



REVENUE ESTIMATING CONFERENCE

CONFERENCE MEMBERS

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City of New Orleans

August 27, 2025

REVENUE ESTIMATING CONFERENCE

August 27, 2025

- 1. Adoption of Minutes from July 18, 2025 Revenue Estimating Conference**
- 2. Discussion of 2024 Audited Actuals General Fund Revenue**
- 3. Revision and Adoption of 2025 General Fund Revenue Forecast**
- 4. Adoption of Savings Fund Certification**
- 5. Discussion of 2026 General Fund Revenue Forecast**
- 6. Presentation of Long-Term Forecast**

2025 Special Event Revenue Situation

- Taylor Swift special event revenue (2024) – indicates Super Bowl potential
 - Gross Sales Tax Revenue: Ticket Sales = \$3.2M; Retail = \$2.7M; Lodging = \$3.6M
 - City retains half of gross sales tax revenues, shares with OPSB and RTA
- As a sporting event Super Bowl tax revenue does not include initial Ticket Sales
 - The City does collect Sales Tax revenue from online secondary market sales
- SuperBowl special event visitor spending revenue windfall estimate
 - Additional Y-O-Y revenue increase as of June 30: \$9.9M – should continue to increase
 - Must account for payment obligations to partner organizations: -\$1.1M

Known 2025 General Fund Costs

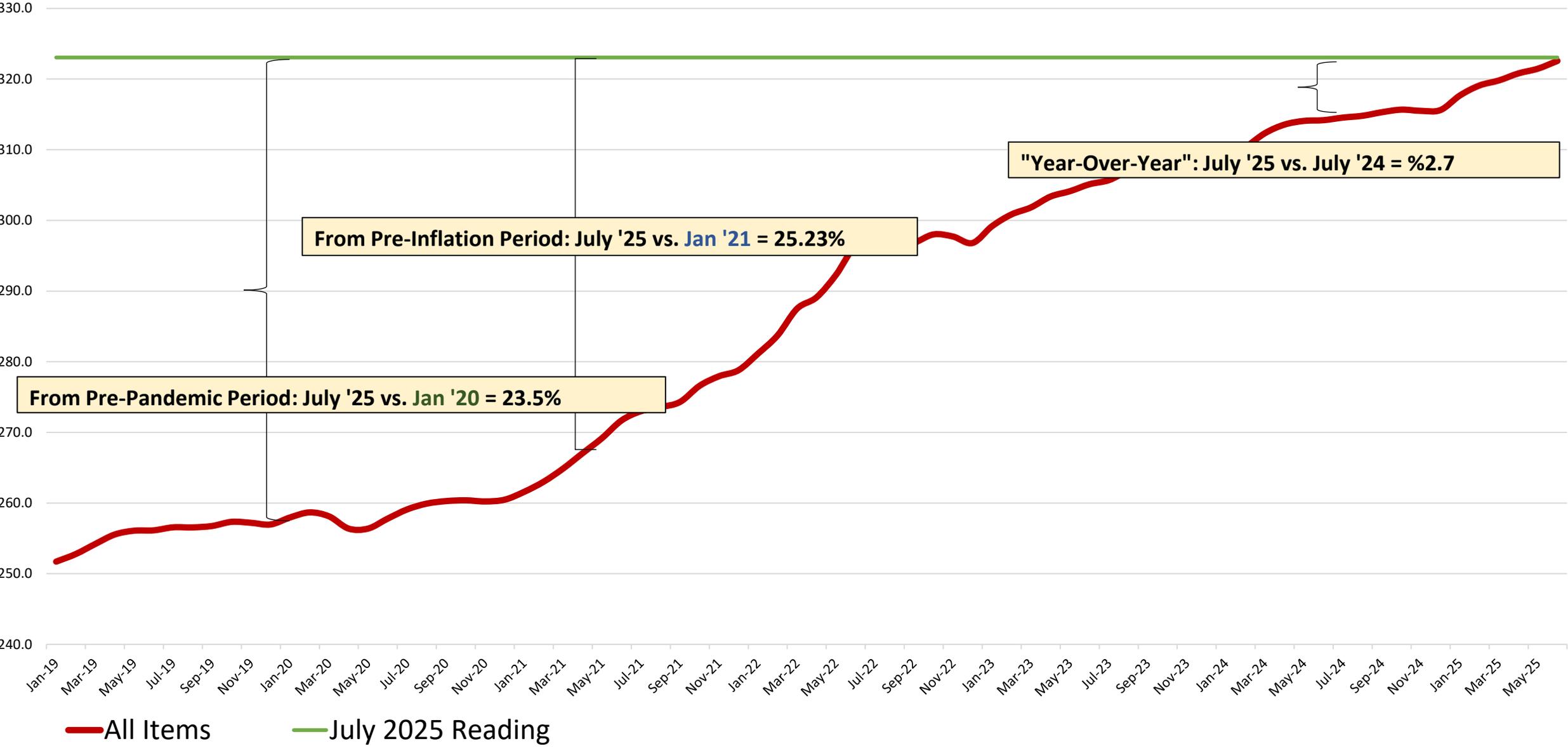
- 2025 Budget Hearings and finalization occurred prior to these developments
- Known Fund Balance Expenses not considered in 2025 Forecast:

