

# REVENUE ESTIMATING CONFERENCE QUARTERLY ECONOMIC REVIEW



CITY OF NEW ORLEANS

**REVENUE ESTIMATING CONFERENCE MEMBERS**

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Presented Friday May 8, 2015



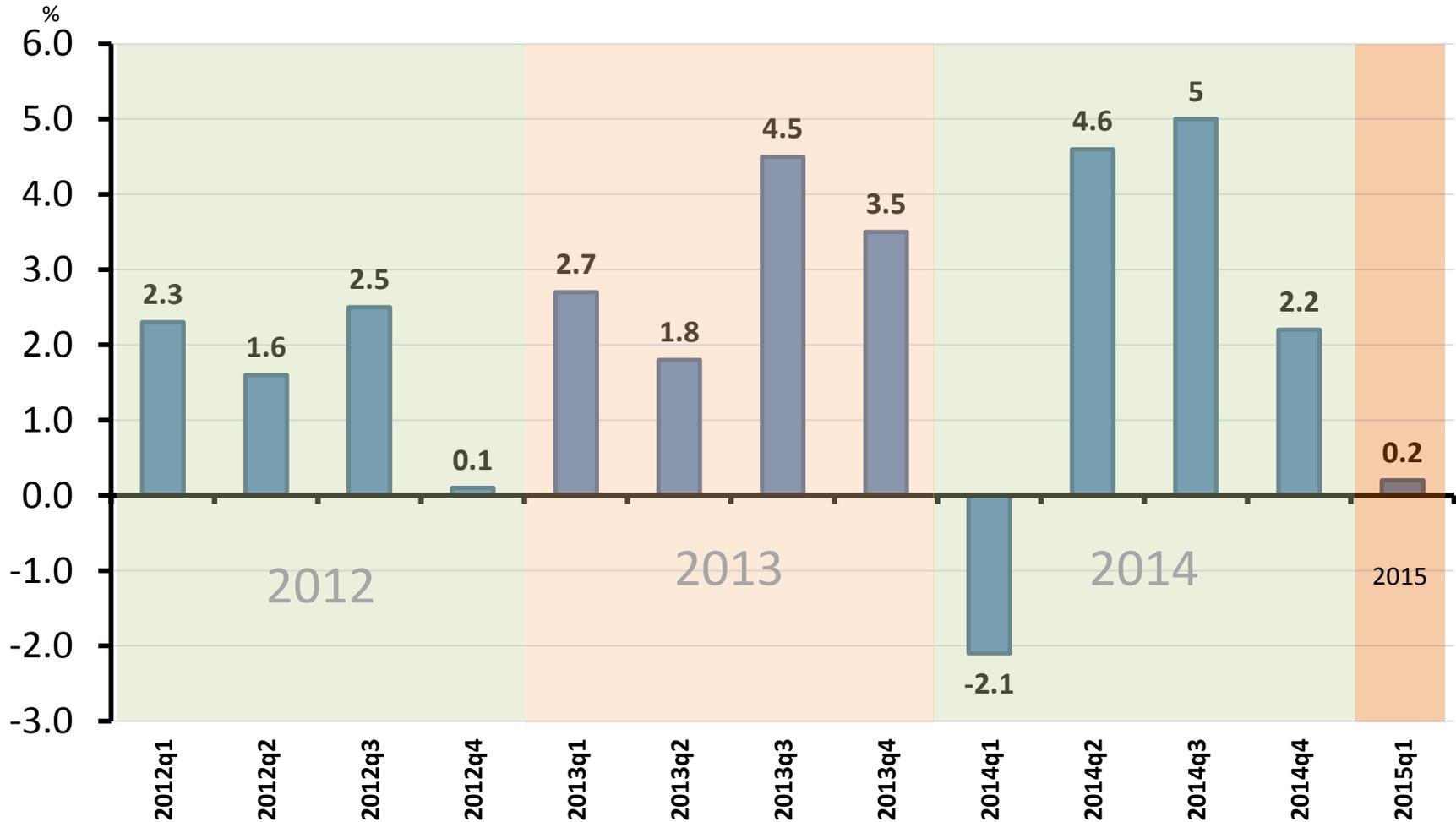
# May 2015 Revenue Estimating Conference

- Part 1: Brief Economic Outlook
- Part 2: 2014 Revenue Overview
- Part 3: 2015 Revenue Overview
- Part 4 : Other Matters

