



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.)

GILBERT MONTAÑO, CHIEF ADMINISTRATIVE OFFICER

NORMAN WHITE, CHIEF FINANCIAL OFFICER

MARA BAUMGARTEN FORCE, TULANE UNIVERSITY

City of New Orleans

March 15, 2024

REVENUE ESTIMATING CONFERENCE

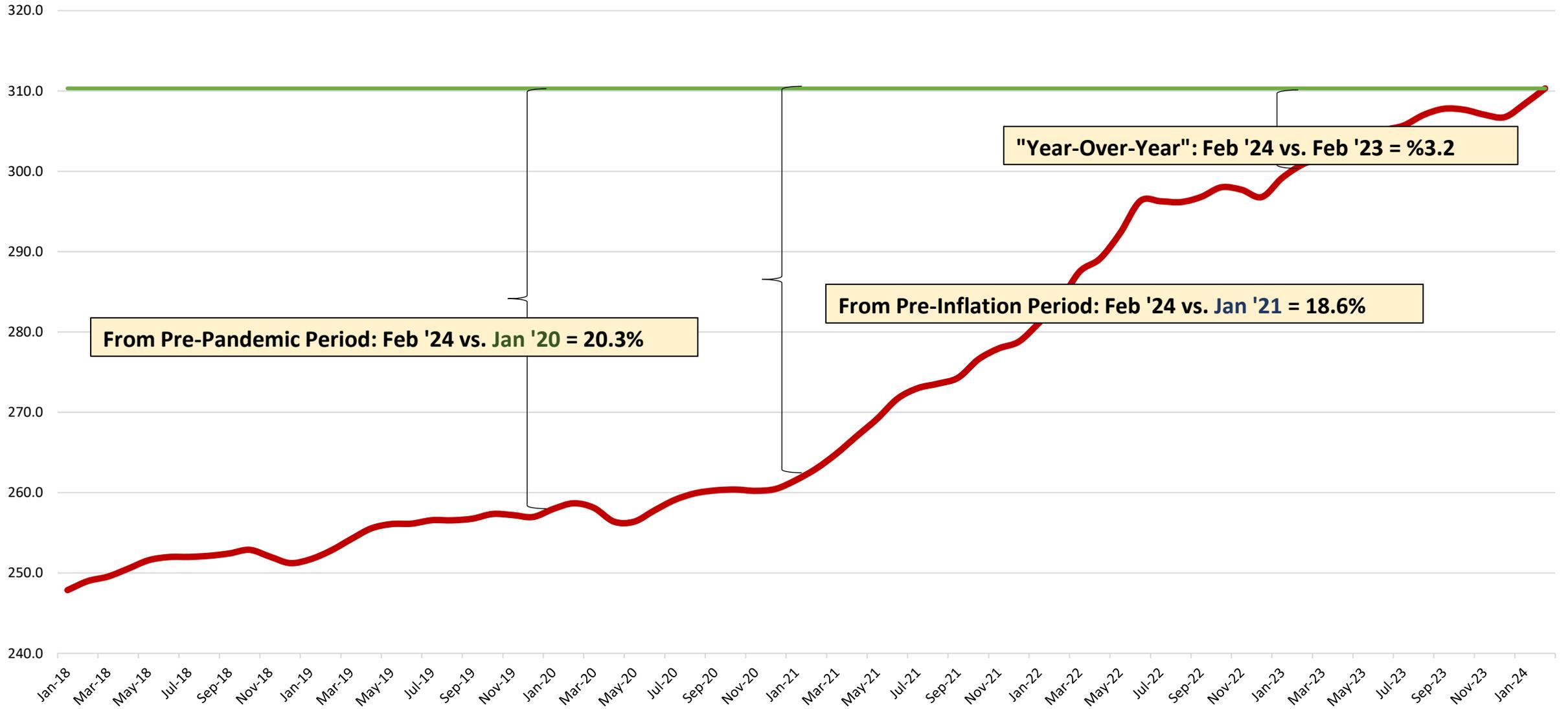
March 15, 2024

1. Adoption of Minutes from October 23, 2023 Revenue Estimating Conference
2. Discussion of 2024 General Fund Forecast

Key Risks to 2024 General Fund Forecast

- Residential STR ruling issued on Feb. 28 has lessened -\$20m risk
 - Pending Council ordinances still present risk to General Fund forecast
- Fiscal Risks:
 - Permitting Process issues remain unresolved and backlog continues
 - Restrains initial permitting operations and revenues and matriculates through process
- Potential Remains for Economic Recession
 - Local Economy and General Fund Revenues remain in Recovery from lockdown-era fallout
 - Real Estate, Banking, Interest Rate, and inflation crises; nationwide job and income disruption would directly impact NOLA commercial and visitor activity