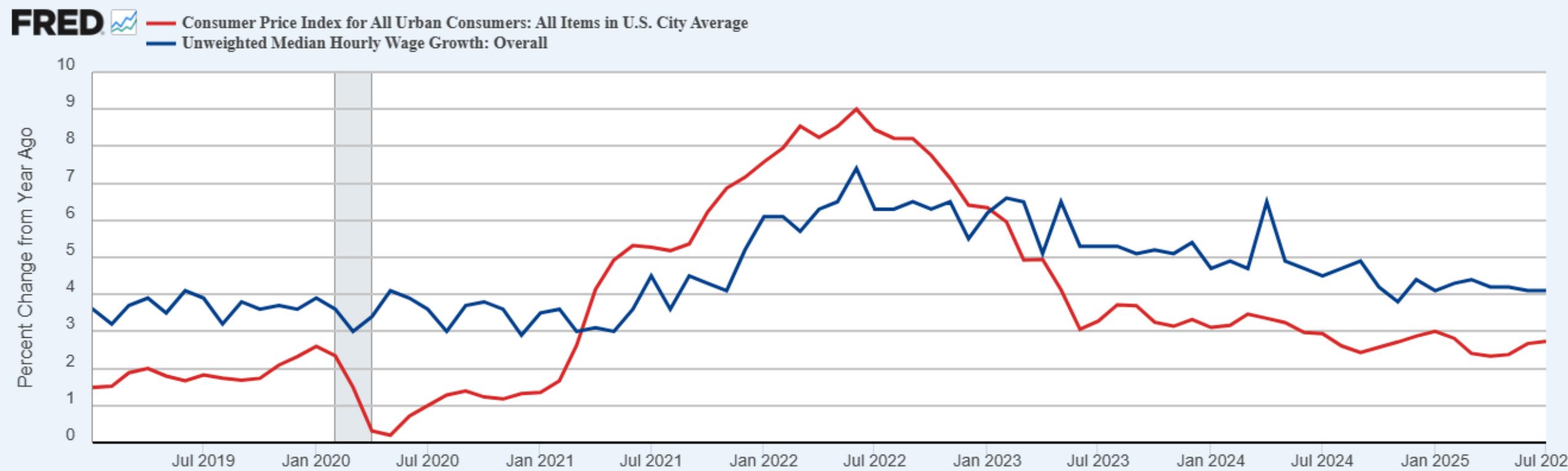
	2025
MPERS Partial Dissolution	\$2.9 m
Fire Pension*	\$2.0 m
NOMERS Cost	\$800 k
Removal of ABO Manager's Fees	\$26 k
TOTAL	\$5.7 m
*Depending on Final CEA Terms	

Macroeconomic Risk for 2025 Forecast

- Uneven growth in recent quarters suggest uncertainty regarding near-term policy landscape; i.e.: Tariffs and Interest Rates
- Shifting policy climate generates economic uncertainty
 - Despite potential for larger tariffs on imports, inflation remains on-target
 - Wall Street fluctuations continue to signal uncertainty; sensitivity to new developments
 - Hiring continues; Jobs and Wages are growing
 - Federal Reserve has withheld promised interest rate reductions since 3rd Qtr 2024
 - RE prices and mortgage rates appear to remain inflated; 3rd Qtr has seen some decline
 - Insurance Crisis Remains

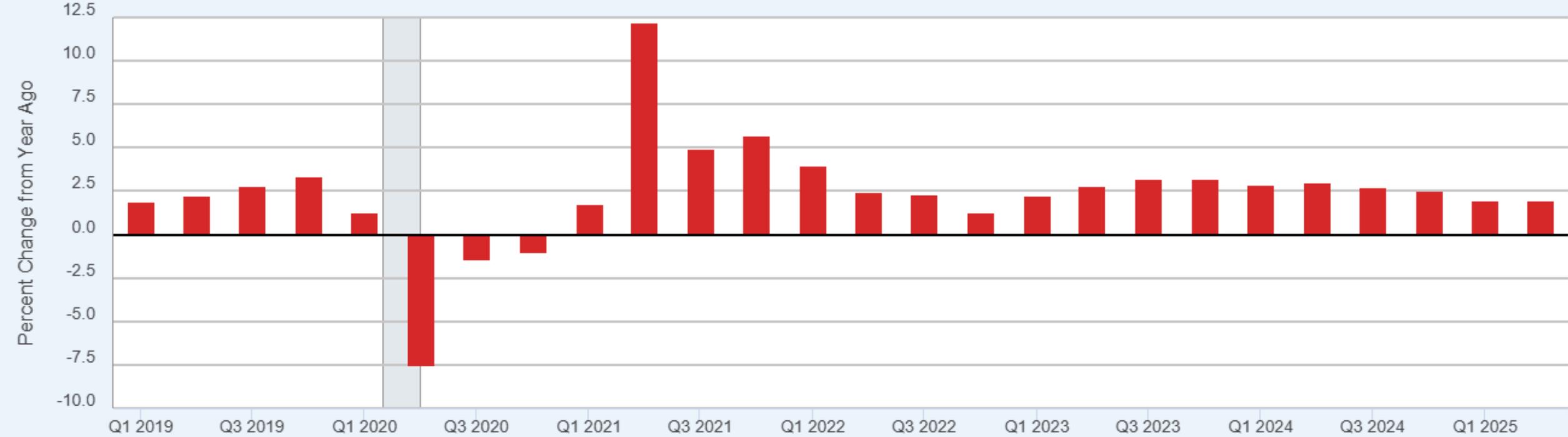
Price Level: CPI Value July 2025





Sources: Federal Reserve Bank of Atlanta; U.S. Bureau of Labor Statistics via FRED®
 Shaded areas indicate U.S. recessions.

