



# REVENUE ESTIMATING CONFERENCE

## CONFERENCE MEMBERS

HON. LaTOYA CANTRELL, MAYOR, CHAIR

HON. JOSEPH GIARRUSSO, COUNCILMEMBER DISTRICT A

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

JOSEPH W. THREAT, SR., CHIEF ADMINISTRATIVE OFFICER

ROMY S. SAMUEL, DIRECTOR OF FINANCE

MARA BAUMGARTEN FORCE, TULANE UNIVERSITY

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City of New Orleans

September 29, 2025

# REVENUE ESTIMATING CONFERENCE

*September 29, 2025*

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- 1. Adoption of Minutes from August 27, 2025 Revenue Estimating Conference**
- 2. Discussion of 2025 General Fund Revenue Forecast Status**
- 3. Adoption of 2026 General Fund Revenue Forecast**
- 4. Presentation of Long-Term Forecast**

# 2025 Special Event Revenue Situation

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- 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 Non-Budgeted General Fund Costs

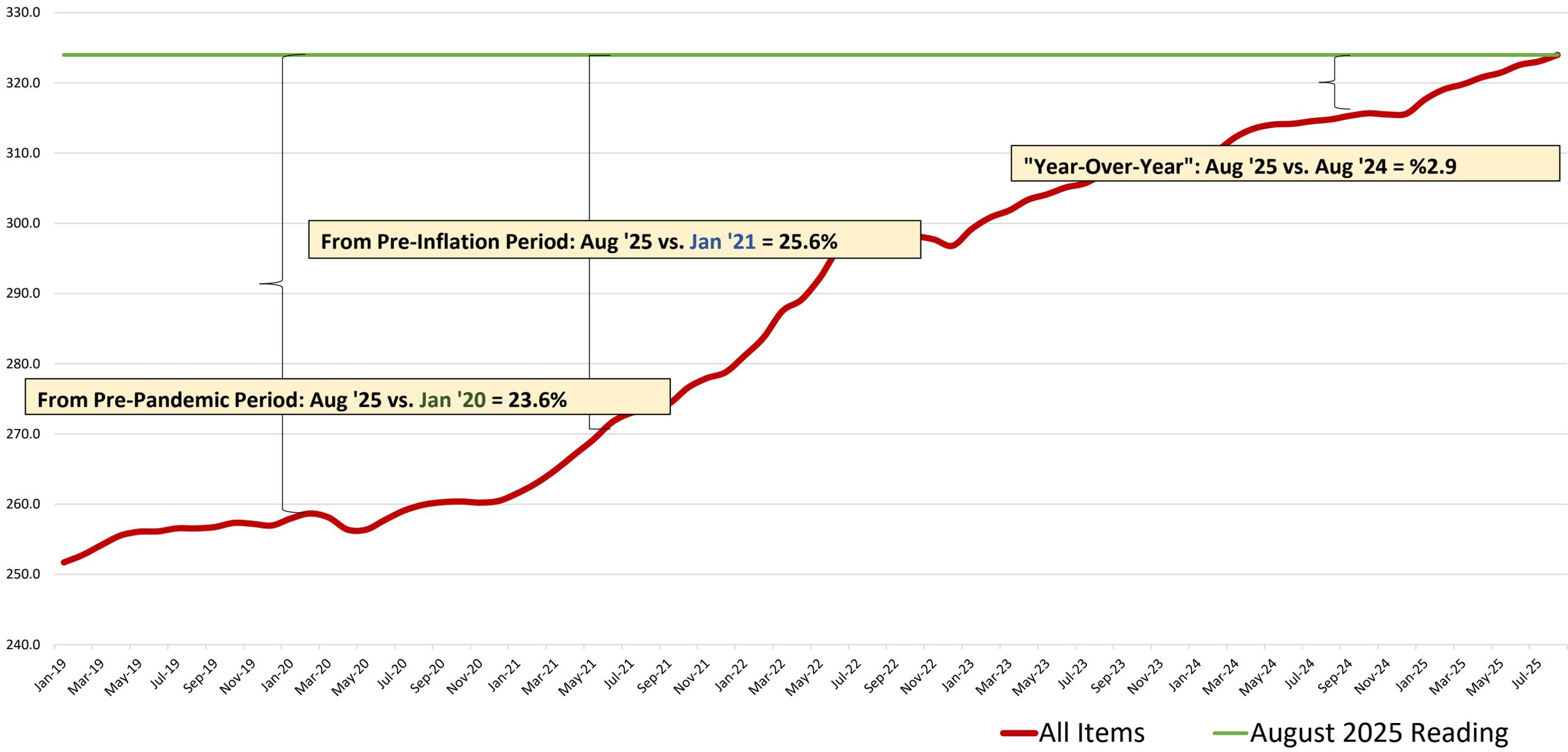
- 2025 Budget Hearings and finalization occurred prior to these developments
- Estimated Savings Fund Appropriation for 2025: ~\$3.5 million
- Other Known Fund Balance Expenses not considered in 2025 Forecast:

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

# Ongoing Macroeconomic Risk for 2025 and 2026 Forecast

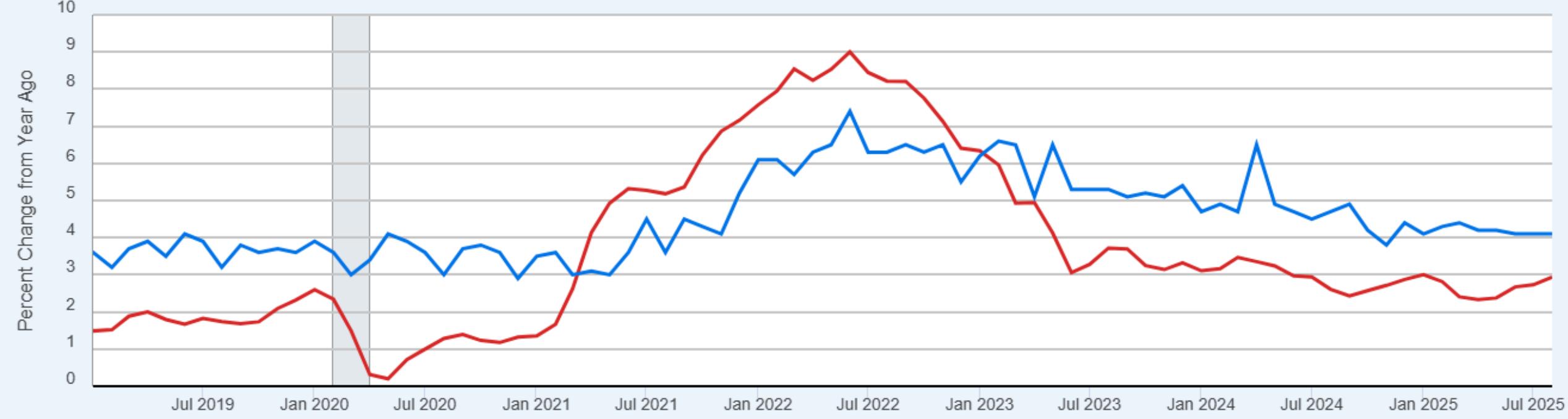
- Uneven growth in recent quarters suggest uncertainty regarding near-term policy landscape; i.e.: Tariffs and Interest Rates
- Shifting policy climate generates economic uncertainty
  - Despite potential for larger tariffs on imports, inflation remains on-target
  - Wall Street fluctuations continue to signal uncertainty; sensitivity to new developments
  - Hiring continues; Jobs and Wages are growing
  - Federal Reserve has decreased interest rate by 0.25% in its September Meeting, signaling additional decreases before the end of 2025
  - RE prices and mortgage rates have declined to October 2024 levels yet remain inflated; 2025 has seen some decline
  - Insurance Crisis Remains

# Price Level: CPI Value August 2025



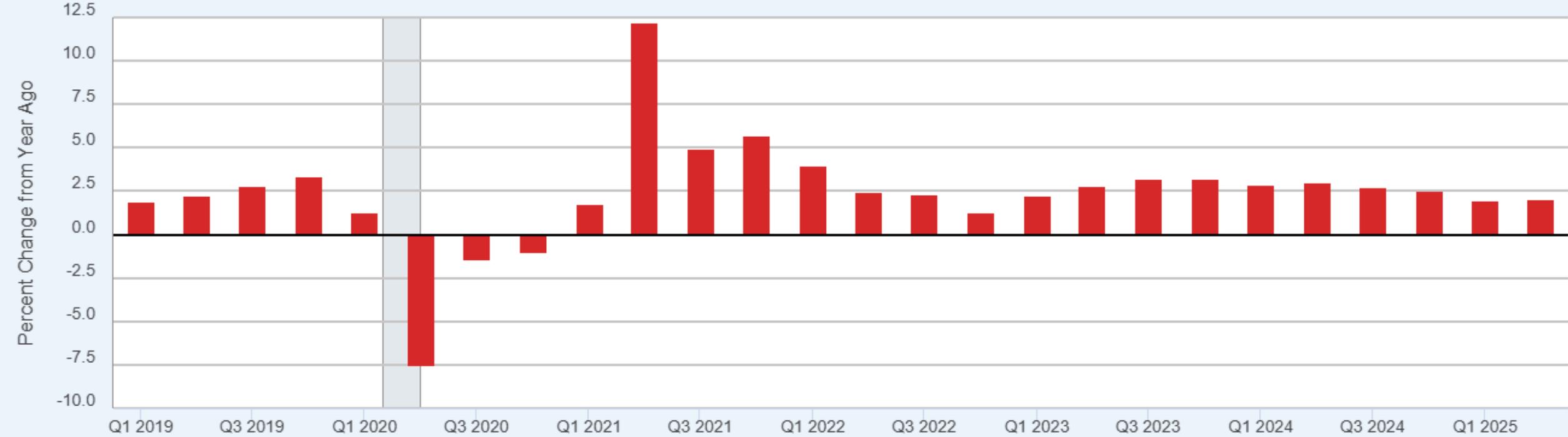
— All Items      — August 2025 Reading

**FRED**  — **Consumer Price Index for All Urban Consumers: All Items in U.S. City Average**  
 — **Unweighted Median Hourly Wage Growth: Overall**



