

# **City of Harahan Demographics Finances and Employee Salaries**

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# CITY OF HARAHAN DEMOGRAPHICS, FINANCES, **AND EMPLOYEE SALARIES**

## HIGHLIGHTS

### Demographics

- Harahan's total population declined by 24% between 1970 and 1990; it has stabilized since 1990.
- The median age of residents increased from 36.8 in 1990 to 41.4 in 2000.
- The number of persons 65 or older increased by over 23% between 1990 and 2000.
- The under-18 population decreased by 8% and the under-5 population by almost 20% between 1990 and 2000.
- Harahan is affluent in comparison with other Jefferson Parish municipalities and the Parish as a whole.
- In 2000, 78% of Harahan's housing units were owner occupied.

### **Finances**

#### Taxes and Fees

- Harahan's combination of residential taxes, charges, and fees is comparable to that of unincorporated areas of Jefferson and lower than combined residential taxes, charges, and fees in Gretna, Kenner, and Westwego.
- For commercial properties, Harahan's combination of taxes, charges and fees result in lower charges in Harahan than in other incorporated or unincorporated areas of Jefferson Parish.

#### Revenues

- Harahan's total general fund revenues, adjusted for inflation, increased by 10.6% from 1996 to 2000.
- Harahan's property tax revenues, adjusted for inflation, declined by 5.2% from 1996 to 2000.

- Harahan's per capita sales tax revenues for 1996 were 68% below sales tax revenues for Louisiana cities of comparable size.

#### Expenditures

- Harahan's general fund expenditures, adjusted for inflation, increased by 21.2% from 1996 to 2000.
- A dramatic 32% increase in general fund expenditures occurred in 1997, but expenditures have since declined by 2.5%.
- Harahan spends considerably less per capita on police, fire, sewerage, recreation, and financial and management functions than other Louisiana municipalities of similar size.

#### **Salaries**

- Base salaries for Police Department positions were higher than in other Louisiana cities of comparable size (many in rural areas). However, law enforcement agencies in the metropolitan New Orleans area are actively recruiting trained officers at higher base salaries than Harahan offers.
- Fire Department base salaries are in line with those of comparable Louisiana municipalities. The department budgets an additional 37% of the base salary amount for overtime.
- Harahan's non-fire and police employees earn less than employees in cities of comparable size.
- Harahan's elected officials are paid less than officials in other small Louisiana cities.

## Introduction

The Bureau of Governmental Research (BGR) was retained by the City of Harahan to compare the finances and salaries of the city with those of similar municipalities. The results of the study are presented in this report.

To prepare its report, BGR developed a demographic profile of Harahan and financial and salary databases using information from a number of sources. These include U.S. Census Bureau data (particularly the 1997 Census of Governments), internal city records, and salary surveys prepared by the Louisiana Municipal Association, and the Office of the State Examiner of Municipal Fire and Police Civil Service.

The report includes information on the current demographic and financial situation of Harahan, as well as on trends in those areas. It also contains comparisons of Harahan's finances and salary structures with those of other municipalities. It is BGR's hope that the information collected and analyzed for this study will be a helpful tool for Harahan in its planning for the future.

### **I. Harahan's Defining Characteristics**

Harahan is one of six incorporated municipalities in the Parish of Jefferson. The City's government is organized under Louisiana's Lawrason Act (R.S. 33:321 et seq.). The Mayor, five council members, and the police chief are elected at large. Harahan is authorized to exercise any power and perform any function necessary, requisite, or proper for the management of its affairs not denied by state law.

Harahan is primarily residential, and its geographic area of about 1300 acres (including 174 acres of batture) is totally developed. The residential character of the city is underscored by the fact that in 1998 five of the 10 largest property taxpayers in Harahan were homeowners.

The City's location on the Mississippi River provides unique recreational opportunities along the levee, including the paved bicycle path along the crest of the levee. The 88-acre Colonial Golf and Country Club is a significant feature of the community.

It's population has hovered around 10,000 during the past ten years after declining in the 1970s and 1980s. Population trends for Harahan are as follows:

**TABLE 1**

| <b>Year</b> | <b>Population</b> |
|-------------|-------------------|
| <b>1940</b> | 1,082             |
| <b>1950</b> | 3,394             |
| <b>1960</b> | 9,275             |
| <b>1970</b> | 13,037            |
| <b>1980</b> | 11,384            |
| <b>1990</b> | 9,927             |
| <b>2000</b> | 9,885             |

**Source: U.S. Census Bureau**

The 1990 census provided a comprehensive demographic description of Harahan including income data. The census numbers showed a homogeneous community of 99% white residents. Jefferson Parish as a whole had an 80% white population.

Of Harahan's 3,839 housing units in 1990, 78% were owner occupied, 76% were occupied by families, and 62% were occupied by married couple families (a married couple with or without other relatives is a "family"). Three-quarters of the population five years of age and older had lived in the same house in Harahan for at least the five preceding years. Over 80% of the households lived in single family, detached homes.

Three-quarters of the population 25 or older had high school diplomas or higher education and 20% had bachelor degrees or higher. Educational attainment for the parish as a whole was approximately the same.

As compared to Gretna and Westwego, municipalities of comparable population in Jefferson Parish, Harahan had an affluent median household income of \$30,537 in 1990. The median household income for Gretna was \$17,344. Westwego's was \$18,095. Harahan's median income was slightly higher than Kenner's and 9% higher than the parish's. About 8% of Harahan's residents were listed as having incomes below the poverty level, in contrast with 10% in Gretna, 25% in Westwego, and 14% percent in Jefferson.

In 1990, the median age of Harahan's population was about 37, in contrast with 32 in Jefferson as a whole. Almost a quarter of the population was under 18 years of age, with 646 under age five. Sixteen percent of the population was listed by the census as 65 years of age or older, while the parish percentage was about 10%.

In the coming months, detailed new data from the 2000 census will become available. The following uses currently available 2000 census information and gives some indications of changes in Harahan's population from 1990 to 2000.

