

THE COUNCIL OF THE CITY OF NEW YORK

Hon. Christine C. Quinn  
Speaker of the Council

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



## Hearing on the Fiscal 2014 Preliminary Budget & the Fiscal 2013 Preliminary Mayor's Management Report

Fire Department

March 7, 2013

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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 2014. In the first section, highlights of the Preliminary Fiscal 2014 expense budget are presented. The report then presents the Department's budget by program area, discusses initiatives included in the November and January Financial Plans and reviews relevant sections of the Preliminary Mayor's Management Report for Fiscal 2013. Finally, a review of the Preliminary Capital Budget for Fiscal 2014 and the Preliminary 10 year Capital Strategy for the Department with a discussion of significant changes proposed to the Capital Plan is presented.

## Fiscal 2014 Preliminary Budget Highlights

057 - Fire Department					
	2012	2013	2013	2014	*Difference
<i>Dollars in Thousands</i>	Actual	Adopted	Jan. Plan	Jan. Plan	2013 - 2014
Personal Services	\$1,579,170	\$1,618,216	\$1,644,536	\$1,539,395	(\$78,821)
Other Than Personal Services	174,143	167,113	254,349	173,400	6,287
<b>Agency Total</b>	<b>\$1,753,313</b>	<b>\$1,785,329</b>	<b>\$1,898,885</b>	<b>\$1,712,795</b>	<b>(\$72,534)</b>

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

FDNY's budget for Fiscal 2014 is \$1.71 billion, most of which supports personal services (PS) spending. The Department's (PS) Budget for Fiscal 2014 decreases by \$72.5 million when compared to the Adopted Budget. This decrease is due to various budget actions including a planned decrease in overtime spending. The changes to the Department's Fiscal 2013 and Fiscal 2014 budgets proposed in the November 2012 and February 2013 Financial Plans are listed in Appendix B.

- **Brookdale EMS Tours** – Brookdale Hospital ceased providing twelve ambulance tours, effective September 14, 2012. The Department replaced these tours with municipal tours, adding 49 new positions to maintain the current level of ambulance coverage citywide.
- **Voluntary Hospitals Dispatch Fee** –The fee was designed to generate revenues of \$8.7 million per year beginning in Fiscal 2012. However, due to continued program adjustments the Department is restoring partial revenue estimate of what the program was going to generate in the amount of \$2.1 million in Fiscal 2013, 2014 and the out years.

- **Super Storm Sandy** - The January Financial Plan includes \$63.7 million to cover all the storm related costs for the Fire Department. According to Office of Management and Budget (OMB) the Department's expense budget for Fiscal 2013 will schedule \$24.3 million for Sandy-spending, all of which is funded with federal aid. The principal storm related expenses included \$13.4 million in employee overtime for emergency response; \$7.5 million for debris removal, \$3 million for various minor rebuilding efforts and \$350,000 for immediate expenses related to fire alarm boxes. The Preliminary Capital Commitment Plan added \$39.3 million for projects related to the storm. These include replacement of damaged vehicles; reconstruction of various facilities; and purchase of various damaged equipment. Sandy capital funding is currently forecast in the January Capital Commitment Plan as City funds. These funds will be treated as grant funds by the City and the commitments will be transferred to a Federal Non-City budget code as they are spent.

## Council Initiatives

- **Fire Company Elimination** - The Administration first proposed a budget reduction or PEG that would have resulted in the closure of 20 fire companies In Fiscal 2012. The City Council has restored this PEG each year since. The Administration did not identify the companies that would close. Citing the importance of public safety, the City Council restored \$43.6 million to the Fiscal 2013 Budget for the Department to maintain operations of these 20 fire companies. The Mayor's Preliminary Budget for Fiscal 2014 does not include the Council's restoration and again proposes to eliminate 20 engine companies. According to the Office of Management and Budget, approximately \$44 million would have to be added to the Department's Fiscal 2014 Budget to avoid fire company closures.

## 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 2014 Preliminary Budget.

<b>Financial Summary</b>					
<i>Dollars in Thousands</i>	<b>2012</b>	<b>2013</b>	<b>2013</b>	<b>2014</b>	<b>*Difference</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Jan. Plan</b>	<b>Jan. Plan</b>	<b>2013 - 2014</b>
<b>Budget by Program Area</b>					
Emergency Medical Services	\$233,874	\$231,241	\$237,361	\$236,726	\$5,485
Executive Administrative	199,171	195,413	276,891	196,842	1,430
Fire Extinguishment/Emergency Response	1,275,641	1,314,230	1,339,209	1,233,131	(81,098)
Fire Investigation	16,656	14,272	14,747	14,366	94
Fire Prevention	27,970	30,174	30,677	31,730	1,556
<b>TOTAL</b>	<b>\$1,753,313</b>	<b>\$1,785,329</b>	<b>\$1,898,885</b>	<b>\$1,712,795</b>	<b>(\$72,534)</b>
<b>Funding</b>					
City Funds	N/A	\$1,524,939	\$1,535,922	\$1,453,141	(\$71,798)
Other Categorical	N/A	202,535	202,757	202,755	220
Capital- IFA	N/A	240	320	400	160
State	N/A	1,801	1,943	1,801	0
Federal - Other	N/A	53,786	155,641	52,670	(1,116)
Intra City	N/A	2,029	2,302	2,029	0
<b>TOTAL</b>	<b>\$1,753,313</b>	<b>\$1,785,329</b>	<b>\$1,898,885</b>	<b>\$1,712,795</b>	<b>(\$72,534)</b>
<b>Positions</b>					
Full-Time Positions - Civilian	5,055	4,834	4,934	4,915	81
Full-Time Positions - Uniform	10,260	10,282	10,282	10,282	0
<b>TOTAL</b>	<b>15,315</b>	<b>15,116</b>	<b>15,216</b>	<b>15,197</b>	<b>81</b>

