

THE COUNCIL OF THE CITY OF NEW YORK

Hon. Melissa Mark-Viverito  
Speaker of the Council

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



## Hearing on the Fiscal 2015 Preliminary Budget & the Fiscal 2014 Preliminary Mayor's Management Report

### Fire Department

March 27, 2014

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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. The timely delivery of these services enables the FDNY to make significant contributions to the safety of New York City and homeland security efforts.

This report provides a review of the Fire Department's Preliminary Budget for Fiscal 2015. In the first section, highlights of the Preliminary Fiscal 2015 expense budget are presented. The report then presents the Department's budget by program area, discusses initiatives included in the November and February Financial Plans and reviews relevant sections of the Preliminary Mayor's Management Report for Fiscal 2014. Finally, a review of the Preliminary Capital Budget for Fiscal 2015 is presented.

### 057- FDNY

<i>Dollars in Thousands</i>	2012	2013	2014	2014	2015	*Difference
	Actual	Actual	Adopted	as of Prelim	Prelim	2014 - 2015
Personal Services	\$1,579,169	\$1,639,837	\$1,597,216	\$1,693,182	\$1,601,713	\$4,498
Other Than Personal Services	174,143	193,472	174,447	271,275	161,997	(12,450)
<b>Agency Total</b>	<b>\$1,753,312</b>	<b>\$1,833,309</b>	<b>\$1,771,662</b>	<b>\$1,964,457</b>	<b>\$1,763,711</b>	<b>(\$7,952)</b>

*\*The difference of Fiscal 2013 Adopted compared to Fiscal 2014 January Plan funding.*

FDNY's Preliminary Fiscal 2015 Budget is \$1.76 billion, approximately 91 percent for personal services (PS) spending and nine percent for other than personal services (OTPS). The Department's (PS) Budget for Fiscal 2015 increases by \$4.5 million when compared to the Adopted Budget, but drops by \$91.5 million when compared the current budget for Fiscal 2014. This reduction is due to recognition of federal and state grants in the Fiscal 2014 Budget that have not yet been budgeted in Fiscal 2015. Significant changes to the Fire Department's budget introduced since Fiscal 2014 adoption include the following:

- **Fire Company Elimination** – Since Fiscal 2012 the Council has provided funding at adoption to reverse a proposed budget cut and prevent the closure of fire companies. In the current year budget, the Council added \$43.7 million to maintain operations of 20 Fire Companies and restore 505 firefighter positions. This funding has been baselined in the Financial Plan.
- **EMS Headcount Increase** – The Preliminary budget includes an additional \$1.9 million in Fiscal 2014 and \$2.1 million in Fiscal 2015 for 43 new EMS positions. This increase will add tours to cover the Rockaways in the vicinity of the now-closed Peninsula Hospital and will add personnel to the new Soundview EMS station.
- **Fire Alarm Dispatcher PEG Restoration** – The Plan adds 24 positions and \$1.3 million in Fiscal 2014 growing to 36 positions and \$2.2 million in Fiscal 2015 for fire alarm dispatchers. This action reverses a PEG introduced in Fiscal 2009 that anticipated savings from a proposed revision of emergency call taking procedures that would have had police

communications technicians (PCT) handle fire emergency calls. The revised procedure has PCT and fire alarm dispatchers both on the preliminary phase of fire emergency calls.

## 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 2012 to the Fiscal 2015 Preliminary Budget.

<b>FDNY Financial Summary</b>						
<i>Dollars in Thousands</i>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>2014 Adopted</b>	<b>2014 as of Prelim</b>	<b>2015 Prelim</b>	<b>*Difference 2014 - 2015</b>
<b>FDNY Budget by Program Area</b>						
Emergency Medical Services	\$233,874	\$244,091	\$237,294	\$242,081	\$240,126	\$2,832
Executive Administrative	199,171	218,609	198,743	294,064	187,094	(11,649)
Fire Extinguishment/Emergency Response	1,275,641	1,321,594	1,290,091	1,382,475	1,289,899	(192)
Fire Investigation	16,656	17,388	14,366	14,566	14,413	47
Fire Prevention	27,970	31,627	31,170	31,270	32,179	1,009
<b>TOTAL</b>	<b>\$1,753,312</b>	<b>\$1,833,309</b>	<b>\$1,771,663</b>	<b>\$1,964,456</b>	<b>\$1,763,711</b>	<b>(\$7,953)</b>
<b>Funding</b>						
City Funds	N/A	N/A	\$1,510,816	\$1,567,387	\$1,542,522	\$31,706
Other Categorical	N/A	N/A	203,948	199,504	199,504	(4,445)
Capital- IFA	N/A	N/A	400	400	240	(160)
State	N/A	N/A	1,801	1,994	1,801	0
Federal - Other	N/A	N/A	52,670	192,953	17,616	(35,054)
Intra City	N/A	N/A	2,029	2,220	2,029	0
<b>TOTAL</b>	<b>\$1,753,313</b>	<b>\$1,833,309</b>	<b>\$1,771,663</b>	<b>\$1,964,456</b>	<b>\$1,763,711</b>	<b>(\$7,953)</b>
<b>Budgeted Headcount</b>						
Full-Time Positions - Civilian	5,055	4,943	4,953	5,043	5,041	88
Full-Time Positions - Uniform	10,260	10,282	10,787	10,787	10,787	0
<b>TOTAL</b>	<b>15,315</b>	<b>15,225</b>	<b>15,740</b>	<b>15,900</b>	<b>15,879</b>	<b>88</b>

\*The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Budget funding.

