Contents

• Section 1 – New Orleans Pre-Katrina & Impact of the Storm

• Section 2 – Since the Storm

• Section 3 – Elements of Recovery Strategy

• Section 4 – City Budget and Finances
Overview of New Orleans before Katrina

In the summer of 2005, New Orleans had . . .

• A resident population of 455,000
• 215,000 housing units; 188,251 occupied units
• A viable Central Business District
• A thriving medical community

• A successful convention industry
  – 6.6 million visitors with an economic impact of $4.2 billion (Jan. – Aug. 2005)

Source: GCR, New Orleans Convention and Visitors Bureau
Overview of local industry and employers

### Regional Specializations

- Tourism
- Oil & gas extraction
- Oil refining & chemical manufacturing
- Port of New Orleans/related transportation industries
- Waste treatment
- Higher education
- Commercial banking
- Insurance

<table>
<thead>
<tr>
<th>Industry</th>
<th>Major Employers</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>McDermott International</td>
<td>3,975</td>
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<td>Media</td>
<td>Times Picayune Publishing Co.</td>
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<td>Banking</td>
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<td>Medical</td>
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<td>Engineering</td>
<td>Lockheed Martin Corp.</td>
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<td>Hospitality</td>
<td>Hilton Riverside New Orleans</td>
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<td>Education</td>
<td>LSU Medical School</td>
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<td>Trade</td>
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<td>Service</td>
<td>National Building Svc &amp; Maintenance</td>
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<td>Entertainment</td>
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<tr>
<td>Manufacturing</td>
<td>Folgers Coffee Co.</td>
<td>450</td>
</tr>
</tbody>
</table>

Source: Brookings Institution, City Economic Development
Nagin Administration has proven good steward of taxpayer dollars, despite first term challenges

- Only two days of operating cash available when Mayor Nagin took office in 2002
- Successfully managed City out of two budget deficits in 2002 and 2003
- Initiated aggressive tax collection efforts
- Improved cash management through use of lock box and enhanced banking services. (Implemented in 2003 to facilitate financial management recovery.)

Pre-Katrina (2005)

- City employees 6,498
- General Fund budget

<table>
<thead>
<tr>
<th>Source: City CFO</th>
<th>Total revenues $452,976,674</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property tax</td>
<td>$ 85,208,000</td>
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<td>Sales tax</td>
<td>$152,484,000</td>
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<tr>
<td>Other</td>
<td>$215,283,874</td>
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</tbody>
</table>
Overview of City government

New Orleans city government has several unusual elements

- Home rule charter since 1954. Parish (county) and city limits are coterminous
- Parishes have certain legal characteristics:
  - Responsible for costs of state criminal justice system
  - Not able to pass ad valorem taxes without being subject to substantial “homestead exemption”
- Sewerage & Water Board of New Orleans is state-created board, independent of City Hall, appointed by Mayor and Mayor is President
  - Oversees City’s drinking water, waste water and drainage systems
  - City Council does not approve board’s budget but does approve rate increases
- Board of Liquidation is state-created board, independent of City Hall. Issues bonds and manages the City General Obligation debt
- Aviation Board is also independent, but budget is approved by the City Council
- Two school districts, seven entities managing schools. Most schools are state-run because of history of poor performance

Source: City IGR
Impact of Katrina

Worst disaster in U.S. history

- Historic Mandatory Evacuation: first American city totally shut down
- 80% of City flooded; floodwaters remained 57 days
- Virtually all 455,000 residents were dispersed to over 44 cities in the nation
- 32 million cubic yards of storm debris
  - Equates to 10 Superdomes filled with debris
- More than 57% of all major and severe damage reported in Louisiana was in Orleans Parish
- $22.6 billion of property damage in New Orleans from flood and storm surge

Source: City Homeland Security, Insurance Information Institute
Katrina’s effect on City government

• Economy totally shut down
• The 2006 Adopted Budget incorporated $112 million in projected revenue and $317 million in expenses, resulting in budget gap of $205 million
• City reductions of 2,438 employees, a 38% reduction in department operations
• Sewerage & Water Board reduced its staff by 500 employees
• Public school system virtually destroyed
• 106 of 126 (84%) of the public schools in Orleans Parish were severely damaged
• Criminal justice system rendered inoperable – all support structures damaged
• All City hospitals shuttered
• Utility company bankrupt
• Fresh water, sewage and drainage capability eliminated