# Part 1:

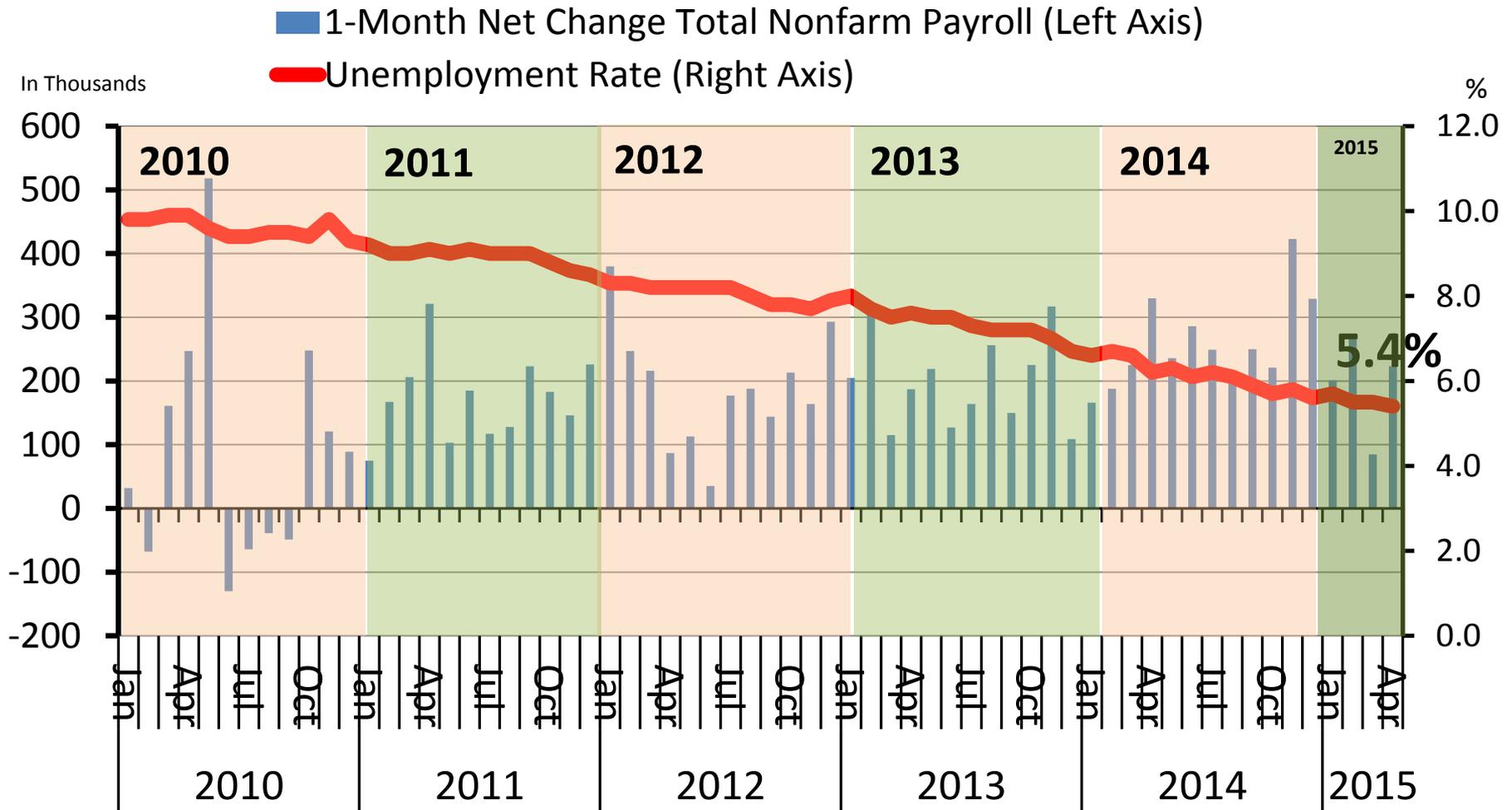
## Brief Economic Overview

# The US Economic Recovery Remains Modest



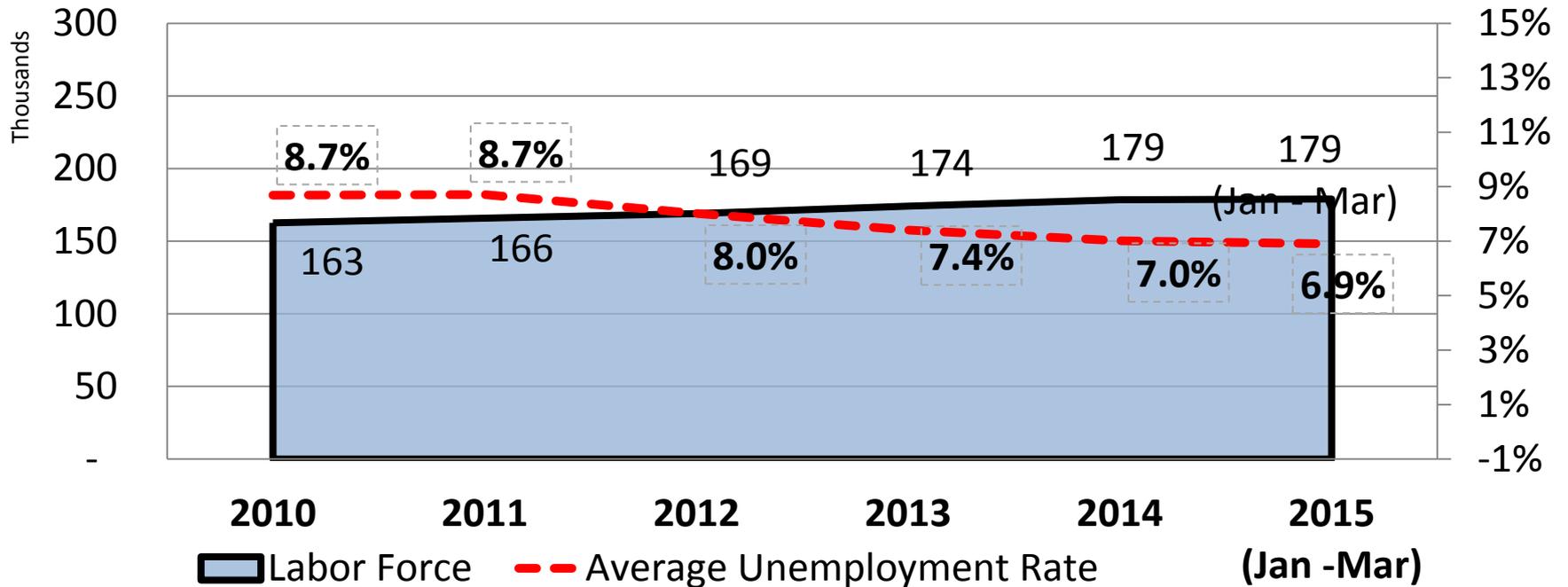
Source : BEA Percent change from preceding period GDP

# National Labor Market Continues to Improve



Source : BLS National Unemployment Rate and change in Nonfarm Payroll

# Orleans Parish Labor Market



Average Unemployment Rate (yearly average)	2010	2011	2012	2013	2014	2015 (Jan - Mar)	Labor Force Annualized Growth Rate (2010-2015 March)
Orleans Parish	8.7%	8.7%	8.0%	7.4%	7.0%	6.9%	1.9%
New Orleans Metro	7.7%	7.7%	7.1%	6.7%	6.3%	6.4%	1.0%
State of Louisiana	8.0%	7.8%	7.1%	6.7%	6.4%	6.5%	1.0%

Source BLS: LAUCN220710000000006, LAUCN220710000000004, LAUMT223538000000006, LAUST2200000000000006

# Part 2:

## 2014 Revenue Overview

# Unaudited Revenues : General Fund 2014

<i>(in millions)</i>	November REC 2014 Projection	2014 Final Revenues (un audited)	Difference
<b>TAXES</b>	\$ 320.2	\$ 329.4	\$ 9.2
<b>LICENSES and PERMITS</b>	58.5	62.5	3.9
<b>INTERGOV. REVENUE</b>	10.9	11.4	0.6
<b>SERVICES and CHARGES</b>	77.5	80.6	3.1
<b>FINES and FORFEITS</b>	26.6	24.5	(2.1)
<b>MISCELLANEOUS REV</b>	12.2	12.2	0.0
<b>OTHER FINANCING SOURCES</b>	15.8	15.3	(0.5)
 <b>GRAND TOTAL</b>	 <b>\$ 521.6</b>	 <b>\$ 535.8</b>	 <b>\$ 14.3</b> ←
 Non-Rec. Rev (included in total above)	 5.2	 6.0	 0.8