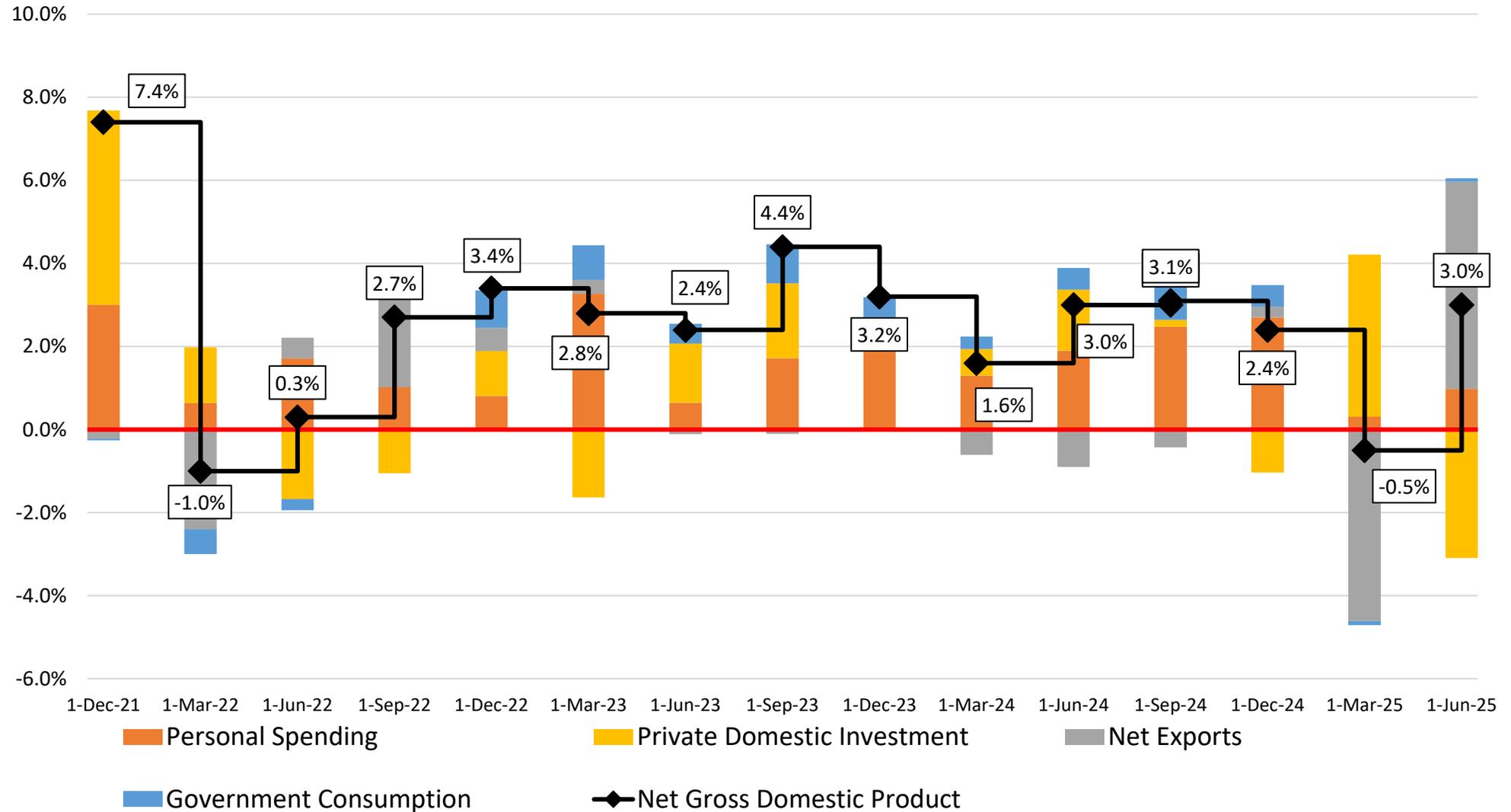
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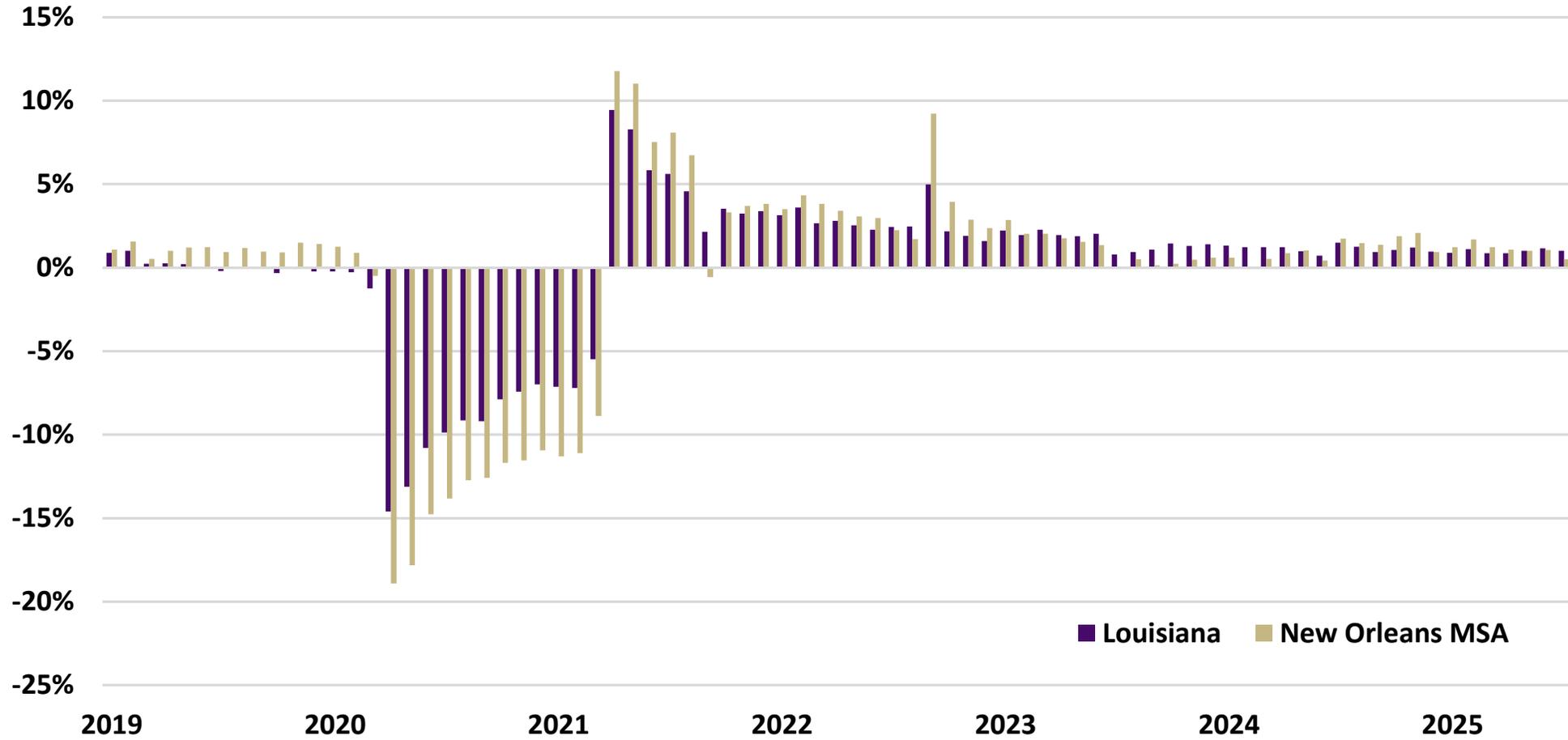
Source: U.S. Bureau of Economic Analysis via FRED®
Shaded areas indicate U.S. recessions.