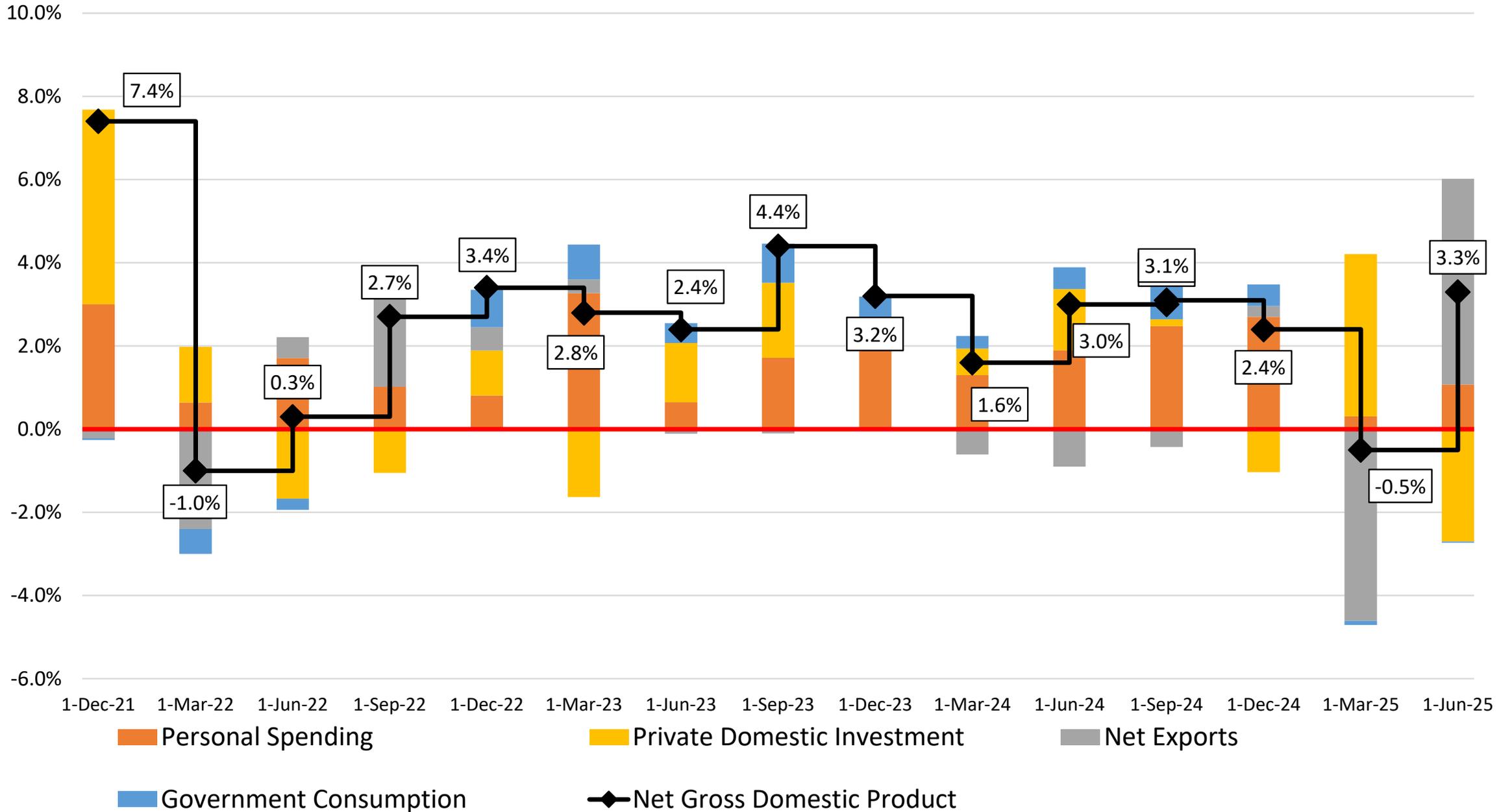
Sources: Federal Reserve Bank of Atlanta; U.S. Bureau of Labor Statistics via FRED®  
 Shaded areas indicate U.S. recessions.

