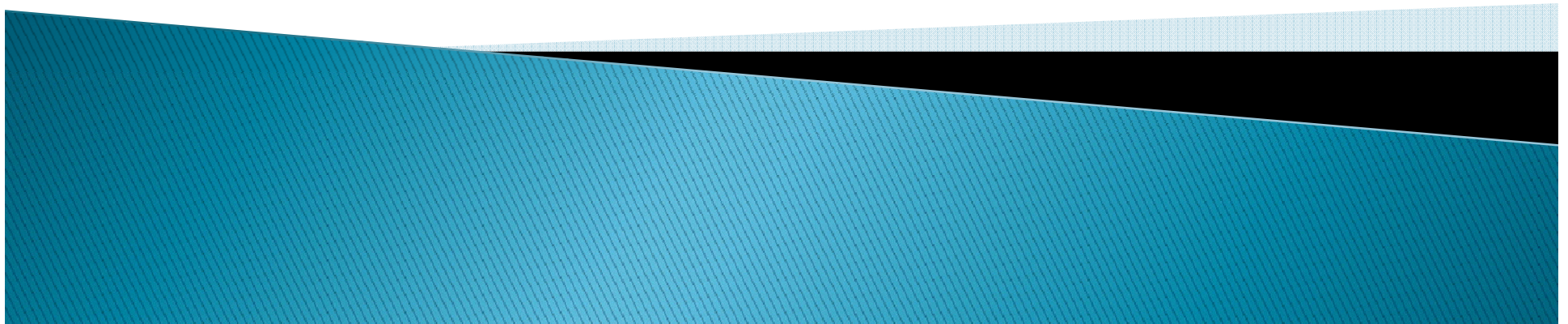


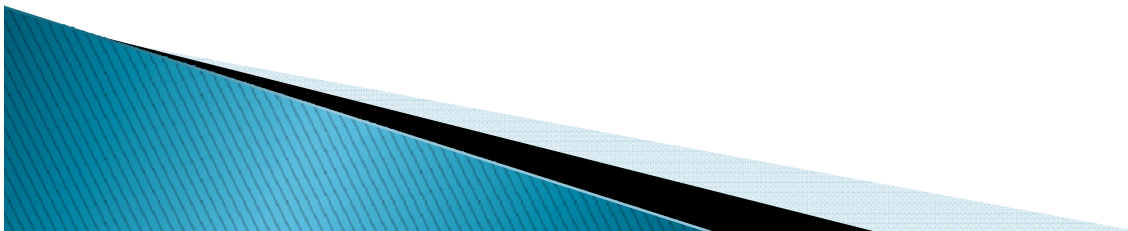


St. Tammany Fire District No. 1 Financial Overview



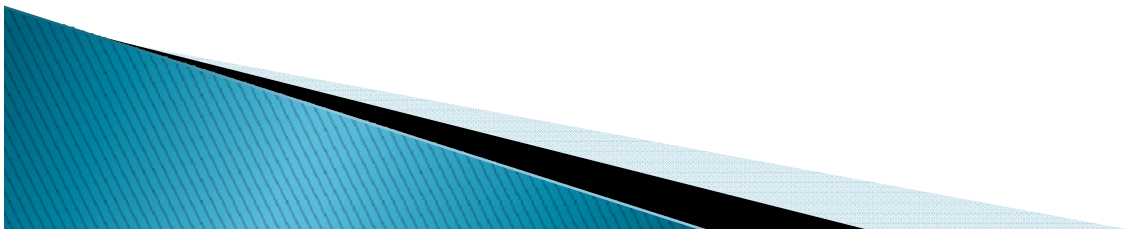
What Is Impact A Mill of Property Tax?

- ▶ On a property valued at \$200,000, after the \$75,000 homestead exemption is applied, the cost of a mill is approximately **\$12.50**.