Source: City Homeland Security
Flood protection – “a system in name only”
Housing and economy – severely impacted

Housing

• More than 134,000 (70% plus) of occupied housing units had reportable level of damage
• Over 108,700 housing units in areas with more than 4 feet of flooding
• More than 105,000 occupied units classified as having either major or severe damage
• In total, over $14 billion in damage to residential property in Orleans Parish
• In a community where 54% of people rented homes, large majority of rental stock and work-force housing lost

Economy

• More than 50% of businesses in New Orleans in areas flooded by 2 feet or more of water
• While impacted, major economic generators not as severely damaged as residential areas and small businesses

Source: City Housing, Unified New Orleans Plan
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First steps to recovery

- Drained City in 21 days following Katrina. In total, flood waters lasted 57 days after reflooding from Hurricane Rita
- Conducted critical environmental testing to address toxicity concerns
- Began repopulation stages in areas with little to no damage or flooding
- Successfully stabilized and restored critical city services: water, sewage, drainage, transportation, electrical service

Source: City Homeland Security
Federal commitment of funds

Federal government has committed significant funds to rebuilding in Louisiana

• $10.4 billion in CDBG funds
• $1.5 billion in Hazard Mitigation funds
• $5.7 billion for levee protection
• $1.0 billion for transportation infrastructure
• $1.1 billion for education
• $7.0 billion for FEMA repairs of public infrastructure & facilities*
• $8.0 billion in federal tax and bond incentives through the Gulf Opportunity Zone Act of 2005
• $0.8 billion in other grants

Total commitment of $35.5 billion in state-wide rebuilding funds

Source: City IGR, Louisiana Recovery Authority (LRA)
* Current estimate; likely to be revised
Significant resource shortages remain

Flow of funds has been challenging for local government

- Almost all dollars appropriated to federal departments and states, rather than localities
- Dollars slow to reach the affected areas

Money received directly by City of New Orleans includes

- Community Disaster Loan – $120 million initial loan (not forgivable)
  - second loan approved with expanded ability to qualify for up to 50% of lost revenue
- FEMA Advancement - $102 million for police, fire and emergency medical staff overtime, emergency work
- Bond Debt relief - $52 million bond debt relief via state over a four year period
- LA Interim Emergency Board - $1.3 million grant for operational purposes
- Some FEMA rebuilding grant reimbursement - $40 million as of 1/10/07

Source: City IGR
Population dispersed but returning

Top states hosting evacuated New Orleans residents

- Majority in other Louisiana locations
- Texas
- Georgia
- Mississippi
- California
- Florida

Current population of New Orleans

- 235,000 – 250,000*

Returns Process

City has two centers to assist with return: Journey Home Center in Houston, Welcome Home Center in New Orleans

Source: LRA, GCR, University of New Orleans, City IGR
* Includes substantial numbers of migrant workers
Overview of New Orleans area hurricane protection system

Legend

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<thead>
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<td>Red</td>
<td>Federal Non-Corps</td>
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<tr>
<td>Orange</td>
<td>Non-Federal</td>
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</tbody>
</table>

Source: U.S. Army Corps of Engineers
Levees and flood protection under repair

Flood protection system at pre-Katrina strength or better as of June 2006, with a few exceptions

- In total, 220 miles of levees and floodwalls and over 20 breaches repaired
- Floodgates added at lakeside mouths of outfall canals
- Design flaws identified and corrected in repaired sections
- However, reaching target pumping capacity still a challenge

By 2010, all 350 miles of levees reviewed

- Design flaws corrected throughout
- Full authorized protection levels reached for sections that were incomplete before Katrina
- “100-year” level of protection provided throughout Orleans Parish system, as required by National Flood Insurance Program

Source: U.S. Army Corps of Engineers
Housing stock slowly returning
Real estate recovering