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

FDNY's budget for Fiscal 2014 decreases by \$72.5 million when compared to the Adopted Budget. This decrease is due to various budget actions including a planned decrease in overtime spending. The Preliminary Budget for Fiscal 2014 includes \$251.7 million for overtime, \$94.9 million less than the \$346.6 million projected for Fiscal 2013, which is responsible for the budget decrease in the Fire Extinguishment/Emergency Response program area. There is an 81 position increase in civilian headcount due to various actions. These include adding 49 new positions to staff additional municipal EMS tours; 24 new fire prevention inspectors and 13 new positions for the Department's Executive Administrative division to provide administrative support for processing new incoming firefighter classes.

## 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>	2012 Actual	2013 Adopted	2013 Jan. Plan	2014 Jan. Plan	*Difference 2013 - 2014
<b>Spending</b>					
<b>Personal Services</b>					
Full-Time Salaried – Civilian	\$17,503	\$16,075	\$16,535	\$15,126	(\$949)
Full-Time Salaried – Uniform	834,107	803,129	804,009	797,851	(5,278)
Additional Gross Pay	149,637	144,454	144,454	143,959	(494)
Overtime - Civilian	2,700	5,302	5,681	5,302	0
Overtime - uniform	226,240	285,865	304,408	212,969	(72,897)
Other Salaried and Unsalariated	547	0	170	0	0
Fringe Benefits	16,555	27,437	30,485	25,941	(1,496)
<b>Subtotal, PS</b>	<b>\$1,247,288</b>	<b>\$1,282,263</b>	<b>\$1,305,742</b>	<b>\$1,201,148</b>	<b>(\$81,115)</b>
<b>Other Than Personal Services</b>					
Contractual Services	\$12,240	\$12,225	\$10,972	\$12,225	\$0
Fixed and Misc Charges	0	0	0	0	0
Other Services and Charges	946	1,286	1,340	1,286	0
Property and Equipment	1,288	928	2,278	943	15
Supplies and Materials	13,879	17,527	18,876	17,529	2
<b>Subtotal, OTPS</b>	<b>\$28,353</b>	<b>\$31,967</b>	<b>\$33,467</b>	<b>\$31,984</b>	<b>\$17</b>
<b>TOTAL</b>	<b>\$1,275,641</b>	<b>\$1,314,230</b>	<b>\$1,339,209</b>	<b>\$1,233,131</b>	<b>(\$81,098)</b>
<b>Funding</b>					
City Funds	NA	\$1,293,423	\$1,292,784	\$1,208,861	(\$84,563)
Federal - Other	NA	19,852	45,435	23,316	3,464
Intra City	NA	0	35	0	0
State	NA	955	955	955	0
<b>TOTAL</b>		<b>\$1,314,230</b>	<b>\$1,339,209</b>	<b>\$1,233,131</b>	<b>(\$81,098)</b>
<b>Positions</b>					
Full-Time Positions - Civilian	287	288	300	272	(16)
Full-Time Positions - Uniform	10,108	10,114	10,114	10,114	0
<b>TOTAL</b>	<b>10,395</b>	<b>10,402</b>	<b>10,414</b>	<b>10,386</b>	<b>(16)</b>

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

The Department's Fiscal 2014 Fire Extinguishment and Emergency Response Budget decreases by \$81.1 million or 6.3 percent compared to the 2013 Adopted Budget. This decrease is due to overtime funding being reduced due to the Department's ability to hire new firefighters. At present, FDNY uniformed staffing is 519 firefighters below its authorized headcount. The Fire Department administered a new approved test on March 15, 2012, and a new class of 293 applicants is currently in the Fire Academy. The Department expects to run three consecutive academy classes of 320 recruits each year through 2014. In Fiscal 2015 the Department expects to achieve the firefighter budgeted headcount.

The proposed elimination of 20 fire companies in Fiscal 2014 is in large part responsible for the planned drop in spending. In Fiscal 2013 the Council restored \$43.6 million to the Department’s budget to keep all the fire houses open; this funding is not included in Fiscal 2014. Since uniformed staffing is currently below its authorized headcount, the 505 positions associated with the 20 fire companies were not restored.