**TABLE 2**  
**Harahan Population Changes**  
**1990 - 2000**

| Item                          | 1990<br>Census | Percent of<br>Total 1990<br>Population | 2000<br>Census | Percent of<br>Total 2000<br>Population | Change<br>1990 to<br>2000 |
|-------------------------------|----------------|--|----------------|--|---------------------------|
| <b>Total Population</b>       | 9,927          | 100.0%                                 | 9,885          | 100.0%                                 | -0.4%                     |
| <b>White Population</b>       | 9,814          | 98.9%                                  | 9,594          | 97.1%                                  | -2.2%                     |
| <b>Median Age</b>             | 36.8           | NA                                     | 41.4           | NA                                     | +4.6 years                |
| <b>Under 5 Years of Age</b>   | 646            | 6.5%                                   | 519            | 5.3%                                   | -19.7%                    |
| <b>Under 18 Years of Age</b>  | 2,238          | 22.5%                                  | 2,058          | 20.8%                                  | -8.0%                     |
| <b>18 or Older</b>            | 7,689          | 77.5%                                  | 7,827          | 79.2%                                  | +1.8%                     |
| <b>65 or Older</b>            | 1,584          | 16.0%                                  | 1,955          | 9.8%                                   | +23.4%                    |
| <b>Male</b>                   | 4,738          | 47.7%                                  | 4,686          | 47.4%                                  | -1.1%                     |
| <b>Female</b>                 | 5,189          | 52.3%                                  | 5,199          | 52.6%                                  | +0.2%                     |
| <b>Total Households*</b>      | 3,839          | NA                                     | 3,994          | NA                                     | +4.0%                     |
| <b>Owner Occupied</b>         | 2,992          | NA                                     | 3,126          | NA                                     | +4.5%                     |
| <b>Married Couple</b>         | 2,367          | NA                                     | 2,203          | NA                                     | -6.9%                     |
| <b>Families</b>               |                |  |                |  |                           |
| <b>Average Household Size</b> | 2.59           | NA                                     | 2.42           | NA                                     | -6.6%                     |

\* Equal to count of occupied housing units  
Source: U.S. Census Bureau, 2000 Table DP-1

While the population total showed virtually no change, the data indicates an overall aging of the population. The median age of Harahan's residents increased by 4.6 years since 1990 to 41.4 in 2000. The number of persons 65 or older increased by over 23%. Harahan's senior citizens now constitute one-fifth of the population.

At the other end of the age range, the under-18 population decreased by 8% over the 10 year period. The number of youngsters under five decreased by almost 20% between 1990 and 2000. The decrease in the number of children corresponds with a drop in the average household size.

While households may be smaller, there are more (up 4%), and more of those households occupy homes they own (up 4.5%). Looking at the buildings, rather than occupants, the Census shows a very slight increase (up 0.4%) in the proportion of occupied units held by homeowners to 78.3%.

In short, this census snapshot of Harahan shows a stable, largely residential, aging, middle income community.

## **II. Financial Overview**

### **What services does local government provide to the citizens of Harahan?**

Harahan is not a full service municipality. The Jefferson Parish government provides a number of services to Harahan, including water, 911 and emergency medical services, drainage, mosquito control services and maintenance of four major streets.

Other core functions of local government are provided by the city. These include:

- police protection
- fire protection
- garbage pick-up and disposal (contracted out)
- street maintenance and lighting
- sewerage collection and treatment
- recreation
- zoning and building regulation.

### **How does Harahan pay for the services that city government provides?**

Basic city services (except for sewerage) are funded from the "General Fund". According to Harahan's audited financial statement for 2000, general fund revenues, "lease proceeds", and transfers into the general fund from a special sales tax fund totaled \$4,327,531. The sewerage operation, a proprietary fund, is audited separately.

Lease proceeds are derived from lease purchase agreements for equipment such as fire engines or police cars. The cost of the equipment is reflected in general fund financing sources in the year in which the lease agreement takes effect. Because these lease proceeds are sporadic items that distort recurring revenues and other financing sources (and expenditures), they have been omitted from a number of the financial charts and tables included in this report. (For 2000, lease proceeds of \$480,731 were used for fire equipment.)

**TABLE 3**  
**General Fund Revenues**  
**2000**

|                               | <b>Total</b>       | <b>Percent<br/>of Total</b> |
|-------------------------------|--------------------|-----------------------------|
| <b>Transfer of Sales Tax</b>  | \$884,352          | 23%                         |
| <b>Other Taxes</b>            | 584,551            | 15%                         |
| <b>Licenses &amp; Permits</b> | 741,342            | 19%                         |
| <b>Intergovernmental</b>      | 398,946            | 10%                         |
| <b>Service Charges</b>        | 566,017            | 15%                         |
| <b>Fines &amp; Forfeits</b>   | 259,600            | 7%                          |
| <b>Gaming/Video Poker</b>     | 144,298            | 4%                          |
| <b>Interest</b>               | 25,196             | 1%                          |
| <b>Miscellaneous</b>          | <u>242,498</u>     | <u>6%</u>                   |
| <b>Total General Fund</b>     | <b>\$3,846,800</b> | <b>100%</b>                 |

(excludes lease proceeds)

Notes:

1. Harahan's total sales tax receipts for 2000 were \$1,086,719. Sales tax revenue is placed in a special revenue fund. A portion of the sales tax is dedicated to pay for principal and interest on a 1999 3.75 million, 25 year bond issue. Revenues not needed to retire the bonds are available for transfer to the general fund. Only revenues transferred to the general fund are available for general purposes.
2. "Other taxes" are ad valorem property taxes. Harahan projected \$592,000 in general fund property tax revenues for 2001 (\$410,000 general purpose and \$182,000 for fire protection). Another \$41,000 in property tax revenue is dedicated to sewerage maintenance and transferred to the sewerage operation. It is noteworthy that real estate taxes are deductible items on federal income tax returns for taxpayers who itemize deductions. In contrast, sales taxes and service charges - on which Harahan relies more heavily - are not eligible for deduction for federal income tax purposes.

3. "Licenses and permits" include occupational licenses and franchise fees from Entergy, Louisiana Gas, and Cox Communications. Harahan does not have a franchise agreement for telephone services and derives no revenue from that source.
4. "Intergovernmental" includes revenues from state or federal government sources such as the state's parish transportation fund, tobacco tax allocations, and direct state and federal grants. In 2000, the Legislature eliminated tobacco tax allocations for parishes and municipalities. That action reduced Harahan's revenues by \$50,000 per year.
5. "Service charges" include the garbage and fire service charges. The recycling program was discontinued in 2000.
6. "Fines and forfeits" are derived from traffic tickets or fines and penalties for other municipal violations.
7. "Gaming/video poker" revenues come from the City's video poker allocation. Harahan has adopted a policy of using this video poker money for capital, as opposed to operating, expenditures. (In 2000, \$143,325 was transferred from the general fund to the capital fund.)
8. "Interest" and "Miscellaneous" income is derived from interest on the City's general fund cash accounts and revenues from rents, concessions, contributions, and other such sources.