FDNY's budget for Fiscal 2015 decreases by \$7.95 million when compared to the Adopted Budget. This decrease is due to various budget actions introduced since adoption. These include recognition of \$131.3 million in federal aid and \$9 million in Hurricane Sandy aid in Fiscal 2014 only. New needs add \$50.7 million in Fiscal 2014 and \$78.5 million in Fiscal 2015, most of which is for a major adjustment to the baseline budget for uniformed firefighting personnel. PEG restorations add \$50.3 million in Fiscal 2015. (All of the budget changes introduced since adoption of the Fiscal 2014 Budget are presented in Appendix B.) Headcount changes introduced since adoption add positions for EMS and for fire alarm dispatchers. The headcount shown in the budget tables in this report are budgeted headcount figures, not an actual count of positions filled.

While many agencies maintain a headcount level that is close to their budgeted headcount, the FDNY's actual uniformed headcount is significantly below its budgeted headcount due to a court-imposed hiring freeze that was lifted last year. FDNY will not reach its budgeted uniformed headcount until Fiscal 2016.

## Fire Extinguishment/Emergency Response

The Fire Extinguishment/Emergency Response program area (Units of Appropriation 002 and 006) 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. These include the FDNY's 218 fire houses with 198 engine companies and 143 ladder companies.

<i>Dollars in Thousands</i>	2012 Actual	2013 Actual	2014 Adopted	2014 as of Prelim	2015 Prelim	*Difference 2014 - 2015
<b>Spending</b>						
<b>Personal Services</b>						
Full-Time Salaried – Civilian	\$17,503	\$17,731	\$16,664	\$17,954	\$17,478	\$814
Full-Time Salaried – Uniform	834,107	826,017	797,851	836,301	837,733	39,882
Additional Gross Pay	149,637	150,675	143,959	143,959	152,251	8,291
Overtime - Civilian	2,700	3,508	5,302	5,902	5,302	0
Overtime - uniform	226,240	275,441	267,952	304,747	226,338	(41,615)
Other Salaried and Unsalaries	547	802	0	650	0	0
Fringe Benefits	16,555	15,611	25,941	39,595	18,940	(7,000)
<b>Subtotal PS</b>	<b>\$1,247,289</b>	<b>\$1,289,785</b>	<b>\$1,257,669</b>	<b>\$1,349,107</b>	<b>\$1,258,041</b>	<b>\$372</b>
<b>Other Than Personal Services</b>						
Contractual Services	\$12,240	\$12,448	\$12,255	\$11,660	\$12,374	\$119
Fixed and Misc Charges	0					0
Other Services and Charges	946	1,123	1,250	2,955	1,253	4
Property and Equipment	1,288	1,916	2,260	2,063	1,573	(687)
Supplies and Materials	13,879	16,322	16,656	16,690	16,657	1
<b>Subtotal OTPS</b>	<b>\$28,353</b>	<b>\$31,810</b>	<b>\$32,421</b>	<b>\$33,368</b>	<b>\$31,858</b>	<b>(\$564)</b>
<b>TOTAL</b>	<b>\$1,275,642</b>	<b>\$1,321,594</b>	<b>\$1,290,090</b>	<b>\$1,382,475</b>	<b>\$1,289,899</b>	<b>(\$191)</b>
<b>Funding</b>						
City Funds	N/A	N/A	\$1,265,820	\$1,310,510	\$1,288,944	\$23,124
Federal - Other	N/A	N/A	23,316	70,976	0	(23,316)
Intra City	N/A	N/A	0	0	0	0
State	N/A	N/A	955	989	955	0
<b>TOTAL</b>	<b>\$1,275,642</b>	<b>\$1,321,594</b>	<b>\$1,290,091</b>	<b>\$1,382,475</b>	<b>\$1,289,899</b>	<b>(\$192)</b>
<b>Positions</b>						
Full-Time Positions - Civilian	287	299	291	315	315	24
Full-Time Positions - Uniform	10,108	10,114	10,619	10,619	10,619	0
<b>TOTAL</b>	<b>10,395</b>	<b>10,413</b>	<b>10,910</b>	<b>10,934</b>	<b>10,934</b>	<b>24</b>

\*The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Budget funding.

The Department's Fiscal 2015 Fire Extinguishment and Emergency Response Budget remains virtually unchanged from the Fiscal 2014 Adopted Budget. There is a swing of funds from uniformed overtime to uniform salaries, which reflects the expectation that overtime spending will begin to level off while spending on uniform salaries will begin to grow since the FDNY has begun to increase its fire fighter headcount. The Department expects to run consecutive academy classes of 320 recruits every 20 weeks through 2015. Due to higher than anticipated attrition and retirement the FDNY does not expect to have a full complement of fire fighters until Fiscal 2016. Last year the Department estimated that it would reach budgeted headcount in Fiscal 2015.

