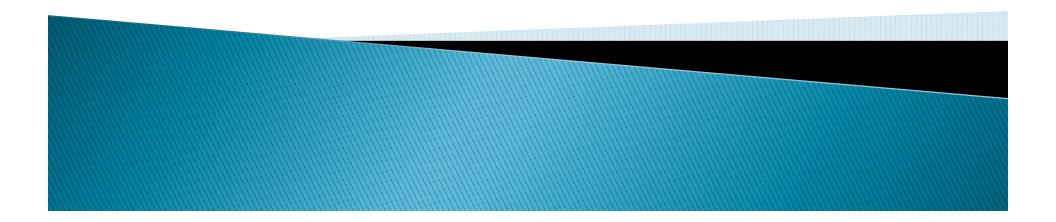
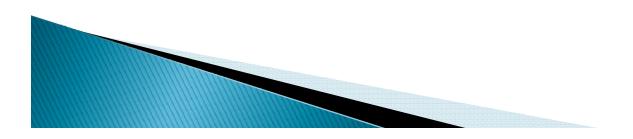


## St. Tammany Fire District No. 1 Financial Overview

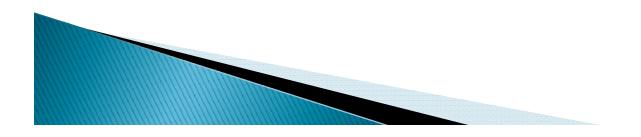


## What Is Impact A Mill of Property Tax?

 On a property valued at \$200,000, <u>after the</u> <u>\$75,000 homestead exemption is applied</u>, 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
- FD-2 Madisonville
- FD-8 Abita Springs
- FD-4 Mandeville
- Sheriff's Office
- Slidell Police Department

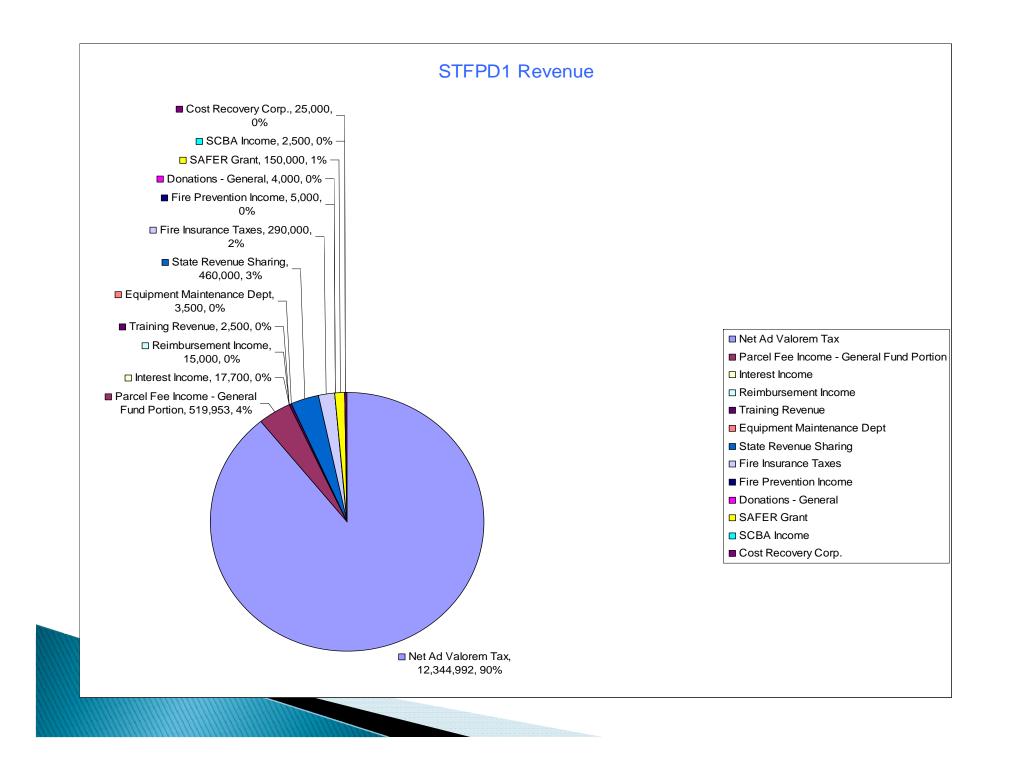
\$26,000/year \$24,384/year \$28,500/year \$31,000/year \$36,400/year \$31,000/year



## Six Year Average Realized Millage Collection

"Live Within Your Means"