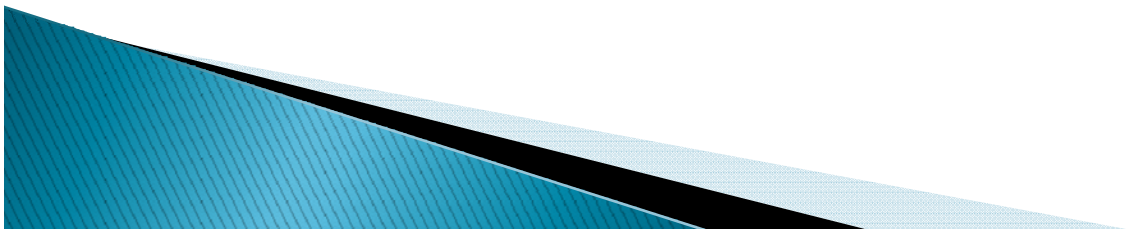
Six Year Rolling Millage History 2005-2010 Fire District No. 1

▶ 2010-	\$12,231,089	@31 Mills
▶ 2009-	\$11,110,000	@30 Mills
▶ 2008-	\$9,241,449	@35 Mills (23.45 Mills)
▶ 2007-	\$8,465,718	@35 Mills (23.45 Mills)
▶ 2006-	\$7,432,892	@35 Mills (26.25 Mills)
▶ 2005-	\$9,068,114	@35 Mills



Starting Salaries

- ▶ FD-1 Slidell \$26,000/year
- ▶ FD-2 Madisonville \$24,384/year
- ▶ FD-8 Abita Springs \$28,500/year
- ▶ FD-4 Mandeville \$31,000/year
- ▶ Sheriff's Office \$36,400/year
- ▶ Slidell Police Department \$31,000/year



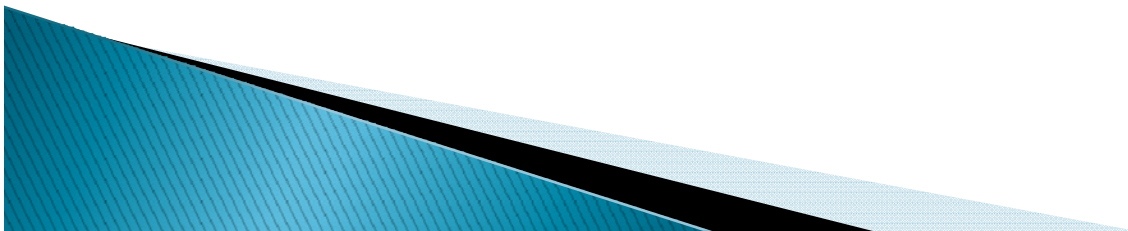
Six Year Average Realized Millage Collection

- ▶ “Live Within Your Means”

