

REVENUE ESTIMATING CONFERENCE



CITY OF NEW ORLEANS

REVENUE ESTIMATING CONFERENCE MEMBERS

HON. LaTOYA CANTRELL, MAYOR, CHAIR

HON. JARED BROSSETT, COUNCILMEMBER DISTRICT D

HON. HELENA MORENO, COUNCIL MEMBER AT-LARGE (NON-VOTING REP.)

GILBERT MONTAÑO, CHIEF ADMINISTRATIVE OFFICER

NORMAN WHITE, DIRECTOR, DEPARTMENT OF FINANCE

PETER RICCHIUTI, TULANE UNIVERSITY

Presented November 29, 2018

2019 General Fund Revenue Forecast

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| | 2019 Current Forecast | Adjustments | 2019 Proposed Forecast |
|---------------------------------------|-----------------------------|------------------|------------------------------|
| 1A PROPERTY TAX | 146,872,007 | | 146,872,007 |
| 1B OTHER TAXES | 254,323,983 | | 254,323,983 |
| 2 LICENSES & PERMITS | 77,560,123 | | 77,560,123 |
| 3 INTERGOVERNMENTAL REVENUE | 21,635,000 | | 21,635,000 |
| 4 SERVICE CHARGES | 93,617,876 | | 93,617,876 |
| 5 FINES & FORFEITS | 41,508,307 | (500,000) | 41,008,307 |
| 6 MISCELLANEOUS REVENUE | 26,865,847 | 3,863,444 | 30,729,291 |
| 7 OTHER FINANCING SOURCES | 35,794,889 | 449,556 | 36,244,445 |
| Total General Fund Revenue | 698,178,032 | 3,813,000 | 701,991,032 |
| less: One-time Revenue | (46,934,301) | (2,963,000) | (49,897,301) |
| Recurring General Fund Revenue | 651,243,731 | 850,000 | 652,093,731 |

2019 General Fund Revenue Adjustments

Net Change to Forecast is \$3,813,000

French Market Corporation Payments (+4,313,000)

| | | |
|------------------------------------|--------------------|-----------|
| 2018 Net Profit and Lease Payment | \$1,350,000 | |
| 2019 Net Profit and Lease Payment | 1,350,000 | Recurring |
| Upper Pontalba Outstanding Lease | 1,163,444 | |
| 2017 Payments from Fund 221 | 449,556 | |
| TOTAL French Market Related | \$4,313,000 | |

- Annual payments of net profits and rent of \$1.35M in 2018 and 2019, both credited to 2019 for an increase of \$2.7M
- Use of outstanding distributable net profits from Upper Pontalba Restoration Corporation merger with French Market Corporation of \$1,163,444
- Use of a portion (\$449,556) of the \$829,430 that was transferred to the general fund from Upper Pontalba Fund during 2018; net increase of \$379,874 to anticipated fund balance

Traffic Tickets and Fines (-\$500,000)

- The recurring impact of having traffic tickets issued at the higher of state rates and local rates is removed

Forecast Adjustments

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| One Time | |
|----------------------------------|------------------|
| French Market Corp 2018 Payment | 1,350,000 |
| Upper Pontalba Outstanding Lease | 1,163,444 |
| French Market Corp 2017 Payments | 449,556 |
| TOTAL One Time | 2,963,000 |

| Recurring | |
|---------------------------------|----------------|
| French Market Corp 2019 Payment | 1,350,000 |
| Traffic Fines Impact | (500,000) |
| TOTAL Recurring | 850,000 |

Net Change to Forecast **3,813,000**

2019 General Fund Revenue Forecast

Non-Recurring Revenue

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| | 2019 Current Forecast | 2019 Proposed Forecast | Difference |
|------------------------------------|--------------------------|---------------------------|------------------|
| Non-Recurring | | | |
| Fund Balance - Reserve from 2018 | 9,200,000 | 9,200,000 | - |
| Fund Balance* | 12,534,301 | 12,983,857 | 449,556 |
| Medicaid UPL Ambulance | 8,500,000 | 8,500,000 | - |
| World Trade Center Lease Advance | | | - |
| NOBC Transfer | 10,000,000 | 10,000,000 | - |
| 2 Canal Permit | | | - |
| Casino Support Payment | 2,300,000 | 2,300,000 | - |
| Short Term Rental State Dedication | | | - |
| Collections of Fees Owed | 4,400,000 | 4,400,000 | - |
| French Market Corp Transfers | | 2,513,444 | 2,513,444 |
| Other Activity | | | - |
| TOTAL Non-Recurring | 46,934,301 | 49,897,301 | 2,963,000 |