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Net Contributions to Real GDP: Quarterly Change

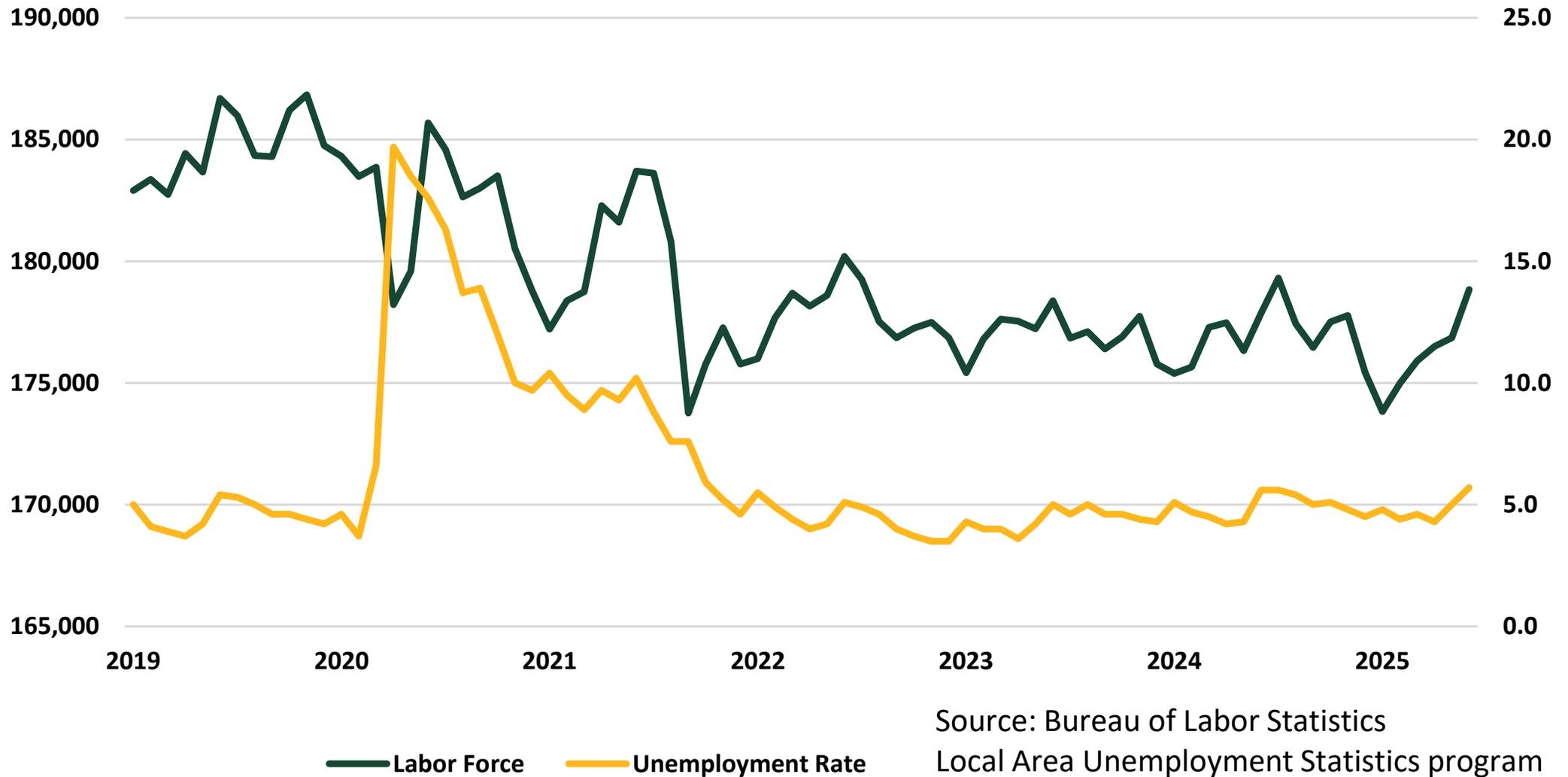


Year-Over-Year Growth: Monthly Payroll Employment - July 2025

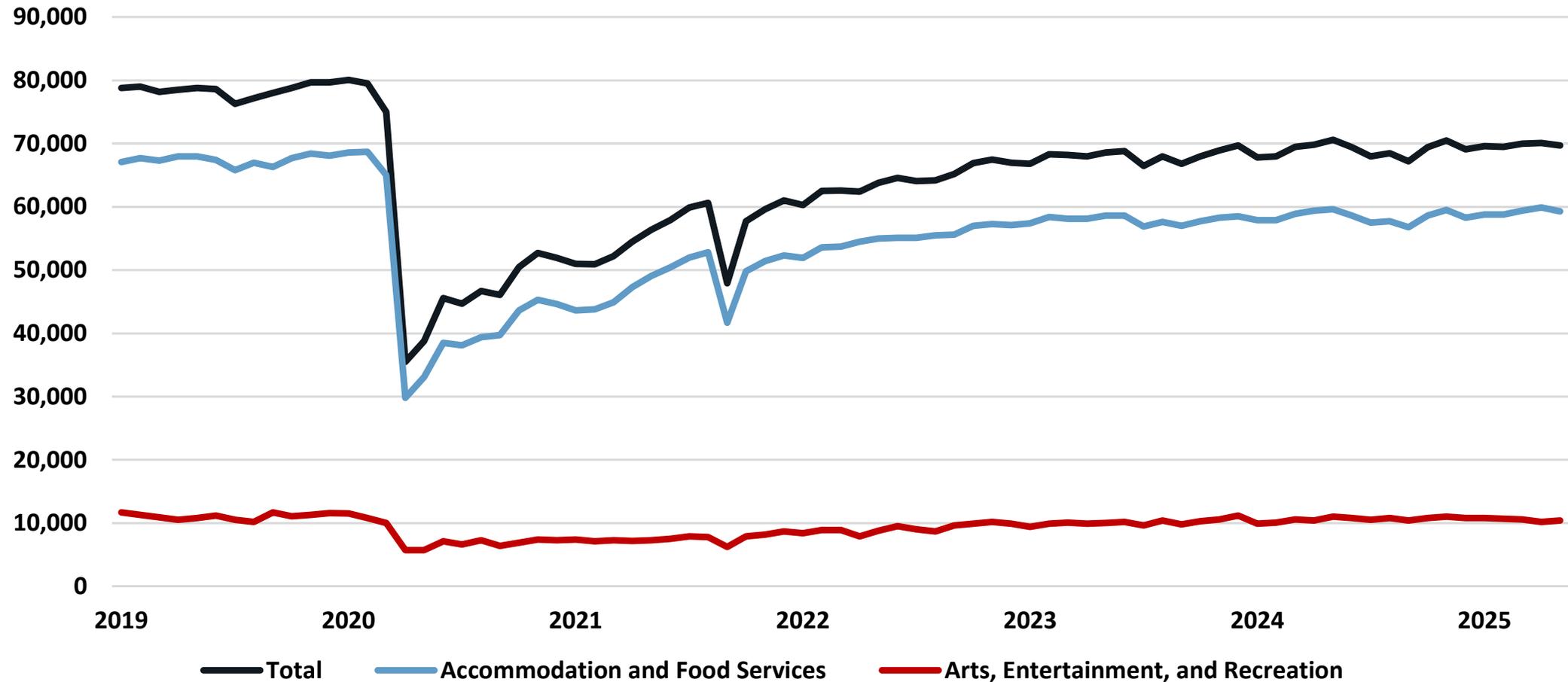


Source: Bureau of Labor Statistics
Current Employment Statistics program