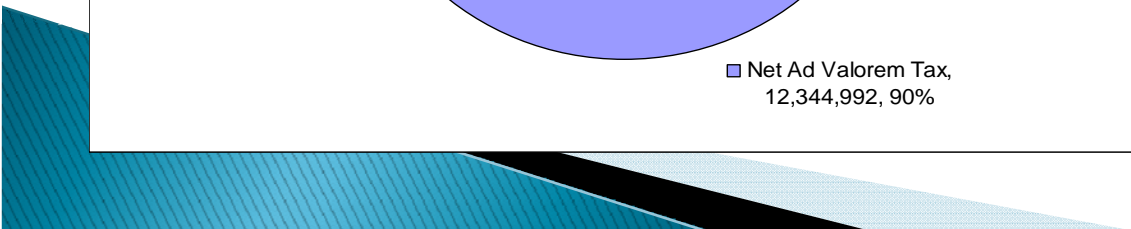
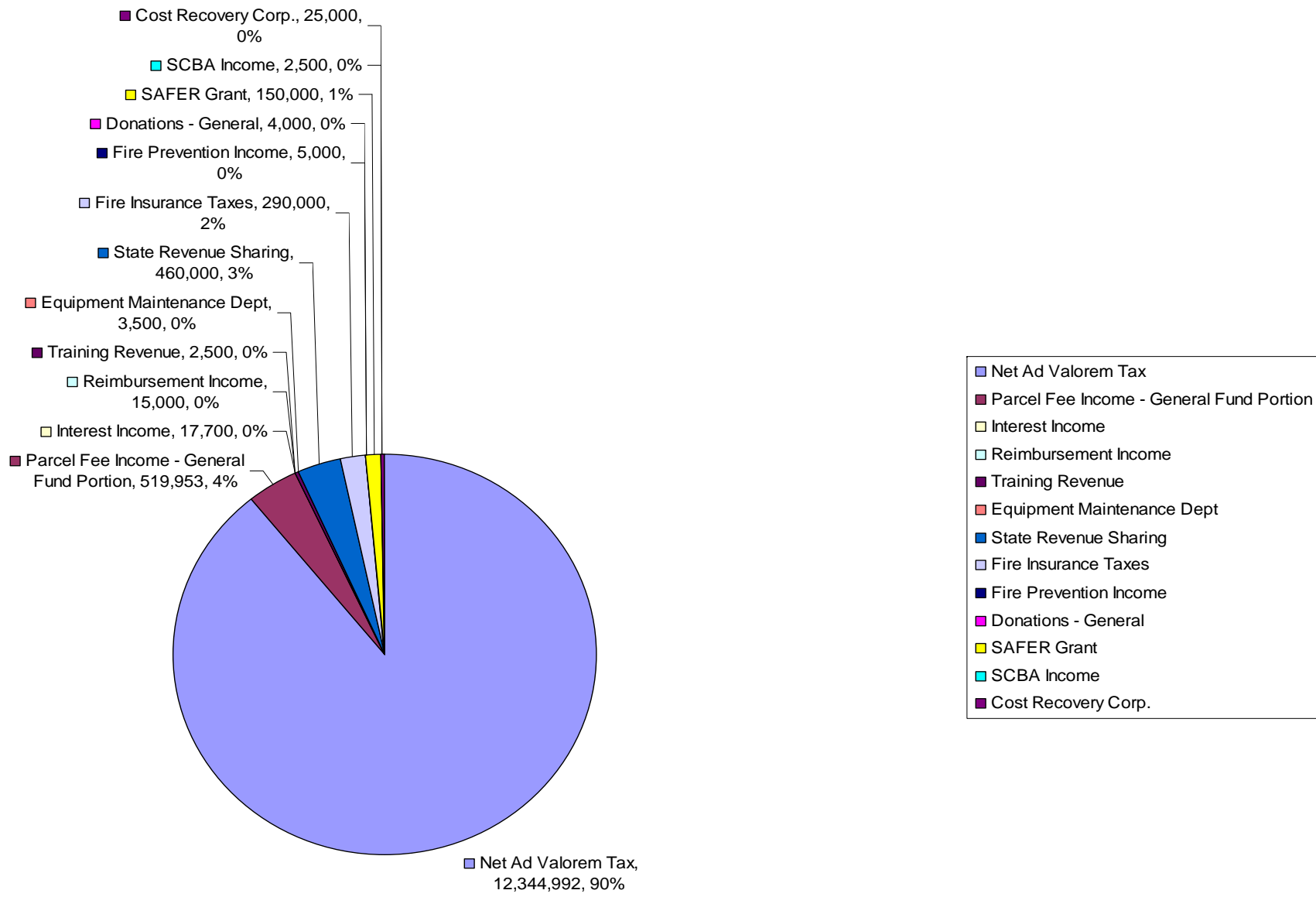
- ▶ 26.83 Mills