fred.stlouisfed.org

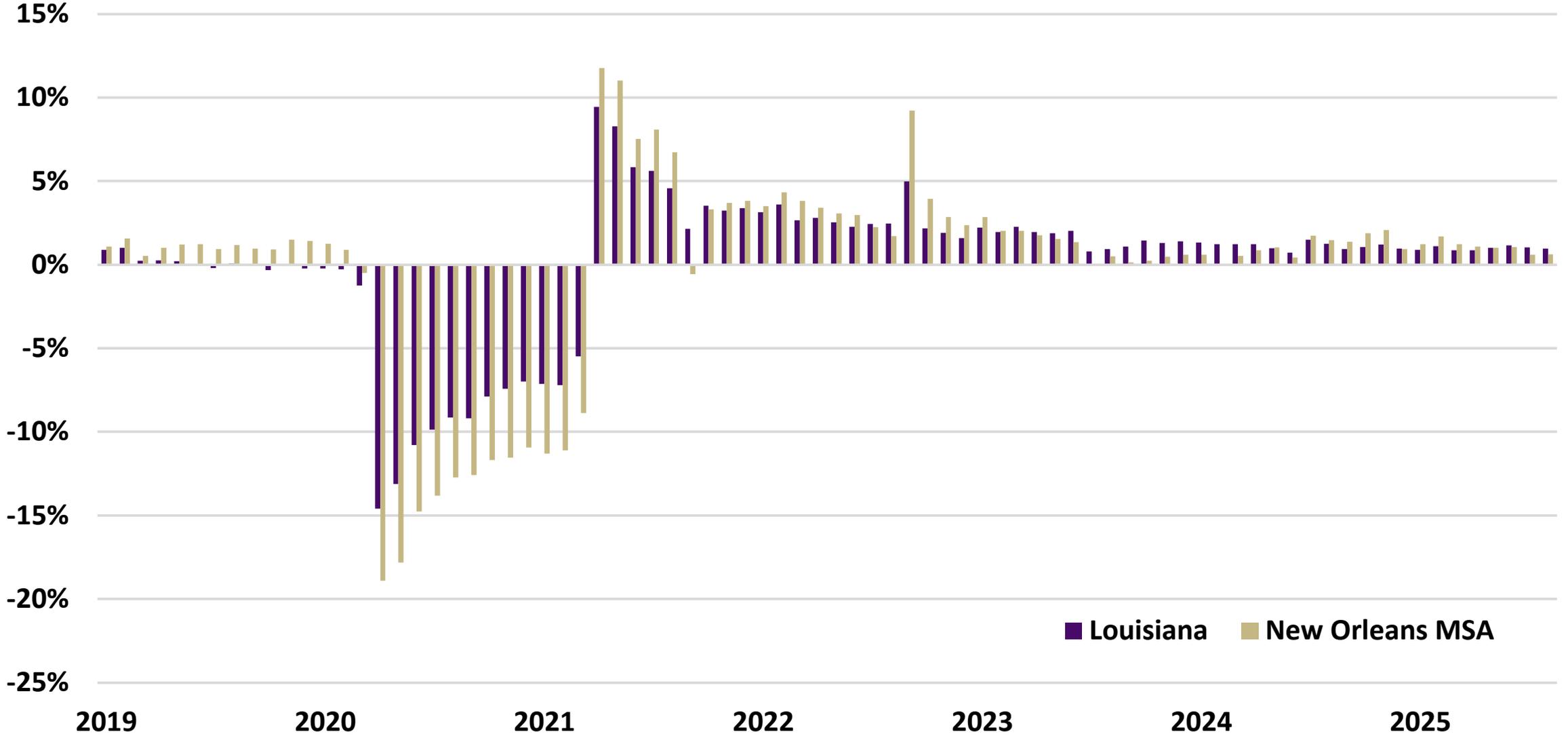


Source: U.S. Bureau of Economic Analysis via FRED®  
Shaded areas indicate U.S. recessions.

