

THE COUNCIL OF THE CITY OF NEW YORK

Speaker of the Council
Christine C. Quinn



Hon. Elizabeth Crowley, Chair, Fire and Criminal Justice
Services Committee

Hearing on the Mayor's Fiscal 2013 Preliminary Budget & the Fiscal 2012 Preliminary Mayor's Management Report

Fire Department

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Fire Department Overview

The Fire Department (FDNY) responds to fires, public safety and medical emergencies, natural disasters and terrorist acts to protect the lives and property of City residents and visitors. The Department advances fire safety through its fire prevention, investigation and education programs, as well as contributes to the City's homeland security efforts. The FDNY operates 194 Engine Companies and 143 Ladder Companies. There are 136 firehouses that contain both engine and ladder companies. The Department responds to more than 276,000 fire and non-fire related emergencies and more than 1.2 million medical emergencies each year, and maintains approximately 250 firehouses and ambulance stations.

This report provides a review of the Fire Department's Preliminary Budget for Fiscal 2013. In the first section highlights of the Fiscal 2013 expense budget are presented, along with a discussion of plan highlights which include: the proposed elimination of 20 fire companies; the Department's overtime spending; and FDNY's fine and fee revenue. The report then presents the Department's budget by program area and provides analysis of significant program areas, discusses initiatives included in the November and February Financial Plans and reviews relevant sections of the Preliminary Mayor's Management Report for Fiscal 2012. Finally, a review of the proposed capital budget for the Department with a discussion of significant changes proposed to the Capital Plan is presented.

Fiscal 2013 Preliminary Plan Highlights

<i>Dollars in Thousands</i>	2011 Actual	2012 Adopted	2012 Feb. Plan	2013 Feb. Plan	*Difference 2012 - 2013
Personal Services	\$1,560,878	\$1,516,981	\$1,589,108	\$1,548,540	\$31,559
Other Than Personal Services	169,976	154,011	219,384	152,399	(1,613)
FDNY Total	\$1,730,855	\$1,670,992	\$1,808,492	\$1,700,939	\$29,947

**The difference of Fiscal 2012 Adopted compared to Fiscal 2013 February Plan funding.*

FDNY's budget for Fiscal 2013 is \$1.7 billion, most of which supports personal services (PS) spending. The Department's (PS) Budget for Fiscal 2013 increases by \$31.6 million when compared to the Adopted Budget. This increase is due to various budget actions including a planned increase in overtime spending and the receipt of federal grants which increase both the Department's PS and OTPS Budgets. The changes to the Department's Fiscal 2012 and Fiscal 2013 budgets proposed in the November 2011 and February 2012 Financial Plans are listed in Appendix A.

- **Elimination of 20 Fire Companies** - The current Financial Plan assumes that 20 fire companies will be eliminated beginning in Fiscal 2013.
- **Overtime Need** - The November Plan added \$41.0 million for firefighters' overtime in Fiscal 2012 and \$69.0 million in 2013.
- **Increase of Fines and Fees** - The Fiscal 2013 Plan includes several proposals to impose fines and fee increases such as establishing a Building Inspection Safety Protocol Fee, EMS Ambulance Rate increase, Plan Review Fees, and Fire Violation Fines, thereby generating \$25.3 million.

Fire Company Elimination

Last year the Administration proposed a budget reduction or PEG that would have resulted in the closure of 20 fire companies. The Administration did not identify the companies that would close. Citing the importance of public safety, the City Council restored \$40.9 million to the Fiscal 2012 Budget for the Department to maintain operations of these 20 Fire Companies. The Mayor's Preliminary Budget for Fiscal 2013 does not include the Council's restoration and again proposes to eliminate 20 engine companies. According to the Office of Management and Budget, approximately \$43 million would have to be added to the Department's Fiscal 2013 Budget to avoid fire company closures.

Overtime

<i>Dollars in Thousands</i>	Actual		Planned		
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Uniformed	\$157,722	\$197,907	\$228,307	\$221,726	\$198,885
Civilian	14,343	13,557	11,577	11,550	11,550
EMS	24,882	24,343	24,582	24,861	24,861
Total OT	\$196,947	\$235,808	\$264,466	\$258,137	\$235,296

The Preliminary Budget for Fiscal 2013 includes \$258.1 million for overtime, \$6.3 million less than the \$264.5 million projected for Fiscal 2012. In Fiscal 2012 overtime for uniformed firefighters would account for 86.3 percent of the Department's total overtime expenditures.

At present, FDNY uniformed staffing is 495 firefighters below its authorized headcount due to a federal court injunction that has barred the Department from hiring a new class of fire fighters since 2008. In January 2010, Judge Nicholas Garaufis ruled that the City had intentionally discriminated against black and Hispanic applicants, finding the firefighter exam was discriminatory. The Fire Department expects to begin administering a new approved test on March 15, 2012, and have a class the following year. As a result, the Department's overtime expenses have been increasing significantly. The November Plan added \$41 million for overtime for firefighters in Fiscal 2012 and \$69 million in 2013.