- ▶ Versus

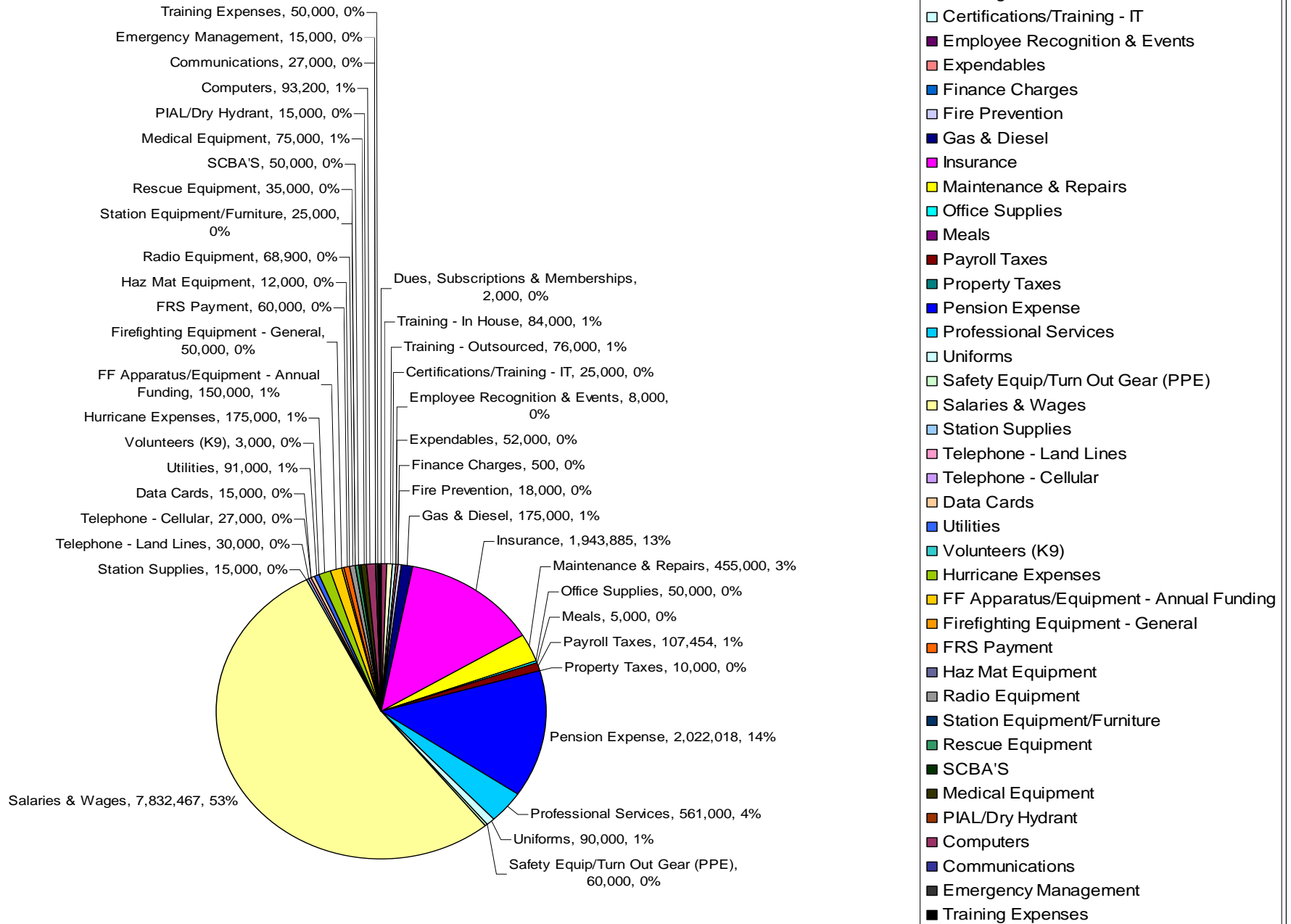
- ▶ 35.00 Mills



STFPD1 Revenue

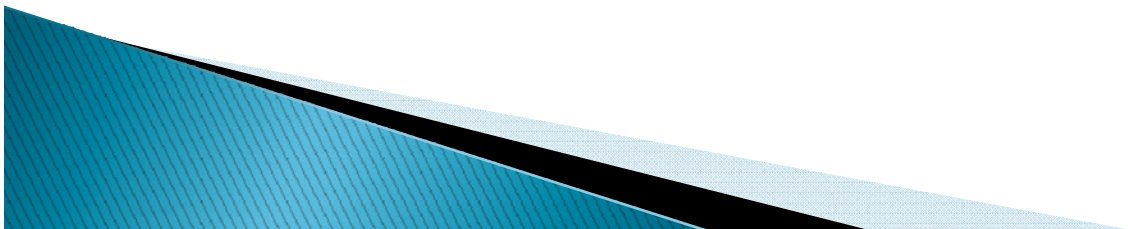


STFPD1 2010 Proposed Expenditures



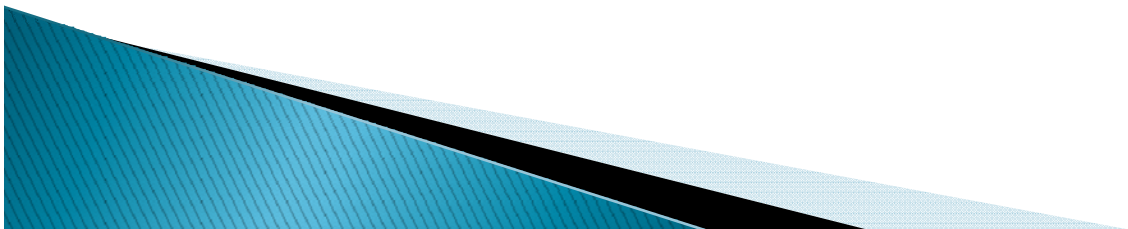
Homeowner's Insurance Premiums VS Service Reductions

- ▶ Fire District No. 1 is rated by the PIAL into 2 Rating Territories
 - Territory "A" has a 3 Rating
 - Territory "B" has a 4 Rating



Homeowner's Insurance Premiums
VS
Service Reductions (Based on 31 Mills)
"An Expensive Inverse Relationship"

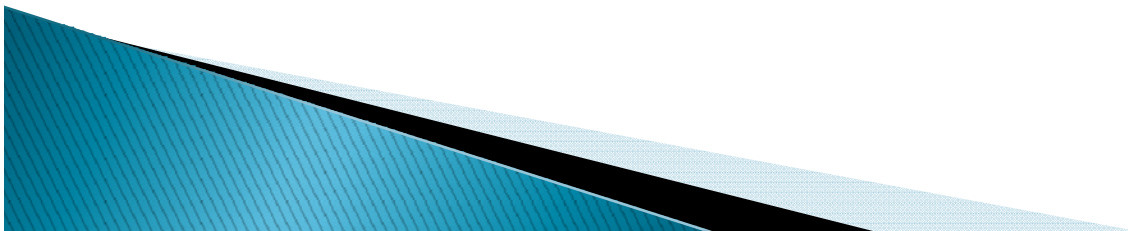