**February and November Financial Plan Actions**

- **Probationary Firefighter CFR Training Charge** - The Fiscal 2014 Preliminary Budget includes a PEG that recognizes \$110,000 in Fiscal 2014 and \$325,000 in Fiscal 2015, raised by FDNY by charging probationary firefighters for Certified First Responder Training at the academy.
- **WTC/Zadroga Grant Reimbursement** - The November Plan introduced a PEG that would recognize \$2.6 million in Federal grant funding for World Trade Center health expenses in Fiscal 2013 and in Fiscal 2014.

**Performance Measures**

FDNY Performance Statistics	Actual			Target		4-Month Actual	
	FY10	FY11	FY12	FY13	FY14	FY12	FY13
Structural fires	26,595	26,432	25,254	*	24,330	7,766	7,960
Non-structural fires	17,189	17,462	14,580	*	13,244	5,083	4,606
Hazard complaints resolved within 1 day (%)	70%	61%	57%	*	65%	60%	61%
Average response time to structural fires (minutes:seconds) - Citywide	3:59	4:03	4:01	4:06	4:06	4:02	4:08
Combined response time to life-threatening medical emergencies by ambulance and fire units (minutes:seconds)	5:47	6:05	5:32	5:41	5:41	5:33	5:33
Serious fires per 1,000 structural fires	92	105	106	*	105	109	99
Civilian fire fatalities	67	69	70	*	*	18	4
Firefighter burns	240	302	198	*	*	90	85
Firefighter injuries	10,914	11,210	10,738	*	*	3,799	3,379

According to the Fiscal 2013 Preliminary Mayor’s Management Report (PMMR), during the first four months of Fiscal 2013 citywide average response time to structural fires was six seconds slower than during the same period of Fiscal 2012, due to unusually long response times on October 29, 30 and 31 during and immediately following Hurricane Sandy. When the last three days of October 2012 are deducted from the average, response time was 4:03 or one second slower than last year.

- The combined average response time for fire units to respond to structural fires and medical emergencies did not change during the reporting period.
- The number of serious fires per 1,000 structural fires decreased nine percent during the reporting period.
- Civilian fire fatalities decreased from 18 to four during the reporting period.
- During the reporting period firefighter burns sustained outside quarters decreased 5.6 percent and service-connected firefighter injuries decreased eleven percent.

## Emergency Medical Services

EMS is responsible for delivering ambulance and pre-hospital emergency medical services citywide. EMS operates 423 Basic Life Support (BLS) ambulance tours and 213 Advanced Life Support (ALS) ambulance tours citywide. The Department anticipates its ambulances will respond to over 1.2 million medical incidents in 2014.

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Jan. Plan	2014 Jan. Plan	*Difference 2013 - 2014
<b>Spending</b>					
<b>Personal Services</b>					
Full-Time Salaried – Civilian	\$168,328	\$162,424	\$164,460	\$164,748	\$2,324
Full-Time Salaried – Uniform	194	190	190	196	6
Additional Gross Pay	20,955	20,007	20,066	20,066	59
Overtime - Civilian	21,963	24,861	26,179	24,923	62
Other Salaried and Unsalaries	733	707	707	707	0
Fringe Benefits	583	818	863	824	6
<b>Subtotal, PS</b>	<b>\$212,756</b>	<b>\$209,006</b>	<b>\$212,464</b>	<b>\$211,463</b>	<b>\$2,457</b>
<b>Other Than Personal Services</b>					
Contractual Services	\$9,777	\$11,238	\$11,438	\$11,629	\$391
Fixed and Misc Charges	1	1	1	1	0
Other Services and Charges	2,661	3,195	4,843	5,724	2,529
Property and Equipment	1,267	831	1,373	841	10
Supplies and Materials	7,413	6,971	7,242	7,069	98
<b>Subtotal, OTPS</b>	<b>\$21,118</b>	<b>\$22,235</b>	<b>\$24,897</b>	<b>\$25,263</b>	<b>\$3,028</b>
<b>TOTAL</b>	<b>\$233,874</b>	<b>\$231,241</b>	<b>\$237,361</b>	<b>\$236,726</b>	<b>\$5,485</b>
<b>Funding</b>					
City Funds	NA	\$25,832	\$30,789	\$31,096	\$5,265
Federal - Other	NA	0	940	0	0
Intra City	NA	2,029	2,029	2,029	0
Other Categorical	NA	202,535	202,757	202,755	220
State	NA	846	846	846	0
<b>TOTAL</b>		<b>\$231,241</b>	<b>\$237,361</b>	<b>\$236,726</b>	<b>\$5,485</b>
<b>Positions</b>					
Full-Time Positions - Civilian	3533	3261	3318	3319	58
Full-Time Positions - Uniform	1	1	1	1	0
<b>TOTAL</b>	<b>3,534</b>	<b>3,262</b>	<b>3,319</b>	<b>3,320</b>	<b>58</b>

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

The Emergency Medical Services program area shows little change from the Fiscal 2013 Adopted Budget to the Preliminary Budget for Fiscal 2014. New needs totaling \$3.4 million and a PEG restoration of \$2.1 million increase the Fiscal 2014 budget by \$5.5 million and are responsible for the increase in City Tax Levy funding as is indicated on next page.