Note: numbers may not add up due to rounding

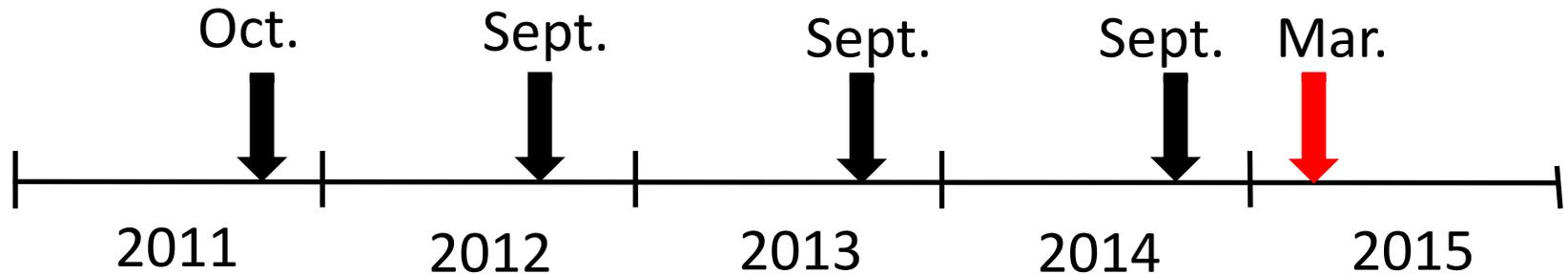
# General Fund 2014

## Taxes

<b>TAXES (in millions)</b>	<b>November REC 2014 Projection</b>	<b>2014 Final Revenues (un audited)</b>	<b>Difference</b>
<b>PROPERTY TAX Total</b>	<b>\$ 112.0</b>	<b>\$ 114.7</b>	<b>\$ 2.7</b> ←
<b>SALES TAX</b>	<b>161.5</b>	<b>164.9</b>	<b>3.4</b> ←
<b>MOTOR VEHICLE TAX</b>	<b>11.1</b>	<b>11.9</b>	<b>0.8</b>
<b>HOTEL/MOTEL TAX</b>	<b>15.0</b>	<b>16.2</b>	<b>1.2</b> ←
<b>BEER &amp; WINE TAX</b>	<b>0.5</b>	<b>0.5</b>	<b>0.0</b>
<b>PARKING TAX</b>	<b>4.0</b>	<b>4.3</b>	<b>0.3</b>
<b>DOCUMENT TRANSACTION TAX</b>	<b>3.6</b>	<b>4.0</b>	<b>0.4</b>
<b>CHAIN STORE TAX</b>	<b>0.1</b>	<b>0.2</b>	<b>0.1</b>
<b>OFF TRACK BETTING/RACING TAX</b>	<b>0.3</b>	<b>0.2</b>	<b>(0.1)</b>
<b>UTILILITY TAX</b>	<b>10.6</b>	<b>11.1</b>	<b>0.5</b>
<b>FAIRGROUND SLOT MACHINE 4% TAX</b>	<b>1.6</b>	<b>1.4</b>	<b>(0.2)</b>
<b>TAXES TOTAL</b>	<b>320.2</b>	<b>329.4</b>	<b>9.2</b>

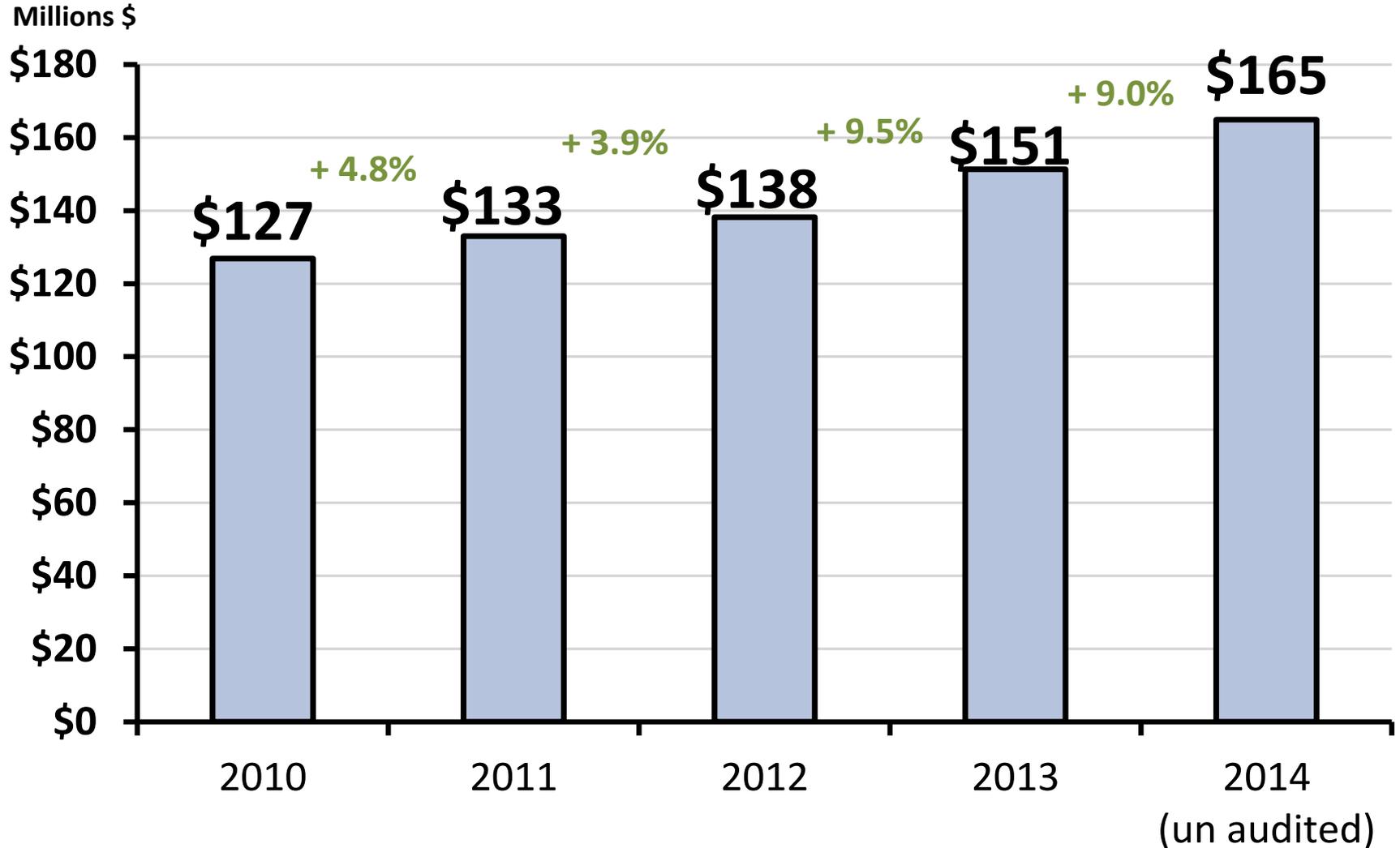
Note: numbers may not add up due to rounding