**How does Harahan spend the money it gets?**

The city's financial audit for 2000 shows the following general fund operating expenditures. These expenditures do not include the sewerage operation (the proprietary fund) nor the purchase of fire equipment with funds derived from a capital lease arrangement.

**TABLE 4**  
**General Fund Expenditures\***  
**(2000)**

|                           | <b>Total</b> | <b>Percent of Total</b> |
|---------------------------|--------------|-------------------------|
| <b>General government</b> | \$788,545    | 21.4%                   |
| <b>Police</b>             | 1,174,475    | 31.8%                   |
| <b>Fire</b>               | 724,104      | 19.6%                   |
| <b>Streets</b>            | 147,472      | 4.0%                    |

|                              |                |             |
|------------------------------|----------------|-------------|
| <b>Sanitation</b>            | 489,729        | 13.3%       |
| <b>Recreation</b>            | 222,534        | 6.0%        |
| <b>Transfers/other funds</b> | <u>143,325</u> | <u>3.9%</u> |
| <b>Total</b>                 | \$3,690,184    | 100.0%      |

\* excludes capital lease

Notes:

1. "General government" includes salaries for all elected officials, three full-time and one part-time central administrative workers, insurance, legal fees and judgments, and other general expenses.
2. "Police" expenses are primarily for employee pay and employment costs. The force includes 20 officers and commissioned supervisors and eight jail or support positions.
3. "Fire" expenses provide for a department with 14 full-time and two part-time employees.
4. "Streets" expenses support a unit of five full-time and two part-time employees.
5. "Sanitation" expenses are for the City's garbage collection contract and landfill charges.
6. "Recreation" provides for playground programs and Harahan's contribution to the Senior Center.

In 2000, Harahan's total work force was comprised of 58 full-time and 13 part-time employees. Fire and Police account for over 70% of the full-time employees.

### **Do the citizens of Harahan pay more than other Jefferson Parish residents for local government services?**

No. A May, 2000 report prepared for the Jefferson Business Council and Jefferson Parish by Deloitte and Touche found that the total 1998 property tax millage levied in Harahan was the lowest of all municipalities and unincorporated areas of Jefferson. Harahan's municipal millage was 14.72 mills in comparison with 21.7 for Kenner, 26.93 for Westwego, and 47.67 for Gretna. The millage was 23% lower than the Parish average.

For a home valued at \$100,000 (assessed at \$10,000), Deloitte and Touche's figures show that Harahan's total of parish and municipal property taxes, fees, and charges result in taxpayer costs comparable to or only slightly higher than those in unincorporated areas. Taxes, fees and charges result in lower costs in Harahan than in Gretna, Kenner, and Westwego.

For a commercial property assessed at \$200,000, Harahan's combination of fees, charges and taxes result in lower charges in Harahan than in any other municipality or unincorporated area of Jefferson, according to Deloitte and Touche.

The City of Harahan has emphasized this cost advantage in promoting the annexation of select properties adjacent to the city limits. (Action by the Legislature at the 2001 Regular Session will make annexations in Jefferson Parish more difficult in the future.)

### What is Harahan's Budget Situation?

Appendix A to this report provides a five-year revenue and expenditure history for Harahan's general fund, covering the years 1996 through 2000. This section of the report summarizes data contained in Appendix A.

#### Revenues

1996 to 2000

Harahan's recurring revenues (excluding non-recurring capital loan and lease payments) increased by 17.1% from 1996 to 2000. In major revenue categories, a hefty 43% increase in sales tax revenues was somewhat offset by a significant decrease in fines and forfeits and little or no growth in other taxes (property taxes) and intergovernmental revenues. In 1996, the city did not maintain its then-existing property tax millage level as authorized by the Louisiana Constitution and therefore did not increase its property tax revenues. A new constitutional provision that freezes assessments for some senior citizens further limits growth in property tax collections and is likely to have a more pronounced effect on Harahan's property tax receipts as its population ages.

The following chart shows changes in revenue by category.

**TABLE 5**  
**General Fund Revenues\***

|                                | <b>Actual<br/>1996</b> | <b>Actual<br/>2000</b> | <b>Dollar<br/>Change</b> | <b>Percent<br/>Change</b> |
|--------------------------------|------------------------|------------------------|--------------------------|---------------------------|
| <b>Transfer of Sales Tax**</b> | \$616,605              | \$884,352              | \$267,747                | 43.4%                     |
| <b>Other Taxes</b>             | 582,181                | 584,551                | 2,370                    | 0.4%                      |
| <b>Licenses &amp; Permits</b>  | 646,163                | 741,342                | 95,179                   | 14.7%                     |
| <b>Intergovernmental</b>       | 378,411                | 398,946                | 20,535                   | 5.4%                      |
| <b>Service Charges</b>         | 494,756                | 566,017                | 71,261                   | 14.4%                     |
| <b>Fines &amp; Forfeits</b>    | 340,324                | 259,600                | -80,724                  | -23.7%                    |
| <b>Gaming/Video Poker</b>      | 143,011                | 144,298                | 1,287                    | 0.9%                      |
| <b>Interest</b>                | 33,469                 | 25,196                 | -8,273                   | -24.7%                    |
| <b>Miscellaneous</b>           | <u>50,651</u>          | <u>242,498</u>         | <u>191,847</u>           | <u>378.8%</u>             |
| <b>Total</b>                   | \$3,285,571            | \$3,846,800            | \$561,229                | 17.1%                     |

\* excludes loan and lease proceeds

\*\* Sales Tax revenues flow through a special revenue fund. Revenues are available for the General Fund after debt payments for bonds secured by the sales tax are made.

On an inflation-adjusted basis, revenues increased by 10.6% from 1996 to 2000 (excluding capital loans and leases). Revenue from fines decreased by 28%, and “other taxes” (property tax) decreased by 5%. Table 6 shows revenue changes by category on an inflation-adjusted basis.

**TABLE 6**  
**General Fund Revenues\***  
(in 2000 dollars)

|                               | <b>Inflation Adjusted<br/>1996</b> | <b>Actual<br/>2000</b> | <b>Inflation Adjusted<br/>Percent Change</b> |
|-------------------------------|------------------------------------|------------------------|--|
| <b>Transfer of Sales Tax</b>  | \$652,985                          | \$884,352              | 35.4%  |
| <b>Other Taxes</b>            | 616,530                            | 584,551                | -5.2%  |
| <b>Licenses &amp; Permits</b> | 684,287                            | 741,342                | 8.3%   |
| <b>Intergovernmental</b>      | 400,737                            | 398,946                | -0.4%  |
| <b>Service Charges</b>        | 523,947                            | 566,017                | 8.0%   |
| <b>Fines &amp; Forfeits</b>   | 360,403                            | 259,600                | -28.0%                                       |
| <b>Gaming/Video Poker</b>     | 151,449                            | 144,298                | -4.7%  |
| <b>Interest</b>               | 35,444                             | 25,196                 | -28.9%                                       |
| <b>Miscellaneous</b>          | <u>53,639</u>                      | <u>242,498</u>         | <u>352.1%</u>                                |
| <b>Total</b>                  | \$3,479,420                        | \$3,846,800            | 10.6%  |

\* excludes loan and lease proceeds

**Expenditures  
1996 to 2000**

Table 7 depicts changes in Harahan’s general fund expenditures from 1996 to 2000 by category. The data shows an overall 28% increase in expenditures during that period. Only the streets component declined in expenditures.