• Pre-Katrina values grew double digits three consecutive years
• 12,000 major apartment complexes back on line or under construction
• Four HUD housing developments set for demolition and mixed-income conversions
• Post-Katrina Adjudicated Property Program created
  – Purchase at half appraised value
  – 2,025 abandoned/blighted properties were awarded in August 2005, to be placed back in commerce within nine months
  – 4,000 more slated for award by New Orleans Redevelopment Authority (NORA) by year-end 2007
• Post-Katrina values holding strong
  – 30-foot wide lots are going between $3-5,000 equivalent to their pre-Katrina values based on Adjudicated lots
• 126 Affordable Housing units online
• 2,500 residential units planned by developers for the Downtown area

Source: City Economic Development, Wade Regas & Associates
Infrastructure being restored

• Primary utility services restored in all of the city. Water remaining in low pressure gas lines still a problem
• All major transportation facilities are functioning
• Airport fully operational, traffic at 60% of pre-Katrina levels*
• Port of New Orleans fully operational
• 100% of storm-related debris to be removed by August 2007 (not including demolitions)

* Based on number of seats
Source: City CAO, City IGR, Louis Armstrong New Orleans International Airport
Key social services in place, although reduced

Healthcare
Seven of ten hospitals open or under repair

School Choice
54 public schools host 29,506 students (59,000 pre-Katrina) - 31 charters, 17 Recovery School District (state-run), 6 Orleans Parish Schools

Criminal Justice
Property and evidence restoration complete. All courts and DA’s office functioning at reduced capacity

New Orleans Police Department
1,402 officers (84% of pre-Katrina force) currently. Louisiana State Police and National Guard supporting NOPD through June 2007

Source: City Public Health, Times-Picayune, City Homeland Security
Some businesses recovering

- Sales tax collections at 78% of pre-storm level
- Metro-area employment at 70% of pre-storm level
- 97% of medium to large businesses have returned
- Port of New Orleans operating at 100% capacity, above pre-Katrina levels
- Major 2006 conventions and meetings held late summer and fall
  - 250,000 visitors
  - 70% of 2007 convention and meetings business retained
  - more than 90% of 2008 business
- Cruise ship industry (all 4 cruise ships) returned Jan. ’07 with 1,000 more passenger capacity over pre-Katrina levels
- $18.5 million in federal grant funds allocated for tourism and convention marketing
Public sector consolidated

Levee boards

Constitutional amendment consolidated local levee boards and established two multi-parish authorities. Commissioners shall be experts in engineering, hydrology, or related fields.

Assessors

Constitutional amendment consolidated the seven New Orleans property tax assessors’ offices beginning in 2010, which will eliminate inconsistencies and save City almost $1 million in salaries and expenses.

Criminal and civil courts, clerks, sheriffs

Law consolidated the Orleans Civil and Criminal courts in 2009, and the Clerks and Sheriffs in 2010. Other record-keeping offices to be merged with Civil Court Clerk in 2009.

LACPRA and Constitutional amendment regarding offshore royalties

Constitutional amendment reserves Louisiana’s offshore oil royalty revenues to be spent only on coastal restoration and infrastructure projects overseen by the Louisiana Coastal Protection and Restoration Authority.

Source: City IGR
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Citywide recovery planning almost complete

Phase I - Revisioning

• Created Bring New Orleans Back Commission 30 days after Katrina’s landfall

• Key focus areas – Land Use, Flood Protection, Public Transit, Culture, Education, Health Care, Economic Development & Governmental Effectiveness

• Final presentation December 2005

Phase II – Neighborhood & Citywide Recovery Planning

• Funding from City Council, Rockefeller Foundation, Greater New Orleans Foundation

• 13 district plans developed with input from residents of those districts and support from top national planning firms

• Citywide Recovery Plan completed January 30, 2007; under review by City Planning

Phase III – Comprehensive Master Plan with accompanying CZO

• Goal of completion by end of 2007

Source: City ORM
Overview of Louisiana Recovery Authority

Louisiana Recovery Authority (LRA)

- Planning and coordinating body created in the aftermath of hurricanes Katrina and Rita by Louisiana Governor Kathleen Blanco
- Given several primary functions
  - Planning for recovery and rebuilding of Louisiana
  - Coordinating across jurisdictions
  - Ensuring integrity and effectiveness of funds delivery
  - Working with local, state and federal agencies
- Board comprised of approximately 30 prominent Louisianans. Represents cross-section of state leadership
- Charged with developing action plans and spending program for $11.9 billion of federal grant money. Flagship program is Road Home awards to homeowners
- Responsible for driving recovery in all parishes affected by Katrina and Rita
- Challenged to address short-term recovery needs while guiding long-term recovery planning

Source: LRA
Road Home awards have been slow to arrive . . .