- **Uniformed PS Need** – The November 2013 Financial Plan update added \$47.2 million in Fiscal 2014, \$75.1 million in Fiscal 2015, and \$57.4 million in Fiscal 2016 to the baseline budget for uniformed salaries. The adjustment ties the budgeted level for salaries more accurately to the projected level of spending since the FDNY has begun to hire fire fighters again. During the hiring freeze overtime spending increased as the number of fire fighters and other uniformed staff fell, while salary costs dropped. Based on the current pace of hiring and attrition, the OMB expects the FDNY's spending on salaries to increase after Fiscal 2015. As the table above shows, the budget reflects an assumption that "Full-Time Salaried – Uniformed" spending in Fiscal 2015 will just about match spending in Fiscal 2014. Given the Fiscal 2014 uniformed overtime and salary projections, however, the budget for uniformed overtime in Fiscal 2015 seems low.
- **Restoration of 20 Fire Companies** – The Preliminary Budget for Fiscal 2015 includes a PEG restoration that adds \$43.7 million for 505 positions at 20 fire houses that the administration had sought to close to achieve budget savings. Related actions in the budget are the addition of \$15.5 million for overtime for the 505 positions in Fiscal 2015 and a technical adjustment that cuts \$617,839 for fringe benefits costs.
- **Restoration of Fire Alarm Dispatchers** – The February 2014 Financial Plan update adds \$1.3 million and 24 positions in Fiscal 2014 growing to \$2.2 million and 36 positions in Fiscal 2015 to increase the number of fire alarm dispatchers. The Fiscal 2009 Budget included a PEG that eliminated positions and funding for fire dispatching with the expectation that the revised call taking procedures at the Emergency Call Taking Center would reduce the need for fire dispatchers. The proposal had been to allow police call takers to handle the initial portion of fire calls and thereby less the workload for fire dispatchers. The practice is instead to have police call takers immediately conference in fire dispatchers on all fire calls so there is no lessening of the workload for fire dispatchers.

## Performance Measures

FDNY Performance Statistics	Actual			Target		4-Month Actual	
	FY11	FY12	FY13	FY14	FY15	FY13	FY14
Structural fires	26,432	25,254	25,278			7,960	7,856
Non-structural fires	17,462	14,580	14,145			4,606	4,510
Hazard complaints resolved within 1 day (%)	61%	57%	65%	70%	72%	61%	57%
Average response time to structural fires (FDNY dispatch and travel time only) (minutes:seconds)	4:03	4:01	4:06	4:06	4:06	4:08	4:06
Average response time to all fire unit emergencies (FDNY dispatch and travel time only) (minutes:seconds)	4:40	4:35	4:46	-	-	4:47	4:40
Serious fires per 1,000 structural fires	105	106	103	-	-	99	93
Civilian fire fatalities	69	70	47	*	*	4	19
Firefighter burns	302	198	233	*	*	85	76
Firefighter injuries	11,210	10,738	9,273	*	*	3,403	3,191

Source: Fiscal 2014 Preliminary Mayor's Management Report

According to the Fiscal 2014 Preliminary Mayor's Management Report (PMMR), during the first four months of Fiscal 2014 citywide average response time to structural fires was two seconds faster than during the same period of Fiscal 2013.

- Civilian fire fatalities increased from 4 to 19 during the reporting period.
- During the reporting period firefighter burns decreased from 85 to 76 while and service-connected firefighter injuries decreased six percent.

In addition to the PMMR, the Fire Department publishes annual reports called "FDNY Vital Statistics" on its website ([www.nyc.gov/fdny](http://www.nyc.gov/fdny)) which include information about significant events, major initiatives, and key input and outcome statistics. Much of the information is not available in the PMMR. For example, in Fiscal 2013 department personnel saved 413 civilians from building fires and released 39,288 people who were trapped in elevators. The Department also published performance indicators related to fire and EMS incidents and response times on a monthly and annual basis. In February 2014, there were 2,047 structural fires with an average response time of 4 minutes and 15 seconds.

## Emergency Medical Services

EMS is responsible for delivering ambulance and pre-hospital emergency medical services citywide. According to the Department, in Fiscal 2013, EMS operated 423 Basic Life Support (BLS) ambulance tours and 221 Advanced Life Support (ALS) ambulance tours each day, responded to 1.3 million incidents and made 989,329 hospital transports. Funding for EMS is budgeted in Units of Appropriation 009 and 010.

<i>Dollars in Thousands</i>	2012 Actual	2013 Actual	2014 Adopted	2014 as of Prelim	2015 Prelim	*Difference 2014 - 2015
<b>Spending</b>						
<b>Personal Services</b>						
Full-Time Salaried – Civilian	\$168,328	\$172,314	\$165,908	\$168,876	\$168,560	\$2,653
Full-Time Salaried – Uniform	194	50	196	196	196	0
Additional Gross Pay	20,955	21,801	20,130	20,130	20,130	0
Overtime - Civilian	21,963	27,762	24,956	25,959	24,956	0
Other Salaried and Unsalaries	733	744	707	707	707	0
Fringe Benefits	583	495	791	925	791	0
<b>Subtotal, PS</b>	<b>\$212,756</b>	<b>\$223,166</b>	<b>\$212,688</b>	<b>\$216,792</b>	<b>\$215,340</b>	<b>\$2,653</b>
<b>Other Than Personal Services</b>						
Contractual Services	\$9,777	\$9,925	\$11,705	\$10,503	\$11,828	\$123
Fixed and Misc Charges	1	0	1	1	1	0
Other Services and Charges	2,661	3,207	4,611	4,931	4,831	220
Property and Equipment	1,267	1,384	841	1,541	852	11
Supplies and Materials	7,413	6,410	7,449	8,312	7,274	(175)
<b>Subtotal, OTPS</b>	<b>\$21,119</b>	<b>\$20,925</b>	<b>\$24,606</b>	<b>\$25,288</b>	<b>\$24,785</b>	<b>\$179</b>
<b>TOTAL</b>	<b>\$233,875</b>	<b>\$244,091</b>	<b>\$237,294</b>	<b>\$242,081</b>	<b>\$240,126</b>	<b>\$2,832</b>
<b>Funding</b>						
City Funds	N/A	N/A	\$30,471	\$38,843	\$37,747	\$7,276
Federal - Other	N/A	N/A	0	859	0	0
Intra City	N/A	N/A	2,029	2,029	2,029	0
Other Categorical	N/A	N/A	203,948	199,504	199,504	(4,445)
State	N/A	N/A	846	846	846	0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$237,294</b>	<b>\$242,081</b>	<b>\$240,126</b>	<b>\$2,832</b>
<b>Positions</b>						
Full-Time Positions - Civilian	3,533	3342	3343	3405	3400	57
Full-Time Positions - Uniform	1	1	1	1	1	0
<b>TOTAL</b>	<b>3,534</b>	<b>3343</b>	<b>3344</b>	<b>3406</b>	<b>3401</b>	<b>0</b>