Fine and Fee Revenue

<i>Dollars in Thousands</i>	Actual		Planned	
	2010	2011	2012	2013
Private Alarm Co. Fees	\$1,338	\$1,090	\$1,137	\$1,137
Fire Inspection Fees	47,021	53,400	53,612	54,517
2% Tax on Fire Insurance	26,774	23,772	26,465	26,465
Fire Prevention Liens	3,464	3,560	2,500	2,500
Bldg Inspection Safety Prog	0	0	0	8,371
TOTAL	\$78,597	\$81,822	\$83,714	\$84,619

Note: The Miscellaneous Revenue Budget does not include ambulance transport revenue generated by EMS. (See EMS section below.)

The table above shows the FDNY's actual and projected collection of fees and fines. The Fire Department issues permits and collects fees for: the inspection of fire suppression and electrical systems; places of public assembly; laboratories; high-rise buildings; and the storage and use of combustible materials. In addition, the Department realizes revenues from fees charged to out-of-state fire insurers that issue policies in New York City, and to private fire alarm companies. This revenue consists exclusively of fees charged to private alarm companies that operate in New York City. The bulk of revenue in the Department's Miscellaneous Revenue Budget stems from two specific fees: fire inspection fees and a 2-percent tax on fire insurance premiums. In Fiscal 2013, fire inspection fees are projected to generate approximately \$54.5 million, while the two percent tax on fire insurance premiums is projected to generate \$26.5 million. For Fiscal 2013, the combined revenue estimate for the Fire Department, not including EMS related revenue is \$84.6 million.

The November 2011 Financial Plan introduced three PEGs to increase fines and fees that collectively would generate \$10 million.

- **Establish Building Inspection Safety Protocol Fee** - The November Plan includes a proposal to raise \$7.5 million in revenue beginning in Fiscal 2013 by imposing fees for Building Inspections.
- **Plan Review Fee Increase** - FDNY plans to restructure the fee schedule for Fire Safety Plan reviews and thereby generate an additional \$371,000 this fiscal year and \$1 million next. The proposal would both increase the fees for plan reviews and increase the number of reviews completed.
- **Fire Notice of Violation Fine Increases** - The November Plan includes a revenue PEG associated with the FDNY's proposal to increase fines for violations returnable to the Environmental Control Board.

FDNY Financial Summary

The Fire Department's budget consists of five program areas which are identified by units of appropriation. They are: Emergency Medical Services (U/A 009 and 010); Executive and Administrative (U/A 001 and 005); Fire Extinguishment/Emergency Response (U/A 002 and 006); Fire Investigation (U/A 003 and 007); and Fire Prevention (U/A 004 and 008). The following table, "FDNY Financial Summary", provides an overview of the Department's total budget from Fiscal 2011 to the February Plan for Fiscal 2013.

Financial Summary					
<i>Dollars in Thousands</i>	2011	2012	2012	2013	*Difference
	Actual	Adopted	Feb. Plan	Feb. Plan	2012 - 2013
Budget by Program Area					
Emergency Medical Services	\$230,531	\$228,890	\$230,346	\$231,259	\$2,369
Executive Administrative	192,129	176,579	244,577	180,882	4,303
Fire Extinguishment/Emergency Response	1,264,366	1,222,328	1,289,301	1,244,484	22,156
Fire Investigation	16,977	14,272	15,261	14,272	0
Fire Prevention	26,851	28,924	29,007	30,043	1,119
TOTAL	\$1,730,855	\$1,670,992	\$1,808,492	\$1,700,939	\$29,947
Funding					
City Funds	N/A	\$1,452,212	\$1,505,666	\$1,459,835	\$7,623
Other Categorical	N/A	180,995	189,442	202,535	21,539
Capital- IFA	N/A	240	240	240	0
State	N/A	1,801	1,896	1,801	0
Federal - Other	N/A	33,715	109,220	34,500	785
Intra City	N/A	2,029	2,029	2,029	0
TOTAL	\$1,730,855	\$1,670,992	\$1,808,492	\$1,700,939	\$29,947
Positions					
Full-Time Positions - Civilian	5,019	4,799	4,797	4,809	10
Full-Time Positions - Uniform	10,619	10,787	10,787	10,282	(505)
TOTAL	15,638	15,586	15,584	15,091	(495)

**The difference of Fiscal 2012 Adopted compared to Fiscal 2013 February Plan funding.*

Fire Extinguishment/Emergency Response

The Fire Extinguishment/Emergency Response program area is the budget for the Department's core functions performed by fire fighters. The Fire Department currently provides fire and rescue operations via 357 units, including 194 Engine Companies and 143 Ladder Companies.