**February and November Financial Plan Actions**

- **Brookdale EMS Tours** - Due to rising costs, Brookdale Hospital ceased providing twelve ambulance tours, effective September 14, 2012. The Department replaced these tours with municipal tours, adding 49 new positions to maintain the current level of ambulance coverage citywide. This action would generate additional costs of \$2.4 million in Fiscal 2013 and \$2.6 million in Fiscal 2014. Fiscal 2014 Preliminary Budget estimates that these ambulance tours will generate \$2.35 million in revenue to partially offset the cost.
- **Mobile Electronic Patient Care Record (ePCR) Citywide Rollout** - There is a new need in Fiscal 2014 budget of \$973,000 to fund a citywide rollout of the new wireless technology that sends near-real-time patient information to hospital emergency rooms (ERs) - getting critical and potentially lifesaving information to ERs before ambulances arrive with patients.
- **Washington Heights Supervision** - There is a new need in Fiscal 2013 and 2014 of \$241,112 and \$254,749 in the out years which will add three lieutenants and one captain for the supervision duties in this new EMS station. The Department opened the new EMS station on January 7, 2013.

**PEG Restorations**

- **Voluntary Hospitals Dispatch Fee** -The Fiscal 2012 Budget included an \$8.7 million PEG that would be achieved by imposing a fee on voluntary hospitals participating in the 911 system for 911 system dispatch and telemetry services. However, due to ongoing negotiations, the FDNY has not fully implemented this program. The Preliminary Budget reduces the revenue projection beginning in Fiscal 2013 by \$2.1 million. This partial PEG restoration is due to the fact that, after further evaluating participatory hospitals, the Department decided to exclude from this fee all hospitals where Medicaid funding was more than 50 percent of their entire budget.

**Performance Measures**

FDNY Performance Statistics	Actual			Target		4-Month Actual	
	FY10	FY11	FY12	FY13	FY14	FY12	FY13
Average response time to life-threatening medical emergencies by ambulance units (minutes:seconds)	6:41	7:00	6:25	6:35	6:35	6:25	6:31
Combined response time to life-threatening medical emergencies by ambulance and fire units (minutes:seconds)	5:47	6:05	5:32	5:41	5:41	5:33	5:33
Average response time to life-threatening medical emergencies by fire units (minutes:seconds)	4:17	4:20	4:11	4:20	4:20	4:12	4:12

According to the PMMR, the average response time to life-threatening medical emergencies by ambulance units was six seconds slower during the reporting period, due in part to unusually long response times during the last three days of October 2012 during Hurricane Sandy. Combined response time to life-threatening medical emergencies by ambulance and fire units did not change during the reporting period. Response time to life-threatening medical emergencies by fire units also did not change during the reporting period.

## Ambulance Transport Revenue

EMS Actual Revenue					
<i>(Dollars in Thousands)</i>					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Medicare	\$20,912	\$31,312	\$26,124	\$27,921	\$28,357
Commercial	64,263	75,798	78,878	83,283	88,655
Self Pay	6,532	6,398	6,250	6,230	7,417
Bad Debt Sold	1,847	1,084	731	0	0
Total FDNY Collections	\$93,554	\$114,593	\$111,983	\$117,434	\$124,429
HHC Subsidy	\$56,745	\$60,204	\$56,851	\$59,905	\$54,770
<b>Total Revenue</b>	<b>\$150,299</b>	<b>\$174,797</b>	<b>\$168,834</b>	<b>\$177,339</b>	<b>\$179,199</b>

*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 2013, EMS revenue is projected at approximately \$202.5 million, increasing to \$202.8 million in Fiscal 2014. The projected increase of revenue from Fiscal 2012 to Fiscal 2013 is primarily due to increase of ambulance rates that EMS charges patients for ambulance services which went into effect last year. As illustrated in the table on page six, EMS revenue covers 85.7 percent of the total \$236.7 million operational costs borne by the Emergency Medical Services program area. Approximately \$55 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.

## 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>	2012 Actual	2013 Adopted	2013 Jan. Plan	2014 Jan. Plan	*Difference 2013 - 2014
<b>Spending</b>					
<b>Personal Services</b>					
Full-Time Salaried – Civilian	\$56,075	\$62,471	\$60,363	\$60,737	(\$1,734)
Full-Time Salaried – Uniform	2,914	5,482	5,482	5,482	0
Additional Gross Pay	3,833	3,890	3,890	3,890	0
Overtime - Civilian	8,289	4,948	5,452	4,948	0
Overtime - uniform	9	94	94	94	0
Other Salaried and Unsalariated	4,080	\$,385	2,385	2,385	0
Amounts to be Scheduled	0	27	27	27	0
P.S. Other	(647)	0	0	0	0
Fringe Benefits	567	3,956	4,041	3,944	(11)
<b>Subtotal, PS</b>	<b>\$75,120</b>	<b>\$83,253</b>	<b>\$81,734</b>	<b>\$81,508</b>	<b>(\$1,745)</b>
<b>Other Than Personal Services</b>					
Contractual Services	\$51,754	\$32,058	\$69,202	\$38,402	\$6,344
Fixed and Misc Charges	870	53	209	53	0
Other Services and Charges	40,253	65,940	83,855	62,740	(3,200)
Property and Equipment	12,521	2,364	21,799	1,837	(527)
Supplies and Materials	18,652	11,744	20,091	12,302	558
<b>Subtotal, OTPS</b>	<b>\$124,050</b>	<b>\$112,160</b>	<b>\$195,156</b>	<b>\$115,335</b>	<b>\$3,175</b>
<b>TOTAL</b>	<b>\$199,171</b>	<b>\$195,413</b>	<b>\$276,891</b>	<b>\$196,842</b>	<b>\$1,430</b>
<b>Funding</b>					
City Funds	NA	\$161,239	\$167,310	\$167,089	\$5,850
Federal - Other	NA	33,934	109,019	29,354	(4,580)
Capital- IFA	NA	240	320	400	160
Intra City	NA	0	238	0	0
Other Categorical	NA	0	0	0	0
State	NA	0	4	0	0
<b>TOTAL</b>		<b>\$195,413</b>	<b>\$276,891</b>	<b>\$196,842</b>	<b>\$1,430</b>
<b>Positions</b>					
Full-Time Positions - Civilian	763	780	794	793	13
Full-Time Positions - Uniform	22	39	39	39	0
<b>TOTAL</b>	<b>785</b>	<b>819</b>	<b>833</b>	<b>832</b>	<b>13</b>