\*The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Budget funding.

The budget for Emergency Medical Services shows little change from the Fiscal 2014 Adopted Budget to the Preliminary Budget for Fiscal 2015. The budgeted headcount for civilians is 57 positions higher in Fiscal 2015 than in Fiscal 2014 at adoption. The Department's current actual headcount is 3,568 for emergency medical services. The Department has exceeded its budgeted

headcount because many EMS personnel have been hired as firefighters and in order to maintain an acceptable level of field strength the Department must make up for staff who are in training.

- **EMS Headcount Increase** – The Preliminary budget includes an additional \$1.9 million in Fiscal 2014 and \$2.1 million in Fiscal 2015 for 43 new EMS positions. This increase will add nine tours and 36 positions to cover the Rockaways in the vicinity of the now-closed Peninsula Hospital. FDNY has been running these tours on overtime. This action also adds seven new positions to staff the new Soundview EMS station.
- **Voluntary Hospitals Dispatch Fee** – The Financial Plan includes a PEG restoration that signals the abandonment of the Department’s effort to collect a fee from voluntary hospitals that use the Department’s ambulance dispatch service. The budget action replaces the \$4.4 million fee revenue with city tax levy funding so there is no impact on the FDNY’s budget.

**Performance Measures**

FDNY Performance Statistics	Actual			Target		4-Month Actual	
	FY11	FY12	FY13	FY14	FY15	FY13	FY14
Average response time to life-threatening medical emergencies by ambulance units (FDNY dispatch and travel time only)(minutes: seconds)	7:00	6:25	6:45	7:00	7:00	6:31	6:39
Combined response time to life-threatening medical emergencies by ambulance & fire units (FDNY dispatch and travel time only) (minutes:seconds)	6:05	5:32	5:47	6:05	6:05	5:33	5:37
Average response time to life-threatening medical emergencies by fire units (FDNY dispatch and travel time only) (minutes:seconds)	4:20	4:11	4:16	4:20	4:15	4:12	4:16
Cardiac arrest patients revived (%)	N/A	N/A	26%	-	-	29%	27%
-Witnessed cardiac arrest patients revived (%)	N/A	N/A	45%	-	-	48%	47%

PMMR presents two goals for the EMS: to respond promptly to medical emergencies, and to provide high quality emergency medical care. The response time statistics presented show that response times have increased slightly during the reporting period. The PMMR uses revival rates of cardiac arrest patients as a measure of quality. The report does not establish a target nor provide any benchmark such as revival rates in other metropolitan places to compare the EMS results. However, the Department does publish reports on the volume and type (by segment) of EMS incidents on its website. In 2013 there were 23,945 Segment 1 incidents, which include cardiac arrest and choking, which resulted in 49,338 ambulance runs. The average response time was 5 minutes and 19 seconds. The FDNY’s reports do not indicate whether response time includes only FDNY dispatch and travel time, as the PMMR does.

**Performance Measures**

FDNY Performance Statistics	Actual			Target		4-Month Actual	
	FY11	FY12	FY13	FY14	FY15	FY13	FY14
Total emergency medical incidents (ambulance units)	1,263,345	1,277,985	1,310,770			443,440	446,680
Average cost of ambulance tour per day (\$)	1,731	1,799	1,809	-	-	1,796	1,880
Average ambulance tours per day (total 911 system)	956	989	993	-	-	997	1,013

The PMMR also presents data to describe the total size of the EMS system, showing the total number of incidents and the total number of ambulance tours each day. The FDNY's published data provides more information about ambulance incidents and runs. For example, in 2013 the citywide 911 system ran 363.3 ALS tours and 637.5 BLS tours on average each day and made 1.47 million ambulance runs to 1.31 million incidents. Based on the cost of an ambulance tour per day as reported in the PMMR and the number of tours in 2013 the cost of the EMS service was approximately \$686.7 million. Comparing that to the Fiscal 2014 budget for emergency medical services shows that a substantial part of the ambulance spending is budgeted elsewhere.