<i>Dollars in Thousands</i>	2011 Actual	2012 Adopted	2012 Feb. Plan	2013 Feb. Plan	*Difference 2012 - 2013
Spending					
Personal Services					
Full-Time Salaried – Civilian	\$17,552	\$16,896	\$16,963	\$16,075	(\$821)
Full-Time Salaried – Uniform	850,228	\$847,020	826,383	801,878	(45,143)
Additional Gross Pay	155,072	\$146,331	146,330	145,705	(626)
Overtime - Civilian	1,831	\$3,740	5,368	5,302	1,562
Overtime - uniform	194,005	\$159,036	236,227	223,778	64,742
Other Salaried and Unsalared	516	41	171	0	(41)
Fringe Benefits	17,152	22,031	25,567	22,026	(5)
Subtotal, PS	\$1,236,356	\$1,195,096	\$1,257,009	\$1,214,764	\$19,668
Other Than Personal Services					
Contractual Services	\$11,868	\$2,560	\$12,738	\$11,048	\$8,488
Fixed and Misc Charges	3	0	0	0	0
Other Services and Charges	1,171	5,769	1,349	1,226	(4,544)
Property and Equipment	1,945	956	2,088	956	0
Supplies and Materials	13,023	17,947	16,118	16,490	(1,457)
Subtotal, OTPS	\$28,010	\$27,232	\$32,293	\$29,720	\$2,488
TOTAL	\$1,264,366	\$1,222,328	\$1,289,301	\$1,244,484	\$22,156
Funding					
City Funds	N/A	\$1,210,536	\$1,270,327	\$1,236,192	\$25,656
Federal - Other	N/A	10,837	18,020	7,337	(3,500)
State	N/A	955	955	955	0
TOTAL	\$1,264,366	\$1,222,328	\$1,289,301	\$1,244,484	\$22,156
Positions					
Full-Time Positions - Civilian	283	307	307	288	(19)
Full-Time Positions - Uniform	10,482	10,618	10,618	10,114	(504)
TOTAL	10,765	10,925	10,925	10,402	(523)

*The difference of Fiscal 2012 Adopted compared to Fiscal 2013 February Plan Funding.

The Department's Fiscal 2013 Fire Extinguishment and Emergency Response Budget increases by \$22.2 million or 1.8 percent compared to the 2012 Adopted Budget. This Increase is due to overtime funding being added due to the Department's inability to hire new firefighters. The decrease in headcount and the drop in full-time salaries for uniformed staff is associated with the proposal to close 20 fire companies. Changes since adoption to Fiscal 2013 include \$16.7 million in PEGs, \$25.3 million in PEG restorations and \$42.9 million in new needs.

February and November Financial Plan Actions

- **Uniformed Overtime New Need** – The November 2011 Plan added \$41 million to FDNY's overtime budget to maintain operations in Fiscal 2012 and \$69 million in Fiscal 2013.
- **Elimination of 20 Fire Companies** - The Council restored funding in Fiscal 2012 to maintain operations at 20 fire companies slated to be eliminated. The current Financial Plan assumes that these 20 companies will be eliminated in Fiscal 2013.
- **Risk Based Inspection System (RBIS) Uniform Officer Training** – There is a new need in the Fiscal 2013 budget of \$1.8 million to fund training associated with the rollout of the Risk Based Inspection System city-wide.
- **Reduction in Discretionary Uniformed Overtime** - The November Plan introduced a PEG that would reduce certain types of uniformed overtime by 15 percent, thereby generating savings of \$1.5 million in Fiscal 2012 and \$3 million in Fiscal 2013 and the outyears. The overtime targeted for reduction is discretionary, and includes training, special events, and headquarters assignments.

PEG Restorations

- **Restoration of 1.5% Availability Increase** – The Fiscal 2011 Budget included a PEG to increase uniformed availability by 1.5% through controls on medical leave, light duty, and other leave. Due to collective bargaining restrictions, the Department was unable to implement this PEG. The November 2011 Plan included a \$15 million PEG restoration beginning in Fiscal 2012.
- **Restoration of 50% Reduction in Roster Staffing Administrative Overtime.** The Fiscal 2012 Budget included a PEG that would have produced savings by reducing overtime for administrative staff. Given the FDNY's failure to amend its collective bargaining agreement with the union, these savings have not materialized. The November 2011 Plan added \$1.2 million in Fiscal 2012 and \$1.2 million in the outyears to restore this PEG.
- **Restoration of Certified First Responder (CFR) Recertification for Uniform Personnel on Straight Time** – The November 2011 Plan included a \$6.2 million PEG restoration, beginning in Fiscal 2012, in recognition of the FDNY failure to begin straight time for CFR recertification.
- **Restoration of Certified First Responder (CFR) Refresher Training Reduction** - The Department proposed to reduce Certified First Responder Defibrillator refresher training from 40 hours to 30 hours for both firefighters and EMS workers. Due to collective bargaining restrictions and ongoing negotiations, the FDNY has not met this PEG target. This action restores \$2.3 million beginning in Fiscal 2012.
- **Restoration of the De-activation of the Street Alarm Box System** - The Department had planned to de-activate the street alarm box system beginning in Fiscal 2012. A federal judge has since ruled against a New York City plan to deactivate 15,000 fire alarm boxes, saying it would discriminate against the deaf and hearing-impaired. This restoration adds \$5.1 million beginning in Fiscal 2012 to continue to fund fire alarm box system.

Performance Measures

	FY 09	FY 10	FY 11	4-Month Actual FY 11	4-Month Actual FY 12	Target FY 13
Average response time to structural fires, Citywide (minutes:seconds)	4:05	3:59	4:03	4:01	4:02	4:08
Average response time to structural fires and medical emergencies by fire units (minutes:seconds)	4:13	4:15	4:18	4:15	4:10	*
Serious fires per 1,000 structural fires	97	92	105	107	109	*
Civilian fire fatalities	78	67	68	23	18	*
Firefighter burns	252	240	302	96	90	*
Firefighter injuries	10,607	10,914	11,210	3,825	3,785	*

According to the Fiscal 2012 Preliminary Mayor’s Management Report (PMMR), during the first four months of Fiscal 2012 citywide average response time to structural fires was one second slower than during the same period of Fiscal 2011.