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

## January and November Financial Plan Actions

Three budget actions introduced in the November 2012 Financial Plan and Fiscal 2014 Preliminary Budget recognized new needs associated with the Department's resumption of firefighter hiring. These actions add ten new staff positions and \$4.6 million in Fiscal 2013 and \$6.6 million in Fiscal 2014 to the Department's budget. Two other new needs relate to the citywide fleet consolidation and FDNY's relocation to the Review Avenue fleet maintenance facility. These add \$162,388 to the PS budget and \$1.5 million to the OTPS budget, and boost headcount by six new positions.

- **Investigators for Bureau of Personnel** - There is a new need of \$45,000 in Fiscal 2013 and \$135,000 in Fiscal 2014 and the out years to fund three new positions in the Bureau of Personnel. These staff will perform administrative work and background investigators related to processing new employees.
- **Personnel and OTPS for the Bureau of Health Services** - There is a new need of \$776,000 in Fiscal 2013 and \$1.03 million in Fiscal 2014 and the out years to fund seven new positions in the Bureau of Health Services. These staff will perform administrative work related to processing new employees.
- **Quartermaster** - There is a new need of \$3.8 million in Fiscal 2013 and \$5.4 million in Fiscal 2014 for new firefighter bunker gear. This increase is needed to purchase equipment and uniforms for newly hired firefighters.
- **Additional Fleet Staff - Move to Review Avenue** - There is a new need of \$162,388 in Fiscal 2013 and \$243,582 in Fiscal 2014 which will add six positions as additional maintenance and repair staff at the new repair shop. As part of the citywide fleet consolidation plan, the FDNY will be operating the new fleet repair shop previously operated by the Department of Environmental Protection.
- **Lease Increases - Fleet Consolidation/Review Avenue** - There is a new need in Fiscal 2013 of \$1.52 million and \$1.95 million in Fiscal 2014 which will consolidate the Department's light and medium vehicle repair shop at the DEP's facility on Review Avenue in Queens. While the move requires additional funding for the lease, the Department will avoid capital spending at its current facility.
- **Federal Revenue Increases** - The January 2013 Plan has recognized several federal grants for Fiscal 2013 that total \$89.1 million. Large-scale federal grants that make up this increase include: \$56.7 million in Urban Area Security Initiative Grants; \$12.1 million for Homeland Security grant funding; and approximately \$16.4 million for Domestic Preparedness Equipment Support. The Fiscal 2014 Budget adds \$26.9 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>	2012 Actual	2013 Adopted	2013 Jan. Plan	2014 Jan. Plan	*Difference 2013 - 2014
<b>Spending</b>					
<b>Personal Services</b>					
Full-Time Salaried – Civilian	\$23,546	\$24,121	\$24,596	\$25,660	\$1,538
Full-Time Salaried – Uniform	0	2,669	2,669	2,669	0
Additional Gross Pay	978	1,219	1,219	1,219	0
Overtime - Civilian	2,863	1,297	1,297	1,297	0
Overtime - uniform	0	93	93	93	0
Other Salaried and Unsalariated	37	39	39	39	0
Fringe Benefits	31	61	61	61	0
<b>Subtotal, PS</b>	<b>\$27,456</b>	<b>\$29,498</b>	<b>\$29,973</b>	<b>\$31,037</b>	<b>\$1,538</b>
<b>Other Than Personal Services</b>					
Contractual Services	\$48	\$170	\$70	\$170	\$0
Other Services and Charges	288	360	375	360	0
Property and Equipment	54	5	43	33	28
Supplies and Materials	124	140	214	130	(10)
<b>Subtotal, OTPS</b>	<b>\$515</b>	<b>\$675</b>	<b>\$703</b>	<b>\$693</b>	<b>\$17</b>
<b>TOTAL</b>	<b>\$27,970</b>	<b>\$30,174</b>	<b>\$30,677</b>	<b>\$31,730</b>	<b>\$1,556</b>
<b>Funding</b>					
City Funds	NA	\$30,174	\$30,677	\$31,730	\$1,556
<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	499	516	525	26
Full-Time Positions - Uniform	17	28	28	28	0
<b>TOTAL</b>	<b>484</b>	<b>527</b>	<b>544</b>	<b>553</b>	<b>26</b>

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

### February and November Financial Plan Actions

The Fiscal 2014 Preliminary Budget includes a PEG to increase Fire Prevention Revenue that would generate \$2 million in Fiscal 2014.