## Ambulance Transport Revenue

Revenue Source	EMS Actual Revenue						EMS Projected Revenue	
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Medicare	\$20,912	\$31,312	\$26,124	\$27,921	\$28,357	\$23,846	24,603	N/A
Commercial	64,263	75,798	78,878	83,283	88,655	100,475	100,750	N/A
Self-Pay	6,532	6,398	6,250	6,230	7,417	8,098	8,314	N/A
Bad Debt Sold	1,847	1,084	731	0	0	0	0	
Total FDNY Collections	\$93,554	\$114,593	\$111,983	\$117,434	\$124,429	\$132,419	\$133,667	N/A
HHC Subsidy	\$56,745	\$60,204	\$56,851	\$59,905	\$54,770	\$37,724	\$33,465	N/A
<b>Total Revenue</b>	<b>\$150,299</b>	<b>\$174,797</b>	<b>\$168,834</b>	<b>\$177,339</b>	<b>\$179,199</b>	<b>\$170,143</b>	<b>\$167,132</b>	<b>N/A</b>

(\$ in 000's )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 six 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 paid to FDNY is based on a variety of factors including HHC's Medicaid revenue and the number of Medicaid patients discharged from HHC hospitals.

The expected drop in EMS revenue in Fiscal 2014 compared to Fiscal 2013 is due primarily to a Medicaid rate decrease for ambulance services as well as a reduction in the number of HHC Medicaid patients. The HHC subsidy level has trended downward for several years. The big drop in Fiscal 2013 was in part due to hospital closures following Hurricane Sandy which reduced the number of patients served. FDNY does not expect a return to the Fiscal 2009 level of HHC subsidy without a revision of the subsidy calculation. Commercial collections remain strong and increased in Fiscal 2013 due to the increase of ambulance rates that EMS charges patients for ambulance services. Actual commercial collections may increase over projections because FDNY is expecting payments from Medicaid HMO plans.

Last year the FDNY total projections for EMS revenue were \$202.5 million for Fiscal 2013 increasing to \$202.8 million in Fiscal 2014. In Fiscal 2014 EMS revenue is projected to cover only 69 percent of EMS' operational costs budgeted in the Department. This is a significantly lower level than achieved in recent years. It should also be noted that EMS increased its ambulance

tours as private hospitals have left the 911 ambulance system. Unfortunately, neither the PMMR nor the FDNY monthly statistical reports give the number of FDNY ambulance tours, both report the average daily ALS and BLS tours for the entire 911 system.

## Executive Administrative

The Executive Administration program area (Units of Appropriation 001 and 005) 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>	2012 Actual	2013 Actual	2014 Adopted	2014 as of Prelim	2015 Prelim	*Difference 2014 - 2015
<b>Spending</b>						
<b>Personal Services</b>						
Full-Time Salaried – Civilian	\$56,075	\$57,230	\$61,559	\$60,949	\$61,957	\$398
Full-Time Salaried – Uniform	2,914	3,024	5,482	5,482	5,493	11
Additional Gross Pay	3,833	4,229	3,881	3,881	3,918	36
Overtime - Civilian	8,289	9,824	4,765	4,765	4,765	0
Overtime - uniform	9	0	94	94	94	0
Other Salaried and Unsalariad	4,080	3,998	2,385	3,035	2,385	0
Amounts to be Scheduled	0	0	27	27	27	0
P.S. Other	(647)	(506)				0
Fringe Benefits	567	642	3,953	4,078	3,937	(16)
<b>Subtotal, PS</b>	<b>\$75,120</b>	<b>\$78,441</b>	<b>\$82,146</b>	<b>\$82,311</b>	<b>\$82,575</b>	<b>\$429</b>
<b>Other Than Personal Services</b>						
Contractual Services	\$51,754	\$61,869	\$38,524	\$61,309	\$44,323	\$5,799
Fixed and Misc Charges	870	490	53	293	288	236
Other Services and Charges	40,253	41,631	63,535	102,703	44,967	(18,568)
Property and Equipment	12,521	17,397	1,984	31,486	2,371	387
Supplies and Materials	18,652	18,781	12,500	15,962	12,569	69
<b>Subtotal, OTPS</b>	<b>\$124,050</b>	<b>\$140,168</b>	<b>\$116,596</b>	<b>\$211,754</b>	<b>\$104,519</b>	<b>(\$12,077)</b>
<b>TOTAL</b>	<b>\$199,170</b>	<b>\$218,609</b>	<b>\$198,742</b>	<b>\$294,065</b>	<b>\$187,094</b>	<b>(\$11,649)</b>
<b>Funding</b>						
City Funds	N/A	N/A	\$168,989	\$172,356	\$169,238	\$249
Federal - Other	N/A	N/A	0	121,117	17,616	17,616
Capital- IFA	N/A	N/A	400	400	240	(160)
Intra City	N/A	N/A	29,354	191		(29,354)
Other Categorical	N/A	N/A	0			0
State	N/A	N/A	0	1		0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$198,743</b>	<b>\$294,064</b>	<b>\$187,094</b>	<b>(\$11,649)</b>
<b>Budgeted Headcount</b>						
Full-Time Positions - Civilian	763	794	802	803	808	6
Full-Time Positions - Uniform	22	39	39	39	39	0
<b>TOTAL</b>	<b>785</b>	<b>833</b>	<b>841</b>	<b>842</b>	<b>847</b>	<b>6</b>

\*The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Budget funding.

