

# St. Tammany Fire Protection District No. 1

## Board of Commissioners

### Special Public Hearing Minutes June 25, 2014

The meeting was called to order at 6:45 p.m.

Roll Call: Chairman Crowley and Commissioners McDonald, Risley and Brackett were present.  
Commissioner Kingston was absent.

- 1.) Millage Hearing- To Consider Levying Additional Or Increased Millage Rates Without Further Voter Approval Or Adopting The Adjusted Millage Rate And Rolling Forward To A Millage Rate Not To Exceed The Prior Year's Maximum-** Chief Kaufmann stated that the Assessor strongly suggested that taxing bodies use the 2013 adjusted millage tax roll when confecting their budgets.

Chairman Crowley read the below notice into the record:

#### MILLAGE ADVERTISEMENT SETTING THE MILLAGE

NOTICE IS HEREBY GIVEN PURSUANT TO ARTICLE 7, SECTION 23 (C) OF THE LOUISIANA STATE CONSTITUTION AND LSA R.S., TITLE 47, SECTIONS 1705 (B) AND 1705.1, THAT THE BOARD OF COMMISSIONERS FOR ST. TAMMANY FIRE PROTECTION DISTRICT NO. 1 WILL HOLD A PUBLIC MEETING AT THE ST. TAMMANY PARISH COUNCIL CHAMBERS, 21490 KOOP DRIVE, MANDEVILLE, LOUISIANA 70471 ON WEDNESDAY, JULY 30, 2014 AT 6:45 P.M. TO CONSIDER AND ADOPT LEVYING ADDITIONAL OR INCREASED MILLAGE RATES WITHOUT FURTHER VOTER APPROVAL OR ADOPTING THE ADJUSTED MILLAGE RATE AND ROLLING FORWARD TO A MILLAGE RATE NOT TO EXCEED THE PRIOR YEAR'S MAXIMUM.

Chief Kaufmann presenting the below Power Point presentation (as corrected based on Councilman Stefancik's comments) :



# Millage Overview

## -

# 2015 Operations

St. Tammany Fire District #1  
June 25, 2014



### Tax Roll Millage Projection vs. Actual Collected (continued)

**29.7 BOC approved mill rate for 2014 with a value \$14,658,541 Gross (NET of \$13,485,541).**

In addition, Fire District #1 has a Parcel Fee (expires 2015).

\$39.00 per parcel fee (approximately 32,641 parcels)

Approximately \$1,273,000 is budgeted for 2014.

State Revenue Sharing

Funded by the State of Louisiana from the general fund (ACT 397 – 2013)

\$430,000

Fire Insurance Rebate

Rebate generated at the end of the year as a premium refund.

\$350,000



### Tax Roll Millage Projection vs. Actual Collected

**35 Voter approved mill rate for 2014 with a value \$17,274,375 Gross (NET of \$15,892,425).**

Approximate revenue that is **(\$1,381,950) uncollected.**

8% of tax millage is uncollected.

Part of this revenue also funds other state retirement systems.

2013 Tax Roll (2014 Operating Budget)

Fire District #1 collects approximately \$454,069 per mill (on NET)

5% is budgeted for uncollected (approx. \$863,718)

3% is budgeted for other retirement systems (approx. \$518,321)

Total approximate revenue uncollected is \$1,381,950

**This equates to 3.0 mills uncollected**

Which when removed from 35 is 32.0 mills as an actual collected operating millage rate.



### Tax Roll Millage Projection vs. Actual Collected (continued)

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Approximately \$1,273,000 is budgeted for 2014.

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\$430,000 (2014 figure)

Fire Insurance Rebate

Rebate generated at the end of the year as a premium refund.

\$350,000 (2014 figure)



## Tax Roll Millage Projection vs. Actual Collected

(break-even analysis for the 2014 to 2015 proposed budget)

### 2014 Funded Deficit

Deficit Funding: (\$1,000,000)

Equates to 2.2 mills

### 2015 Bond Certificate Note

2015 Bond Certificate (\$3 million) Debt Payment: (\$360,990/yr.)

Equates to .8 mills

**Total 3.0 mills**

Addition of 3 mills would be required to breakeven without any adjustments to any cost of living or budget line items.

NOTE: The funding of the Operating Budget, by unrestricting \$990,000 from the Major Apparatus Fund, limits the ability to fund future capital projects.