- The combined average response time for fire units to respond to structural fires and medical emergencies was five seconds faster during the reporting period.
- The number of serious fires per 1,000 structural fires increased two percent during the reporting period.
- Civilian fire fatalities decreased from 23 to 18 during the reporting period.
- During the reporting period firefighter burns sustained outside quarters increased 2.5 percent and service-connected firefighter injuries decreased one percent.

Emergency Medical Services

EMS is responsible for delivering ambulance and pre-hospital emergency medical services citywide. EMS operates 414 Basic Life Support (BLS) ambulance tours and 210 Advanced Life Support (ALS) ambulance tours citywide. The Department anticipates its ambulances will respond to over 1.2 million medical incidents in 2013.

<i>Dollars in Thousands</i>	2011 Actual	2012 Adopted	2012 Feb. Plan	2013 Feb. Plan	*Difference 2012 - 2013
Spending					
Personal Services					
Full-Time Salaried – Civilian	\$164,354	\$161,095	\$161,769	\$162,289	\$1,194
Full-Time Salaried – Uniform	190	190	190	190	0
Additional Gross Pay	19,134	19,668	19,973	20,007	338
Overtime - Civilian	24,346	24,284	24,965	24,861	577
Other Salaried and Unsalaries	774	518	518	707	189
Fringe Benefits	420	776	958	818	41
Subtotal, PS	\$209,218	\$206,532	\$208,374	\$208,871	\$2,339
Other Than Personal Services					
Contractual Services	\$10,149	\$11,353	\$10,074	\$11,399	\$46
Fixed and Misc Charges	3	1	1	1	0
Other Services and Charges	2,502	3,157	3,113	3,157	0
Property and Equipment	1,396	813	1,191	813	0
Supplies and Materials	7,262	7,035	7,594	7,018	(17)
Subtotal, OTPS	\$21,313	\$22,358	\$21,972	\$22,387	\$30
TOTAL	\$230,531	\$228,890	\$230,346	\$231,259	\$2,369
Funding					
City Funds	N/A	\$45,019	\$37,426	\$25,849	(\$19,170)
Federal - Other	N/A	0	622	0	0
Intra City	N/A	2,029	2,029	2,029	0
Capital - IFA	N/A	0	0	0	0
Other Categorical	N/A	180,995	189,423	202,535	21,539
State	N/A	846	846	846	0
TOTAL	\$230,531	\$228,890	\$230,346	\$231,259	\$2,369
Positions					
Full-Time Positions - Civilian	3,502	3,224	3,265	3,262	38
Full-Time Positions - Uniform	1	1	1	1	0
TOTAL	3,503	3,225	3,266	3,263	38

*The difference of Fiscal 2012 Adopted compared to Fiscal 2013 February Plan Funding.

The Emergency Medical Services program area shows little change from the Fiscal 2012 Adopted Budget to the Preliminary Budget for Fiscal 2013. Certain budget actions are responsible for the drop in City tax levy funding that include revenue PEGs, such as an EMS rate increase and a revised estimate of EMS revenue.

February and November Financial Plan Actions

- Montefiore North Ambulance Tours** – Montefiore North Division Hospital has notified the Fire Department that, due to rising costs, it will cease providing ten ambulance tours, effective March 7, 2012. The Department will replace these tours with municipal tours, adding 41 new positions to maintain the current level of ambulance coverage citywide. This action would generate additional costs of \$662,000 in Fiscal 2012 and \$2.2 million in Fiscal 2013. By Fiscal 2013 these ambulance tours will generate \$1.95 million in revenue to partially offset the cost.
- EMS Ambulance Rate Increase** – The November 2011 Financial Plan included revenue PEGs totaling \$3.8 million in Fiscal 2012 and \$15.3 million in Fiscal 2013 and the outyears. The FDNY plans to increase EMS revenue and thereby reduce its City tax levy budget by increasing the rates it charges patients for ambulance services. On February 6, 2012, the FDNY held a public hearing and approved the fee increases for ambulance services. The following table displays the newly approved and prior fee schedules.

EMS Ambulance Rates

	Current	New	Val. Change	Prc. Change
Basic Life Support	\$515	\$704	\$189	37%
Advanced Life Support	750	1,190	440	59%
Advanced Life Support 2	850	1,290	440	52%
Oxygen Administration	50	60	10	20%
Per Mile	\$7	\$12	\$5	71%

- EMS Revenue Re-estimate** - The November Plan introduced an initiative that added almost \$4 million in EMS revenue to the FDNY’s budget beginning in Fiscal 2012 based on a revised estimate.