# Net Contributions to Real GDP: Quarterly Change

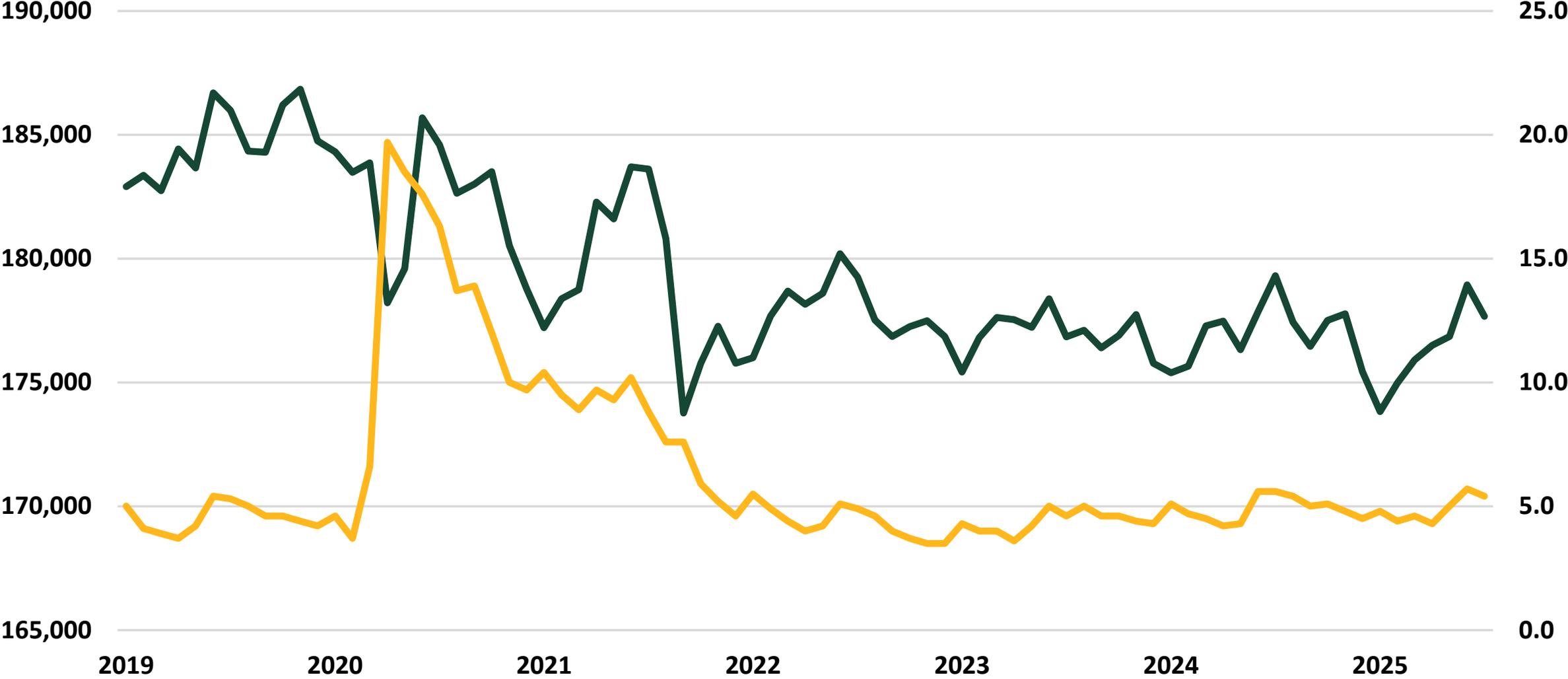


# Year-Over-Year Growth: Monthly Payroll Employment - Aug 2025



Source: Bureau of Labor Statistics  
Current Employment Statistics program

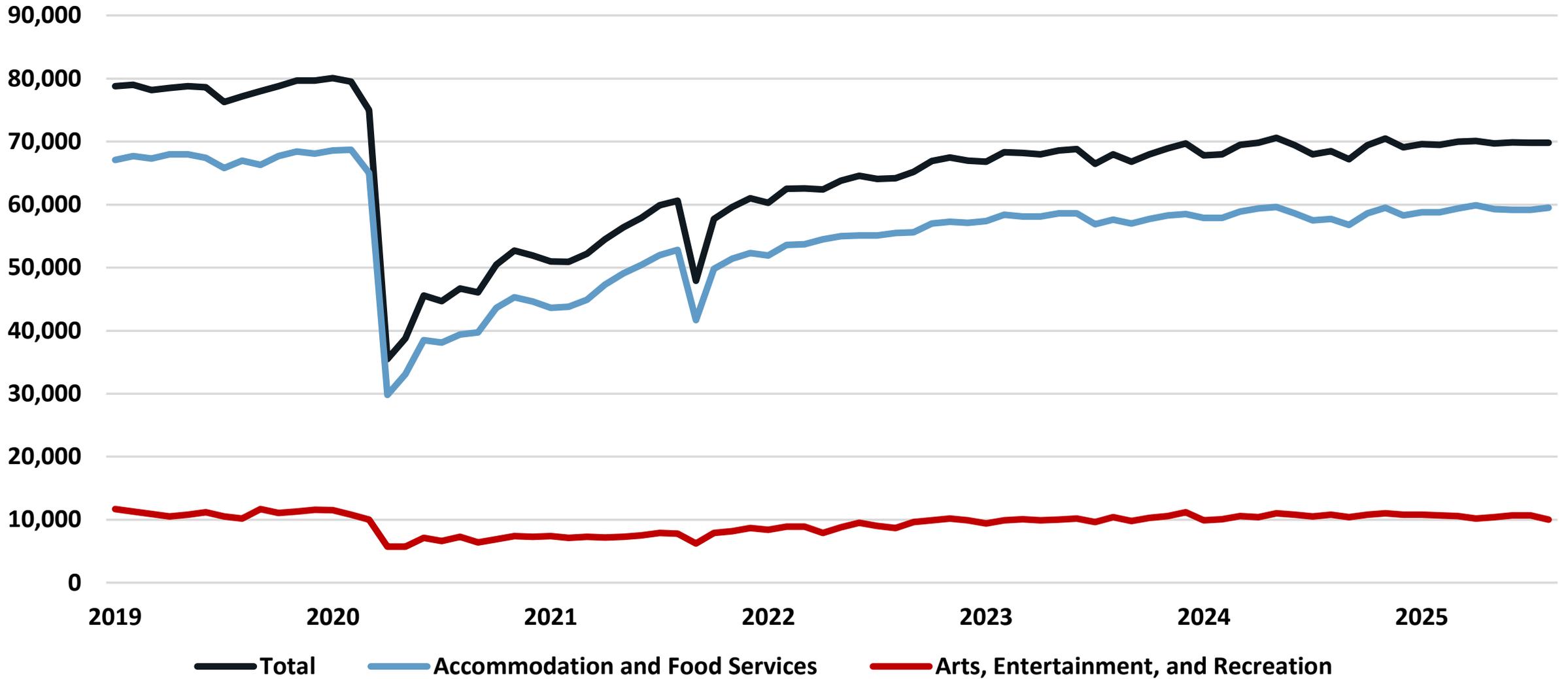
# Orleans Parish Labor Force and Unemployment Rate