Price Level: CPI Value February 2024



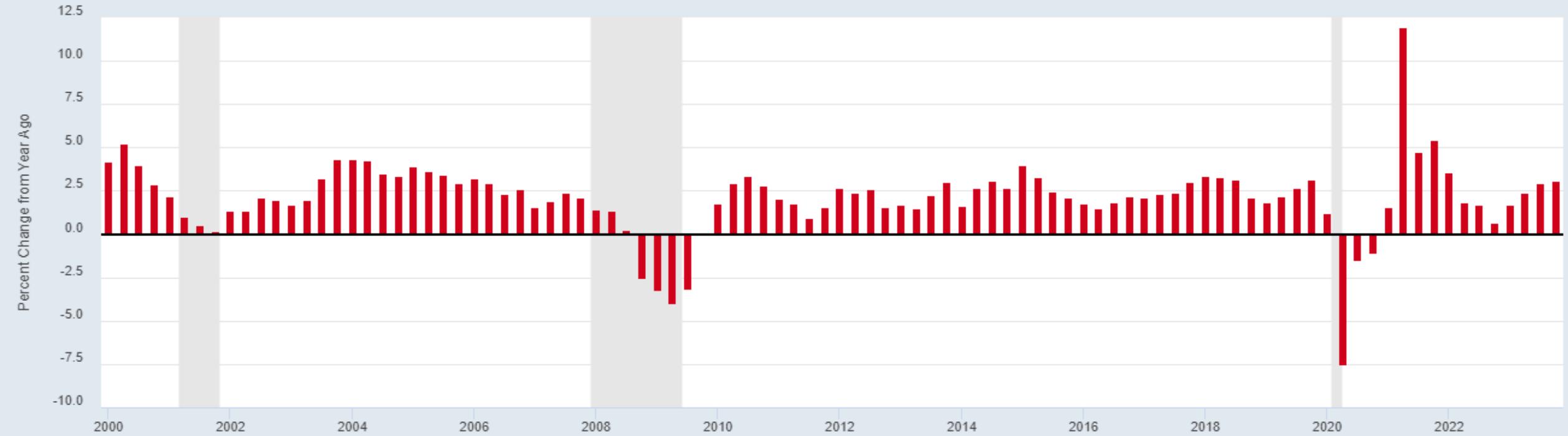
— All Items

— February 2024 Reading

Consumer Price Index: U.S. City Average, All Urban Consumers, U.S. Bureau of Labor Statistics, Not Seasonally Adjusted

Additional Inflation Statistics

- Basic household costs are \$709 more expensive than Fall 2021
– *Moody's*
- Inflation has out-paced wage increase since pandemic:
 - Real Median Household Income has fallen for three straight years (2020-2022), by 4.7% total – *U.S. Census Bureau*
- Falling income, rising interest rates, and low supply of cars has priced half of Americans out of the market - *Experian*
 - New Vehicles – Avg. payment in 2021: \$582; 2023: \$729
 - Used Vehicles – Avg. payment in 2021: \$440; 2023: \$528

