

**MEETING MINUTES**  
**REVENUE ESTIMATING CONFERENCE**  
**December 1, 2017**

**PRESENT**

Honorable Stacy Head, Councilmember-at-Large  
Honorable Jared Brossett, Councilmember District "D" (non-voting)  
Honorable Susan Guidry, Councilmember District "A" (non-voting)  
Jeff Hebert, First Deputy Mayor & Chief Administrative Officer  
Peter Ricchiuti, Professor, Tulane University  
Beverly B. Gariepy, Director of Finance/CFO

**ABSENT**

Honorable Mitch Landrieu, Mayor, Chair

**OPENING**

The meeting of the Revenue Estimating Conference (REC) was called to order by First Deputy Mayor and Chief Administrative Officer, Jeff Hebert.

1. Mr. Hebert moved to adopt the minutes from the July 31, 2017 and was deferred due to no minutes being available.
2. New Orleans Annual Rate of Employment  
Deborah Vivien, City Economist, expressed that the annual average employment for the City of New Orleans shows significant growth. The average annual weekly wages is also increasing.
3. Revised 2017 Forecast  
Ms. Vivien speaks on the reduction of recurring revenue by 2M however it will still increase by 4.4%. Non-recurring revenue is projected to increase 22M. Ms. Vivien expresses one-time revenue has added 12M to the use of the fund balance. The use of the fund balance increased due to payments to the Sheriff, tornado expenses, legal settlement, NORD cameras, low barrier shelter operations, and emergency drainage. The forecasted use of the fund balance for 2018 is 6.7M. Major increases in revenue are property tax, franchise fees, licenses, permits, and building rent. Major decreases in revenue are due to sales tax, the 2 Canal Building permit, brake tags, towing/booting, parking ticket collections, municipal/traffic court collections, sanitation fees, and traffic cameras. Councilmember Head expressed concern about parking ticket collections enforcement. Councilmember Guidry comments about Municipal traffic court revenue. Ms. Vivien comments on the difference in sanitation fees estimates.
4. 2018 Forecast  
Ms. Vivien states that recurring revenue will grow at 2.2% or 1.2M. One time revenue will decrease due to movement of Canal permit and reduction of earlier estimate for adjudicated properties. Head addresses the positivity of the loss of revenue due to adjudicated property sales dues to its future benefits to the city. Ms. Gariepy speaks on the decrease in the amount of

properties in tax sales since the inception of the program. Major increases in the forecast are property tax by 1.5%, franchise fees by 2.1M, traffic cameras by 1.4M, sales and hotel tax by 2.9M and 4.3M, and short term rentals. Major decreases in the forecast are 18.1M reduction in use of fund balance, adjudicated properties, sanitation due to change in billing enforcement, traffic/municipal court, parking tickets, increase in TNC fees, reduction in Second Injury fund transfers. Forecast growth had a base adjustment of 4.4%

5. Risks

Ms. Vivien states that the risks to the forecast are tax reform on the state and federal level, taxpayer behavior, demand, response to infrastructure issues within the city and Amazon 3<sup>rd</sup> party taxation. CAO asks for conferee questions. Councilmember Guidry questions the revenue forecast inflation when dealing with the job market. Ms. Gariepy addresses the intent to work with Sewerage and Water Board about dealing with billing. Councilmember Guidry comments on the current job market and wages across the city.

6. 2017 General Fund

Ms. Vivien reviews the general fund balance and the estimates of the fund balance for 2018. Councilmember Guidry comments on the way that unforeseen costs can affect the fund balance. Councilmember Head concurs. Councilmember Head and Councilmember Guidry speak on the spending of the general fund while cutting revenue.

7. Accepting the 2017 Revenue Forecast

Ms. Gariepy motions to accept the 2017 revenue forecast. The motion passes. Councilmember Head motions to adopt the 2018 official revenue forecast. The motion carries.

8. Motion to Adjourn

Mr. Hebert motions to adjourn. The motion is seconded and the motion carries. The Revenue Estimating Conference is adjourned.