Source: Bureau of Labor Statistics  
Local Area Unemployment Statistics program

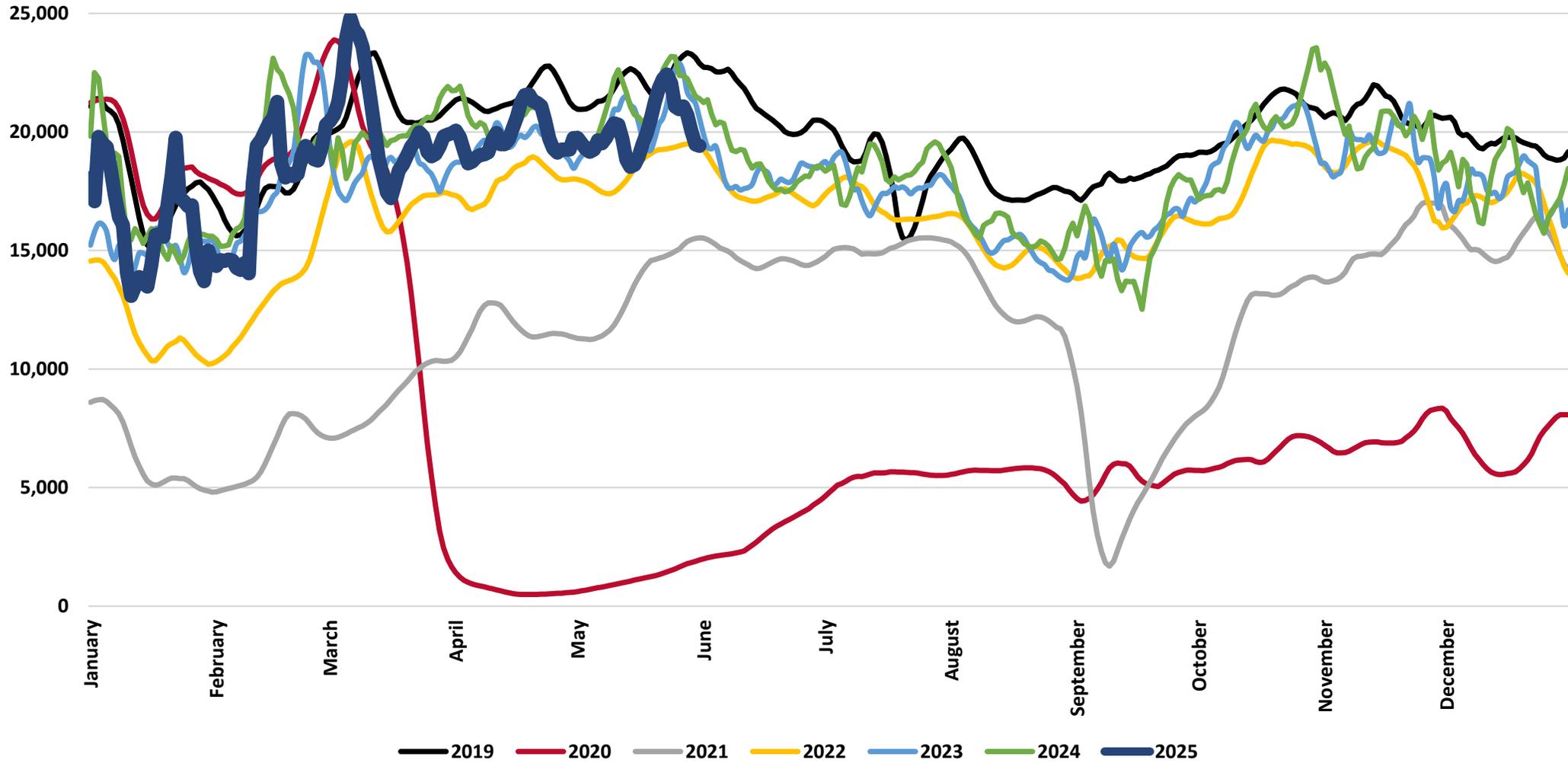
— Labor Force — Unemployment Rate

# 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



# Primary Determinants of 2026 Forecast

- New information regarding annual property valuation assessment practices and determinants of “Cleared Debits” rate
- Legislative changes to taxable commercial transactions at State level
- Red Light/Traffic Enforcement Camera rules changes and revenue sharing requirements again at State Level
- General Long-term declines in Sales Tax receipts due to inflation and declining local population & labor market
- Removal of collection fees for OPSB from Sales Tax and Property Tax

# Outcome from 2025 State Fiscal Legislative Session

## Revenue Impact

Legislation		2025 Revenue Impacts ( <b>Loss</b> or Gain)	Effective Date	2026 Revenue Impacts ( <b>Loss</b> 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
<b>Total Revenue Loss Per Fiscal Session</b>		<b>(\$8.16M) 2025 Impact</b>	<b>7/1/2025</b>	<b>(\$16.3M) Per year</b>