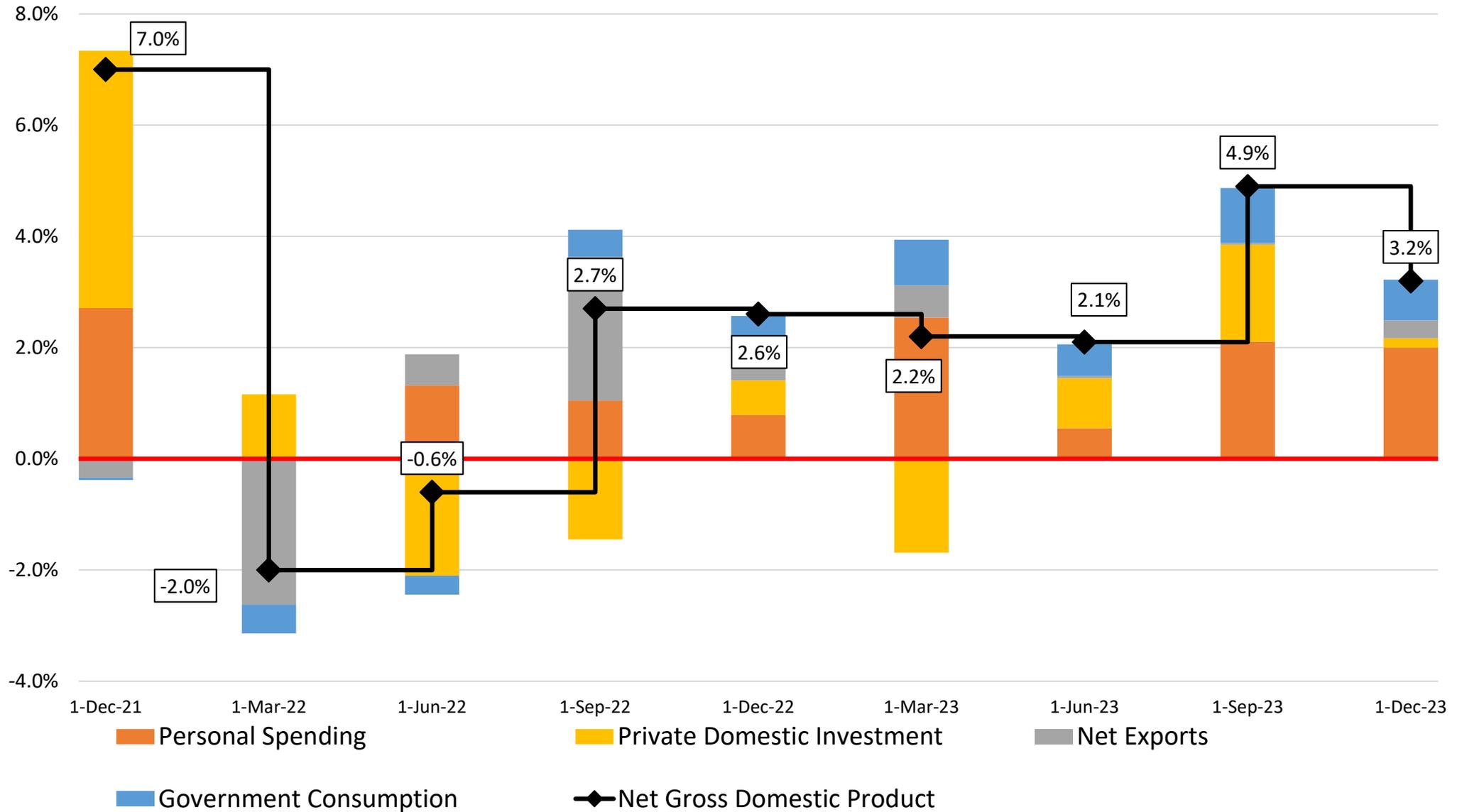


Shaded areas indicate U.S. recessions.