# Property Tax Tax Sale



- Approximately \$2M in property tax revenues were collected in 2014 due to the 2015 March tax sale.
- If the tax sale had been held in the fall of 2015, revenues would have been part of 2015.

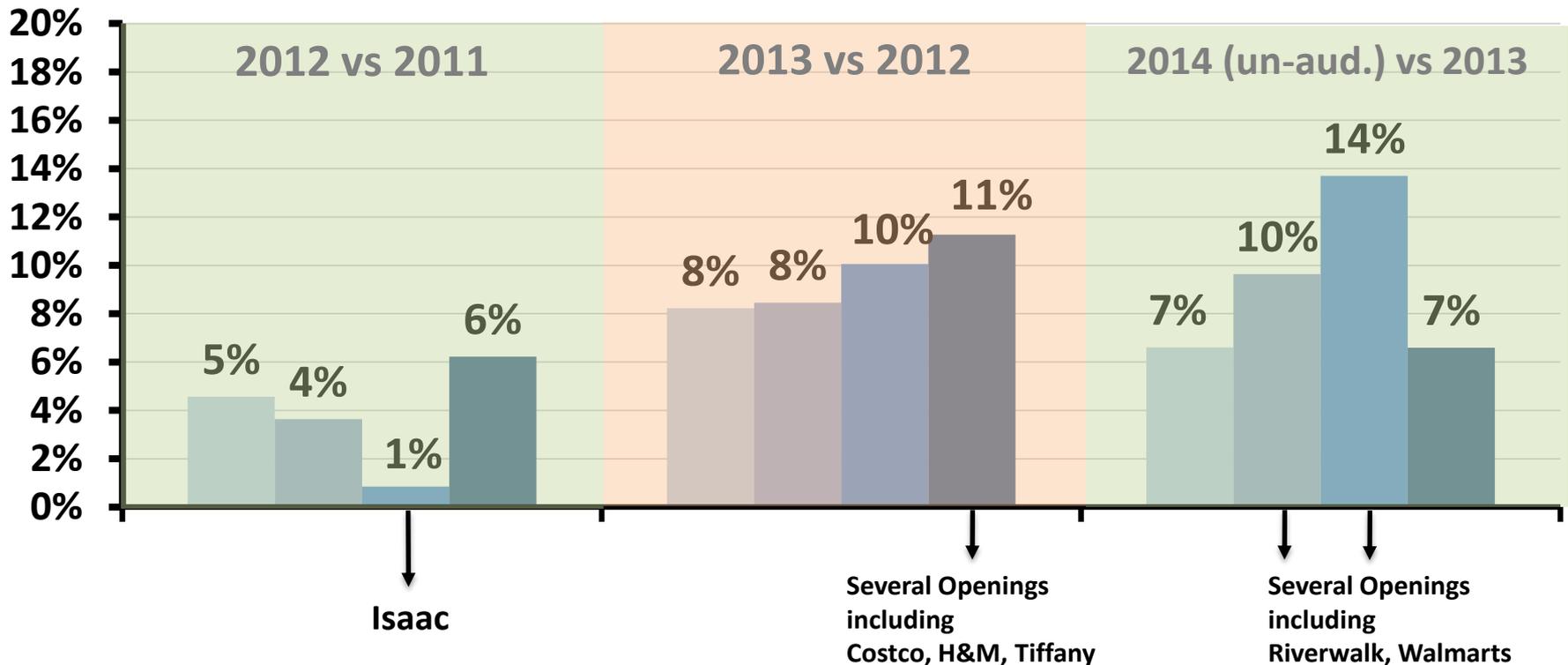
# General Sales Taxes Growth Rate 2010-2014