Ambulance Transport Revenue

<u>Actual Revenue</u>					
<i>(Dollars in Thousands)</i>					
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Medicare	\$24,591	\$20,912	\$31,312	\$26,124	\$27,921
Commercial	44,969	64,263	75,798	78,878	83,283
Self Pay	6,827	6,532	6,398	6,250	6,230
Bad Debt Sold		1,847	1,084	731	0
Total FDNY Collections	76,387	93,554	114,593	111,983	117,434
HHC Subsidy	56,655	56,745	60,204	56,851	59,905
Total Revenue	\$133,042	\$150,299	\$174,797	\$168,834	\$177,339

***Note:** Medicare figures have been adjusted to accurately reflect claims made for Fiscal 2008 and Fiscal 2009. (Source: FDNY)*

The Department generates revenue from EMS ambulance transports. The above table shows how much revenue the FDNY has received from several sources during the past five years for Emergency Medical Services. Payments from Medicare are for ambulance transport fees generated from patients who are recipients of Medicare. Commercial refers to payments received from private insurance companies. Self-Pay is the amount of payments received from individual patients. Bad Debt is the amount collected by selling unpaid debt to collection agencies. The Health and Hospital Corporation (HHC) subsidy is Medicaid payments that pass through HHC for patients' ambulance transport fees and has its own set rate.

In 2012, revenue from Medicaid and non-Medicaid sources is projected at approximately \$180 million, increasing to \$202.5 million in Fiscal 2013 and the outyears. The increase in revenue between Fiscal 2012 and Fiscal 2013 is primarily the result of the Department's plan to increase the EMS ambulance rates (discussed above). Approximately \$60 million of EMS's total ambulance revenue stems from HHC Medicaid payments for ambulance transports to HHC hospitals. The overwhelming majority of the remainder of fees is collected from persons who have private insurance.

Performance Measures

	FY 09	FY 10	FY 11	4-Month Actual FY 11	4-Month Actual FY 12	Target FY 13
Average response time to life-threatening medical emergencies by ambulance units (mins:secs)	6:40	6:41	7:00	6:51	6:25	6:35
Combined response time to life-threatening medical emergencies by ambulance and fire units (mins:secs)	5:45	5:47	6:05	5:52	5:33	5:41

According to the PMMR, the average response time to life-threatening medical emergencies by ambulance units was 26 seconds faster during the reporting period. This was primarily due to additional units placed in strategic locations throughout the City during July through October 2011, as well as the opening of new ambulance stations in the Woodlawn section of the Bronx and the west side of Manhattan, which improved ambulance availability. Combined response time to life-threatening medical emergencies by ambulance and fire units was 19 seconds faster. Response time to life-threatening medical emergencies by fire units was 5 seconds faster.

Executive Administrative

The Executive Administration program area supports all of the administrative functions of the FDNY including all civilian policy direction, administration, human resources support, funding to purchase supplies, materials and other services required to support executive and administrative operations. Also included are the infrastructure and vehicle maintenance units, the Bureau of Information and Computer Services.

<i>Dollars in Thousands</i>	2011	2012	2012	2013	*Difference
	Actual	Adopted	Feb. Plan	Feb. Plan	2012 - 2013
Spending					
Personal Services					
Full-Time Salaried – Civilian	\$57,461	\$55,965	\$59,422	\$60,418	\$4,454
Full-Time Salaried – Uniform	2,789	4,681	5,482	5,482	801
Additional Gross Pay	3,786	3,862	3,902	3,902	41
Overtime - Civilian	3,949	4,728	4,948	4,948	221
Overtime - uniform	117	94	94	94	0
Other Salaried and Unsalariated	4,250	2,763	2,304	2,385	(378)
Amounts to be Scheduled	44	31	31	27	(4)
P.S. Other	(684)	0	0	0	0
Fringe Benefits	656	659	3,941	3,956	3,297
Subtotal, PS	\$72,369	\$72,781	\$80,124	\$81,212	\$8,431
Other Than Personal Services					
Contractual Services	\$58,458	\$27,211	\$46,133	\$28,157	\$946
Fixed and Misc Charges	418	53	209	53	0
Other Services and Charges	39,148	63,046	88,502	57,853	(5,193)
Property and Equipment	4,631	1,759	14,957	2,064	305
Supplies and Materials	17,105	11,729	14,650	11,542	(187)
Subtotal, OTPS	\$119,760	\$103,798	\$164,453	\$99,670	(\$4,128)
TOTAL	\$192,129	\$176,579	\$244,577	\$180,882	\$4,303
Funding					
City Funds	N/A	\$153,462	\$154,604	\$153,480	\$18
Federal - Other	N/A	22,878	89,713	27,162	4,285
Capital- IFA	N/A	240	240	240	0
Other Categorical	N/A	0	19	0	0
State	N/A	0	2	0	0
TOTAL	\$192,129	\$176,579	\$244,577	\$180,882	\$4,303
Positions					
Full-Time Positions - Civilian	765	782	735	754	(28)
Full-Time Positions - Uniform	22	40	40	39	(1)
TOTAL	787	822	775	793	(29)

*The difference of Fiscal 2012 Adopted compared to Fiscal 2013 February Plan Funding.

February and November Financial Plan Actions

- **Elimination of 35 Civilian Vacancies** - The November 2011 Plan included a proposal to eliminate 48 civilian vacancies. However, the February 2012 Plan restores 13 of these positions. The net is \$3.1 million in Fiscal 2012 and \$2.3 million in Fiscal 2013.
- **Per-Diem Surplus** - The Department will eliminate surplus civilian per-diem funding. This action would generate savings of \$494,000 a year in Fiscal 2012 through Fiscal 2015.
- **Federal Revenue Increases** - The February 2012 Plan has recognized several federal grants for Fiscal 2012 that total \$73 million. Large-scale federal grants that make up this increase include: \$53.8 million in Urban Area Security Initiative Grants; \$17.8 million for medical monitoring related to 9/11 workers; and approximately \$11.3 million for Domestic Preparedness Equipment Support. The Fiscal 2013 Budget adds \$14.3 million in federal grants.