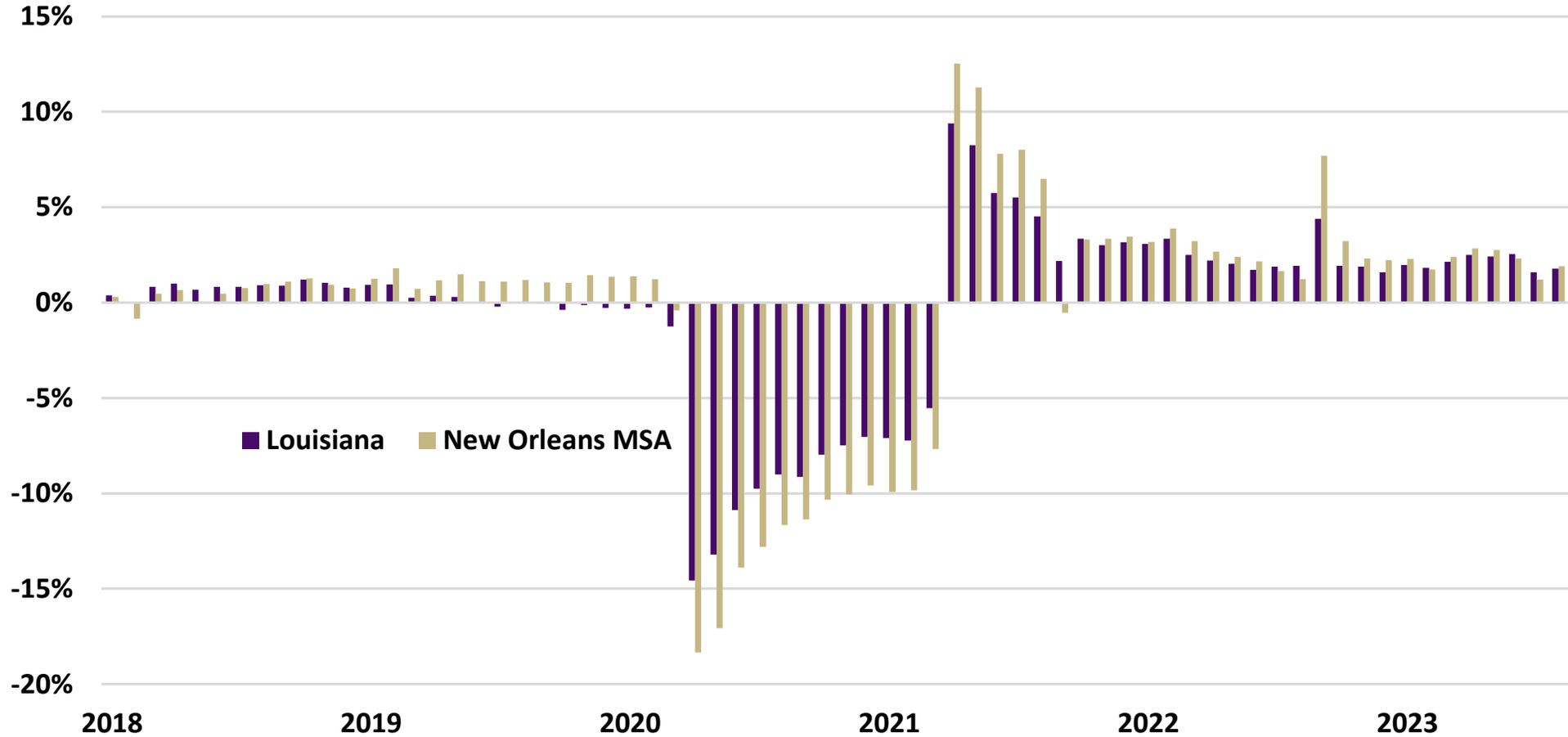
Source: U.S. Bureau of Economic Analysis

