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Fire District No. 1 Budget Cuts Chief's Salary, Delays Paramedic Service Expansion

The Board of Commissioners of St. Tammany Fire District No. 1 unanimously approved the fire department's 2010 Operating Budget of \$14,659,424 on Dec. 22.

Chief Larry Hess noted that the 2010 Operating Budget reflects almost \$1 million of unfunded mandates by the Louisiana Firefighter's Retirement System. Commenting on the recent decision to roll forward from 30 mills to 31 mills in property tax assessments, Hess said the single-mill increase was necessary due to unfunded mandates that are placed on the fire district by state and local government agencies.

The 2009 Operating Budget was set at \$13.1 million. The \$1.5 million growth in the 2010 Operating Budget is made up of the nearly \$1 million increase mandated by the Retirement System, approximately \$100,000 in charges for services by local agencies, and the 2-percent annual cost of living increase mandated by State Civil Service on wages and salaries. The 2-percent cost of living increase represents approximately \$155,000 when applied to Worker's Comp Insurance and the Retirement Account.

These unfunded mandates result in \$1.225 million of added operating expense. In light of these figures, the Fire District contained operating expenses to less than \$245,000 over the previous year's operating needs. That equates to a minimal increase of 1.67 percent of expense growth. Hess said, he's very proud of the idea that the fire district, except for unfunded mandates, controlled the budget growth so effectively.

The 2010 Operating Budget also reflects a 4.1-percent reduction in salary requested by Hess and approved during the Board of Commissioner's at its November meeting. The Fire Chief, who receives no health insurance benefits from the Fire District, has also relinquished the use of his take home vehicle to cut costs.

"We have heard the concerns regarding stewardship of the public's money and I think it is incumbent upon the leadership of public agencies to respond," said Hess. "If, by voluntarily reducing my salary, that shows we are 'walking the walk,' I believe that to be a small price to pay to be responsive to our public. I invite other agency leaders to do the same."

Hess said the current protection rating in Territory "B" of the Fire district, typically the unincorporated area, is a "4." If the district were to make financial cutbacks to the point of reducing services, that area would be re-rated at a "5." According to the calculations of the Louisiana Department of Insurance, those home owners would experience an average increase in premiums of 7.1 percent on a home insured for \$150,000. That has the same millage value of an additional 7.8 mills, or a \$98 per year increase.

Hess noted that a home valued at \$200,000, after deducting the \$75,000 Homestead Exemption, generates about \$12.50 per mill.

"To bring the issue into a clearer picture," Hess continued, "we are barely rated at a 4 in Territory B. The true impact of service reductions in that area would probably result in a

rating of a 6. That two-point increase would generate an average increase, according to the Louisiana Department of Insurance, of 12.3 percent on a \$150,000 insured home, or \$169 per year. That has an insurance increase has the value of an additional 13.5 mills."

Hess questioned the wisdom of placing people in the position of paying more while getting less in terms of public safety services.

The fire district will continue to contain expenses by extending the current hiring freeze, delaying capital projects, controlling overtime and "browning out" fire stations as might be required, Hess said.

"We'll also have to slow down on our plans to place additional paramedics on the street for the time being," Hess explained. "Today when a fire engine pulls up to your door for a medical emergency you have about a 50/50 shot of having a paramedic on board. While all of our members can render lifesaving aid, paramedics are uniquely equipped and trained to do some pretty extraordinary things," Hess noted.

"For instance, a paramedic can perform a procedure where they drill directly into the marrow of a patient's leg bone and inject lifesaving medications," Hess said. "It's just this level of professionalism and skill that most folks do not recognize as a service provided by their fire department.

"While we understand the importance of this type of service, we also understand that our customers are telling us to reconsider our timetable to make this available to all of our engine companies on each shift, due to the cost necessary to support this effort," Hess said. "Our 2010 Operating Budget reduces the amount of money we were directing into this program."

Fire District No. 1 serves Wards 8 and 9 of the parish and the City of Slidell. The fire department has 143 career members and its seven fire stations protect approximately 90,000 to 100,000 people in the nearly 140 square miles that comprise the district. Fire District No. 1 personnel respond to approximately 6,500 calls a year. For more information about the District visit www.stfpd1.org.

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