# General Sales Taxes

## Growth Rate 2011-2014 by Quarter

■ Q1  
 ■ Q2  
 ■ Q3  
 ■ Q4



# General Fund 2014

## Licenses and Permits

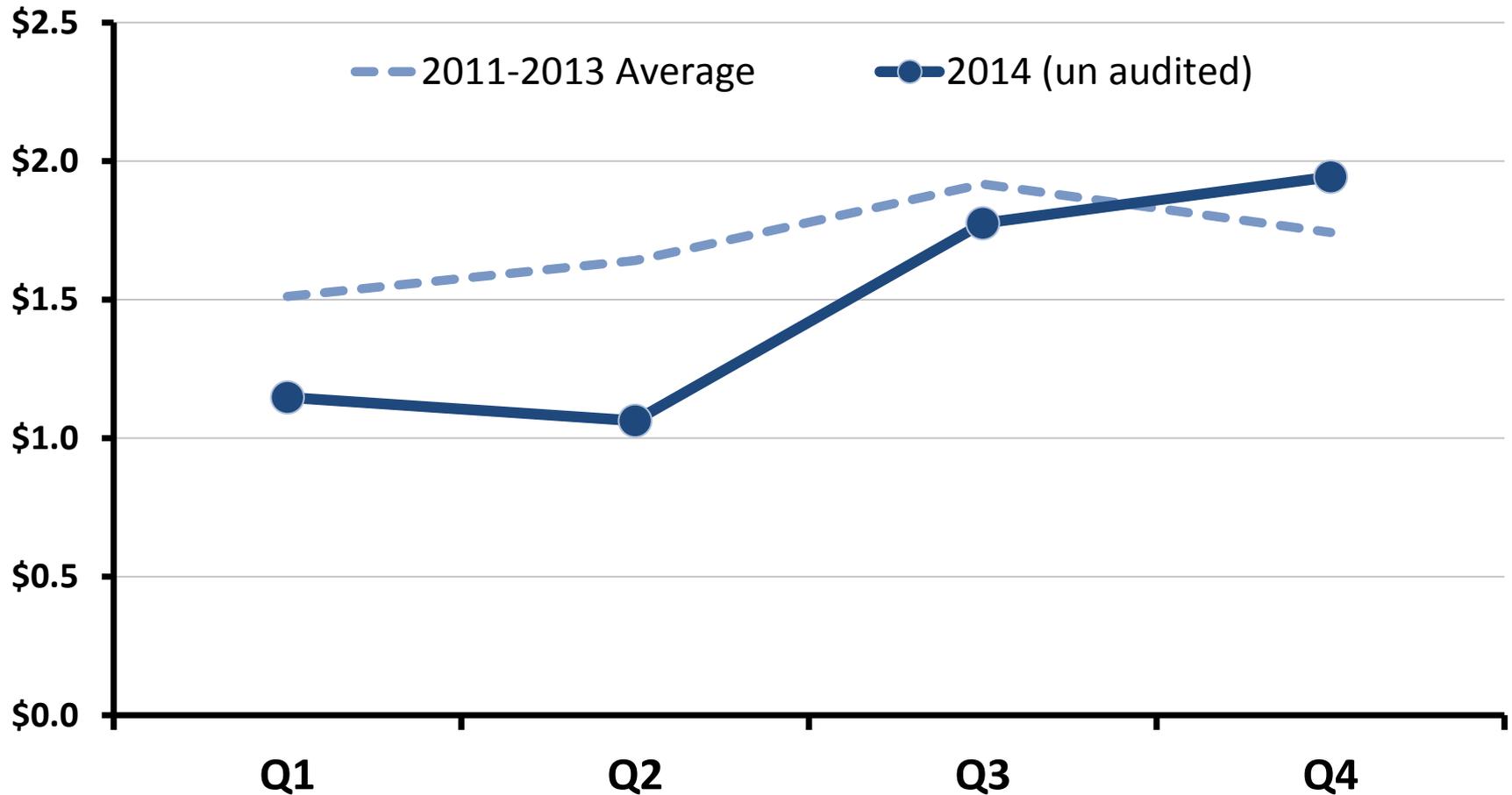
LICENSES and PERMITS <i>(in millions)</i>	November REC 2014 Projection	2014 Final Revenues (un audited)	Difference
ALCOHOLIC BEVERAGE	\$ 2.5	\$ 2.7	\$ 0.2
CABLE TV FRANCHISE	4.1	4.6	\$ 0.5
ENTERGY FRANCHISE	29.2	30.2	\$ 1.0
TELEPHONE FRANCHISE	0.6	0.5	\$ (0.1)
MISCELLANEOUS FRANCHISE	0.3	0.4	\$ 0.1
OCCUPATIONAL LICENSES	10.1	10.5	\$ 0.4
SAFETY/ELECTRICAL/MECHANICAL	2.3	2.6	\$ 0.2
TAXI/TOURGUIDE LICENSES	0.9	1.0	\$ 0.1
BUILDING PERMITS	4.9	6.3	\$ 1.4
MOTOR VEHICLE PERMITS	2.4	2.2	\$ (0.2)
STREETS & CURBS	0.4	0.5	\$ 0.1
MAYORALTY PERMITS	0.3	0.5	\$ 0.2
OTHER	0.6	0.7	\$ 0.1

**LICENSES and PERMITS Total**  
 Note: numbers may not add up due to rounding

<b>58.5</b>	<b>62.5</b>	<b>\$ 4.0</b>
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# Building Permit Quarterly Revenues 2014

