

Explanation of millage increase:

For fiscal year 2016-2017, Boiling Springs Fire District (the “District”) asks that millage of 26.0 mills be included on the tax bills of the residents of its service area. For fiscal year 2015-16, the District imposed 23.7 mills, which is the same number of mills levied for the previous two tax years. This is an increase of 2.3 mills which is needed to fund: past operating deficits, increased healthcare costs, restoring the reserve account and other costs mandated by other governmental entities.

The value of a mill for the District equals \$157,585.

Section 6-1-320(A)(1) of the Code of Laws of South Carolina, 1976, as amended (the “Code”), allows a local governing body to increase the millage rate imposed for general operating purposes above the rate imposed for such purposes for the preceding tax year only to the extent of the increase in the average of the twelve monthly consumer price indices for the most recent twelve-month period consisting of January through December of the preceding calendar year, plus the percentage increase in the previous year in the population of the entity as determined by the Office of Research and Statistics of the State Budget and Control Board.

Furthermore, Section 6-1-320 suspends its restriction on annual increases of operating millage in two additional circumstances – to maintain a reserve account and in the event of a deficit in the previous year. In previous years, the District has maintained a reserve account to protect its financial well being. However, in the past two years, the District has been required to invade its reserves to offset deficits in the total amounts of \$737,370 and \$583,283, for a total amount of \$1,320,653. In order to restore its reserve account and protect its financial security, the District needs to impose millage in the amount of an additional 2.3 mills.