

PRESS RELEASE

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Fire District No. 1 Not Considering Full Roll Up of Millage

Today Fire District No. 1 Fire Chief Larry Hess announced that the Slidell area fire department will not recommend a roll up their millage next year to the full 35 mills approved currently by the voters.

Last year Fire District No. 1 rolled back five of their 35 voter approved mills to reduce the tax burden on those paying taxes in Wards 8 and 9. On a home with a net assessment of approximately \$14,105 the 30 mills that the Fire District reduced its taxes to last year translated into \$423 for that taxpayer. That was an average of \$14 per mill.

Hess said he would recommend to the Board of Commissioners that they consider a roll forward of 32.92 mills. Hess stated that this small increase is needed to fund a \$1 million mandate imposed by the Louisiana Firefighter's Retirement System. Currently the employer contribution to this retirement system is set at 14% of payroll. Fire departments throughout Louisiana have been recently notified that the retirement system will charge them an increase to approximately 25% next year. The result of this unfunded mandate is about \$1 million to our taxpayers.

The additional rate imposed by the Retirement System is expected to continue at its increased rate for 4 to 5 years.

Hess noted that he will not propose to the Board of Commissioners a roll up beyond that which is needed to meet the Retirement System's unfunded requirement. He further noted that the incremental increase applied to the example above is about \$40 per year or less than a dollar per week. Hess said that the fire department will continue making the necessary operational changes and accepting reasonable risks without sacrificing services to the public or the safety of the 144 members of the fire department that allow the department to sustain a millage rate lower than the voter approved maximum.

Hess further stated that he is aware that there becomes a point at which the budget deferrals currently being made by the fire department will have to be addressed; however, he said, when everyone else is being called upon to make sacrifices the fire department must do what it can short of decreasing the public safety profile or increasing safety or health risks to firefighters.

We have heard for some elected officials and citizens that we should discontinue some of the emergency services we deliver, shutdown fire stations, lay members off, and a variety of suggestions that impact the community more negatively than positively said Hess.

The truth of the matter is that shutting down fire companies will only expose homeowners and business owners to increased insurance premiums based on manpower, water pumping requirements, and response times that are all used by the Property Insurance Association of Louisiana when they survey a fire district and calculate the rating insurance companies will use to charge premiums Hess said.

Hess continued that there is, unfortunately, a point at which we reduce fire department services and capabilities and the homeowner's insurance premium is higher than the taxes.

Unlike reducing the services of some public agencies or even eliminating them could result in some tax savings, when applied to reducing fire department capabilities the opposite is true. The final result, Hess said, is while we're shutting down fire stations and reducing our capacity to assist the public, homeowners may be paying more for it.

The Fire Chief will make his recommendation not to roll forward to the full rate during the Fire District's August 18th meeting to be held at the Fire District's Academy at 34780 South Range Road at 5:30 PM.