Program summary

• Pre-Katrina homeowners eligible for rebuilding grants up to $150,000

• Less insurance and federal benefits, and
  – 40% penalty for inadequate pre-storm insurance
  – 30% penalty if do not choose to rebuild in Louisiana

Latest program numbers: 2/12/07

• Total applications: 105,739
• Benefits calculated: 34,779
• Option letters returned: 14,943
  (1) Repair/rebuild
  (2) Buy-out – stay in state
  (3) Buy-out – leave the state
    (30% penalty)
• Total closings: 532
• Ave. benefit calculation: $80,044

Source: LRA, ICF
And FEMA rebuilding funds have been slow as well

- FEMA funds based on estimates of damage. As policy, FEMA systematically issues low initial estimates which must be contested and appealed.
- Once FEMA has obligated funds to state, City must demonstrate payment to receive reimbursement: requires cash up front.
- Many bureaucratic hurdles remain as City and state scale up new processes.

Source: City CAO
**Illustration of public infrastructure financing**

Sample infrastructure project requiring $6 million in financing

<table>
<thead>
<tr>
<th><strong>Gaps</strong></th>
<th><strong>Costs</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>$1 million</td>
<td>$6 million Total cost of project</td>
</tr>
<tr>
<td>(FEMA ineligible costs: e.g., insurance, prior improvement projects)**</td>
<td>$5 million (City estimate of FEMA eligible costs)</td>
</tr>
<tr>
<td>$2 million*</td>
<td>$3 million (FEMA obligated amount)</td>
</tr>
<tr>
<td>(City estimated gap between FEMA obligated and FEMA eligible)</td>
<td>$2.7 million (90% federal share of FEMA obligated amount)</td>
</tr>
<tr>
<td>$0.3 million</td>
<td></td>
</tr>
<tr>
<td>(10% local share of FEMA obligated amount)</td>
<td></td>
</tr>
</tbody>
</table>

**Total financing gap** $3.3 million

* Revision (called a “Version”) requested from FEMA to revise obligated amount

** To be financed through sources other than FEMA: City bond issue, other financing

Source: City CAO’s Office, Office of the Mayor
City has institutional recovery partners

Major non-City entities in Orleans Parish

- Housing Authority of New Orleans
  - Under federal receivership, controlled by HUD
- Two school districts
  - Recovery School District (state-run) and Orleans Parish School District
- Sewerage & Water Board
- Regional Transportation Authority
- Port of New Orleans
- Louis Armstrong New Orleans International Airport

Source: City IGR
Other Orleans Parish institutions will also receive FEMA rebuilding aid

**ORLEANS PARISH**

OVERVIEW OF PA ACTIVITY AND DETAILED “PUBLIC” SECTOR SNAPSHOT - (NON-PNP)

AS OF JANUARY 5, 2007

---

### Distribution of Public Rebuilding Projects in Orleans Parish (Categories C-G)

- **Road Systems - (C)**
- **Water Control Facilities - (D)**
- **Buildings & Equipment - (E)**
- **Utilities - (F)**
- **Parks/Other - (G)**

---

### Source: LRA

City of New Orleans, LA | 32

Produced by the Louisiana Recovery Authority
NORA: Key to recovery implementation

New Orleans Redevelopment Authority (NORA)

• Established by Louisiana Legislature “to eliminate and prevent spread of slums and blight in accordance with community improvement plans”

• Puts adjudicated, blighted housing back into commerce to create affordable housing options

• Under Mayor Nagin’s leadership, revamped to aid in City’s disaster recovery
  – Authorized to accept federal, state and local funds
  – Will take advantage of New Market Tax Credits
  – Expanded range of financing options approved by Legislature