**Table 7**  
**General Fund Expenditures\***  
**1996 and 2000**

|                           | <b>Actual<br/>1996</b> | <b>Actual<br/>2000</b> | <b>Dollar<br/>change</b> | <b>Percentage<br/>change</b> |
|---------------------------|------------------------|------------------------|--------------------------|------------------------------|
| <b>General Government</b> | \$566,767              | \$788,545              | \$221,778                | 39.1%                        |
| <b>Police</b>             | 909,164                | 1,174,475              | 265,311                  | 29.2%                        |
| <b>Fire</b>               | 536,146                | 724,104                | 187,958                  | 35.1%                        |

|                              |                |                |               |              |
|------------------------------|----------------|----------------|---------------|--------------|
| <b>Streets</b>               | 160,730        | 147,472        | -13,258       | -8.2%        |
| <b>Sanitation</b>            | 414,640        | 489,729        | 75,089        | 18.1%        |
| <b>Recreation</b>            | 182,746        | 222,534        | 39,788        | 21.8%        |
| <b>Transfers/other funds</b> | <u>104,343</u> | <u>143,325</u> | <u>38,982</u> | <u>37.4%</u> |
| <b>Total</b>                 | \$2,874,536    | \$3,690,184    | \$815,648     | 28.4%        |

\* excludes capital leases

Table 8 depicts changes in Harahan's general fund expenditures from 1996 to 2000 by category after adjusting for inflation. From 1996 to 2000, expenditures increased by 21% in year 2000 dollars.

**TABLE 8  
General Fund Expenditures\*  
1996 and 2000**

|                              | <b>Inflation<br/>Adjusted<br/>1996</b> | <b>Actual<br/>2000</b> | <b>Inflation<br/>Adjusted<br/>Change</b> |
|------------------------------|--|------------------------|--|
| <b>General Government</b>    | \$600,206                              | \$788,545              | 31.4%                                    |
| <b>Police</b>                | 962,805                                | 1,174,475              | 22.0%                                    |
| <b>Fire</b>                  | 567,779                                | 724,104                | 27.5%                                    |
| <b>Streets</b>               | 170,213                                | 147,472                | -13.4%                                   |
| <b>Sanitation</b>            | 439,104                                | 489,729                | 11.5%                                    |
| <b>Recreation</b>            | 193,528                                | 222,534                | 15.0%                                    |
| <b>Transfers/other funds</b> | <u>110,499</u>                         | <u>143,325</u>         | <u>29.7%</u>                             |
| <b>Total</b>                 | \$3,044,134                            | \$3,690,184            | 21.2%                                    |

\* excludes capital leases

**Allocation of Expenditures  
1996 to 2000**

For the past five years, Harahan has allocated general funds in roughly the same proportions. (An exception: streets spending was up significantly in 1997, when Harahan entered the year with a fund balance in excess of \$640,000. Streets spending from the general fund has since declined below 1996 levels.) Table 9 shows general fund expenditures by category expressed as a percentage of total expenditures.

**Table 9  
Percent of Total General Fund Expenditures\* by Use  
1996 to 2000**

|                           | <b>1996</b> | <b>1997</b> | <b>1998</b> | <b>1999</b> | <b>2000</b> |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| <b>General Government</b> | 19.7%       | 18.8%       | 18.9%       | 20.5%       | 21.4%       |
| <b>Police</b>             | 31.6%       | 28.8%       | 34.1%       | 34.7%       | 31.8%       |

|                                 |       |       |       |       |       |
|---------------------------------|-------|-------|-------|-------|-------|
| <b>Fire</b>                     | 18.7% | 19.2% | 18.0% | 17.4% | 19.6% |
| <b>Streets</b>                  | 5.6%  | 11.5% | 5.8%  | 4.7%  | 4.0%  |
| <b>Sanitation</b>               | 14.4% | 10.9% | 13.0% | 12.8% | 13.3% |
| <b>Recreation</b>               | 6.4%  | 6.5%  | 6.9%  | 6.3%  | 6.0%  |
| <b>Transfers to other funds</b> | 3.6%  | 4.4%  | 3.2%  | 3.7%  | 3.9%  |

\* excludes capital leases

### **Surpluses, Deficits, and Fund Balances 1996 to 2000**

The following table summarizes Harahan’s general fund surpluses, deficits, and fund balances for the past five years. (As used here, “deficit” means expenditures exceeding revenues in a year, even if the shortfall is covered by an available fund balance.)

**TABLE 10  
Fund Balance  
1996 to 2000**

| <b>Year</b> | <b>Surplus</b> | <b>Deficit</b> | <b>Fund Balance</b> |
|-------------|----------------|----------------|---------------------|
| <b>1996</b> | \$451,035      |                | \$644,456           |
| <b>1997</b> |                | \$403,831      | 240,625             |
| <b>1998</b> |                | 263,054        | -22,429             |
| <b>1999</b> |                | 93,293         | -115,722            |
| <b>2000</b> | 156,616        |                | 40,894              |

In 1994, the deficit was over \$64,000 (about 2.7% of General Fund expenditures). The Mayor and Council taking office in 1995 built up a fund balance (surplus) that totaled \$644,456 by the end of 1996. However, three years of deficits ensued.

Despite the loss of tobacco tax revenues from the state, Harahan in 2000 was able to eliminate its general fund deficit. Primarily due to increased sales tax revenue and some belt tightening in police, maintenance, and recreation, Harahan generated a \$157,000 surplus. The city began 2001 with a positive fund balance of about \$41,000.

#### **1997 Pivotal Budget Year**

A review of Harahan’s financial statements from 1996 through 2000 (as contained in Appendix A) provides a clearer picture of general fund finances. The primary growth in Harahan’s expenditures occurred in the year 1997.