Millions \$

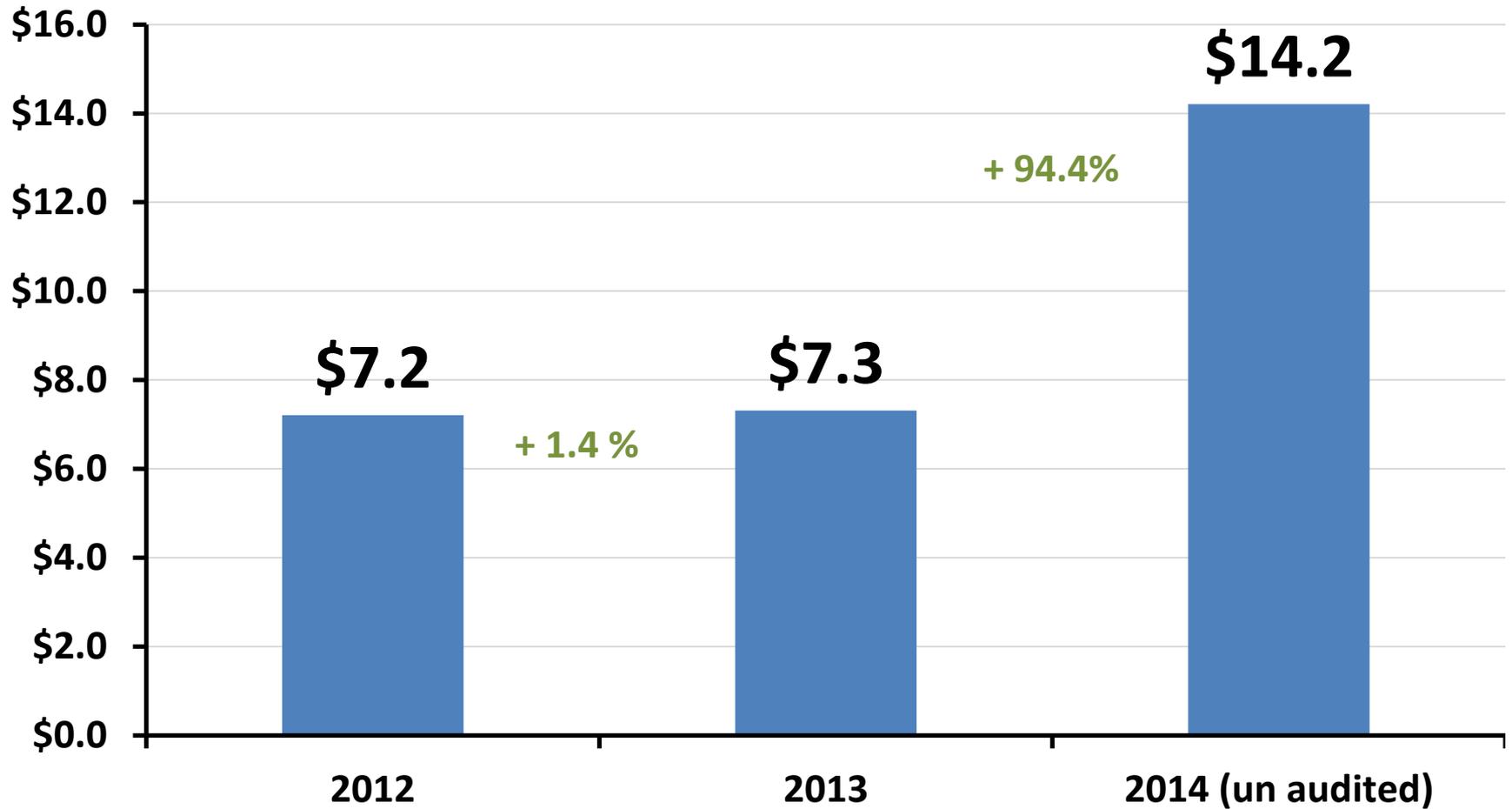


# General Fund 2014 Service Charges

<b>SERVICES and CHARGES</b> <i>(in millions)</i>	<b>November REC 2014 Projection</b>	<b>2014 Final Revenues (un audited)</b>	<b>Difference</b>
<b>GENERAL GOVERNMENT</b>	\$ 15.6	\$ 15.0	\$ (0.6)
<b>PUBLIC SAFETY</b>	17.5	20.3	\$ 2.8
<b>STREETS PARKING METERS</b>	4.8	5.0	\$ 0.2
<b>STREETS OTHER</b>	3.0	3.5	\$ 0.5
<b>SANITATION</b>	34.5	34.4	\$ (0.1)
<b>PARKS AND PARKWAY</b>	0.1	0.0	\$ (0.1)
<b>INDIRECT COSTS</b>	2.1	2.5	\$ 0.4
<b>OTHER</b>	0.0	0.0	\$ 0.0
<b>SERVICES and CHARGES TOTAL</b>	<b>77.5</b>	<b>80.6</b>	<b>\$ 3.1</b>

Note: numbers may not add up due to rounding

# EMS Transport Revenues 2011 to 2014



# Part 3:

## 2015 Revenue Overview

# 2015 Revenue Overview

<i>(in millions)</i>	2014 Final Revenues (un audited)	2015 Amended Budget	Change	REC 2015 May
TAXES	\$ 329.4	\$ 331.5	\$ 5.6	\$ 337.1
LICENSES and PERMITS	62.5	57.5	1.4	58.9
INTERGOV. REVENUE	11.4	10.2	-	10.2
SERVICES and CHARGES	80.6	78.4	1.0	79.4
FINES and FORFEITS	24.5	32.0	-	32.0
MISCELLANEOUS REV	12.2	11.2	2.7	13.9
OTHER FINACING SOURCES	15.3	16.2	1.4	17.6
<b>GRAND TOTAL</b>	<b>535.8</b>	<b>536.9</b>	<b>12.1</b>	<b>\$ 549.1</b> ←
Non-Rec. Rev (included in total above)	6.0	5.2	4.1	9.3

Note: numbers may not add up due to rounding

# 2015 Revenue - Change in Estimates

<i>TAXES (in millions)</i>	2015 Amended Budget	REC 2015 May	Change
<b>PROPERTY TAXES</b>	\$ 115.3	\$ 116.1	\$ 0.8
<b>SALES TAXES</b>	169.6	173.2	3.6
<b>HOTEL/MOTEL TAXES</b>	15.5	16.7	1.2
			<b>5.6</b>

## *LIC. and PER. (in millions)*

<b>ALCOHOLIC BEVERAGE</b>	\$ 2.5	\$ 2.7	\$ 0.2
<b>OCCUPATIONAL LICENSES</b>	10.4	10.6	0.2
<b>BUILDING PERMITS</b>	4.9	5.9	1.0
			<b>1.4</b>

Note: numbers may not add up due to rounding

# 2015 Revenue - Change in Estimates

<i>SERVICES and CHARGES</i> <i>(in millions)</i>	2015 Amended Budget	REC 2015 May		
<b>PUBLIC SAFETY</b>	\$ 18.0	\$ 19.0	1.0	*
<i>Miscellaneous Revenues</i> <i>(in millions)</i>				
<b>MISCELLANEOUS REV</b>	\$ 11.2	\$ 13.9	2.7	**
<i>OTHER FINANCING SOURCES</i> <i>(in millions)</i>				
<b>TRANSFER FROM OTHER FUNDS</b>	\$ 16.2	\$ 17.6	1.4	***

Note: numbers may not add up due to rounding

\*Revision in EMS revenues

\*\* Settlement amount from financial institution

\*\*\* Additional contributions from French Market Corporation

# Part 4: Other Matters

# National League of Cities

# Factors with Most Positive and Negative Impact to the City's Budget

## MOST POSITIVE IMPACT

Health of local economy	81%
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Value of city tax base	73%
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Population	33%
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Amount of state aid to city	26%
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Amount of federal aid to city	17%
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## MOST NEGATIVE IMPACT

Infrastructure needs	52%
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Cost of employee/retiree health benefits	51%
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Cost of employee/retiree pensions	47%
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Employee wages and salaries	38%
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Public safety needs	33%
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# Year-to-Year Change in General Fund Tax Receipts (constant dollars)



National League of Cities – City Fiscal Conditions 2014  
 Survey – 384 Responses – US Cities

