



Summary of Fire District Tax Rate Requests

This table presents a summary of requested increases, financial metrics and staff recommendations. This table only includes Fire Districts requesting tax rate increases.

District	Fire District Requested Rate	Purpose of Request	Operations Ratio ¹	Reserve Ratio ²	Staff Recommended Rate	Staff Notes
Upper Hominy	14.50 to 16.50; 2.00 cents; \$95K	<ul style="list-style-type: none"> Staffing: hire one part time firefighter per shift for Station 2 (newly completed) currently staffed with one full-time resource. 	<p>0.93 (revenues nearly equal expenditures)</p> <p>Decrease from prior year ratio of 1.47</p>	<p>1.30 (approximately 15 months)</p> <p>Decrease from prior year ratio of 1.41</p>	<p>16.50; 2.00 cents; \$95K</p>	<ul style="list-style-type: none"> Additional personnel are needed in order to staff the newly completed Station 2 which is currently staffed with one full-time resource. While the Fire District maintains significant reserves (approximately 15 months, or \$900K), staff does not believe that reserves are an appropriate long-term funding source for recurring personnel expenses (\$100K+ per year). This is because without additional revenue the reserves will be depleted by the recurring expenses. Fire District should develop a plan to proactively utilize reserves that maintains funds for potential financial hardship, but reduces the financial impact on residents of the district (e.g., revenue neutral budget). Fire District requested an increase during the prior year budget cycle, but withdrew that request based on financial review of reserves, debt and spending with County Management.

Notes:

1. The operations revenue compares revenues and expenditures. A ratio greater than 1.00 means that revenues exceed expenses.

2. The "reserve ratio" compares current assets (i.e., cash) to expenditures. A ratio of 1.00 equals approximately 1 year of reserves. Reserves are a planning tool for fire districts and can used to finance large expenditures (e.g., apparatus, facilities).