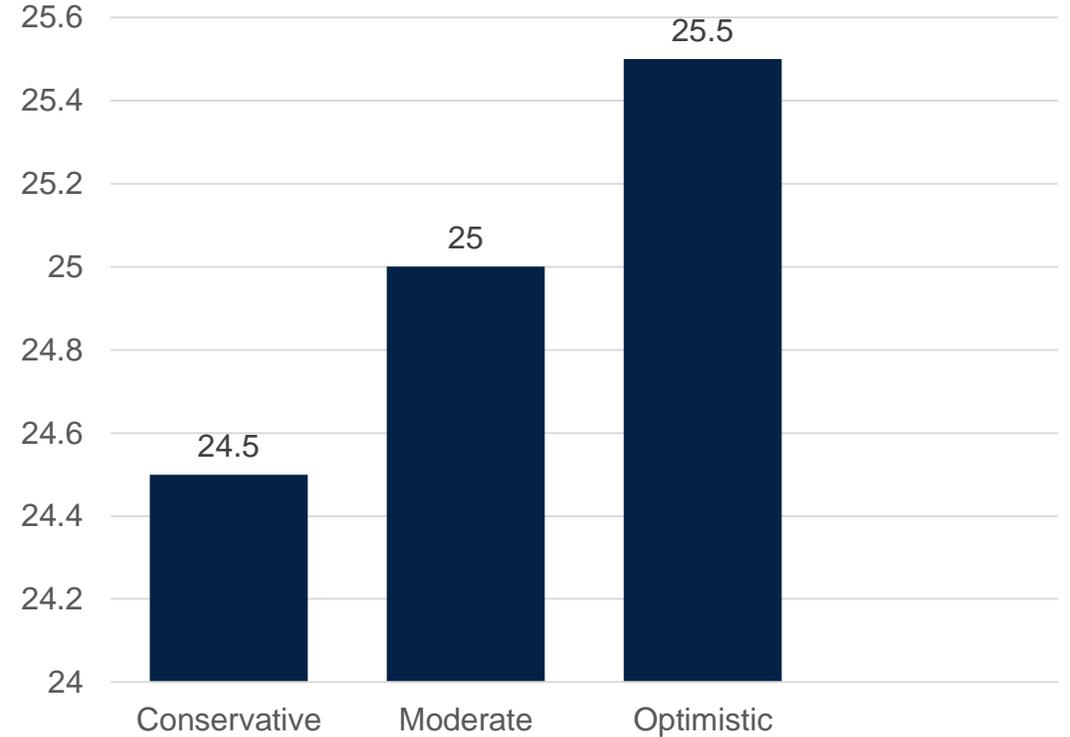
# EMS Rate Increase Projection

## 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

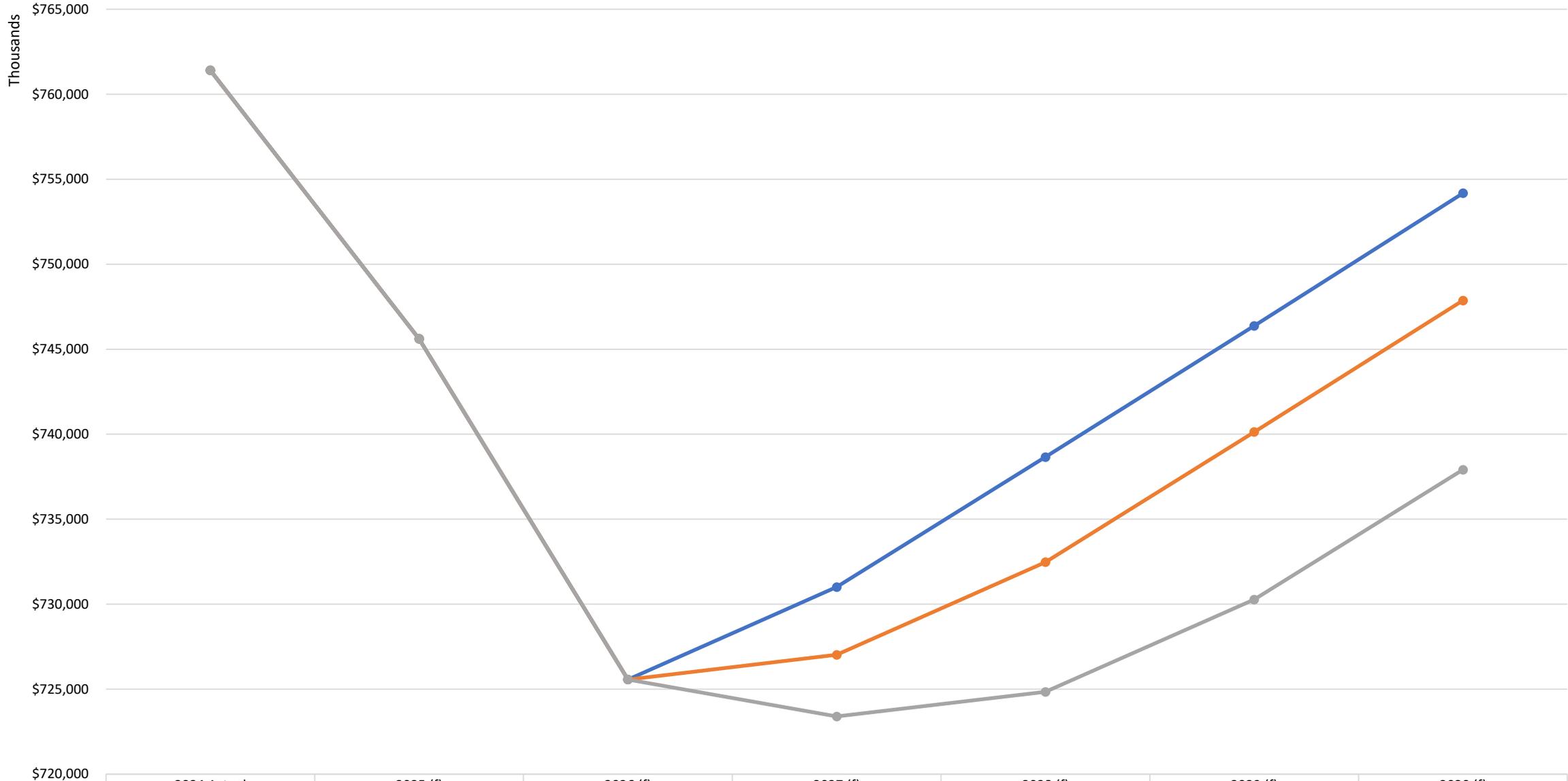
## 2025 Projected Collections

(in \$Millions)



	2025 Adopted Forecast Update	2026 Initial Forecast	2026 Final Proposed	\$ Difference 25 vs. 26	% Difference 25 vs. 26
1A Property Tax	180,244,857	184,172,949	180,672,949	428,092	0.2%
1B Other Taxes	333,855,683	309,584,620	306,084,620	(27,771,063)	-8.3%
2 Licenses and Permits	72,813,053	75,661,444	75,661,776	2,848,723	3.9%
3 Intergovernmental	19,437,785	24,498,700	24,498,700	5,060,915	26.0%
4 Service Charges	102,299,194	102,440,463	102,440,463	141,270	0.1%
5 Fines and Forfeits	9,159,336	11,783,034	11,839,117	2,679,781	29.3%
6 Miscellaneous	27,721,572	24,290,780	24,290,810	(3,430,762)	-12.4%
7 Other Financing Sources	78,128	78,128	78,128	-	0.0%
<b>Total General Fund Revenue</b>	<b>745,609,607</b>	<b>732,510,118</b>	<b>725,566,564</b>	<b>(20,043,044)</b>	<b>-2.7%</b>

# 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	\$725,666,564	\$731,008,313	\$738,651,910	\$746,375,430	\$754,179,709
Recession (2026-2027)	\$761,409,700	\$745,609,607	\$725,666,564	\$727,017,697	\$732,470,330	\$740,129,213	\$747,868,180
Severe Recession (2026-2028)	\$761,409,700	\$745,609,607	\$725,666,564	\$723,389,864	\$724,836,644	\$730,272,919	\$737,908,826

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

# Data Appendix

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