Orleans Parish Labor Force and Unemployment Rate

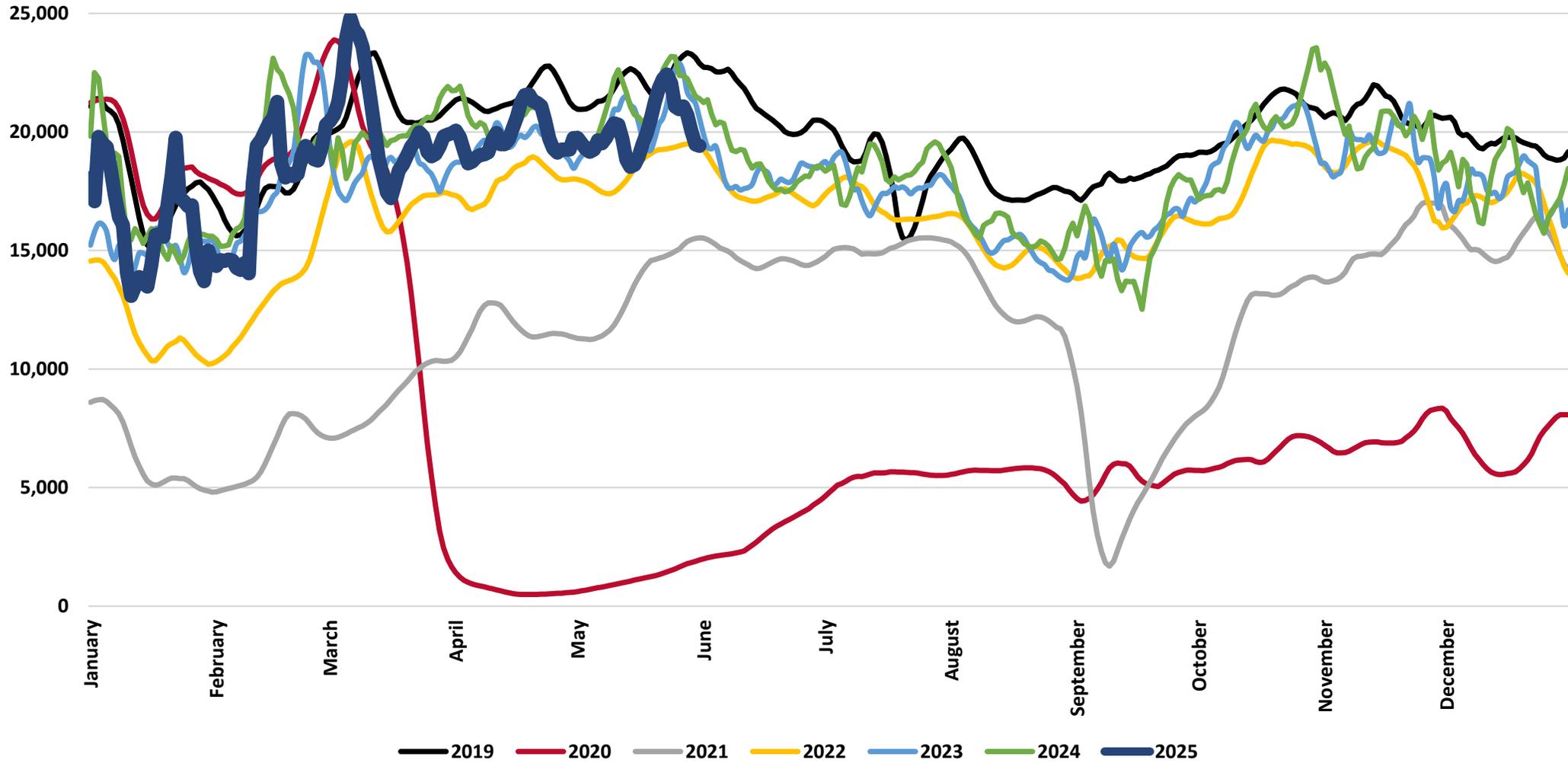


New Orleans MSA - Leisure and Hospitality Sector



Source: Bureau of Labor Statistics
Current Employment Statistics program

Louis Armstrong New Orleans International Airport Passenger Traffic 7-Day Moving Average