* Net addition to fund balance of +\$379,874

Forecast Growth Rates

| | 2018 Current Forecast | 2019 Current Forecast | 2019 Proposed Forecast |
|-----------------------------|-----------------------|-----------------------|------------------------|
| Total GF Revenue | 702,577,395 | 698,178,032 | 701,991,032 |
| | 5.1% | -0.6% | -0.1% |
| Recurring GF Revenue | 635,129,700 | 651,243,731 | 652,093,731 |
| | 2.7% | 2.5% | 2.7% |

- Total general fund revenue is virtually unchanged from 2018
- Like 2018, recurring general fund revenue in 2019 now grows by 2.7%

2019 Official Revenue Forecast

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| | Recurring Revenue | Non-Recurring Revenue | 2019 Total Revenue 11/29/18 |
|----------------------------------|--------------------|-----------------------|--------------------------------|
| 1A PROPERTY TAX | 146,872,007 | | 146,872,007 |
| 1B OTHER TAXES | 254,323,983 | | 254,323,983 |
| 2 LICENSES & PERMITS | 77,560,123 | | 77,560,123 |
| 3 INTERGOVERNMENTAL REVENUE | 13,135,000 | 8,500,000 | 21,635,000 |
| 4 SERVICE CHARGES | 89,217,876 | 4,400,000 | 93,617,876 |
| 5 FINES & FORFEITS | 41,008,307 | | 41,008,307 |
| 6 MISCELLANEOUS REVENUE | 15,915,847 | 14,813,444 | 30,729,291 |
| 7 OTHER FINANCING SOURCES | 14,060,588 | 22,183,857 | 36,244,445 |
| 2019 GENERAL FUND REVENUE | 652,093,731 | 49,897,301 | 701,991,032 |
| NON-GENERAL FUND REVENUE | | | 424,089,221 |
| 2019 TOTAL REVENUE | | | 1,126,080,253 |