fred.stlouisfed.org

Net Contributions to Real GDP: Quarterly Change

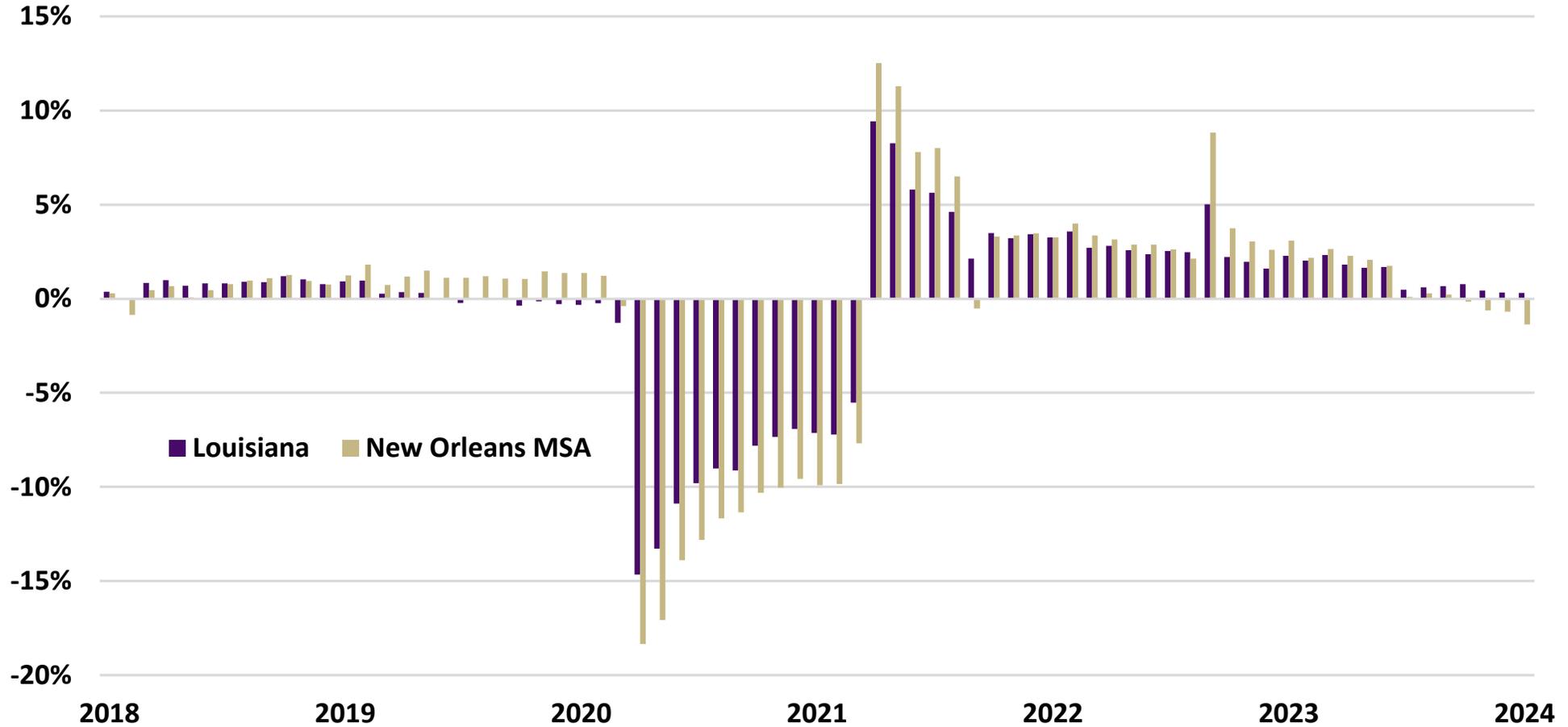


Year-Over-Year Growth: Monthly Payroll Employment - Aug. 2023



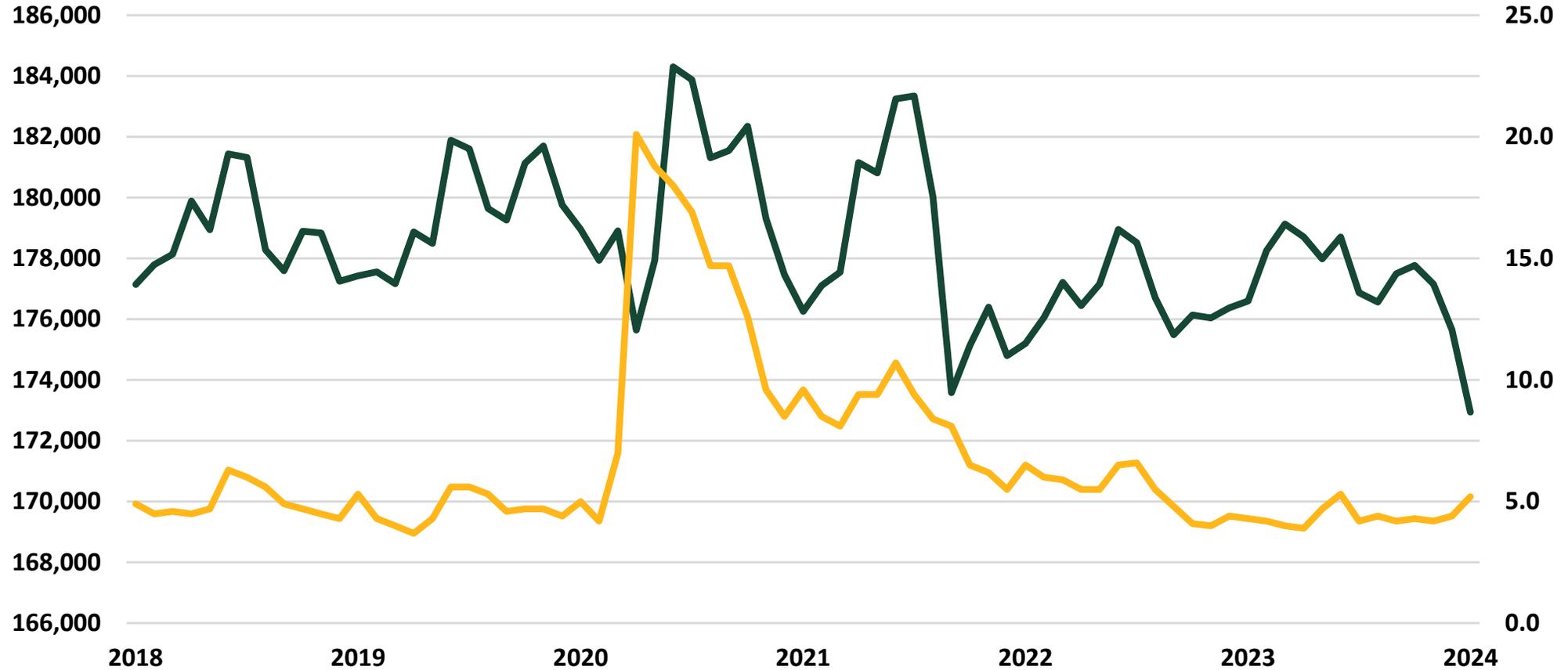