Reasons for Forecast Update

2024 Final (Unaudited) General Fund Revenues – Key Takeaways

- Property tax receipts in the first year of the Quadrennial period lagged significantly below \$189 million forecast. 2024 final property tax receipts = **\$171.9 M**
 - Compliance rate assumption for 2024 carried through for 2025 forecast
 - 2024 actual receipts demonstrate a compliance rate of 94.5% for RE and 85.4% for BPP
 - Combination of non-payments and decreased taxable value following owner appeals

- Recurring Sales Tax and other related tax revenues are on a flat or declining trajectory
 - Even though there is an extra one-time impact expected for the Super Bowl, recurring revenues even for special events such as Taylor Swift, follow this trend

Reasons for Forecast Update

- More accurate information regarding Property Tax Compliance Rate has become available during the past 8-12 months
- Details of revenue sharing agreement finalized for Red Light/Schools Zone Speed Enforcement
- State Legislative Action during 2025 Fiscal Session ended June 12, 2025
- As a result of budget deadline change, data collection period was reduced

2024 Property Tax Revenues Breakdown

- In reviewing the initial AR-14 Statement that was submitted for audit which included actual billed vs collected, it was noted that the Real Estate compliance rate was common for first year of a quadrennial reassessment, but BPP compliance was far below typical
- Disputes and change orders affecting actual valuation on which taxes were paid which could not be known at time of forecast
 - Some of these cases may still be pending decision which means payment is forthcoming
- Per the Assessor, BPP taxes are intentionally inflated if taxpayer does not submit annual form to encourage compliance

Revised 2024 AR-14

Real Estate Tax Year	Levied Amount (,000)	A/R Debits as of 12/31/2023 Amount (,000)	A/R Debits - 12/31/2024		Cleared Debits thru 12/31/2024		Cleared Debits 01/01/24-12/31/2024	
			Amount (,000)	Percentage	Amount (,000)	Percentage	Amount (,000)	Percentage
2015	422,306	1,823	1,728	0.43%	420,578	99.59%	95	0.02%
2016	457,800	2,111	1,918	0.46%	455,882	99.58%	193	0.04%
2017	480,924	2,309	2,069	0.48%	478,855	99.57%	240	0.05%
2018	497,718	2,458	2,177	0.49%	495,541	99.56%	281	0.06%
2019	496,197	1,506	1,208	0.30%	494,989	99.76%	298	0.06%
2020	551,514	2,195	1,935	0.40%	549,579	99.65%	260	0.05%
2021	528,572	2,418	1,869	0.46%	526,703	99.65%	549	0.10%
2022	520,272	4,274	2,821	0.82%	517,451	99.46%	1,453	0.28%
2023	604,693	47,120	22,542	7.79%	582,151	96.27%	24,578	4.06%
2024	643,727	643,727	35,128	100.00%	608,599	94.54%	608,599	94.54%
Total	5,203,723	709,941	73,395	13.64%	5,130,328	98.59%	636,546	12.23%

Personal Property Tax Year	Levied Amount (,000)	A/R Debits as of 12/31/2023 Amount (,000)	A/R Debits - 12/31/2024		Cleared Debits thru 12/31/2024		Cleared Debits 01/01/24-12/31/2024	
			Amount (,000)	Percentage	Amount (,000)	Percentage	Amount (,000)	Percentage
2015	86,961	1,853	1,838	2.13%	85,123	97.89%	15	0.02%
2016	92,428	2,118	2,095	2.29%	90,333	97.73%	23	0.03%
2017	96,441	3,082	3,022	3.20%	93,419	96.87%	60	0.06%
2018	101,280	4,361	4,250	4.31%	97,030	95.80%	111	0.11%
2019	103,260	4,621	4,503	4.48%	98,757	95.64%	118	0.11%
2020	100,865	5,382	5,137	5.34%	95,728	94.91%	245	0.24%
2021	99,482	7,292	6,956	7.33%	92,526	93.01%	336	0.34%
2022	96,762	8,831	8,317	9.13%	88,445	91.40%	514	0.53%
2023	116,856	22,267	17,027	19%	99,829	85.43%	5,240	4.48%
2024	116,788	116,788	17,024	100%	99,764	85.42%	99,764	85.42%
Total	1,011,123	176,595	70,170	17.47%	940,953	93.06%	106,425	10.53%

Compliance in Recent Quadrennial Reassessment Cycles



Compliance Rates in Recent Quadrennial Reassessment Cycles

- Largest increase from Year 1 to Year 2 of Quadrennial Reassessment Cycle is from 2008 to 2009
 - Real Estate: 3.1%; Business Personal Property: 2.0%
- 2016 to 2017 showed a decline in compliance rate
 - RE: -1.2%; BPP: -0.5%
- 2020 to 2021 showed a -3.2% decline for BPP compliance, possibly due to Covid policy related business closures
- 2024 compliance rate declined even further

2025 Annual Estimated Traffic Camera Enforcement Revenues

	Revenue
2023 Traffic Enforcement Total	\$ 19,658,255
2024 Traffic Enforcement Total	\$ 11,834,704
2025 Estimate	
SWBNO	\$ 6,493,078
OPSB	\$ 2,237,671
City General Fund	\$ 3,356,507
Total	\$ 12,087,256