Source: City IGR; City ORM
Overview of Recovery Management Office

Office of Recovery Management

- Guide Recovery and Set Strategy
- Coordinate all Federal Funds for Parish notes.
- Interact with and be primary contact for LRA, FEMA, HUD, Fannie Mae and all other public and private Organizations engaged in recovery
- Primary contact and Mayor’s Rep to NORA and Planning Commission

Edward J. Blakely
Mayor’s Executive Director
Recovery Management

Rebecca Mann
Executive Assistant

Liaise
City Council
City Clerk
12/16/2006

Liaise
Finance
City Attorney
Econ Dev
NORA
12/16/2006

Name
Manager
Infrastructure and Planning
12/16/2006

Name
Manager
Settlement
12/16/2006

Name
Manager
Housing
Technology
12/16/2006

Name
Manager
Resource Development
12/16/2006

Consultants Volunteers

Consultants Volunteers

Consultants Volunteers

^Infrastructure projects
^Hazard Mitigation
^Disaster relief funding programs

^Design of a new city settlement plan
^Commercial Locations Plan
^Settlement Security Program

^Grants and Funding Streams
^Schools, Churches and Voluntary based
^Community Based Organizations
^Regional Agencies

Source: City ORM
Recovery strategy framework developed

(1) Continue the healing and consultation
Build a comprehensive program that
• Engages and resources residents in the recovery process
• Sustains community participation in shaping the future development of the City, Parish and Region

(2) Improve safety and security in all communities
Enhance emotional and social quality of life in the City for all residents in all locations by
• Reducing physical threats to personal security
• Re-establishing basic human health and educational service

(3) Develop a more diverse and robust economy
Develop a new, more diverse economic base focused on
• International trade
• Digital media
• Health systems
• Advanced business services
Become the gateway to the growing South American, Sub-Saharan African and Caribbean trade zones

(4) Build an infrastructure for 21st and 22nd centuries
Use the recovery process to design and develop leading-edge physical and social infrastructure
Make the City competitive globally

(5) Establish a smart and sustainable settlement pattern
Ensure residential and commercial rebuilding and resettlement that
• Increases community physical land use security
  - Meets the challenges of
  - Global climate change
  - Environmental justice
• Sustainable community social and economic development

Source: City Office of Recovery Management
Recovery strategies: elevating neighborhoods

NOTE: Concept only and for discussion purposes
Source: City Office of Recovery Management
Recovery strategies: using garage for elevation

NOTE: Concept only and for discussion purposes
Source: City Office of Recovery Management
Elevating and Protecting

NOTE: Concept only and for discussion purposes
Source: City Office of Recovery Management
Recovery strategies: land swaps and lot sizes

- Existing roads to be constructed
- New roads to be constructed and dedicated
- All new lots to be serviced with water, sewer, electrical & telecommunications.

Before:

- Area of land held by existing owner

After:

- Area of land held by existing owner
- Area of land traded
- Area of land to be dedicated as road
Recovery strategies: neighbors share green space
Recovery strategies: creating “clustered” communities
Recovery strategies: creating low movement communities

NOTE: Concept only and for discussion purposes
Source: City Office of Recovery Management
Recovery strategies: integrated neighborhood commercial centers

NOTE: Concept only and for discussion purposes
Source: City Office of Recovery Management
Recovery strategy: reconceiving public housing (before)

Source: City Office of Recovery Management
Recovery strategy: reconceiving public housing (after)
Recovery strategy: reconceiving civic design (before)

Source: City Office of Recovery Management
Recovery strategy: reconceiving civic design (after)
Recovery strategy: leveraging public dollars with private financing tools

Source: City Office of Recovery Management
Recovery strategy: affordable housing at scale

Key elements of the strategy:
- NORA aggregate and bundle housing stock
- Hazard mitigation strategies required
- Fund developer, 200-500 units at a time
- Affordable workforce housing built to community style
  - Teachers, first responders and low income home buyers
  - Lease purchase and Fannie Mae Mortgage Assistance
  - 70% -80% affordable, 20-30% market rate

NOTE: Concept only and for discussion purposes
Source: City Office of Recovery Management
Recovery strategy: understanding brain pool

Region needs to retain 20-34 year old population

NOTE: Concept only and for discussion purposes
Source: City Office of Recovery Management
Recovery vision: new bond-funded neighborhoods
Example: Poydras Street
Example: Canal Street streetscape upgrade (underway)