Source: Bureau of Labor Statistics
Current Employment Statistics program

Year-Over-Year Growth: Monthly Payroll Employment - Jan 2024



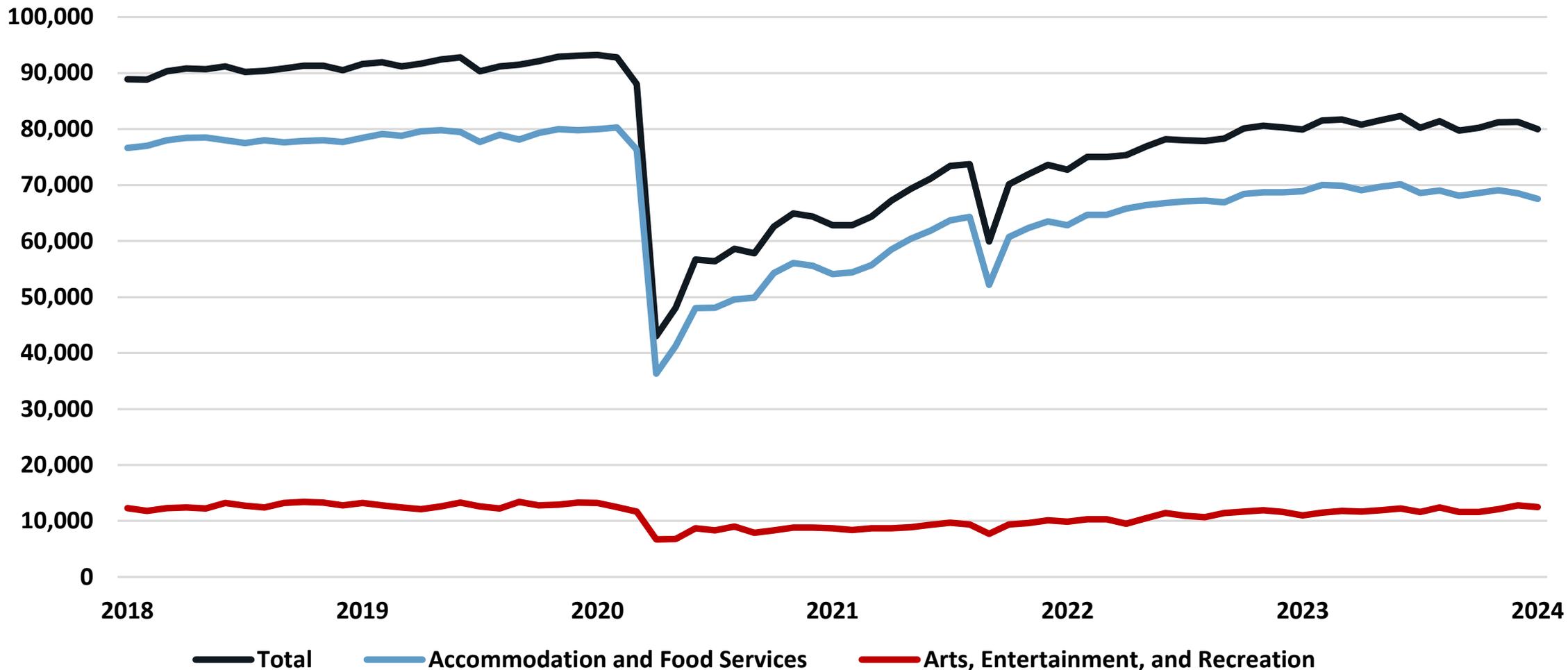
Source: Bureau of Labor Statistics
Current Employment Statistics program