Outcome from 2025 State Fiscal Legislative Session

Revenue Impact

Legislation		2025 Revenue Impacts (Loss or Gain)	Effective Date	2026 Revenue Impacts (Loss or Gain)
HB 490	Public Contracts Exemption- Construction Materials	(\$4.9M) 2025 Impact	7/1/2025	(\$9.7M) Per Year
HB 578	Sales Tax Exemption on Motor Vehicles purchased for Rentals	(\$3.1M) 2025 Impact	6/20/2025	(\$6.2M) Per Year
	Repairs of Tangible Personal Property Delivered out-of-state	(\$159k) 2025 Impact	6/20/2025	(\$318k) Per Year
	Services from Qualifying Radiation Treatment Centers	(\$2k) 2025 Impact	6/20/2025	(\$2k) Per Year
Total Revenue Loss Per Fiscal Session		(\$8.16M) 2025 Impact	7/1/2025	(\$16.3M) Per year

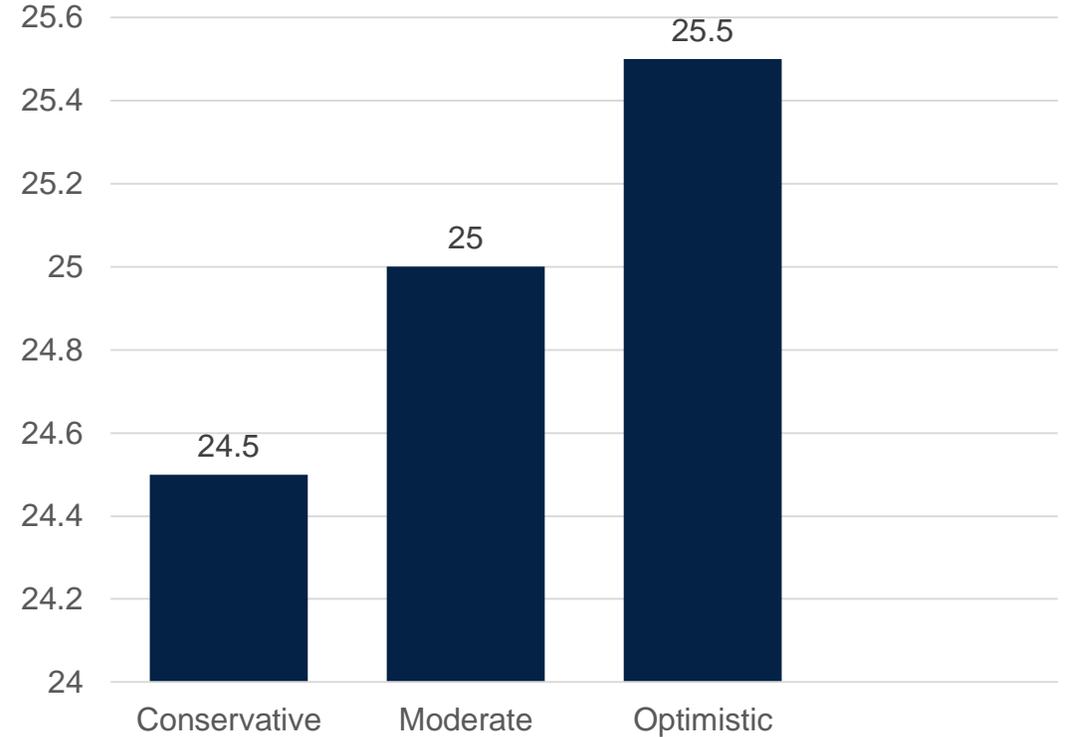
EMS Rate Increase Projection

2025 Rate Increases

	Current Rates	New Rates
BLS E (A0429)	\$825	\$1,400
ALS E (A0427)	\$1,246	\$1,700
ALS 2 (A0433)	\$1,246	\$2,400
TNT (A0998)	\$150	\$250
Mileage (A0425)	\$20	\$30

2025 Projected Collections

(in \$Millions)



Super Bowl Windfall Estimate

	Dec-24		Jan-25		Feb-25		Mar-25		Total
2024 General Fund	\$	25,315,725	\$	24,743,078	\$	28,681,355	\$	28,881,480	
2025 General Fund	\$	26,040,922	\$	31,059,635	\$	27,240,729	\$	32,141,436	
Difference	\$	725,197.03	\$	6,316,557.74	\$	(1,440,626.40)	\$	3,259,956.08	\$ 8,861,084.45