The budget for executive administration includes few changes since adoption, excepting the recognition of federal revenue for Fiscal 2014. It is the OMB's practice to recognize grant revenue

in the budget on a year by year basis only as grants are awarded. The FDNY does not expect any significant changes in federal grants for Fiscal 2015.

## Financial Plan Actions

- **EEO Compliance** – The November 2013 Financial Plan update added one position and \$98,846 beginning in Fiscal 2014 for the FDNY's Office of Equal Employment Opportunity.

## 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. Funding for fire prevention is budgeted in Units of Appropriation 004 and 008.

<i>Dollars in Thousands</i>	2012 Actual	2013 Actual	2014 Adopted	2014 as of Prelim	2015 Prelim	*Difference 2014 - 2015
<b>Spending</b>						
<b>Personal Services</b>						
Full-Time Salaried – Civilian	\$23,546	\$24,419	\$25,096	\$25,196	\$25,309	\$213
Full-Time Salaried – Uniform	0	1,685	2,669	2,669	3,375	706
Additional Gross Pay	978	1,168	1,219	1,219	1,317	99
Overtime - Civilian	2,863	3,439	1,297	1,297	1,297	0
Overtime - uniform	0	353	93	93	93	0
Other Salaried and Unsalariated	37	79	39	39	39	0
Fringe Benefits	31	38	61	61	64	3
<b>Subtotal, PS</b>	<b>\$27,455</b>	<b>\$31,181</b>	<b>\$30,473</b>	<b>\$30,573</b>	<b>\$31,494</b>	<b>\$1,021</b>
<b>Other Than Personal Services</b>						
Contractual Services	\$48	\$8	\$40	\$77	\$40	\$0
Other Services and Charges	288	303	382	414	382	0
Property and Equipment	54	43	17	85	5	(12)
Supplies and Materials	124	92	258	122	258	0
<b>Subtotal, OTPS</b>	<b>\$514</b>	<b>\$445</b>	<b>\$697</b>	<b>\$697</b>	<b>\$685</b>	<b>(\$12)</b>
<b>TOTAL</b>	<b>\$27,969</b>	<b>\$31,627</b>	<b>\$31,170</b>	<b>\$31,270</b>	<b>\$32,179</b>	<b>\$1,009</b>
<b>Funding</b>						
City Funds	N/A		\$30,174	\$31,270	\$32,179	\$2,005
<b>TOTAL</b>			<b>\$30,174</b>	<b>\$30,677</b>	<b>\$31,730</b>	<b>\$1,556</b>
<b>Positions</b>						
Full-Time Positions - Civilian	467	502	511	514	514	3
Full-Time Positions - Uniform	17	28	28	28	28	0
<b>TOTAL</b>	<b>484</b>	<b>530</b>	<b>539</b>	<b>542</b>	<b>542</b>	<b>3</b>

\*The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Budget funding.

The budget for fire prevention remains stable.

## Financial Plan Actions

- **Headcount Increase** – The November 2013 Financial Plan update added one position and \$40,000 in Fiscal 2014 growing to \$80,000 in Fiscal 2015 for the fire suppression unit. The Preliminary Plan added 2 positions and \$60,000 in Fiscal 2014 growing to 3 positions and \$180,000 in Fiscal 2015 to add FDNY staff at the Environmental Control Board.

## Fine and Fee Revenue

FDNY Miscellaneous Revenue						
Description	Actual				Planned	
	2010	2011	2012	2013	2014	2015
Private Alarm Co. Franchises	\$1,338	\$1,090	\$1,224	\$1,233	\$1,137	\$1,137
2% Tax on Fire Insurance	26,774	23,772	24,704	22,502	25,465	26,465
Fire Prevention Liens	3,464	3,560	3,642	3,607	2,500	2,500
Fire Inspection Fees	47,021	53,400	59,500	62,949	57,636	55,886
<b>Total</b>	<b>\$78,597</b>	<b>\$81,822</b>	<b>\$89,070</b>	<b>\$90,291</b>	<b>\$86,738</b>	<b>\$85,988</b>

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

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 two percent tax on fire insurance premiums. In Fiscal 2015, fire inspection fees are projected to generate approximately \$55.9 million, while the two percent tax on fire insurance premiums is projected to generate \$26.5 million. For Fiscal 2015, the combined revenue estimate for the Fire Department, not including EMS related revenue is \$86 million. This revenue is recognized by the City's Miscellaneous Budget (agency code 098).

- **Non-Profit Fee Exemption** – The Miscellaneous Budget lowers the FDNY's fire inspection fee projection by \$1.3 million in Fiscal 2014 and by \$3 million per year thereafter. This reduction is associated with a local law passed by the City Council in January 2014 that exempts most non-profit organizations from fire inspection fees.

