

**MEETING MINUTES
REVENUE ESTIMATING CONFERENCE
OCTOBER 26, 2020
MEETING HELD VIRTUALLY (ZOOM)**

PRESENT

Honorable LaToya Cantrell, Mayor
Honorable Jared Brossett, Councilmember District "D"
Honorable Helena Moreno, Councilmember-at-Large and Council Vice President (non-voting)
Gilbert Montaña, Chief Administrative Officer
Norman White, Director of Finance/CFO
Mara Baumgarden Force, Professor, Tulane University

OPENING

The meeting of the Revenue Estimating Conference (REC) was called to order by Mayor LaToya Cantrell.

1. Introduction

Due to the COVID-19 pandemic, the meeting was held virtually. Roll call was taken by Mayor Cantrell. Pursuant to guidelines established by the Attorney General of Louisiana, the agenda was read in full and then a 20-minute recess was taken to allow for public comment in the virtual format.

2. Return from Recess

After the recess period, Mayor Cantrell resumed the meeting. Councilmember Jason Williams joined the meeting at this time. Mayor Cantrell explained the function of the Revenue Estimating Conference and asked for a motion to adopt the minutes from the November 21, 2019 meeting. Councilmember Jared Brossett motioned to adopt the minutes, and Chief Administrative Officer Gilbert Montaña second the motion, which passed unanimously. Mr. Montaña then moved to adopt the minutes from the October 19, 2020 meeting, seconded by Councilmember Brossett. The motion passed unanimously.

3. Economic Outlook

City Economist Randall McElroy discussed the economic background of the 2021 forecast. Mr. McElroy reviewed the decrease in year-over-year employment and the increase in the unemployment rate in the past year, as well as the growth in weekly earnings in the recent past and the contraction in gross domestic product at the national level. He then discussed several factors leading to uncertainty in the forecast, including public health conditions, macroeconomic conditions, public attitudes about safety with and without vaccines, travel restrictions, and general policy uncertainty.

4. 2021 Proposed Forecast

Mr. McElroy then introduced the proposed 2021 forecast. Overall, total General Fund revenue was projected at \$633,550,814, a decrease of 6.8 percent (\$46,452,199) from 2020, with one-time revenues decreasing 78.1 percent (\$94,224,788) to \$26,447,732, and recurring revenues expected to increase by 8.5 percent (\$47,772,589) to \$607,103,082. The CARES Act payments

(\$58.4 million) and the Harrah's contract payments (\$48 million) were shown in a separate chart making up the majority of non-recurring revenue in 2020.

Mr. McElroy then reviewed the General Fund Balance planning projections from the previous meeting, noting that due to progress on the 2019 audit, the approximately \$1 million deficit was adjusted to an approximately \$7.1 million surplus. Afterwards, he presented the change in forecast growth rates, with the rates of change in total and recurring General Fund revenues discussed earlier.

Next, Mr. McElroy presented the recurring and non-recurring components of the 2021 General Fund forecast again, along with the revenue from other funds projected at \$494,325,185. The total revenue forecast for the City of New Orleans was expected to be \$1,127,875,999.

5. Adoption of the 2021 General Fund Forecast

Mayor Cantrell called for a motion to adopt the forecast. Mr. Montañó moved to adopt, seconded by Professor Mara Force. The motion was passed unanimously, with the forecast read into the record by category and in total.

6. Adjournment

As there were no other matters to discuss, Chief Financial Officer Norman White motioned to adjourn, seconded by Mr. Montañó. The motion passed unanimously.