- Sales tax is due the 20th of the following month

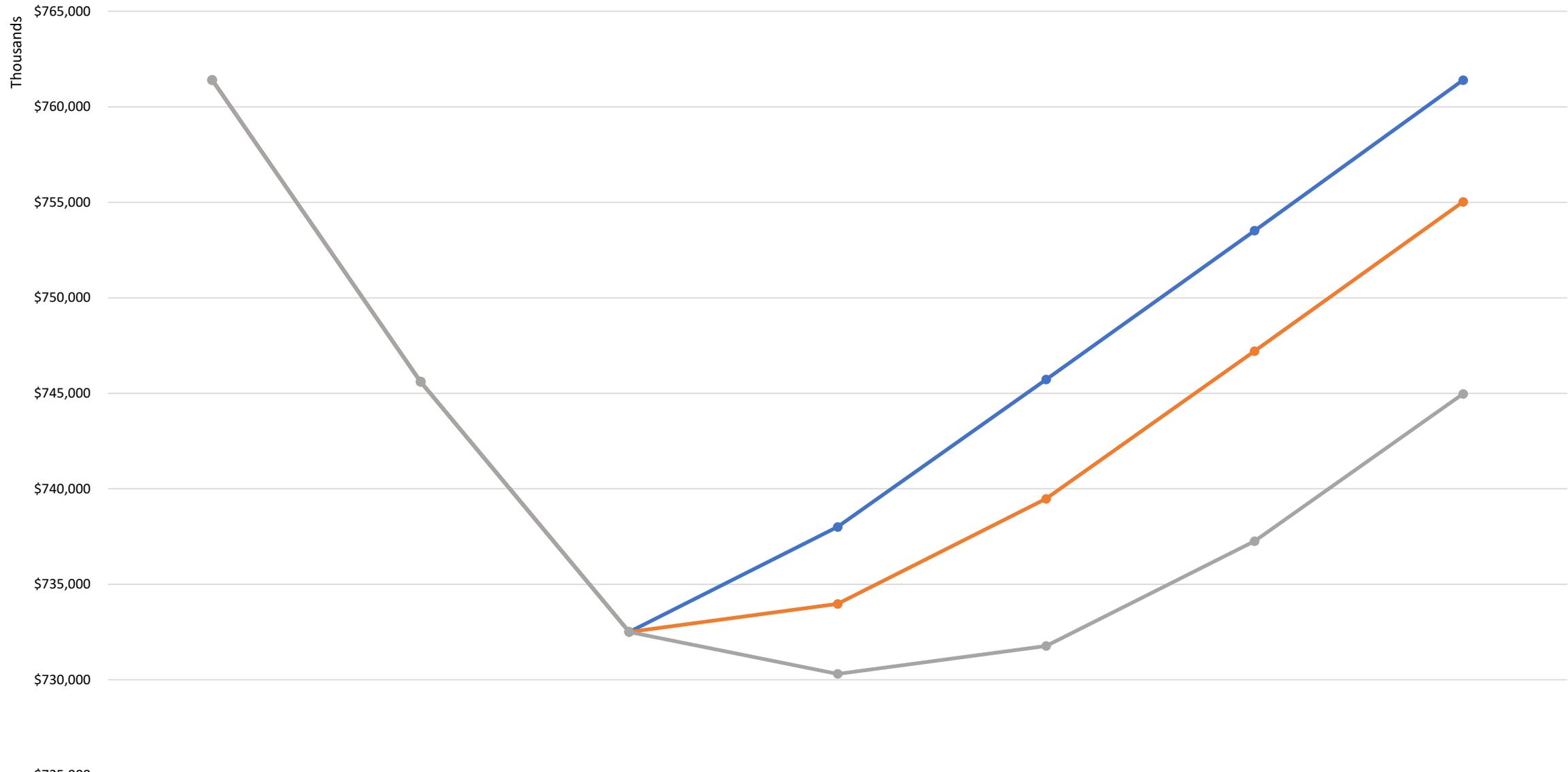
	2025 Adopted Forecast	2025 Proposed Forecast Update	Revision Amount	% Change to Revision
1A Property Tax	191,217,106	180,244,857	(10,972,249)	-5.7%
1B Other Taxes	342,002,315	333,855,683	(8,146,632)	-2.4%
<i>5101005 - General Sales and Use Tax</i>	<i>186,739,789</i>	<i>178,593,157</i>	<i>(8,146,632)</i>	
2 Licenses and Permits	72,813,053	72,813,053	-	0.0%
3 Intergovernmental	30,437,785	19,437,785	(11,000,000)	-36.1%
<i>5201171 - State Aid - Medicaid Reimbursement</i>	<i>11,000,000</i>	<i>-</i>	<i>(11,000,000)</i>	
4 Service Charges	91,299,194	102,299,194	11,000,000	12.0%
<i>5251213 - Ems Collections</i>	<i>14,030,180</i>	<i>25,030,180</i>	<i>11,000,000</i>	
5 Fines and Forfeits	20,546,521	9,159,336	(11,387,184)	-55.4%
<i>5351190 - Red Light and Camera Enforcement</i>	<i>14,743,691</i>	<i>3,356,507</i>	<i>(11,387,184)</i>	
6 Miscellaneous	27,721,572	27,721,572	-	0.0%
7 Other Financing Sources	78,128	78,128	-	0.0%
Total General Fund Revenue	776,115,673	745,609,607	(30,506,065)	-3.9%

Savings Fund Certification

Year	Actual Audited General Fund Expenditures
2020	\$ 650,813,000.00
2021	\$ 583,985,000.00
2022	\$ 632,668,000.00
2023	\$ 904,930,000.00
2024	\$ 937,490,000.00
Average	\$ 741,977,200.00
5% - Required Savings Fund Balance	\$ 37,098,860.00

	2025 Proposed Forecast Update	2026 Initial Forecast	Difference	% Difference 25 vs. 26
1A Property Tax	180,244,857	184,172,949	3,928,092	2.2%
1B Other Taxes	333,855,683	309,584,620	(24,271,063)	-7.3%
<i>5101005 - General Sales and Use Tax</i>	<i>178,593,157</i>	<i>154,322,093</i>	<i>(24,271,063)</i>	<i>-13.6%</i>
2 Licenses and Permits	72,813,053	75,661,444	2,848,391	3.9%
3 Intergovernmental	19,437,785	24,498,700	5,060,915	26.0%
4 Service Charges	102,299,194	102,440,463	141,270	0.1%
5 Fines and Forfeits	9,159,336	11,783,034	2,623,698	28.6%
<i>5351190 - Red Light and Camera Enforcement</i>	<i>3,356,507</i>	<i>5,594,178</i>	<i>2,237,671</i>	<i>66.7%</i>
6 Miscellaneous	27,721,572	24,290,780	(3,430,792)	-12.4%
<i>6-1 - Interest - Operating and Capital</i>	<i>14,969,999</i>	<i>13,110,115</i>	<i>(1,859,884)</i>	<i>-12.4%</i>
7 Other Financing Sources	78,128	78,128	-	0.0%
Total General Fund Revenue	745,609,607	732,510,118	(13,099,490)	-1.8%

Long Term General Fund Revenue Forecast



	2024 Actual	2025 (f)	2026 (f)	2027 (f)	2028 (f)	2029 (f)	2030 (f)
No Recession	\$761,409,700	\$745,609,607	\$732,510,118	\$738,003,944	\$745,720,688	\$753,518,121	\$761,397,086
Recession (2026-2027)	\$761,409,700	\$745,609,607	\$732,510,118	\$733,975,138	\$739,479,952	\$747,212,130	\$755,025,157
Severe Recession (2026-2028)	\$761,409,700	\$745,609,607	\$732,510,118	\$730,312,587	\$731,773,213	\$737,261,512	\$744,970,493

● No Recession
 ● Recession (2026-2027)
 ● Severe Recession (2026-2028)

Data Appendix