Data Appendix

General Fund Revenue Forecast

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| Major | Minor | 2017 | 2018 Current Forecast | 2019 Current Forecast | 2019 Proposed Forecast | 2019 Forecast Change | Category/Impact Includes: |
|---------------------------------------|------------------------------------|--------------------|-----------------------|-----------------------|------------------------|----------------------|---------------------------|
| 1A PROPERTY TAX | 1 REAL/PERSONAL PROPERTY - CURRENT | 50,184,637 | 51,036,233 | 51,283,106 | 51,283,106 | - | |
| | 2 PRIOR YEAR PROPERTY | 2,812,794 | 2,108,095 | 2,156,956 | 2,156,956 | - | |
| | 3 POLICE/FIRE DEDICATED MILLS | 72,055,015 | 73,242,826 | 73,597,117 | 73,597,117 | - | |
| | 4 NORD DEDICATED 1.5 MILLS | 4,988,433 | 5,105,862 | 5,130,560 | 5,130,560 | - | |
| | 5 PARKWAY DEDICATED 1.5 MILLS | 4,988,433 | 5,105,862 | 5,130,560 | 5,130,560 | - | |
| | 6 STREETS DEDICATED 1.9 MILLS | 6,318,742 | 6,467,492 | 6,498,777 | 6,498,777 | - | |
| | 7 INTEREST & PENALTIES | 4,000,230 | 3,074,931 | 3,074,931 | 3,074,931 | - | |
| 1A PROPERTY TAX Total | | 145,348,284 | 146,141,301 | 146,872,007 | 146,872,007 | - | |
| 1B OTHER TAXES | 1 SALES TAX | 185,269,732 | 190,879,072 | 199,087,533 | 199,087,533 | - | |
| | 1.1 MOTOR VEHICLE TAX | 13,532,102 | 12,763,422 | 12,878,303 | 12,878,303 | - | |
| | 1.2 HOTEL/MOTEL TAX | 19,085,311 | 19,654,185 | 20,066,923 | 20,066,923 | - | |
| | 2 BEER & WINE TAX | 484,937 | 485,000 | 495,185 | 495,185 | - | |
| | 3 PARKING TAX | 4,614,411 | 4,709,340 | 4,808,236 | 4,808,236 | - | |
| | 4 DOCUMENT TRANSACTION TAX | 4,597,476 | 4,337,854 | 4,428,949 | 4,428,949 | - | |
| | 5 CHAIN STORE TAX | 163,661 | 159,346 | 162,693 | 162,693 | - | |
| | 6 OFF TRACK BETTING/RACING TAX | 157,500 | 176,710 | 176,710 | 176,710 | - | |
| 7 UTILITY TAX | 10,215,020 | 10,461,183 | 10,834,017 | 10,834,017 | - | | |
| 8 FAIRGROUND SLOT MACHINE 4% TAX | 1,358,808 | 1,385,434 | 1,385,434 | 1,385,434 | - | | |
| 1B OTHER TAXES Total | | 239,478,957 | 245,011,546 | 254,323,983 | 254,323,983 | - | |
| 2 LICENSES & PERMITS | 01 ALCOHOLIC BEVERAGE | 2,852,108 | 2,904,533 | 2,904,533 | 2,904,533 | - | |
| | 02 CABLE TV FRANCHISE | 5,058,260 | 5,057,843 | 5,057,843 | 5,057,843 | - | |
| | 03 ENTERGY FRANCHISE | 29,095,829 | 30,088,422 | 30,088,422 | 30,088,422 | - | |
| | 04 TELEPHONE FRANCHISE | 281,640 | 320,000 | 320,000 | 320,000 | - | |
| | 05 MISCELLANEOUS FRANCHISE | 1,179,518 | 2,077,840 | 5,307,840 | 5,307,840 | - | |
| | 06 OCCUPATIONAL LICENSES | 11,529,870 | 11,673,605 | 11,790,341 | 11,790,341 | - | |
| | 07 SAFETY/ELECTRICAL/MECHANICAL | 2,193,717 | 2,232,463 | 2,279,345 | 2,279,345 | - | |
| | 08 TAXI/TOURGUIDE LICENSES | 4,816,152 | 5,779,831 | 5,858,930 | 5,858,930 | - | |
| | 09 BUILDING PERMITS | 7,617,897 | 7,950,000 | 7,450,000 | 7,450,000 | - | |
| | 10 MOTOR VEHICLE PERMITS | 2,483,814 | 2,500,000 | 2,552,500 | 2,552,500 | - | |
| | 11 STREETS & CURBS | 903,923 | 883,911 | 902,473 | 902,473 | - | |
| | 12 MAYORALTY PERMITS | 493,504 | 502,151 | 512,696 | 512,696 | - | |
| | 13 OTHER | 2,714,356 | 1,835,200 | 2,535,200 | 2,535,200 | - | |
| 2 LICENSES & PERMITS Total | | 71,220,588 | 73,805,799 | 77,560,123 | 77,560,123 | - | |