- ▶ Territory "B" would lose one PIAL Rating Point with any service reduction
- ▶ This drop to a 5 rating will increase homeowner's insurance premiums according to the Louisiana Department of Insurance calculations



Homeowner's Insurance Premiums VS Service Reductions (Continued)

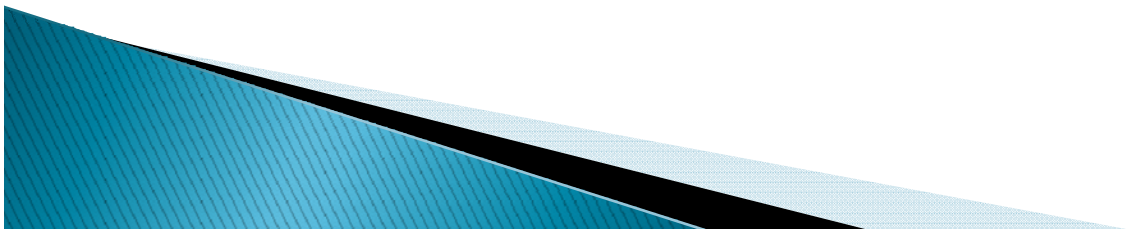
▶ EXAMPLE

- ▶ Loss of One PIAL Rating Point in Territory "B"
- ▶ Home Insured Value \$150,000
- ▶ Average Current Premium \$1,378 (4 Rating)
- ▶ Average Adjusted Premium \$1,476 (5 Rating)
- ▶ Very Conservative Numbers