New Orleans Parish Labor Force and Unemployment Rate



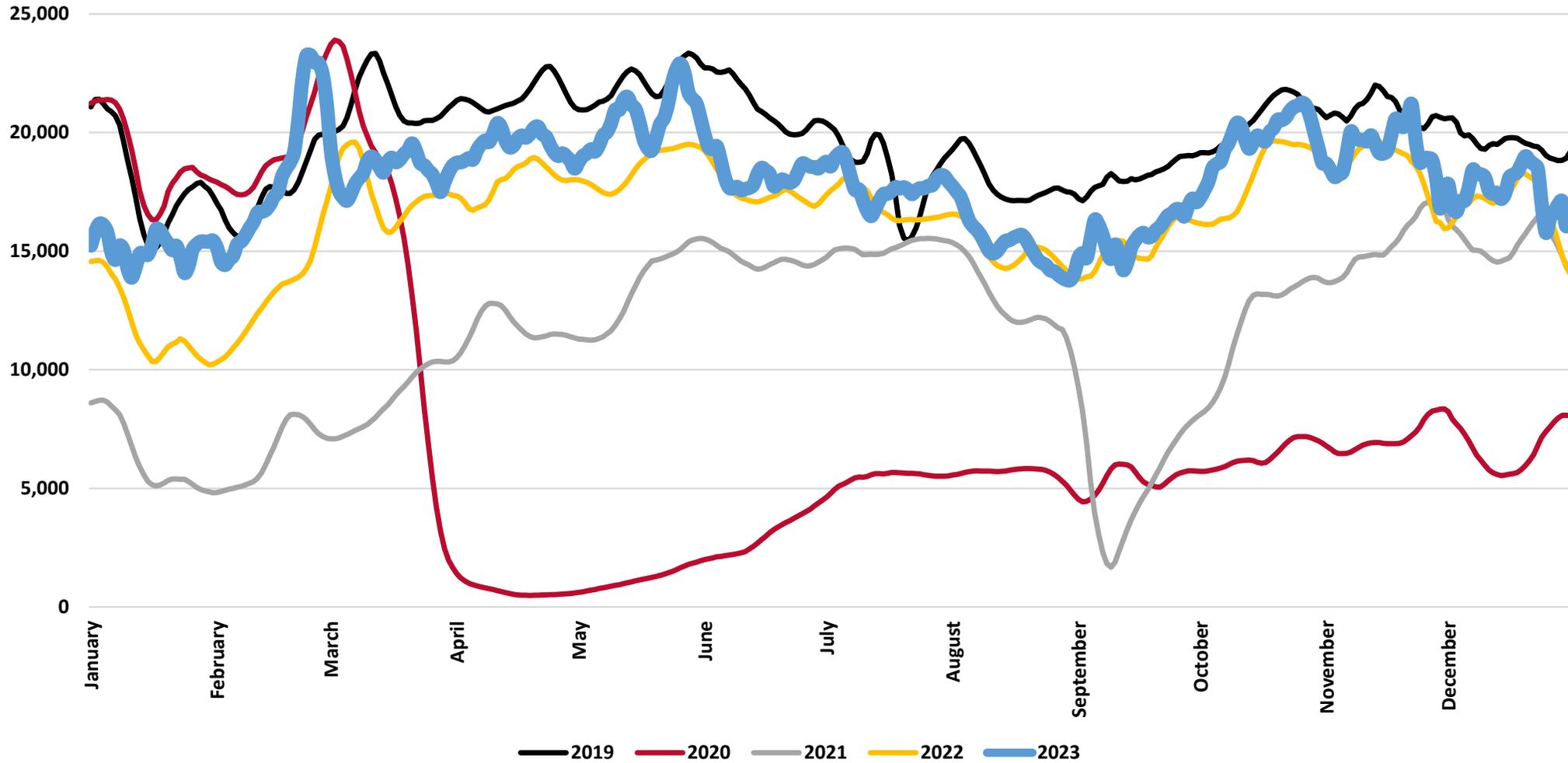
Source: Bureau of Labor Statistics
Local Area Unemployment Statistics program