Fire Prevention

The Bureau of Fire Prevention is responsible for the enforcement of New York City's fire code through the inspection of all multi-unit dwellings, the collection of revenues from inspection fees and code violation fines, certificate of fitness testing of all vocations that handle combustible materials, and the development and implementation of public education programs.

<i>Dollars in Thousands</i>	2011 Actual	2012 Adopted	2012 Feb. Plan	2013 Feb. Plan	*Difference 2012 - 2013
Spending					
Personal Services					
Full-Time Salaried – Civilian	\$22,607	\$23,248	\$23,299	\$24,121	\$873
Full-Time Salaried – Uniform	0	2,442	2,442	2,669	227
Additional Gross Pay	980	1,198	1,217	1,217	19
Overtime - Civilian	2,370	1,297	1,297	1,297	0
Overtime - uniform	0	93	93	93	0
Other Salaried and Unsalariated	37	37	37	39	1
Fringe Benefits	41	61	61	61	0
Subtotal, PS	\$26,036	\$28,376	\$28,446	\$29,497	\$1,121
Other Than Personal Services					
Contractual Services	\$90	\$170	\$180	\$170	\$0
Other Services and Charges	278	230	230	230	0
Property and Equipment	236	5	42	5	0
Supplies and Materials	211	142	109	140	(2)
Subtotal, OTPS	\$815	\$548	\$561	\$545	(\$2)
TOTAL	\$26,851	\$28,924	\$29,007	\$30,043	\$1,119
Funding					
City Funds	N/A	\$28,924	\$29,007	\$30,043	\$1,119
TOTAL	\$26,851	\$28,924	\$29,007	\$30,043	\$1,119
Positions					
Full-Time Positions - Civilian	463	480	484	499	19
Full-Time Positions - Uniform	0	28	28	28	0
TOTAL	463	508	512	527	19

*The difference of Fiscal 2012 Adopted compared to Fiscal 2013 February Plan Funding.

February and November Financial Plan Actions

- Establish Building Inspection Safety Protocol Fee** - The November Plan includes a proposal to raise \$7.5 million in revenue beginning in Fiscal 2013 by imposing fees for building inspections. The FDNY would hire 14 civilians at a cost of \$913,000 to implement the proposed fee program, which would generate approximately \$8.4 million in fees. The Administration has not yet finalized its proposal and must seek the Council’s legislative approval to implement these fees. FDNY expects to submit legislation to the Council by March or April.
- Plan Review Fee Increase** - The FDNY plans to restructure the fee schedule for Fire Safety Plan reviews and thereby generate an additional \$371,000 this year and \$1 million next. The proposal would both increase the fees for plan reviews and increase the number of reviews completed. Currently, the FDNY charges \$210 per hour to conduct plan reviews. This proposal would establish a flat rate fee of \$420 per review.
- Fire Notice of Violation Fine Increases** - The November Plan includes a revenue PEG associated with the FDNY’s proposal to increase fines for violations returnable to the Environmental Control Board. The proposal would increase certain first, second or subsequent violation penalties and the “Mitigated” fine amounts which are imposed if the violation is corrected prior to the original hearing date. The Department would hire one civilian at a cost of \$121,000 and generate \$465,000 in Fiscal 2012 and \$1.5 million in Fiscal 2013 in revenue.

Performance Measures

	FY 09	FY 10	FY 11	4-Month Actual FY 11	4-Month Actual FY 12	Target FY 13
Completed inspections performed by fire prevention staff	167,844	164,395	173,695	54,469	58,526	162,000
Field force inspections	61,732	57,719	49,876	18,435	17,740	*

According to the PMMR, FDNY inspectors completed seven percent more fire prevention inspections in the first four months of Fiscal 2012 compared with the same period in Fiscal 2011.

Field force inspections, performed by fire units who visit commercial and residential buildings within their service coverage areas, decreased by four percent during the reporting period. Inspections of commercial buildings decreased by one percent and inspections of residential buildings decreased by five percent.

Fire Investigation

The Bureau of Fire Investigation is responsible for investigating and determining the cause and origin of all suspicious fires, and for the apprehension of arsonists.

<i>Dollars in Thousands</i>	2011 Actual	2012 Adopted	2012 Feb. Plan	2013 Feb. Plan	*Difference 2012 - 2013
Spending					
Personal Services					
Full-Time Salaried – Civilian	\$300	\$307	\$307	\$307	\$0
Full-Time Salaried – Uniform	11,295	9,928	10,694	9,928	0
Additional Gross Pay	1,865	1,699	1,737	1,699	0
Overtime - Civilian	7	2	2	2	0
Overtime - uniform	3,012	2,067	2,161	2,067	0
Fringe Benefits	420	192	254	192	0
Subtotal, PS	\$16,899	\$14,195	\$15,155	\$14,195	\$0
Other Than Personal Services					
Contractual Services	\$3	\$0	\$1	\$0	\$0
Other Services and Charges	8	14	1	14	0
Property and Equipment	46	10	43	10	0
Supplies and Materials	21	52	62	52	0
Subtotal, OTPS	\$78	\$76	\$106	\$76	\$0
TOTAL	\$16,977	\$14,272	\$15,261	\$14,272	\$0
Funding					
City Funds	N/A	\$14,272	\$14,302	\$14,272	\$0
Federal - Other	N/A	0	866	0	0
State	N/A	0	94	0	0
TOTAL	\$16,977	\$14,272	\$15,261	\$14,272	\$0
Positions					
Full-Time Positions - Civilian	6	6	6	6	0
Full-Time Positions - Uniform	114	100	100	100	0
TOTAL	120	106	106	106	0

*The difference of Fiscal 2012 Adopted compared to Fiscal 2013 February Plan Funding.