**Performance Measures**

FDNY Performance Statistics	Actual			Target		4-Month Actual	
	FY11	FY12	FY13	FY14	FY15	FY13	FY14
Fire safety education presentations	8,007	8,776	8,184	-	-	2,310	2,522
Completed inspections performed by fire prevention personnel	173,695	189,768	184,749	185,000	185,000	56,749	62,586
Average time from inspection request until inspection (days) – Fire alarm inspections	34	32	32	-	-	32	32
Average time from inspection request until inspection (days) – Rangehood inspections	1	5	5	-	-	5	5
Violations admitted to or upheld at the ECB (%)	N/A	92%	91%	-	-	91%	92%

According to the PMMR, FDNY fire prevention personnel completed about ten percent more inspections in the first four months of Fiscal 2014 compared with the same period in Fiscal 2013 and are on pace to far exceed the target number of inspections. According to the Department, revenue was also 12.96% higher. The increase in inspections is explained by several factors. First, during the 2012 reporting period, Hurricane Sandy hit and hampered the operations of the Bureau of Fire Prevention Inspections for several days. Inspections increased in 2013 as staffing was increased as follows: the Licensed Places of Public Assembly (LPPA) Unit added 11 inspectors; Fire Suppression Unit added six; and the Fire Alarm Inspection Unit added five. This accounted for almost 2,000 inspections more in July-October, 2013 as compared with the same period in the previous year. Finally, the district offices produced almost 4,000 more inspections in the July-October, 2013 period due to an effort to clear out an inspection backlog.

## 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. Funding is budgeted in Units of Appropriation 003 and 007.

<i>Dollars in Thousands</i>	2012 Actual	2013 Actual	2014 Adopted	2014 as of Prelim	2015 Prelim	*Difference 2014 - 2015
<b>Spending</b>						
<b>Personal Services</b>						
Full-Time Salaried – Civilian	\$274	\$295	\$310	\$310	\$335	\$24
Full-Time Salaried – Uniform	10,674	10,670	9,928	9,928	9,936	8
Additional Gross Pay	1,697	1,727	1,699	1,699	1,585	(114)
Overtime - Civilian	4	18	2	2	2	0
Overtime - uniform	3,486	4,185	2,067	2,225	2,067	0
Fringe Benefits	414	369	233	233	337	104
<b>Subtotal, PS</b>	<b>\$16,549</b>	<b>\$17,264</b>	<b>\$14,240</b>	<b>\$14,398</b>	<b>\$14,263</b>	<b>\$23</b>
<b>Other Than Personal Services</b>						
Contractual Services	\$1	\$1				\$0
Other Services and Charges	4	1	14	15	14	0
Property and Equipment	44	28	10	28	10	0
Supplies and Materials	58	94	102	125	126	24
<b>Subtotal, OTPS</b>	<b>\$107</b>	<b>\$124</b>	<b>\$126</b>	<b>\$168</b>	<b>\$150</b>	<b>\$24</b>
<b>TOTAL</b>	<b>\$16,656</b>	<b>\$17,388</b>	<b>\$14,366</b>	<b>\$14,566</b>	<b>\$14,413</b>	<b>\$47</b>
<b>Funding</b>						
City Funds	N/A		\$14,272	\$14,408	\$14,413	\$141
Federal - Other	N/A		0	0	0	0
State	N/A		0	158	0	0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,272</b>	<b>\$14,566</b>	<b>\$14,413</b>	<b>\$141</b>
<b>Positions</b>						
Full-Time Positions - Civilian	5	6	6	6	6	0
Full-Time Positions - Uniform	112	100	100	100	100	0
<b>TOTAL</b>	<b>117</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

\*The difference of Fiscal 2014 Adopted compared to Fiscal 2015 Preliminary Budget funding.

The Fire Investigation program area shows little change from the Fiscal 2014 Adopted Budget to the Preliminary Budget for Fiscal 2015 and has no budget initiatives.

## Performance Measures

Performance Statistics	Actual			Target		4-Month Actual	
	FY11	FY12	FY13	FY14	FY15	FY13	FY14
Investigations	6,525	6,636	7,028	*	*	2,864	2,141
Arson fires	2,073	2,008	1,831	-	-	608	590

According to the PMMR, investigations by fire marshals into the causes and origins of fires and other fire-related offenses decreased 25 percent during the reporting period because the FDNY had fewer fire marshals available. During the first four months of Fiscal 2014, 22 newly-hired fire marshals were in training, leaving only 69 investigating marshals available, compared to 91 during the same period of the prior year.

## Capital Program

The total City Capital Commitment Plan for Fiscal 2014 has increased from \$21.2 billion in the November Capital Commitment Plan to \$21.3 billion in the Preliminary Capital Commitment Plan, an increase of \$163 million, or less than 1%. For the Fire Department, the Capital Commitment Plan has decreased \$1.3 million, or less than one percent from the November Plan of \$339.5 million to \$338.1 million in the Preliminary Plan. The decrease is almost entirely from in non-city funding sources to the Fire Department.

### 2014-2017 Commitment Plan: November and Preliminary Budget

*Dollars in Thousands*

	FY14	FY15	FY16	FY17	Total
<b>November</b>					
Total Capital Plan	\$200,451	\$54,103	\$55,449	\$29,483	<b>\$339,486</b>
<b>Preliminary</b>					
Total Capital Plan	\$199,111	\$54,103	\$55,449	\$29,483	<b>\$338,146</b>
<b>Change</b>					
Level	<b>(\$1,340)</b>	\$0	\$0	\$0	<b>(\$1,340)</b>
Percentage	-0.67%	0.00%	0.00%	0.00%	<b>-0.39%</b>

The Fire Department's Capital Plan includes 12 budget lines, each of which includes a variety of capital projects within a particular category. The majority of the FDNY's projects are scheduled in one of four lines: 1) fire alarm communication system; 2) vehicle acquisition; 3) facility improvements and; 4) management information and control system. The fire alarm communication line includes \$16.2 million in commitments planned for Fiscal 2014 and Fiscal 2015. These projects include alarm cabling, fire alarm boxes and related infrastructure. The vehicle acquisition line is used for purchase of all the various trucks and equipment used in firefighting and related support functions, such as pumpers, ladder trucks, and brush fire vehicles. Ambulance purchases are not included here; they are budgeted in the Health and Hospital Corporation's capital budget. The facility improvements line schedules capital projects related to the improvement and maintenance of all the FDNY's buildings and leased sites. Planned commitments this year and next total \$106.6 million, with only \$15.9 scheduled in Fiscal 2015. Finally, the management information and control system includes projects related to the building information system, technology upgrades, and FDNY's citynet project. Planned commitments total \$24.8 million in Fiscal 2014 and 2015.