- **Fire Prevention Revenue** - The November Plan includes a revenue PEG associated with inspection revenues generated by the Fire Alarm Inspection, Technology Management Fire Alarm Communications and the transfer of inspection responsibilities for places of public assembly (LPPA) from Department of Buildings to the Fire Department. FDNY will add 24 new positions and its revenue will increase by \$3.1 million in Fiscal 2014 offset by \$892,000 in PS and \$313,000 in fringe.

## Fine and Fee Revenue

Dollars in Thousands	Actual		Planned			
	2011	2012	2013	2014	2015	2016
Private Alarm Co. Fees	\$1,090	\$1,224	\$1,137	\$1,137	\$1,137	\$1,137
Fire Inspection Fees	53,400	59,500	61,068	58,886	58,886	58,886
2% Tax on Fire Insurance	23,772	27,704	26,465	26,465	26,465	26,465
Fire Prevention Liens	3,560	3,642	2,500	2,500	2,500	2,500
Bldg Inspection Safety Prog	0	0	8,371	9,880	9,896	9,916
<b>TOTAL</b>	<b>\$81,822</b>	<b>\$92,070</b>	<b>\$99,541</b>	<b>\$98,868</b>	<b>\$98,884</b>	<b>\$98,904</b>

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

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 two percent tax on fire insurance premiums. In Fiscal 2014, fire inspection fees are projected to generate approximately \$58.9 million, while the two percent tax on fire insurance premiums is projected to generate \$26.5 million. For Fiscal 2014, the combined revenue estimate for the Fire Department, not including EMS related revenue is \$98.9 million. This revenue is recognized by the City's Miscellaneous Budget (agency code 098).

## Performance Measures

FDNY Performance Statistics	Actual			Target		4-Month Actual	
	FY10	FY11	FY12	FY13	FY14	FY12	FY13
Completed inspections performed by fire prevention staff	164,395	173,695	189,768	180,000	180,000	58,526	56,749
Field force inspections	57,719	49,876	49,624	*	*	17,660	16,605
- Commercial buildings	23,335	22,175	21,157	*	*	5,574	5,156
- Residential buildings	34,384	27,701	28,467	*	*	12,086	11,449

According to the PMMR, FDNY inspectors completed three percent less fire prevention inspections in the first four months of Fiscal 2013 compared with the same period in Fiscal 2012.

Field force inspections, performed by fire units who visit commercial and residential buildings within their service coverage areas, decreased by six percent during the reporting period. Inspections of commercial buildings decreased by seven and a half 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>	2012 Actual	2013 Adopted	2013 Jan. Plan	2014 Jan. Plan	*Difference 2013 - 2014
<b>Spending</b>					
<b>Personal Services</b>					
Full-Time Salaried – Civilian	\$274	\$307	\$307	\$310	\$3
Full-Time Salaried – Uniform	10,674	9,928	9,928	9,928	0
Additional Gross Pay	1,697	1,699	1,699	1,699	0
Overtime - Civilian	4	2	2	2	0
Overtime - uniform	3,486	2,067	2,452	2,067	0
Fringe Benefits	414	192	233	233	41
<b>Subtotal, PS</b>	<b>\$16,549</b>	<b>\$14,195</b>	<b>14,621</b>	<b>\$14,240</b>	<b>\$44</b>
<b>Other Than Personal Services</b>					
Contractual Services	\$1	\$0	\$2	\$0	\$0
Other Services and Charges	4	14	1	14	0
Property and Equipment	44	10	24	10	0
Supplies and Materials	58	52	99	102	50
<b>Subtotal, OTPS</b>	<b>\$107</b>	<b>\$76</b>	<b>\$126</b>	<b>\$126</b>	<b>\$50</b>
<b>TOTAL</b>	<b>\$16,656</b>	<b>\$14,272</b>	<b>\$14,747</b>	<b>\$14,366</b>	<b>\$94</b>
<b>Funding</b>					
City Funds	NA	\$14,272	\$14,362	\$14,366	\$94
Federal - Other	NA	0	246	0	0
State	NA	0	139	0	0
<b>TOTAL</b>		<b>\$14,272</b>	<b>\$14,747</b>	<b>\$14,366</b>	<b>\$94</b>
<b>Positions</b>					
Full-Time Positions - Civilian	5	6	6	6	0
Full-Time Positions - Uniform	112	100	100	100	0
<b>TOTAL</b>	<b>117</b>	<b>106</b>	<b>106</b>	<b>106</b>	<b>0</b>

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

The Fire Investigation program area shows little change from the Fiscal 2013 Adopted Budget to the Preliminary Budget for Fiscal 2014 and has no budget initiatives.