# Part 5: Appendix

# 2014 Results Detail

## REC November Forecast vs Un Audited Final

2014			
	REC November 2014	Un Audited 2014	Difference
<b>1A PROPERTY TAX</b>			
1 REAL ESTATE CURRENT YEAR	85,973,449	88,858,500	
2 PERSONAL PROPERTY CURRENT YEAR	19,520,416	19,630,953	
3 REAL ESTATE PRIOR YEAR	3,395,809	2,957,964	
4 PERSONAL PROPERTY PRIOR YEAR	192,758	140,568	
7 INTEREST & PENALTIES	2,880,273	3,111,309	
<b>1A PROPERTY TAX Total</b>	<b>111,962,705</b>	<b>114,699,294</b>	<b>2,736,589.1</b>
<b>1B OTHER TAXES</b>			
1 SALES TAX	161,500,000	164,949,141	3,449,141
1.1 MOTOR VEHICLE TAX	11,100,000	11,856,482	756,482
1.2 HOTEL/MOTEL TAX	15,000,000	16,186,893	1,186,893
2 BEER & WINE TAX	469,089	504,459	35,371
3 PARKING TAX	4,000,000	4,344,098	344,098
4 DOCUMENT TRANSACTION TAX	3,590,809	3,990,354	399,544
5 CHAIN STORE TAX	129,516	190,324	60,809
6 OFF TRACK BETTING/RACING TAX	273,618	165,532	(108,086)
7 UTILITY TAX	10,582,888	11,102,504	519,616
8 FAIRGROUND SLOT MACHINE 4% TAX	1,554,708	1,370,998	(183,710)
<b>1B OTHER TAXES Total</b>	<b>208,200,627</b>	<b>214,660,784</b>	<b>6,460,157</b>
<b>2 LICENSES &amp; PERMITS</b>			
01 ALCOHOLIC BEVERAGE	2,512,642	2,735,422	222,780
02 CABLE TV FRANCHISE	4,146,488	4,629,754	483,266
03 ENTERGY FRANCHISE	29,170,374	30,210,438	1,040,063
04 TELEPHONE FRANCHISE	587,723	468,501	(119,222)
05 MISCELLANEOUS FRANCHISE	290,000	362,754	72,754
06 OCCUPATIONAL LICENSES	10,100,000	10,396,028	296,028
07 SAFETY/ELECTRICAL/MECHANICAL	2,318,300	2,566,981	248,681
08 TAXI/TOURGUIDE LICENSES	888,500	959,986	71,486
09 BUILDING PERMITS	4,870,000	6,301,163	1,431,163
10 MOTOR VEHICLE PERMITS	2,370,133	2,171,191	(198,941)
11 STREETS & CURBS	401,853	457,158	55,306
12 MAYORALTY PERMITS	291,731	492,168	200,438
13 OTHER	588,000	714,990	126,990
<b>2 LICENSES &amp; PERMITS Total</b>	<b>58,535,744</b>	<b>62,466,534</b>	<b>3,930,790</b>
<b>3 INTERGOVERNMENTAL REVENUE</b>			
1 FEDERAL AID - MEDICARE/OTHER	1,000	-	(1,000)
3 STATE AID - VIDEO POKER	2,616,964	2,806,814	189,850
4 STATE DEPT. OF CORRECTIONS	67,514	46,071	(21,443)
5 STATE AID-MEDICAID	2,042,698	2,212,713	170,015
6 STATE REVENUE SHARING	1,554,383	2,092,152	537,769
7 STATE AID OTHER	1,420	186	(1,234)
8 PARISH TRANSP FUND: ROADS	2,064,941	2,190,687	125,746
8 PARISH TRANSP FUND: TRANSIT	2,007,719	2,060,823	53,105
91 ORLEANS PARISH COMMUNICATION DIST.	500,000	-	(500,000)
<b>3 INTERGOVERNMENTAL REVENUE Total</b>	<b>10,856,638</b>	<b>11,409,445</b>	<b>552,807</b>

# 2014 Results Detail

## REC November Forecast vs Un Audited Final (Continued)

2014			
	REC November 2014	Un Audited 2014	Difference
<b>4 SERVICE CHARGES</b>			
1 GENERAL GOVERNMENT	15,600,000	15,005,558	(594,442)
2 PUBLIC SAFETY	17,495,347	20,286,908	2,791,561
3 STREETS PARKING METERS	4,800,000	4,957,069	157,069
4 STREETS OTHER	2,984,400	3,472,910	488,510
5 SANITATION	34,465,362	34,357,917	(107,445)
7 PARKS AND PARKWAY	78,000	20,071	(57,929)
8 INDIRECT COSTS	2,076,626	2,518,426	441,800
9 OTHER	25,000	24,200	(800)
<b>4 SERVICE CHARGES Total</b>	<b>77,524,735</b>	<b>80,643,060</b>	<b>3,118,325</b>
<b>5 FINES &amp; FORFEITS</b>			
1 TRAFFIC FINES & VIOLATIONS	4,000,000	3,799,942	(200,058)
2 RED SIGNAL LIGHT/CAMERA ENFORCEMENT	12,000,000	11,076,382	(923,618)
3 PARKING TICKET COLLECTONS	10,000,000	9,107,558	(892,442)
4 ADMIN. ADJUDICATION FEES	25,000	68,350	43,350
5 MUNICIPAL COURT FINES & COSTS	400,000	307,509	(92,491)
6 IMPOUNDED/ABANDONED VEHICLES	125,000	126,245	1,245
<b>5 FINES &amp; FORFEITS Total</b>	<b>26,550,000</b>	<b>24,485,986</b>	<b>(2,064,014)</b>
<b>6 MISCELLANEOUS REVENUE</b>			
1 INTEREST - OPERATING & CAPITAL	62,668	104,143	41,475
2 RENTS & ROYALTIES	1,215,000	1,254,289	39,289
3 CONTRIBUTIONS AND OTHER	5,399,421	5,028,395	(371,026)
5 MISCELLANEOUS REIMBURSEMENT	5,484,160	5,816,552	332,393
<b>6 MISCELLANEOUS REVENUE Total</b>	<b>12,161,249</b>	<b>12,203,379</b>	<b>42,131</b>
<b>7 OTHER FINANCING SOURCES</b>			
1 UDAG/HUD 108 LOAN	-	-	
2 TRANSFER FROM OTHER FUNDS	15,763,752	15,271,624	(492,128)
<b>7 OTHER FINANCING SOURCES Total</b>	<b>15,763,752</b>	<b>15,271,624</b>	<b>(492,128)</b>
<b>Grand Total</b>	<b>521,555,449</b>	<b>535,840,106</b>	<b>14,284,657</b>