Source: Office of the Mayor
Example: City Park master plan for families and children (underway)
Example: Riverfront Development (underway)

Trust for Public Land
Proposed Greenway and Retail

Riverfront Living
165 Charles Street, New York

Pedestrian Path
Ferry Terminal, Yokohama, Japan

Source: Office of the Mayor
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2006 Budget overview

2006 budget gap of $205 million

• Pursued loans and grants

Revenues enhanced over adopted budget estimates

• Sales taxes at 78% of prior year collections
• Property taxes at 86% of billing and 77% of prior year
• Other revenues up versus budget estimates

State GO Zone/Tax Credit Bond proceeds to help with debt service payments

Second phase of Community Disaster Loan (CDL) available to close projected $17.6 million FY 2006 gap

• Also to help with future years, achieving self sufficiency by 2011

Source: City CFO
2007 Budget priorities set

(1) Public Safety Enhancements

(2) Acceleration of Recovery/Infrastructure Restoration

(3) Quality of Life Enhancements

(4) Recruitment & Retention of City Employees
2007 Budget priorities: public safety

Public safety enhancements

• Challenges
  – Resurgence of violent crime
  – Damaged criminal justice system
  – Attrition of police force

• Solutions
  – Prioritized restoration of criminal justice infrastructure
  – Budget for competitive ADA salaries
  – Redeploy crime cameras

Source: City CFO
2007 Budget priorities: infrastructure recovery

Acceleration of recovery/infrastructure restoration

• Re-prioritize normal annual allocations of federal and local redevelopment revenues

• Gutting/Remediation
  – $15 million in federal grant funds to gut and board up 5,000 homes
  – Target seniors/low-to-moderate income families

• Demolition
  – $5 million of annual federal grant allocation for 10,000 demolitions by year-end 2007

• Homeowner Loan Program
  – $11 million of locally-controlled funds
  – Leveraged 5-1 by local banks at low interest
  – Complementary to Road Home Program
  – Homeowner must be registered with LRA to receive up to $50,000 in six-month no-interest bridge loan for home reconstruction

Source: City CFO, Office of the Mayor
2007 Budget priorities: quality of life enhancements

Quality of life enhancements

• Cleaner City initiatives
  – Improved sanitation contract
  – Daily trash collection in high-tourist areas

• New Orleans Recreation Department improvements
  – 4 recreation centers, 4 stadiums, 4 pools, 10 supervised playgrounds in operation in 2006
  – Re-started after-school tutoring programs
  – Average over 6,000 participants - children, teens, adults, participating weekly in recreational, educational and cultural programming
  – Targeting restoration of additional pools, centers, Junior Golf Program and Tennis Program in 2007

• Parks & Parkways investments
2007 Budget priorities: City employees

Recruitment & retention of City employees

• 10% across the board salary increases

• Minimum wage to $7.50 for City employees

• Increased staffing and pay rates in City Planning and Safety & Permits departments

Source: City CFO
FY 2007 ALL FUNDS COMPOSITION
($766,183,944)

- GENERAL FUND, $411,628,133 (54%)
- FED. GRANTS, $147,905,878 (19%)
- HUD GRANTS, $66,065,877 (9%)
- OTHER NON-GEN. FUND, $122,694,300 (16%)
- STATE GRANTS, $17,889,756 (2%)

Source: City CFO
### Distribution of Fund Balance:

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<th>2005</th>
<th>2006</th>
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<td>(Revised)</td>
<td>(Budgeted)</td>
<td>(Projected)</td>
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<tr>
<td>Net change in Fund</td>
<td>$63,336,185</td>
<td>$621</td>
<td>($6,627,372)</td>
<td>$278</td>
<td>$600</td>
<td>$2,713</td>
<td>$5,009,300</td>
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<tr>
<td>Fund Balance:</td>
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<tr>
<td>Beginning of Year</td>
<td>$3,195,068</td>
<td>$66,531,253</td>
<td>$66,531,874</td>
<td>$59,904,502</td>
<td>$59,904,780</td>
<td>$59,905,380</td>
<td>$59,908,093</td>
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<tr>
<td>End of Year</td>
<td>$66,531,253</td>
<td>$66,531,874</td>
<td>$59,904,502</td>
<td>$59,904,780</td>
<td>$59,905,380</td>
<td>$59,908,093</td>
<td>$64,917,393</td>
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<tr>
<td>Distribution of Fund</td>
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<tr>
<td>Designated</td>
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<td>Unreserved and</td>
<td>$43,041,893</td>
<td>$43,042,514</td>
<td>$36,415,142</td>
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<td>$36,416,020</td>
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</tbody>
</table>