Harahan began 1997 with a \$644,456 fund balance. Total revenues in 1997 (excluding proceeds of capital leases) increased by less than 3% while expenditures increased by nearly 32%. Harahan's expenditures exceeded revenues by \$403,831 that year.

From 1996 to 1997, sales tax revenues available to the general fund declined by 5.8%. Total sales tax revenues were down only 3.8% from the previous year. This illustrates an interesting point, given Harahan's dependence on this relatively volatile revenue source. A fixed amount of total sales tax revenue is taken "off the top" to cover debt service requirements. The remainder may be transferred to the general fund. Since only the balance is transferred, the impact on the general fund of a decline (or an increase) in sales taxes in a given year is magnified.

From 1997 to 2000, Harahan's general fund expenditures (excluding capital leases) declined by about 2.5%. Adjusting for inflation, Harahan's expenditures for public services declined by 6.3% from 1997 to 2000. Harahan spent less for, and provided fewer, public services in 2000 than it did in 1997.

From 1997 to 2000, general fund revenues increased by 13.3% (not adjusted for inflation). Adjusted for inflation, revenue grew by 8.8%. (The GDP price deflator used by BGR incorporates a 4.1% inflation rate for the period.)

Decreased expenditures and moderate growth in revenue from 1997 to 2000 enabled the city to wipe out its deficit in 2000. At the same time, public services provided by general fund expenditures were cut back from 1997 levels.

### **How do Harahan's finances compare with other municipalities?**

To evaluate how Harahan's finances compare with other municipalities, BGR consulted a number of sources, including publications of the International City Management Association, the Louisiana Municipal Association, and the U.S. Census Bureau's Census of Governments.

The dominant characteristic used for choosing comparative data is community size. Unfortunately, at a population of roughly 10,000, Harahan was on the cusp of the readily available data. Most of the published data provided breakdowns for municipalities under 10,000, and those in the 10,000 to 25,000 range. Because these categories would inevitably be skewed toward communities either smaller or larger than Harahan, BGR felt that the data from either category (or some averaging technique) would not provide a reasonable basis for comparison. Accordingly, BGR sought the raw data from the 1997 Census of Governments (the most recent available), and compiled a database of 25 Louisiana municipalities in the 8,000 to 16,000 population range (based on the 1996 population estimates used in the Census Bureau's 1997 report). The average population of the cities in the survey was 11,868.

The following municipalities are included in the comparative database:

**TABLE 11  
Population  
1996 (Est.)**

**Sample Cities**

|                |        |
|----------------|--------|
| Rayne          | 8,561  |
| Covington      | 8,576  |
| Franklin       | 8,761  |
| Ville Platte   | 8,980  |
| Tallulah       | 9,004  |
| Donaldsonville | 9,060  |
| Denham Springs | 9,106  |
| Harahan        | 9,941  |
| Zachary        | 10,189 |
| De Ridder      | 11,103 |
| Westwego       | 11,172 |
| Eunice         | 11,182 |
| Abbeville      | 11,460 |
| Jennings       | 11,487 |
| Baker          | 13,223 |
| Minden         | 13,480 |
| Bastrop        | 13,767 |
| Crowley        | 13,809 |
| Bogalusa       | 13,877 |
| Morgan City    | 13,996 |
| Thibodaux      | 14,015 |
| West Monroe    | 14,073 |
| Pineville      | 14,315 |
| Hammond        | 16,689 |
| Gretna         | 16,862 |

**Expenditure profiles**

BGR calculated benchmark expenditure profiles from the database to determine per capita expenditures across major categories of governmental functions, such as police, fire, recreation, and sewerage. Harahan's per capita expenditures were then compared to the per capita average for the database (which includes Harahan) in the table below.

**TABLE 12  
PER CAPITA SPENDING**

|                          | <b>Sample<br/>Average</b> | <b>Harahan</b> | <b>Compared<br/>to Sample</b> |
|--------------------------|---------------------------|----------------|-------------------------------|
| <b>Police Protection</b> | \$116.97                  | \$86.41        | 26% less                      |

|  |        |       |          |
|--|--------|-------|----------|
| <b>Fire Protection</b>                     | 62.25  | 52.41 | 16% less |
| <b>Solid Waste Management</b>              | 39.80  | 41.75 | 5% more  |
| <b>Sewerage</b>                            | 52.43  | 38.53 | 27% less |
| <b>Central Office</b>                      | 59.00  | 31.08 | 47% less |
| <b>Parks &amp; Recreation</b>              | 28.21  | 20.82 | 26% less |
| <b>All Other (not including utilities)</b> | 205.07 | 70.72 | 66% less |

Source: U.S. Census of Governments, 1997; BGR calculations.

The data shows that, except for solid waste expenses, Harahan's per capita spending on core city government functions was less than the average for cities of comparable size.

Harahan's per capita spending ranged from 84% of the average for fire protection to 34% of the average for "all other expenses". The latter includes streets, courts, and also other functions that Harahan does not provide, i.e. parking facilities and health programs. (BGR did not attempt to inventory other services provided by other cities in the sample or services provided to those cities by parish government or special districts.)

Harahan's per capita expenditures for police and recreation were each 74% of the average. Sewerage costs constituted 73% of the survey average. Central office expenditures, which include financial administration, planning, zoning, personnel, and other management functions, amounted to 53% of the survey average.

**TABLE 13**  
**SPENDING BY CATEGORY AS PERCENTAGE OF BUDGET**

|  | <b>Sample Cities</b> | <b>Harahan</b> |
|--|----------------------|----------------|
| <b>Police Protection</b>                   | 20.75%               | 25.29%         |
| <b>Fire Protection</b>                     | 11.04%               | 15.34%         |
| <b>Solid Waste Management</b>              | 7.06%                | 12.22%         |
| <b>Sewerage</b>                            | 9.30%                | 11.27%         |
| <b>Central Office</b>                      | 10.47%               | 9.12%          |
| <b>Parks &amp; Recreation</b>              | 5.00%                | 6.09%          |
| <b>All Other (not including utilities)</b> | 36.38%               | 20.69%         |

Source: U.S. Census of Governments, 1997; BGR Calculations.

Table 13 compares Harahan's expenditures for operating purposes with other cities in the sample. Harahan allocated higher percentages of its budget to police, fire, solid waste, sewerage, and recreation than the sample average. Harahan allocated lower percentages of the budget to central staff and other activities.

### **Revenue profiles**

BGR also computed per capita revenue profiles from the database for some key revenue items. These are reflected in the following table.