Performance Measures

	FY 09	FY 10	FY 11	4-Month Actual FY 11	4-Month Actual FY 12	Target FY 13
Investigations	6,118	6,339	6,525	2,387	2,343	*

According to the PMMR, investigations by fire marshals into the causes and origins of fires and other fire-related offenses decreased two percent during this period.

Capital Program

The February 2012 Capital Commitment Plan includes \$372.7 million in Fiscal 2012-2015 for the Fire Department (including City and Non-City funds). This represents 1.06 percent of the City’s total \$35.07 billion Preliminary Plan for Fiscal 2012-2015. The agency’s Preliminary Commitment Plan for Fiscal 2012-2015 is 7.2 percent more than the \$347.7 million scheduled in the September Commitment Plan, an increase of \$25.1 million.

The majority of capital projects span multiple fiscal years and it is therefore common practice for an agency to roll unspent capital funds into future fiscal years. In Fiscal Year 2011, the Fire Department committed \$94.4 million or 5.8 percent of its annual capital plan. Therefore, it is assumed that a significant portion of the agency’s Fiscal 2012 Capital Plan will be rolled into Fiscal 2013, thus increasing the size of the Fiscal 2013-2016 Capital Plan. Since adoption last June, the total Capital Commitment Plan for Fiscal 2013 has increased from \$7.35 billion to \$8.69 billion, an increase of \$1.33 billion or 24.9 percent.

2012-2015 Commitment Plan: Adopted and Preliminary Budget

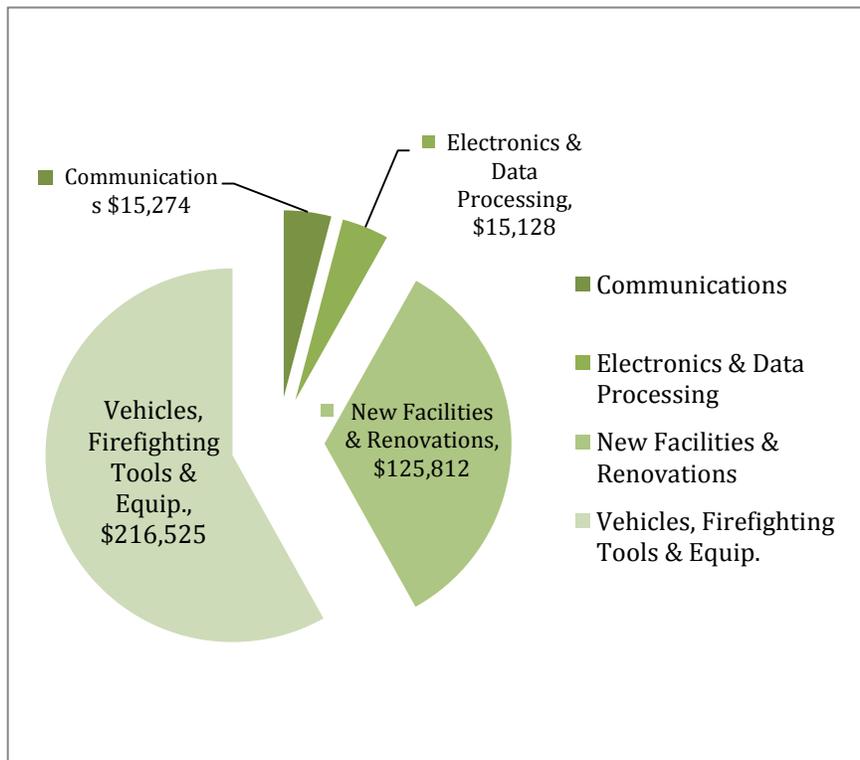
Dollars in Thousands

	FY12	FY13	FY14	FY15	Total
Adopted					
Total Capital Plan	\$197,272	\$82,743	\$30,907	\$36,766	\$347,688
Prelim					
Total Capital Plan	\$222,323	\$82,743	\$30,907	\$36,766	\$372,739
Change					
Level	\$25,051	\$0	\$0	\$0	\$25,051
Percentage	12.70%	0.00%	0.00%	0.00%	7.21%

Preliminary Capital Budget Highlights

In the Preliminary Capital Plan, FDNY’s planned commitments for Fiscal 2012-2015 increased by 7.2 percent to a total of \$372.7 million when compared to the Department’s 2011 September Plan. There are minimal changes in the Preliminary Capital Plan for Fiscal 2012-2015 from the September Plan totaling approximately \$21 million.