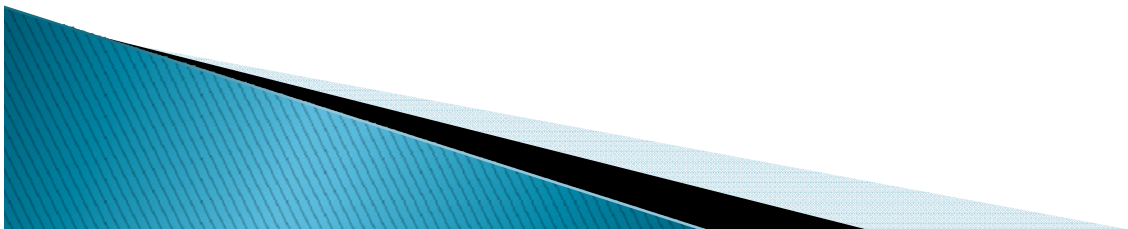
Homeowner's Insurance Premiums VS Service Reductions (Based on 31 Mills)

- ▶ Average Increase of 7.1%
- ▶ \$98/year increase = 7.84 Mills
- ▶ Lowest Probable Increase \$29/year
 - ▶ \$29/year increase = 2.25 Mills
- ▶ Highest Probable Increase \$167/year
 - ▶ \$167/year increase = 13.36 mills
- ▶ *Info provided by La. Dept. of Insurance



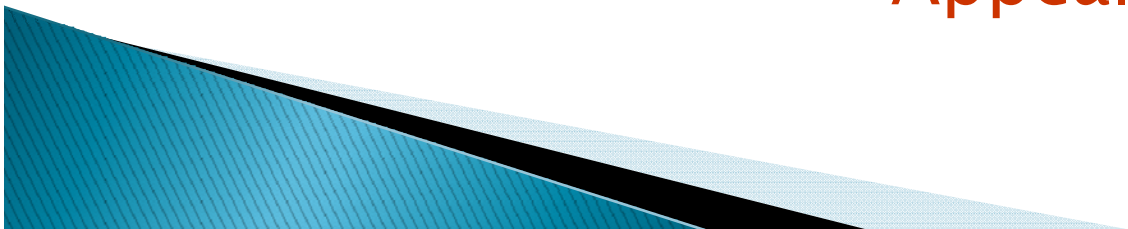
Service Reduction Impact Summary

- ▶ Reducing Revenues To the Point of Reducing Service Deliverables Results In Higher PIAL Protection Ratings
- ▶ Higher PIAL Protection Ratings Increase Homeowner's Insurance Premiums
- ▶ In Most Cases The Premium Increase Is Higher Than The Millage
- ▶ The Millage Is **Tax Deductible**
- ▶ You Pay More To Get Less



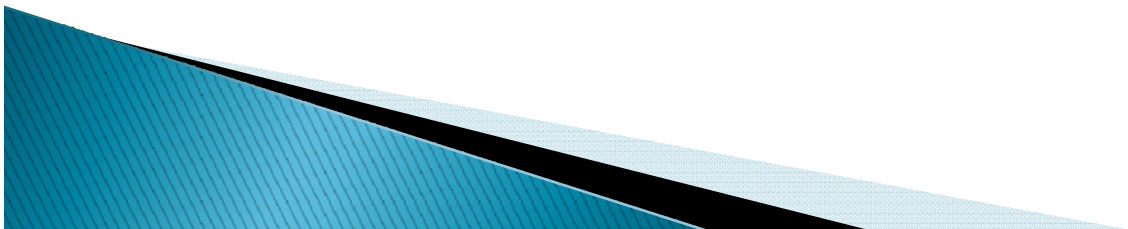
Net Revenues Versus Grand Recap “What You See Ain’t What You Get”

- ▶ Tax Assessor’s Certified Grand Recap For 2009 (2010 Operating Budget) =
\$13,294,662
- ▶ Fire District No. 1 Will Net Approx. 8% Less
 - ▶ **\$12,231,089**
 - ▶ Why Is There A Loss of **\$1,063,573**?
- ▶ **3% Of Our Gross Must Support Other State Retirement Systems**
- ▶ **4% to 5% is Uncollected or Adjusted Due To Appeals**