New Orleans MSA - Leisure and Hospitality Sector



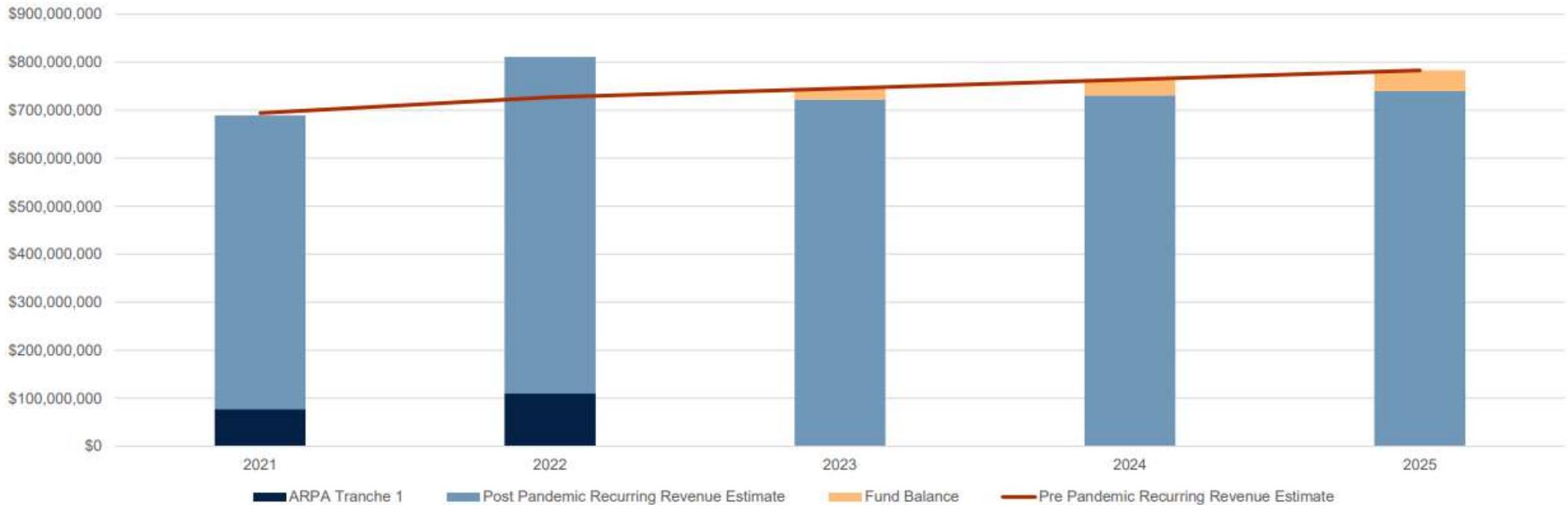
Source: Bureau of Labor Statistics
Current Employment Statistics program

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



Revised Recurring Revenue Outlook

The Administration continues to expect recurring revenue shortfalls through fiscal year 2025.



Data Appendix