## Appendix A Contract Budget

FDNY Fiscal 2015 Preliminary Contract Budget				
Object Code	Contract Category	Number	Budgeted	Percent of Contract Total
600	Contractual Services General	41	\$31,928.0	46.6%
602	Telecommunications Maintenance	2	123.9	0.2%
607	Maint & Repair of Motor Vehicle Equipment	35	2,264.0	3.3%
608	Maint & Repair, General	97	10,155.5	14.8%
613	Data Processing Equipment	8	12,478.2	18.2%
619	Security Services	1	185.5	0.3%
622	Temporary Services	1	4,623.7	6.7%
624	Cleaning Services	3	2,779.0	4.1%
671	Training Programs for City Employees	3	99.7	0.1%
676	Maint & Operation of Infrastructure	23	1,781.2	2.6%
682	Professional Legal Services	1	23.0	0.0%
683	Professional Services: Engineer & Architect	1	100.0	0.1%
684	Professional Services: Computer Services	1	1,336.0	1.9%
685	Professional Services: Direct Education Serv	1	15.0	0.0%
686	Professional Services: Other	5	672.0	1.0%
	<b>Fiscal 2015 Preliminary Contract Budget</b>	<b>223</b>	<b>\$68,564.6</b>	<b>100.0%</b>

## Appendix B

### Budget Actions in the November and February Plans

FDNY Changes Since FY 14 Adoption	FY2014			FY2015		
<i>Dollars in Thousands</i>	City	Non-City	Total	City	Non-city	Total
<b>FDNY FY14 Adopted Budget</b>	<b>\$1,510,816</b>	<b>\$260,847</b>	<b>\$1,771,663</b>	<b>\$1,409,645</b>	<b>\$221,556</b>	<b>\$1,631,201</b>
<b>New Needs</b>						
EMS Service Level Maintenance	\$1,889	\$0	\$1,889	\$2,117	\$0	\$2,117
FDNY Representatives at ECB	60	0	60	180	0	180
Fire and Construction Code Books	162	0	162	0	0	0
EEO Compliance	99	0	99	99	0	99
Fire Suppression	40	0	40	80	0	80
Lease Adjustment	0	0	0	220	0	220
Medical Billing Compliance	1,269	0	1,269	738	0	738
Uniformed PS Need	47,154	0	47,154	75,082	0	75,082
<b>Subtotal New Needs</b>	<b>\$50,673</b>	<b>\$0</b>	<b>\$50,673</b>	<b>\$78,516</b>	<b>\$0</b>	<b>\$78,516</b>
<b>Other Adjustments</b>						
Auto Arson	\$0	\$159	\$159	\$0	\$0	\$0
Hurricane Sandy	0	9,025	9,025	0	0	0
Lease Adjustment	360	0	360	0	0	0
NYC Service - CPR Program	99	0	99	0	0	0
PlaNYC ExCEL Program	0	125	125	0	0	0
Restoration of 20 Companies - Fringe	0	0	0	(10,840)	0	(10,840)
Restoration of Fire Alarm Disp. HC - Fringe	(347)	0	(347)	(618)	0	(618)
Restoration of 20 companies - Overtime	0	0	0	15,508	0	15,508
First Line Program	0	34	34	0	0	0
Member Item	54	0	54	0	0	0
Federal Funding Adjustments	0	131,256	131,256	0	4,077	4,077
PlaNYC Energy Manager	0	66	66	0	0	0
<b>Subtotal Other Adjustments</b>	<b>\$166</b>	<b>\$140,665</b>	<b>\$140,831</b>	<b>\$4,050</b>	<b>\$4,077</b>	<b>\$8,127</b>
<b>PEG Restorations and Substitutions (PRS):</b>						
Restoration of 20 Fire Companies	\$0	\$0	\$0	\$43,682	\$0	\$43,682
Restoration of Fire Alarm Disp. HC	1,287	0	1,287	2,184	0	2,184
Voluntary Hospital Dispatch Fee	4,445	(4,445)	0	4,445	(4,445)	0
<b>Subtotal PRS</b>	<b>\$5,732</b>	<b>(\$4,445)</b>	<b>\$1,287</b>	<b>\$50,311</b>	<b>(\$4,445)</b>	<b>\$45,867</b>
<b>Total Changes</b>	<b>\$56,571</b>	<b>\$136,220</b>	<b>\$192,791</b>	<b>\$132,877</b>	<b>(\$368)</b>	<b>\$132,509</b>
<b>FDNY Preliminary FY15 Budget</b>	<b>\$1,567,387</b>	<b>\$397,067</b>	<b>\$1,964,454</b>	<b>\$1,542,522</b>	<b>\$221,188</b>	<b>\$1,763,710</b>