*Please realize there is a difference in value of the mill vs. the mill rate.*

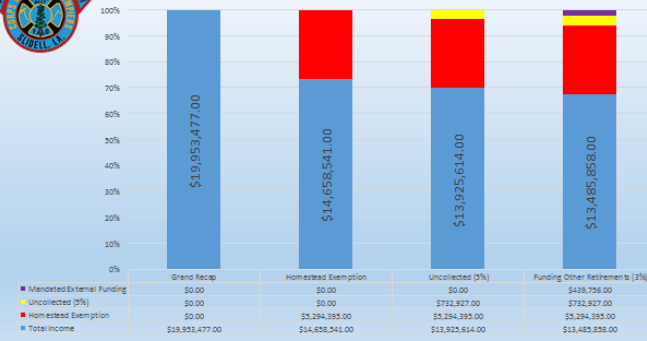


## 6 Year Un-Levied Millage History (Roll Back)

Year	Millage	Value per mill	Amount not Levied	Parcel Fee Funding	Budgeted (Deficit) Surplus
2009	5 mills	\$386,000	\$1,930,000	None	(\$1,093,923)
2010	4 mills	\$404,645	\$1,614,580	50%	(\$818,779)
2011	6 mills	\$412,344	\$2,474,064	50%	(\$818,047)
2012	5 mills	\$411,633	\$2,058,165	100%	(\$488,615)
2013	5.3 mills	\$450,235	\$2,386,245	100%	\$679,082
2014	5.3 mills	\$454,000	\$2,406,200	100%	(\$1,000,000)
	<b>30.6 mill Deduction</b>	<b>Total Roll Back (6 Years)</b>	<b>\$12,869,254</b>		<b>(\$3,540,282) (7.8 mills)</b>

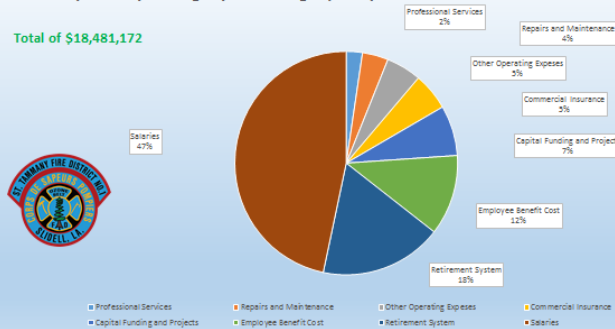


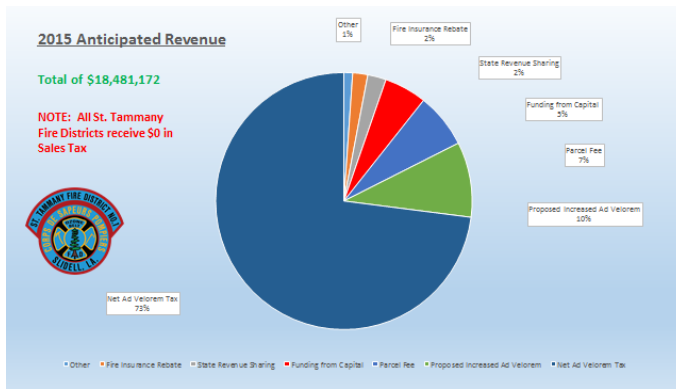
## 2014 Grand Recap Analysis



## 2015 Proposed Operating Expense Budget (Draft)

Total of \$18,481,172





**Fire District No.1 – Cash Report as of May 31, 2014 (1 of 2)**

Uncommitted Funds (Balance of All Accounts)	\$20,672,162
Monies needed to fund balance of the year 2014.	(\$ 8,396,014)
<b>Less Restricted Funds</b>	
Debt Service Fund Balance	(\$ 133,392)
Rolling Stock & Facilities Fund Balance	(\$ 8,218,106)
Disaster Fund Balance	(\$ 996,295)
Contingency Fund	(\$ 2,000,000)
<b>Estimated Ending Balance</b>	<b>\$ 928,355</b>
Transfer to fund 2014 Budget (to balance General Fund)	(\$ 1,000,000)
Estimated Surplus from the Current Year	\$0
<b>Total Estimated Uncommitted Funds (Deficit)</b>	<b>(\$ 71,645)</b>

**Fire District No.1 – Cash Report as of May 31, 2014 (2 of 2)**  
(continued)

2014, 2015, and 2016 Projections & Possible Projects			
Debt-Service Tax Certificate Funding (\$360,990 approx. per year)			(\$ 718,523)
			(\$ 790,168)
<b>Long-Term Projects</b>	<b>Proposed Dates</b>		
Land Purchased	2014	\$ 900,000	
Station 18	2015	(\$ 1,500,000)	
Engine 18	2015	(\$ 400,000)	
Station 11	2015	(\$ 2,000,000)	
Station 13 & HQ	2016	(\$ 1,500,000)	
New Apparatus	2016	(\$ 400,000)	
<b>Total Long-Term Projects</b>		<b>(\$ 4,900,000)</b>	
<b>Total Uncommitted Funds (Deficit) after all above Projects</b>			<b>(\$ 5,690,168)</b>

**Questions?**

**Thank you!**

St. Tammany Fire District #1  
June 25, 2014

Below are a couple of topics discussed during the Power Point:

Chairman Crowley stated that we obtained a Tax Certificate, at a very low interest rate, which will not have an immediate impact on the taxpayers (pay back the debt over a period of time, vs. raising the millage all at once, for projects).