## Performance Measures

Performance Statistics	Actual			Target		4-Month Actual	
	FY10	FY11	FY12	FY13	FY14	FY12	FY13
Investigations	6,339	6,525	6,636	*	*	2,568	2,812

According to the PMMR, investigations by fire marshals into the causes and origins of fires and other fire-related offenses increased nine and a half percent during the reporting period.

## Capital Program

The January 2013 Capital Commitment Plan includes \$409.1 million in Fiscal 2013-2016 for the Fire Department (including City and Non-City funds). This represents 1.04 percent of the City’s total \$39.3 billion January Plan for Fiscal 2013-2016. The agency’s January Commitment Plan for Fiscal 2013-2016 is 11 percent more than the \$368.4 million scheduled in the September Commitment Plan, an increase of \$40.7 million.

The majority of the 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 2012 the Fire Department committed \$87.4 million or 48.2 percent of its annual capital plan. Therefore, it is assumed that a significant portion of the agency’s Fiscal 2013 Capital Plan will be rolled into Fiscal 2014, thus increasing the size of the Fiscal 2014-2017 Capital Plan. The total Capital Commitment Plan for Fiscal 2013 has increased from \$17.9 billion in the September Capital Commitment Plan \$19 billion in the January Capital Commitment Plan, an increase of \$1.1 billion or 6.2 percent.

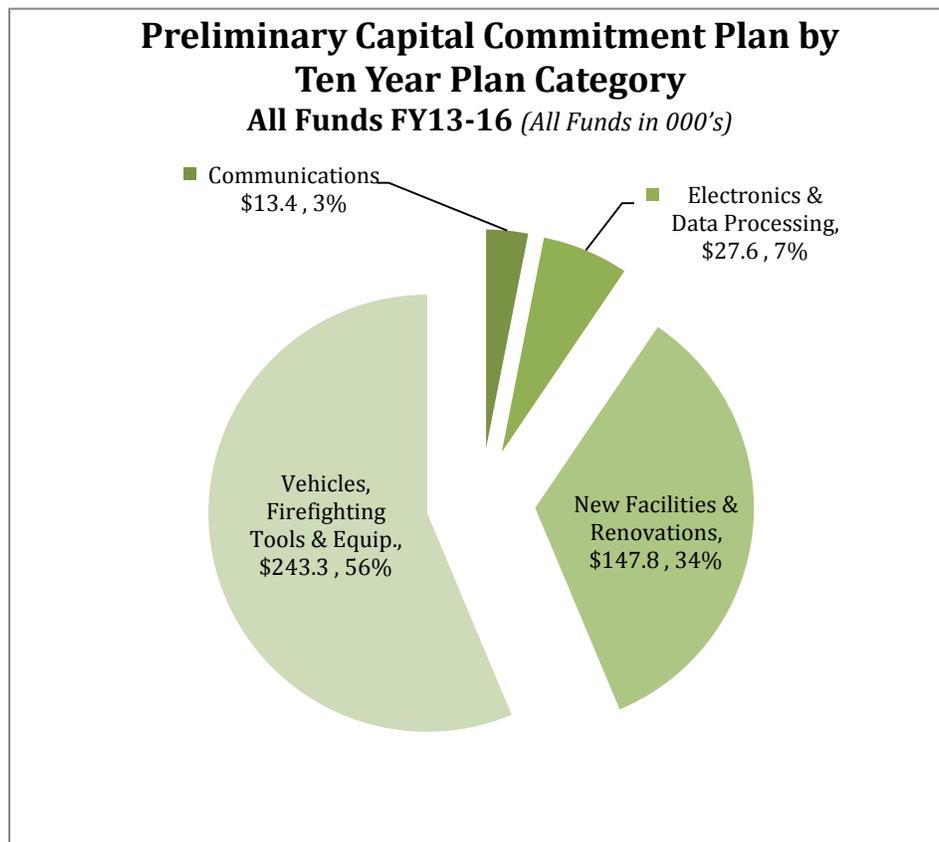
<b>2013-2016 Commitment Plan: Adopted and Preliminary Budget</b>					
<i>Dollars in Thousands</i>					
	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>Total</b>
<b>Adopted</b>					
Total Capital Plan	\$238,995	\$54,259	\$36,766	\$38,394	<b>\$368,414</b>
<b>Prelim</b>					
Total Capital Plan	\$278,330	\$54,625	\$36,947	\$39,241	<b>\$409,143</b>
<b>Change</b>					
Level	\$39,335	\$366	\$181	\$847	<b>\$40,729</b>
Percentage	16.46%	0.67%	0.49%	2.21%	<b>11.06%</b>

### Preliminary Capital Budget Highlights

The chart below displays FDNY’s current capital program by category. Most of the funding is budgeted for new vehicles and equipment.