Source: City CFO
2007 Budget: general fund revenue composition

FY 2007 GENERAL FUND REVENUE COMPOSITION
($411,628,133)

- Property Tax: $68,156,979 (17%)
- Sales Tax: $122,767,828 (30%)
- Loans: $70,599,239 (17%)
- Other Recurring: $143,476,715 (34%)
- Fund Balance: $6,627,372 (2%)

Source: City CFO
## 2007 Budget: general fund revenues year on year

### GENERAL FUND REVENUES

(in $000's)

<table>
<thead>
<tr>
<th>Year</th>
<th>Property Taxes</th>
<th>Sales Tax</th>
<th>Other Revenues</th>
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</thead>
<tbody>
<tr>
<td>FY 2004 (Actual)</td>
<td>$80,103</td>
<td>$150,723</td>
<td>$248,386</td>
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<td>FY 2005 (Unaudit)</td>
<td>$116,962</td>
<td>$150,723</td>
<td>$289,301</td>
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<td>FY 2006 (Revised)</td>
<td>$115,492</td>
<td>$63,471</td>
<td>$167,585</td>
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<td>FY 2007 (Budget)</td>
<td>$122,768</td>
<td>$68,157</td>
<td>$171,449</td>
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</tbody>
</table>

Source: City CFO
Looking forward: 2007-2011 revenues by source

GENERAL FUND REVENUES

Source: City CFO
Looking forward: 2007–2011 revenues consolidated

GENERAL FUND REVENUES

Source: City CFO
Looking forward: historical property values

NET ASSESSED VALUE
(in $mil.)

Source: City CFO
Looking forward: 2007–2011 revenues

5 - YEAR BUDGET PLAN

Source: City CFO
Looking forward: 2007–2011 outlook (1/3)

Enhanced revenue estimates and recovery

• State Road Home Program
  – $3.7 billion designated for New Orleans homeowners

• $60 billion in insurance settlements to Katrina-affected households and businesses on deposit as of September 2005

• Re-population of City expected to continue to accelerate, especially with completion of Citywide Recovery Plan
Looking forward: 2007–2011 outlook (2/3)

Return of tourism and convention activity

- Return of the Saints to the Superdome
- Realtors Convention Fall 2006
- Hornets basketball team return
- Bayou Classic
- Sugar Bowl
- Traditional Mardi Gras and Jazz Fest
- Essence Festival
- BCS Championship
- NBA All Star Game
- Additional cruise return in 2007
No budget gaps projected

- Discretion in application of CDL Phase 2 funds
- Management of expenses associated with return of services to meet anticipated demand
## Infrastructure needs outstanding

### City of New Orleans

#### 2007 - 2011 Road to Recovery Capital Program*

<table>
<thead>
<tr>
<th>Identified Sources</th>
<th>Applicant's</th>
<th>Expected</th>
<th>Identified</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Estimate</td>
<td>Insurance</td>
<td>Obligated PA</td>
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<td>Public Safety</td>
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<tr>
<td>Quality of Life</td>
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<td>$43,279,909</td>
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<tr>
<td>Public Works</td>
<td>$724,622,899</td>
<td>$654,279</td>
<td>$3,809,615</td>
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<tr>
<td>Property Management</td>
<td>$13,816,500</td>
<td>$816,692</td>
<td>$5,949,301</td>
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<tr>
<td>Other</td>
<td>$30,230,000</td>
<td>$26,600</td>
<td>$6,609,484</td>
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<tr>
<td>Total</td>
<td>$1,035,297,279</td>
<td>$9,742,643</td>
<td>$106,345,764</td>
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</tbody>
</table>

*Source: Unified New Orleans Plan Citywide Team*