# 26.83 Mills Versus 35.00 Mills



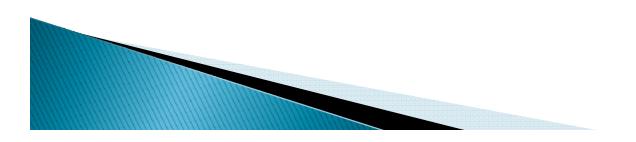
Training Expenses, 50,000, 0%¬	D1 2010 Proposed Expenditures	<ul> <li>Dues, Subscriptions &amp; Memberships</li> <li>Training - In House</li> <li>Training - Outsourced</li> <li>Certifications/Training - IT</li> </ul>
Emergency Management, 15,000, 0% Communications, 27,000, 0% Computers, 93,200, 1% PIAL/Dry Hydrant, 15,000, 0% Medical Equipment, 75,000, 1% SCBA'S, 50,000, 0% Rescue Equipment, 35,000, 0% Rescue Equipment, 35,000, 0% Radio Equipment, 68,900, 0% Haz Mat Equipment, 12,000, 0% FRS Payment, 60,000, 0% Firefighting Equipment - General, 50,000, 0% FF Apparatus/Equipment - Annual Funding, 150,000, 1% Hurricane Expenses, 175,000, 1% Utilities, 91,000, 1% Data Cards, 15,000, 0%	Subscriptions & Memberships, 2,000, 0% ing - In House, 84,000, 1% hing - Outsourced, 76,000, 1% tifications/Training - IT, 25,000, 0% uployee Recognition & Events, 8,000, 0% bendables, 52,000, 0% hance Charges, 500, 0% e Prevention, 18,000, 0% bas & Diesel, 175,000, 1% Maintenance & Repairs, 455,000, 3% Office Supplies, 50,000, 0% - Meals, 5,000, 0% - Payroll Taxes, 107,454, 1% - Property Taxes, 10,000, 0%	<ul> <li>Certifications/Training - IT</li> <li>Employee Recognition &amp; Events</li> <li>Expendables</li> <li>Finance Charges</li> <li>Fire Prevention</li> <li>Gas &amp; Diesel</li> <li>Insurance</li> <li>Maintenance &amp; Repairs</li> <li>Office Supplies</li> <li>Meals</li> <li>Payroll Taxes</li> <li>Pension Expense</li> <li>Professional Services</li> <li>Uniforms</li> <li>Safety Equip/Turn Out Gear (PPE)</li> <li>Salaries &amp; Wages</li> <li>Station Supplies</li> <li>Telephone - Land Lines</li> <li>Telephone - Cellular</li> <li>Data Cards</li> <li>Utilities</li> <li>Volunteers (K9)</li> <li>Hurricane Expenses</li> <li>FF Apparatus/Equipment - Annual Funding</li> <li>Firefighting Equipment - General</li> <li>FRS Payment</li> <li>Haz Mat Equipment</li> <li>Radio Equipment</li> </ul>
Salaries & Wages, 7,832,467, 53%	Pension Expense, 2,022,018, 14%	<ul> <li>Station Equipment/Furniture</li> <li>Rescue Equipment</li> <li>SCBA'S</li> <li>Medical Equipment</li> </ul>
Galanco & Wayes, 7,032,407, 55%	Professional Services, 561,000, 4% Uniforms, 90,000, 1% Safety Equip/Turn Out Gear (PPE), 60,000, 0%	<ul> <li>PIAL/Dry Hydrant</li> <li>Computers</li> <li>Communications</li> <li>Emergency Management</li> <li>Training Expenses</li> </ul>

#### Homeowner's Insurance Premiums vs Service Reductions

Fire District No. 1 is rated by the PIAL into 2 Rating Territories

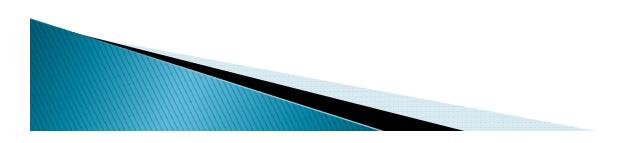
• Territory "A" has a <u>3</u> Rating

• Territory "B" has a <u>4</u> Rating



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

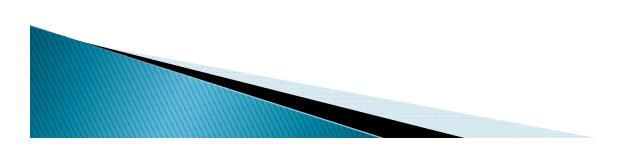
- Territory "B" would lose one PIAL Rating Point with any service reduction
- This drop to a 5 rating will increase homeowner's insurance premiums according to the Louisiana Department of Insurance calculations



## 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 Imapct 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

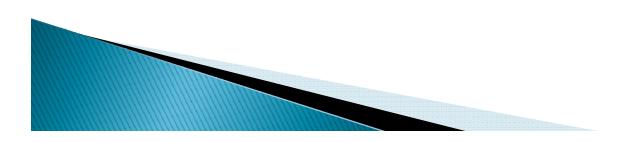


Net Revenues Versus Grand Recap "What You See Ain't What You Get"

- Tax Assessor's Certified Grand Recap For 2009 (2010 Operating Budget) = \$13,294,662
- Fire District No. 1 Will <u>Net</u> 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

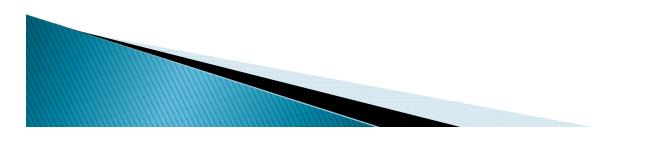
## **Unfunded Mandates**

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



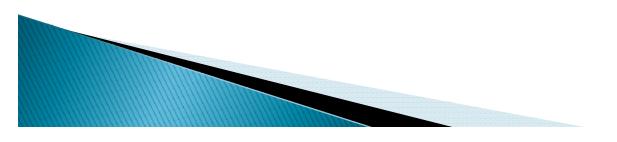
### St. Tammany Fire District No. 1 Revenue Fairness Initiative March 2011

- 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!



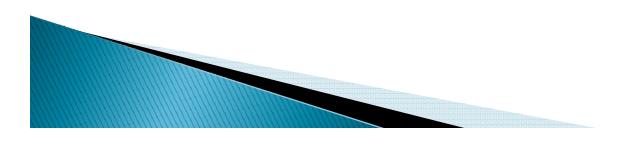
#### Fire District No. 1 Revenue Fairness Initiative

- 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