Chief Kaufmann stated that in 2013, St. Tammany Fire Dist. #1 paid off previous Tax Certificates

Chief Kaufmann stated that in 2010, St. Tammany Fire Dist. #1 received forgiveness on FEMA loans. The funds for repayment were budgeted; therefore, available for use upon forgiveness.

Chief Kaufmann stated that the retirement for other agencies is a mandate, and funded on net collections; however, the Assessor's retirement is funded on gross funds.

Councilman Binder inquired into uncollected property tax, and a home going into foreclosure, and in the event that it is purchased at tax sale, does the department receive the tax funds. Chief Kaufmann stated that he is unaware when/if those funds are received. Councilman Binder recommended that the Board, and/or Attorney look into this.

Chief Kaufmann stated that we will vote for our millage on July 30; however, the appeals process, through the Assessor, is from August 1- 30; after we have already voted on our millage.

Chairman Crowley reported that the "Contingency Fund" has been established to assist with operations when funding is not available (i.e. not receiving ad valorem funds during in Jan. and/or February of each year).

Chief Kaufmann explained that the "Rolling Stock and Facilities" account is for relocation of Dispatch, Multi-Purpose Bldg., Haz Mat truck, staff vehicles, 77' Ladder truck, capital improvements on facilities, etc.

There was a discussion on Station 18, and the improved response time that we will have, once built; thus a potential reduction in insurance for property in that area. Councilman Binder stated that while he does believe there may be a reduction in insurance, he stated that he doesn't trust the insurance companies, as he has never seen a reduction. He suggested that we contact the Public Service Commission and require that when any fire district helps get a reduction, that the reduction is shown. Chief Kaufmann stated that not all insurances honor reductions in PIAL rating adjustments, etc. Additionally, Chief Kaufmann stated that we are currently preparing for the 2016 PIAL re-assessment.

Councilman Binder inquired into whether we intend to go out for the renewal of the parcel fee, in 2015. Chief Kaufmann confirmed that he intends to renew the parcel fee. He also inquired into whether the Fire Dist. is responsible for paying a portion for the purchase of furniture, equipment, etc. for the Assessor's office. Chief Kaufmann confirmed that we are responsible for a portion.

Councilman Stefancik thanked the board for working toward a new Station off Airport Rd. Chief Kaufmann stated that we have a strategic plan that will result in the relocation of other stations/facilities, in order to improve the PIAL rating.

Councilwoman O'Brien commented on the great job that our department does with educating the public.

Councilman Binder stated that while he makes appointments to our board, he feels that the board and the Administration do a good job with checks and balances when preparing for a big vote, such as the upcoming millage vote.

Chairman Crowley stated that the strategy, moving forward, is that the Board has the responsibility of providing the revenue and the funding in order to perform efficiently. Additionally, the Chief's challenge is to provide the most efficient budget and advise of his needs. Chairman Crowley stated that this process is done, all while keeping the constituents best interest in mind.

06/25/14

Chairman Crowley stated that he has heard the statement, "Don't raise the millage", many times. He further stated that if the value of the mill changes, and goes down, we will have to raise the mills, in order to collect the same dollar value. Chairman Crowley stated that the approach that the Board has, when it comes to levying a millage number, is that they will not take any more than what is needed.

The floor was opened for public comment:

Erik Johansen (Madisonville) - Mr. Johansen inquired into what the fire insurance taxes were. Chief Kaufmann explained that there is a State insurance fund, and any left over money is disbursed amongst fire districts, based on population.

Cindy Franatovich (Slidell) – Ms. Franatovich inquired as to how many mills we were requesting. Chairman Crowley stated that the budget is still being evaluated and a final millage rate will be voted on July 30. Chief Kaufmann addressed her concern on going over 35 mills, stating that we can't go higher than 35 mills for the next 10 years. Ms. Franatovich requested a copy of the Power Point. Chief Kaufmann advised that after it is corrected, we will get her a copy. Additionally, Ms. Franatovich inquired as to the reason this hearing was not held in Slidell. Chief Kaufmann stated that Act 258 was passed, with Rep. Burns authoring the bill, which requires a public hearing to be held, at a venue selected by the Parish Council. Additionally, Chairman Crowley stated that he felt the intent was to afford the best, and most, opportunity to get the word out.

In closing, Chief Kaufmann stated that the Fire Districts play a crucial role in attracting businesses, and we want to work diligently in providing the best fire protection for our citizens. Additionally, he stated that education and communication is the key for moving forward.

***Commissioner Risley made a motion to adjourn. Commissioner Brackett seconded the motion. The motion carried unanimously.***

***The meeting adjourned at 8:45 p.m.***