Unfunded Mandates

- ▶ \$1,000,000 for the next 4 to 5 years for the State Firefighter Retirement System



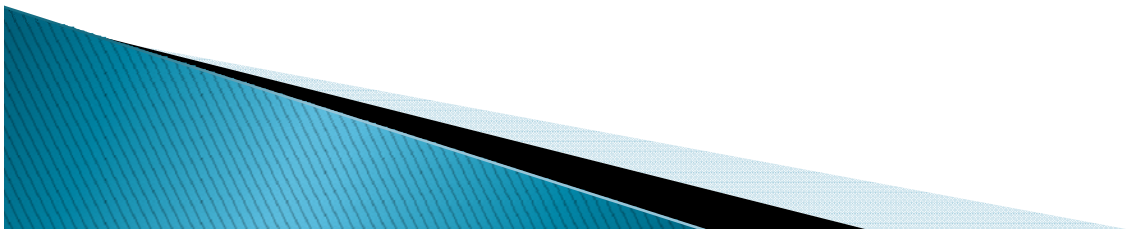
St. Tammany Fire District No. 1

Revenue Fairness Initiative

March 2011

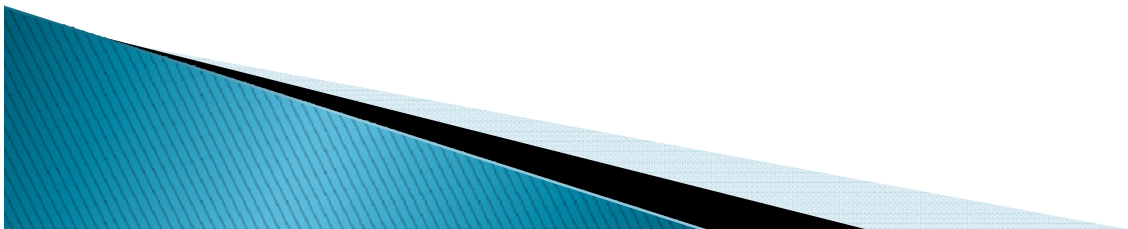
- ▶ Current Voter Approved Maximum Millage Rate = 35 Mills
- ▶ Current Voter Approved Parcel Fee = \$39
- ▶ Current Millage Rate Realized = 31 Mills

- ▶ Desired Maximum = 30?, 31?, 32? Mills
- ▶ Desired Parcel Fee = \$80
- ▶ Future Increases in Property Values Apply to the Parcel Fee; not the Millage Rate!



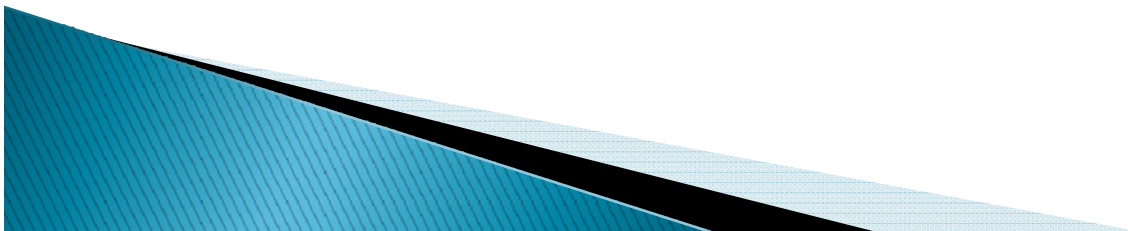
Fire District No. 1 Revenue Fairness Initiative

- ▶ As an example:
 - If a taxpayer was paying \$200/year to the Fire Protection District and their home increased in value 10% during an assessment period, that tax bill would increase by 10% to \$220/year until the next reassessment
 - If the Revenue Fairness Initiative is successful the 10% of increased value would go against the Parcel Fee, which would only result in an \$8/year increase, assuming a Parcel Fee of \$80/year



Benefits of the Revenue Fairness Initiative

- ▶ Everyone pays for the service
- ▶ There is a more effective diversion of revenue streams for the Fire District (not all the eggs are in one basket)
- ▶ Millages are frozen at a lower maximum rate



▶ Thank You