# 2015 Revenue Projection Detail

## Amended Budget vs REC May Forecast

2015			
Row Labels	Amended Budget 2015	REC 2015 May	
<b>1A PROPERTY TAX</b>			
1 REAL ESTATE CURRENT YEAR	89,321,474	89,928,356	
2 PERSONAL PROPERTY CURRENT YEAR	20,568,256	19,867,310	
3 REAL ESTATE PRIOR YEAR	2,766,388	2,993,577	
4 PERSONAL PROPERTY PRIOR YEAR	144,608	142,260	
7 INTEREST & PENALTIES	2,520,858	3,148,769	
<b>1A PROPERTY TAX Total</b>	<b>115,321,584</b>	<b>116,080,273</b>	<b>758,688.7</b>
<b>1B OTHER TAXES</b>			
1 SALES TAX	169,575,000	173,196,598	3,621,598
1.1 MOTOR VEHICLE TAX	10,545,000	10,545,000	-
1.2 HOTEL/MOTEL TAX	15,450,000	16,672,500	1,222,500
2 BEER & WINE TAX	469,089	469,089	-
3 PARKING TAX	4,060,000	4,060,000	-
4 DOCUMENT TRANSACTION TAX	3,590,809	3,590,809	-
5 CHAIN STORE TAX	155,419	155,419	-
6 OFF TRACK BETTING/RACING TAX	236,118	236,118	-
7 UTILITY TAX	10,582,888	10,582,888	-
8 FAIRGROUND SLOT MACHINE 4% TAX	1,508,067	1,508,067	-
<b>1B OTHER TAXES Total</b>	<b>216,172,390</b>	<b>221,016,488</b>	<b>4,844,098</b>
<b>2 LICENSES &amp; PERMITS</b>			
01 ALCOHOLIC BEVERAGE	2,512,642	2,712,642	200,000
02 CABLE TV FRANCHISE	4,146,488	4,146,488	-
03 ENTERGY FRANCHISE	28,295,263	28,295,263	-
04 TELEPHONE FRANCHISE	210,836	210,836	-
05 MISCELLANEOUS FRANCHISE	210,000	210,000	-
06 OCCUPATIONAL LICENSES	10,352,500	10,552,500	200,000
07 SAFETY/ELECTRICAL/MECHANICAL	2,456,000	2,456,000	-
08 TAXI/TOURGUIDE LICENSES	903,000	903,000	-
09 BUILDING PERMITS	4,900,000	5,900,000	1,000,000
10 MOTOR VEHICLE PERMITS	2,300,000	2,300,000	-
11 STREETS & CURBS	411,675	411,675	-
12 MAYORALTY PERMITS	291,731	291,731	-
13 OTHER	525,000	525,000	-
<b>2 LICENSES &amp; PERMITS Total</b>	<b>57,515,135</b>	<b>58,915,135</b>	<b>1,400,000</b>
<b>3 INTERGOVERNMENTAL REVENUE</b>			
1 FEDERAL AID - MEDICARE/OTHER	-	-	-
3 STATE AID - VIDEO POKER	2,616,964	2,616,964	-
4 STATE DEPT. OF CORRECTIONS	67,514	67,514	-
5 STATE AID-MEDICAID	1,343,698	1,343,698	-
6 STATE REVENUE SHARING	1,554,383	1,554,383	-
7 STATE AID OTHER	1,420	1,420	-
8 PARISH TRANSP FUND: ROADS	2,064,941	2,064,941	-
8 PARISH TRANSP FUND: TRANSIT	2,007,719	2,007,719	-
91 ORLEANS PARISH COMMUNICATION DIST.	500,000	500,000	-
<b>3 INTERGOVERNMENTAL REVENUE Total</b>	<b>10,156,639</b>	<b>10,156,639</b>	<b>-</b>

# 2015 Revenue Projection Detail

## Amended Budget vs REC May Forecast

### (Continued)

2015			
Row Labels	Amended Budget 2015	REC 2015 May	
<b>4 SERVICE CHARGES</b>			
1 GENERAL GOVERNMENT	15,517,808	15,517,808	-
2 PUBLIC SAFETY	18,032,148	19,032,148	1,000,000
3 STREETS PARKING METERS	4,775,000	4,775,000	-
4 STREETS OTHER	3,084,000	3,084,000	-
5 SANITATION	34,806,352	34,806,352	-
7 PARKS AND PARKWAY	78,000	78,000	-
8 INDIRECT COSTS	2,076,626	2,076,626	-
9 OTHER	25,000	25,000	-
<b>4 SERVICE CHARGES Total</b>	<b>78,394,934</b>	<b>79,394,934</b>	<b>1,000,000</b>
<b>5 FINES &amp; FORFEITS</b>			
1 TRAFFIC FINES & VIOLATIONS	4,000,000	4,000,000	-
2 RED SIGNAL LIGHT/CAMERA ENFORCEMENT	16,500,000	16,500,000	-
3 PARKING TICKET COLLECTONS	11,000,000	11,000,000	-
4 ADMIN. ADJUDICATION FEES	55,000	55,000	-
5 MUNICIPAL COURT FINES & COSTS	350,000	350,000	-
6 IMPOUNDED/ABANDONED VEHICLES	125,000	125,000	-
<b>5 FINES &amp; FORFEITS Total</b>	<b>32,030,000</b>	<b>32,030,000</b>	<b>-</b>
<b>6 MISCELLANEOUS REVENUE</b>			
1 INTEREST - OPERATING & CAPITAL	62,668	62,668	-
2 RENTS & ROYALTIES	1,245,000	1,245,000	-
3 CONTRIBUTIONS AND OTHER	4,277,000	4,277,000	-
5 MISCELLANEOUS REIMBURSEMENT	5,598,665	8,340,421	2,741,756
<b>6 MISCELLANEOUS REVENUE Total</b>	<b>11,183,333</b>	<b>13,925,089</b>	<b>2,741,756</b>
<b>7 OTHER FINANCING SOURCES</b>			
1 UDAG/HUD 108 LOAN	-	-	-
2 TRANSFER FROM OTHER FUNDS	16,165,333	17,565,333	1,400,000
<b>7 OTHER FINANCING SOURCES Total</b>	<b>16,165,333</b>	<b>17,565,333</b>	<b>1,400,000</b>
<b>Grand Total</b>	<b>536,939,348</b>	<b>549,083,891</b>	<b>12,144,543</b>