**TABLE 14**

**PER CAPITA REVENUES**

|                                       | <b>Sample<br/>Cities</b> | <b>Harahan</b> | <b>Compared<br/>to Sample</b> |
|---------------------------------------|--------------------------|----------------|-------------------------------|
| <b>Property Tax*</b>                  | \$69.84                  | \$68.60        | 2% Below                      |
| <b>General Sales Tax</b>              | 268.91                   | 87.32          | 68% Below                     |
| <b>Select Sales Tax**</b>             | 30.76                    | 34.60          | 12% Above                     |
| <b>Sewerage Charges</b>               | 57.55                    | 35.31          | 39% Below                     |
| <b>Solid Waste Management Charges</b> | 35.70                    | 43.86          | 23% Above                     |
| <b>All Other General Revenue</b>      | 214.49                   | 130.77         | 39% Below                     |

\* Includes fire service charges.

\*\* For Harahan, this means utility franchise fees. In other cities, this term may also include items such as amusement taxes.

Source: U.S. Census of Governments, 1997; BGR Calculations.

The table shows that Harahan’s per capita property tax revenues (including fire service charges) were comparable to the sample average. However, sales taxes – Harahan’s single largest revenue producer – amounted to only 32% of the per capita sales tax revenues for other cities in the sample. "Sewerage charges" and "other general revenues", such as federal grants, were 61% of the comparable database per capita average.

Harahan exceeded the per capita revenue average in two categories – utility franchise fees (“select sales taxes” in Census Bureau terminology) and solid waste charges.

**Relative importance of revenue sources**

Table 15 compares Harahan's total revenues with the sample average. The data indicate that property taxes and charges constituted a significantly greater percentage of Harahan's revenue base the sample average. (Harahan’s citizens pay about the same per capita amount in property taxes as citizens in other cities in the sample. However, Harahan’s limited sales tax base inflates the importance of property taxes in the city’s revenue mix.)

Sales taxes constituted only 21.8% of Harahan's total revenues. This contrasts sharply with an average of approximately 40% for other cities in the sample.

**TABLE 15  
RELIANCE ON SOURCES OF REVENUE BY CATEGORY**

### Percent of Total Revenue

|                                       | <b>Sample<br/>Cities</b> | <b>Harahan</b> |
|---------------------------------------|--------------------------|----------------|
| <b>Property Tax*</b>                  | 10.31%                   | 17.13%         |
| <b>General Sales Tax</b>              | 39.71%                   | 21.80%         |
| <b>Select Sales Tax</b>               | 4.54%                    | 8.64%          |
| <b>Sewerage Charges</b>               | 8.50%                    | 8.82%          |
| <b>Solid Waste Management Charges</b> | 5.27%                    | 10.95%         |
| <b>All Other General Revenue</b>      | 31.67%                   | 32.66%         |

\* Includes fire service charges.

Source: U.S. Census of Governments, 1997; BGR Calculations.

### III. Comparisons of Salary

BGR used a 1999 survey by the Louisiana Municipal Association (LMA) and a 2000 survey by the State Examiner for Municipal Fire and Police Civil Service (FPCS) to compare Harahan's salary levels with salaries in cities of comparable population. As in the case of federal census data, survey errors or peculiar differences in cities may result in flawed comparisons between two specific cities. However, BGR believes that the average of a sufficiently large sample of cities will give a reasonable benchmark for comparing Harahan to comparably sized municipalities.

#### Mayor and Council

Table 16 compares salaries of mayors and councilmembers. Harahan's mayor and council members are paid less, on average, than officials in the other twenty cities in the sample.

The council members' salary is 12% below the average. The mayor's salary is 21% below the survey average. The Mayor of Harahan is paid less than the mayors of nineteen of the other twenty survey cities. (Effective July 1, 2001, the Mayor of Westwego is paid \$45,000 per year and receives a \$500 per month expense allowance.)

**TABLE 16  
MAYOR AND COUNCIL ANNUAL SALARIES**

|                | <b>Survey<br/>Average</b> | <b>Harahan</b> | <b>Compared<br/>to Average</b> |
|----------------|---------------------------|----------------|--------------------------------|
| <b>Mayor</b>   | \$41,972                  | \$33,000       | 21% less                       |
| <b>Council</b> | 6,979                     | 6,120          | 12% less                       |

Source: LMA, 1999 21 cities, average population 11,956, updated by BGR, 2001.

## Administrative Salaries

Table 17 compares average salaries for positions contained in the LMA's 1999 wage and salary survey with year 2000 salaries for certain positions in Harahan's city government.

Because Harahan does not have a pay plan or job descriptions for non-civil service employees, a direct comparison to all the jobs listed in the LMA survey cannot be made. In certain cases, BGR made assumptions to provide a basis for comparison. For example, a Harahan employee who operates equipment was compared to the job class "heavy equipment operator" as opposed to the job class of "laborer".

Note that the LMA 1999 survey contains data from the years 1997 and 1999. (LMA included 1997 data if 1999 data was not available.) These numbers have not been adjusted to account for inflation or salary adjustments made in subsequent years. Thus, Harahan's year 2000 salaries are being compared to salaries paid by other cities, including cities in rural areas, one to three years earlier.

The data shows that in 2000 Harahan's non-civil service employees' compensation was close to or lower than that of employees in comparable positions in the sample cities one to three years previously. For two positions, Harahan's pay was 17% below average. In another case, pay was 19% below the LMA survey average

**TABLE 17**  
**ANNUAL SALARIES FOR SELECTED POSITIONS**

|                                  | <b>Cities in Survey</b> | <b>Survey Average</b> | <b>Compared to Average</b> |
|----------------------------------|-------------------------|-----------------------|----------------------------|
| <b>City Clerk</b>                | 13                      | \$33,816              | Below average              |
| <b>Heavy Equipment Operator</b>  | 16                      | 18,432                | At average                 |
| <b>Light Equipment Operator</b>  | 12                      | 15,648                | Below average              |
| <b>Laborer</b>                   | 16                      | 13,728                | Below average              |
| <b>Streets Superintendent</b>    | 14                      | 28,188                | Below average              |
| <b>Recreation Superintendent</b> | 12                      | 27,228                | At average                 |

**Note: Not every city had every job description**

**Source: LMA, 1999, 21 cities, average population 11,956. BGR Calculations. (All the cities did not respond to each listed job classification.)**

## Police and fire salaries

BGR analyzed data extracted from the June 30, 2000 salary survey conducted by the State Examiner, Municipal Fire and Police Civil Service (FPCS). For police and fire, BGR used twenty cities with an average population of fewer than 12,000. Harahan participated in the FPCS survey.