General Fund Revenue Forecast

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| Major | Minor | 2017 | 2018 Current Forecast | 2019 Current Forecast | 2019 Proposed Forecast | 2019 Forecast Change | Category/Impact Includes: |
|--|--|--------------------|-----------------------|-----------------------|------------------------|----------------------|---------------------------------------|
| 3 INTERGOVERNMENTAL REVENUE | 3 STATE AID - VIDEO POKER | 1,761,417 | 1,815,000 | 1,815,000 | 1,815,000 | - | |
| | 4 STATE DEPT. OF CORRECTIONS | 65,429 | 30,000 | 30,000 | 30,000 | - | |
| | 5 STATE AID-MEDICAID | 15,177,811 | 13,000,000 | 8,500,000 | 8,500,000 | - | |
| | 6 STATE REVENUE SHARING | 2,174,550 | 2,174,551 | 2,100,000 | 2,100,000 | - | |
| | 7 STATE AID OTHER | 84 | 5,700,000 | 5,300,000 | 5,300,000 | - | |
| | 8 PARISH TRANSP FUND: ROADS | 2,225,270 | 2,290,000 | 2,290,000 | 2,290,000 | - | |
| | 8 PARISH TRANSP FUND: TRANSIT | 1,745,638 | 1,600,000 | 1,600,000 | 1,600,000 | - | |
| | 3 INTERGOVERNMENTAL REVENUE Total | | 23,150,199 | 26,609,551 | 21,635,000 | 21,635,000 | - |
| 4 SERVICE CHARGES | 1 GENERAL GOVERNMENT | 18,080,831 | 18,433,098 | 18,667,254 | 18,667,254 | - | |
| | 2 PUBLIC SAFETY | 23,224,397 | 23,310,000 | 24,210,000 | 24,210,000 | - | |
| | 3 STREETS PARKING METERS | 10,474,867 | 10,498,152 | 10,498,152 | 10,498,152 | - | |
| | 4 STREETS OTHER | 3,097,053 | 2,922,955 | 2,922,955 | 2,922,955 | - | |
| | 5 SANITATION | 31,148,676 | 32,452,205 | 34,802,588 | 34,802,588 | - | |
| | 7 PARKS AND PARKWAY | 10,687 | 14,000 | 14,000 | 14,000 | - | |
| | 7 STATE AID OTHER | 86,082 | 85,000 | 85,000 | 85,000 | - | |
| | 8 INDIRECT COSTS | 2,708,860 | 2,396,427 | 2,396,427 | 2,396,427 | - | |
| | 9 OTHER | 23,700 | 21,500 | 21,500 | 21,500 | - | |
| 4 SERVICE CHARGES Total | | 88,855,152 | 90,133,337 | 93,617,876 | 93,617,876 | - | |
| 5 FINES & FORFEITS | 1 TRAFFIC/MUNICIPAL COURT | 3,537,100 | 2,823,863 | 3,323,863 | 2,823,863 | (500,000) | Removal of Traffic Fines |
| | 2 RED SIGNAL LIGHT/CAMERA ENFORCEMENT | 22,388,970 | 29,200,000 | 25,200,000 | 25,200,000 | - | |
| | 3 PARKING TICKET COLLECTONS | 13,515,976 | 10,702,420 | 12,809,444 | 12,809,444 | - | |
| | 6 IMPOUNDED/ABANDONED VEHICLES | 104,623 | 175,447 | 175,000 | 175,000 | - | |
| 5 FINES & FORFEITS Total | | 39,546,669 | 42,901,730 | 41,508,307 | 41,008,307 | (500,000) | |
| 6 MISCELLANEOUS REVENUE | 1 INTEREST - OPERATING & CAPITAL | 1,199,021 | 1,449,025 | 2,749,025 | 2,749,025 | - | |
| | 2 RENTS & ROYALTIES | 1,547,291 | 1,605,500 | 1,605,500 | 1,605,500 | - | |
| | 3 CONTRIBUTIONS AND OTHER | 1,929,163 | 3,961,000 | 6,261,000 | 6,261,000 | - | |
| | 5 MISCELLANEOUS REIMBURSEMENT | 7,639,582 | 39,250,322 | 16,250,322 | 20,113,766 | 3,863,444 | French Market/Upper Pontalba Payments |
| 6 MISCELLANEOUS REVENUE Total | | 12,315,057 | 46,265,847 | 26,865,847 | 30,729,291 | 3,863,444 | |
| 7 OTHER FINANCING SOURCES | 2 TRANSFER FROM OTHER FUNDS | 14,058,871 | 14,060,588 | 14,060,588 | 14,060,588 | - | |
| | 3 FUND BALANCE | 24,748,127 | 17,647,695 | 21,734,301 | 22,183,857 | 449,556 | 2017 French Market Payments |
| | 4 PROCEEDS FROM COI | 10,000,000 | - | - | - | - | |
| 7 OTHER FINANCING SOURCES Total | | 48,806,998 | 31,708,283 | 35,794,889 | 36,244,445 | 449,556 | |
| Grand Total | | 668,721,903 | 702,577,395 | 698,178,032 | 701,991,032 | 3,813,000 | |

