAL GENERAL FUND REVENUE</b>     | <b>\$453,170,636</b> | <b>\$486,250,403</b> | <b>\$465,676,482</b>    | <b>\$462,076,191</b> | <b>\$468,679,782</b> | <b>\$493,690,527</b> | <b>\$504,129,940</b> | <b>\$526,632,265</b> |