Preliminary Capital Commitment Plan by Category
 All Funds FY12-15 (Dollars in Thousands)



Funding for major Fire Department projects in the Capital Plan for Fiscal 2012-2015 include:

- \$216.5 million for citywide vehicle acquisition, including approximately \$81.8 million for pumper fire trucks and approximately \$12.1 million for tower ladder fire trucks;
- Approximately \$125.8 million funds all of the Fire Department’s facility improvements and renovations citywide, including \$4.5 million for the Fire Department’s Operation Command Second Site, \$15 million for a new fleet maintenance facility, \$11.5 million for a new Soundview EMS station, and \$3 million for the Department’s Marine 9 facility on the Homeport pier complex in Staten Island;
- \$4 million for a new 64-foot fire boat;
- \$15.1 million for the Management Information and Control System, technology-related operations that include \$7.9 million for Integration of Building Information Systems; and
- \$25.1 million for the Citywide Fire Alarm Communication System, including \$11.2 million for mobile radios.

Appendix A: Budget Actions in the November and February Plans

<i>Dollars in Thousands</i>	FY 2012			FY 2013		
	City	Non-City	Total	City	Non-City	Total
FDNY Budget as of June 2011 Plan	\$1,452,212	\$218,781	\$1,670,993	\$1,382,737	\$205,281	\$1,588,018
Program to Eliminate the Gap (PEGs)						
Elimination of Civilian Vacancies	(\$3,092)		(\$3,092)	(\$3,145)		(\$3,145)
EMS Ambulance Rate Increase	(3,832)	3,832	0	(15,329)	15,329	0
EMS Revenue Increase	(3,987)	4,260	273	(3,987)	4,260	273
Establish Building Inspection Safety Protocol Fee	0		0	913		913
Fire Notice of Violation Fine Increases	0		0	121		121
Per-Diem Surplus	(494)		(494)	(494)		(494)
Plan Review Fee Increase	81		81	276		276
Reduction in Discretionary Uniformed Overtime	(1,500)		(1,500)	(3,000)		(3,000)
Partial Restoration of Elimination of Civilian Vacancies			0	852		852
TOTAL	(\$12,824)	\$8,092	(\$4,732)	(\$23,793)	\$19,589	(\$4,204)
New Needs						
Hurricane Irene	\$409		\$409			\$0
Systems Migration Application Rollout and Technology (SMART) Resources	190		190	380		380
Uniformed Overtime Need	41,000		41,000	69,000		69,000
Montefiore North Ambulance Tours	337	325	662	227	1,950	2,177
OTPS Needs	556		556	305		305
Risk Based Inspection System (RBIS) Uniform Officer Training			0	1,796		1,796
TOTAL	\$42,492	\$325	\$42,817	\$71,708	\$1,950	\$73,658
Other Adjustments						
Misc City Adjustments	\$105		\$105	\$200		\$200
Collective Bargaining	372		372	372		372
Fringe	(564)		(564)	(1506)		(1506)
Intra-City Adjustments			0			0
State Grants and Adjustments		95	95			0
Federal Grants and Adjustments		73043	73043		14285	14285
Other Categorical Grants and Adjustments		2492	2492			0
TOTAL	(\$87)	\$75,630	\$75,543	(\$934)	\$14,285	\$13,351
PEG Restorations and Substitutions (PRS):						
Restoration of 1.5% Availability Increase	\$15,000		\$15,000	\$15,000		\$15,000
Restoration of 50% Reduction in Roster Staffing Administrative Overtime	1,165		1,165	1,165		1,165
Restoration of Certified First Responder (CFR) Recertification for Uniform Personnel	0		0	6,246		6,246
Restoration of Certified First Responder (CFR) Refresher Training Reduction	2,588		2,588	2,588		2,588
Restoration of the De-activation of the Street Alarm Box System PEG	5,119		5,119	5,119		5,119
TOTAL	\$23,872	\$0	\$23,872	\$30,118	\$0	\$30,118
TOTAL ALL CHANGES	\$53,453	\$84,047	\$137,500	\$77,099	\$35,824	\$112,923
FDNY Budget as of February 2012 Plan	\$1,505,665	\$302,828	\$1,808,493	\$1,459,836	\$241,105	\$1,700,941

Appendix B: Contract Budget

Category	Number	Budgeted	Pct of (FDNY) Total	Pct of City Total
Contractual Services General	41	\$25,011,844	49.26%	5.48%
Telecommunications Maintenance	1	115,000	0.23%	0.19%
Maint & Repair of Motor Vehicle Equipment	35	2,264,000	4.46%	16.12%
Maint & Repair, General	97	9,830,200	19.36%	8.35%
Data Processing Equipment	7	5,577,969	10.99%	3.42%
Security Services	1	185,516	0.37%	0.23%
Temporary Services	1	1,592,500	3.14%	4.67%
Cleaning Services	2	2,909,739	5.73%	14.26%
Training Programs for City Employees	3	94,700	0.19%	0.63%
Maint & Oper of Infrastructure	23	1,781,209	3.51%	1.23%
Professional Services: Computer Services	1	1,336,000	2.63%	1.20%
Professional Services: Direct Education Serv	1	15,000	0.03%	0.00%
Professional Services: Other	5	61,125	0.12%	0.04%
Fiscal 2013 Preliminary Budget	218	\$50,774,802	100.00%	2.24%