The salary information includes \$300 per month in state supplemental pay for eligible fire and police employees. The survey does not take overtime pay, uniform allowances, take-home vehicles, or other benefits into account. Overtime and benefits may be significant components of the total compensation received by public safety employees. For example, the amount budgeted for overtime (also called "salary adjustment" in the fire budget) was 37% of the amount budgeted for base salaries for Harahan's Fire Department in 2001. For police, overtime was budgeted at only 7% of the amount budgeted for base salaries. Therefore, overtime is a significant component of total compensation for fire personnel, and much less so for police. The FPCS survey only reports base salary.

The Federal Fair Labor Standards Act (FLSA) requires local governments to pay overtime to fire and police personnel for hours worked in excess of a specified number in a 28 day time period. For fire, overtime must be paid for hours over 212. For police, overtime must be paid for hours over 171.

Where survey data indicated a minimum and maximum salary for a position, BGR used the mid-point in computing salary information. Except for the police and fire chiefs, the tables do not include specific salaries for Harahan if three or fewer Harahan employees are in the sample.

## **Police**

Table 18 shows average law enforcement salaries as listed in the FPSC survey. Police employees fared better in the FPCS comparison than did other Harahan employees covered in the LMA survey. However, a few comments are in order. First, pay for police in small Louisiana towns in rural areas is very low. Crowley's starting pay for a police officer is only \$16,776 per year and Abbeville's \$15,480 per year. These salary levels drag down the survey average.

Second, trained police officers are in high demand, and Harahan faces competition in the metro area. Numerous law enforcement agencies actively recruit experienced police officers from other jurisdictions. New Orleans now advertises a base salary in excess of \$30,000 per year for officers with one year's experience. A Jefferson Parish Deputy I with one year's experience is paid a base salary of over \$29,000 per year. (Both examples include state supplemental pay.) A recent pay increase for Kenner police officers raised starting salaries to \$30,000 per year. According to *The Times-Picayune*, "people from all over the metro area, and some from as far as Mississippi and Oregon" applied for jobs with the Kenner Police Department.

### **TABLE 18 LAW ENFORCEMENT ANNUAL BASE SALARIES**

| <b>Position</b>              | <b>No. of Cities</b> | <b>Survey Average</b> | <b>Harahan Per Survey</b> | <b>Compared to Average</b> |
|------------------------------|----------------------|-----------------------|---------------------------|----------------------------|
| <b>Chief (Civil Service)</b> | 12                   | \$42,624              | NA                        | NA                         |
| <b>Officer</b>               | 20                   | 21,852                | 24,552                    | 12% more                   |
| <b>Sergeant</b>              | 20                   | 25,296                | 27,012                    | 7% more                    |
| <b>Lieutenant</b>            | 18                   | 26,892                | *                         | Above average              |
| <b>Captain</b>               | 14                   | 30,324                | *                         | Above average              |
| <b>Secretary to Chief</b>    | 14                   | 22,140                | *                         | Above average              |

\* Fewer than three employees.

Source: FPCS, June 30, 2000 Salary Survey. BGR Calculations.

Elected police chiefs are not included in the FPCS survey. Harahan's elected police chief receives about 79% of the salary paid to chiefs under civil service listed in the database.

For comparative purposes, BGR presents below annual compensation for the elected police chiefs of Harahan, Gretna, and Westwego (including state supplemental pay and, in the case of Westwego, expense allowance):

|          |               |
|----------|---------------|
| Harahan  | \$33,600      |
| Gretna   | 41,604        |
| Westwego | <u>51,000</u> |
| Average  | \$42,068      |

## **Fire**

Harahan's base salaries for fire fighters are generally in line with those of other cities in the sample. As stated earlier, overtime (called "salary adjustment" in the budget) adds significantly to total compensation. Table 19 gives salary information for firefighters, captains, chief and assistant chief positions.

**TABLE 19**  
**FIRE ANNUAL BASE SALARIES**

|                             | <b>No. of Cities</b> | <b>Survey Average</b> | <b>Harahan Per Survey *</b> | <b>Compared to Average</b> |
|-----------------------------|----------------------|-----------------------|-----------------------------|----------------------------|
| <b>Fire Chief</b>           | 13                   | \$35,664              | \$38,437                    | 8% more                    |
| <b>Fire Fighter</b>         | 19                   | 21,036                | 20,784                      | 1% less                    |
| <b>Captain</b>              | 14                   | 25,608                | **                          | Below average              |
| <b>Assistant Fire Chief</b> | 10                   | 33,636                | **                          | Above average              |

\* Harahan chief per city records, 2000.

\*\* Fewer than three employees.

Source: FPCS, June 30, 2000 Salary Survey; BGR Calculations.

## Conclusions

Harahan is a stable, homogeneous community whose residents and businesses have enjoyed relatively low property taxes, charges, and fees over the years. The city's residential character, small scale, high rate of home ownership, and relative affluence contribute to a pleasant quality of life.

Harahan's leaders face significant financial challenges. Although they have sought to live within their means, Harahan has struggled with deficits in three of the past five years. The City is spending less now for public services than it did in 1997. It spends less per capita for basic services than other Louisiana cities of comparable size.

Increasing revenues will be a challenge. The potential for large growth in sales tax revenues is unlikely, given the community's limited commercial base. The potential for growth in the property tax base is also restricted. The city is almost fully developed. Recent changes in the law make growth through annexation of property more difficult. Potential growth in property taxes is further limited by the increasing number of Harahan residents who can avail themselves of a tax assessment freeze for homeowners over the age of 65.

The strength of any organization is its human capital. Harahan's employees, other than police and fire employees, are paid less than their counterparts in cities of similar size. Metropolitan area law enforcement agencies are recruiting trained police officers at significantly higher salaries than Harahan pays its officers. If Harahan's employee compensation is not competitive, citizens might sooner or later see an erosion in the quality of its city workforce.

To summarize, Harahan will be facing difficult choices in the coming years as it tries to balance demand for services with available revenues.

**APPENDIX A**  
**City of Harahan**  
**General Fund Revenues**  
**1996 through 2000**

| Revenues   |                  |                  | 1996 to 1997   |             | 1998             | 1997 to 1998   |             | 1999             | 1998 to 1999   |           | 2000             | 1999 to 2000   |              |
|--|------------------|------------------|----------------|-------------|------------------|----------------|-------------|------------------|----------------|-----------|------------------|----------------|--------------|
|  | 1996             | 1997             | \$ change      | % change    |                  | \$ change      | % change    |                  | \$ change      | % change  |                  | \$ change      | % change     |
| <b>Special Revenue Fund</b>                          |                  |                  |                |             |                  |                |             |                  |                |           |                  |                |              |
| Sales Tax - Total                                    | 828,249          | 796,590          | -31,659        | -3.8%       | 869,637          | 73,047         | 9.2%        | 999,594          | 129,957        | 15%       | 1,086,719        | 87,125         | 8.7%         |
| <b>General Fund</b>                                  |                  |                  |                |             |                  |                |             |                  |                |           |                  |                |              |
| Transfer of Sales Tax                                | 616,605          | 580,731          | -35,874        | -5.8%       | 664,505          | 83,774         | 14.4%       | 785,807          | 121,302        | 18%       | 884,352          | 98,545         | 12.5%        |
| Other Taxes  | 582,181          | 596,397          | 14,216         | 2.4%        | 562,340          | -34,057        | -5.7%       | 573,719          | 11,379         | 2%        | 584,551          | 10,832         | 1.9%         |
| Licenses & Permits                                   | 646,163          | 621,096          | -25,067        | -3.9%       | 637,494          | 16,398         | 2.6%        | 659,568          | 22,074         | 3%        | 741,342          | 81,774         | 12.4%        |
| Intergovernmental                                    | 378,411          | 422,804          | 44,393         | 11.7%       | 504,680          | 81,876         | 19.4%       | 450,436          | -54,244        | -11%      | 398,946          | -51,490        | -11.4%       |
| Service Charges                                      | 494,756          | 472,058          | -22,698        | -4.6%       | 463,755          | -8,303         | -1.8%       | 548,667          | 84,912         | 18%       | 566,017          | 17,350         | 3.2%         |
| Fines & Forfeits                                     | 340,324          | 413,726          | 73,402         | 21.6%       | 420,496          | 6,770          | 1.6%        | 342,773          | -77,723        | -18%      | 259,600          | -83,173        | -24.3%       |
| Gaming/Video Poker                                   | 143,011          | 125,444          | -17,567        | -12.3%      | 133,654          | 8,210          | 6.5%        | 123,574          | -10,080        | -8%       | 144,298          | 20,724         | 16.8%        |
| Interest   | 33,469           | 49,314           | 15,845         | 47.3%       | 33,415           | -15,899        | -32.2%      | 25,715           | -7,700         | -23%      | 25,196           | -519           | -2.0%        |
| Miscellaneous  | 50,651           | 98,247           | 47,596         | 94.0%       | 54,849           | -43,398        | -44.2%      | 162,202          | 107,353        | 196%      | 242,498          | 80,296         | 49.5%        |
| Lease Proceeds                                       | 0                | 110,854          | 110,854        | N/A         | 203,370          | 92,516         | 83.5%       | 0                | -203,370       | -100%     | 480,731          | 480,731        | N/A          |
| Loan Proceeds  | 40,000           | 0                | -40,000        | N/A         | 0                | 0              | N/A         | 0                | 0              | N/A       | 0                | N/A            | N/A          |
| <b>Total General Fund</b>                            | <b>3,325,571</b> | <b>3,490,671</b> | <b>165,100</b> | <b>5.0%</b> | <b>3,678,558</b> | <b>187,887</b> | <b>5.4%</b> | <b>3,672,461</b> | <b>-6,097</b>  | <b>0%</b> | <b>4,327,531</b> | <b>655,070</b> | <b>17.8%</b> |
| <b>Total Excluding<br/>loan &amp; lease proceeds</b> | <b>3,285,571</b> | <b>3,379,817</b> | <b>94,246</b>  | <b>2.9%</b> | <b>3,475,188</b> | <b>95,371</b>  | <b>2.8%</b> | <b>3,672,461</b> | <b>197,273</b> | <b>6%</b> | <b>3,846,800</b> | <b>174,339</b> | <b>4.7%</b>  |

Source: City of Harahan  
Audited Financial Statements  
1996 through 2000  
Bureau of Governmental Research  
September, 2001

**Appendix A**  
**City of Harahan**  
**General Fund Expenditures**  
**1996 through 2000**

| General Fund Expenditures<br>(Excludes Capital Leases) |                  |                  | 1996 to 1997   |              | 1997 to 1998     |                | 1998 to 1999 |                  | 1999 to 2000  |             |                  |                 |              |
|--|------------------|------------------|----------------|--------------|------------------|----------------|--------------|------------------|---------------|-------------|------------------|-----------------|--------------|
|  | 1996             | 1997             | \$ change      | % change     | 1998             | \$ change      | % change     | 1999             | \$ change     | % change    | 2000             | \$ change       | % change     |
| General Government                                     | 566,767          | 710,774          | 144,007        | 25.4%        | 708,372          | -2,402         | -0.3%        | 772,386          | 64,014        | 9.0%        | 788,545          | 16,159          | 2.1%         |
| Police   | 909,164          | 1,089,592        | 180,428        | 19.8%        | 1,274,916        | 185,324        | 17.0%        | 1,306,034        | 31,118        | 2.4%        | 1,174,475        | -131,559        | -10.1%       |
| Fire   | 536,146          | 726,510          | 190,364        | 35.5%        | 673,900          | -52,610        | -7.2%        | 654,882          | -19,018       | -2.8%       | 724,104          | 69,222          | 10.6%        |
| Streets  | 160,730          | 434,284          | 273,554        | 170.2%       | 217,047          | -217,237       | -50.0%       | 176,292          | -40,755       | -18.8%      | 147,472          | -28,820         | -16.3%       |
| Sanitation   | 414,640          | 412,625          | -2,015         | -0.5%        | 485,087          | 72,462         | 17.6%        | 481,040          | -4,047        | -0.8%       | 489,729          | 8,689           | 1.8%         |
| Recreation   | 182,746          | 244,231          | 61,485         | 33.6%        | 258,920          | 14,689         | 6.0%         | 237,059          | -21,861       | -8.4%       | 222,534          | -14,525         | -6.1%        |
| Transfers /other funds                                 | 104,343          | 165,362          | 61,019         | 58.5%        | 120,000          | -45,362        | -27.4%       | 138,062          | 18,062        | 15.1%       | 143,325          | 5,263           | 3.8%         |
| <b>Total</b>   | <b>2,874,536</b> | <b>3,783,378</b> | <b>908,842</b> | <b>31.6%</b> | <b>3,738,242</b> | <b>-45,136</b> | <b>-1.2%</b> | <b>3,765,755</b> | <b>27,513</b> | <b>0.7%</b> | <b>3,690,184</b> | <b>-115,571</b> | <b>-3.1%</b> |

Source: City of Harahan  
Audited Financial Statements  
1996 through 2000  
Bureau of Governmental Research

September, 2001