- **Super Storm Sandy** - Funding of \$39.3 million for projects related to Super Storm Sandy is scheduled in Fiscal 2013. The funding supports needs for vehicle acquisition and facility improvements which were damaged during super storm Sandy, they include:
  - ✓ Bucket Truck
  - ✓ Emergency Response Support Vehicles
  - ✓ Ladders
  - ✓ Pumpers
  - ✓ Support Vehicles
  - ✓ Reconstruction of various facilities damaged by Sandy
  - ✓ Marine 9 facility on the Homeport pier complex in Staten Island

- **Capital Acceleration Plan** - Fire Department’s Commitment Plan includes an additional \$17.6 million in Fiscal 2013 and \$23.4 million in Fiscal 2014 for component rehabilitation as part of the Capital Acceleration Plan.
- **Vehicles, Firefighting Tools, and Equipment** - The Capital plan includes \$243.3 million for city wide vehicle acquisition, including approximately \$81.9 million for pumper fire trucks and approximately \$27.2 million for tower ladder fire trucks and \$3.8 million for a new 65-foot fire boat.
- **Facilities Renovation** - Approximately \$147.8 million funds all of the Fire Department’s facility improvements and renovations citywide, including \$23.4 million for the Fire Department’s firehouse renovations, \$16.6 million for reconstruction of various facilities damaged by Super Storm Sandy, \$14.1 million for a Queens General EMS station, and \$3 million for the Department’s Marine 9 facility on the Homeport pier complex in Staten Island.
- **Communications** - The four year capital budget includes \$13.3 million for the Citywide Fire Alarm Communication System, including \$11.8 million for mobile radios.
- **Electronic Data Processing** - The Capital plan includes \$27.6 million for electronics and data processing projects including the Management Information and Control System, \$8 million for department wide technology system upgrades and \$5.3 million for Integration of Building Information Systems.
- **Emergency Medical Services Equipment** - Funding for acquisition of new ambulances is included in the Health and Hospitals Corporation’s Capital Budget. HHC has \$65.8 million in planned commitments for Fiscal 2013 and \$109.4 million for 2013-2016 Four Year Plan for ambulances.

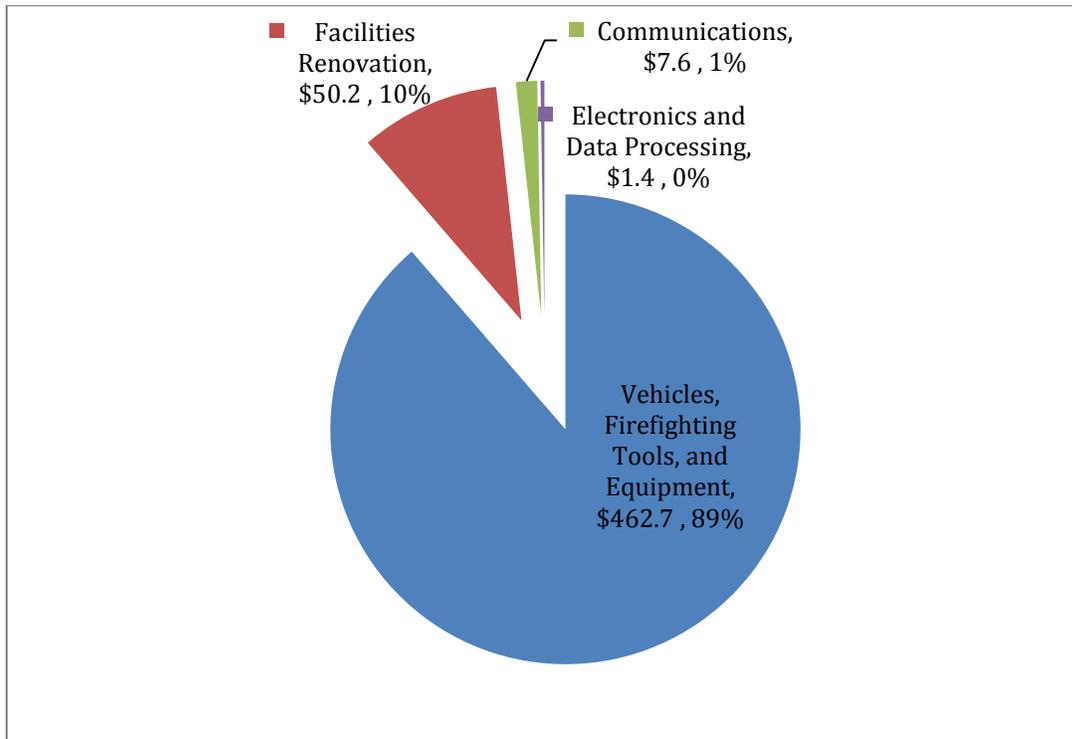


### Preliminary Ten-Year Strategy

The Preliminary Ten-Year Capital Strategy provides \$522.1 million for the FDNY for the acquisition of emergency vehicles and firefighting equipment, the rehabilitation of existing facilities, and communication and computer systems to maintain firefighting capability and to provide emergency medical assistance. The Department’s Capital funding is divided into four categories of projects as illustrated by the chart below:

### 2014-2023 Ten-Year Capital Strategy

Dollars in Millions



### FDNY FY 2014 Preliminary Ten-Year Capital Strategy

Dollars in Thousands	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Communications	\$4,234	\$285	\$325	\$335	\$280	\$700	\$713	\$727	\$0	\$0	\$7,599
Electronics and Data Processing	510	300	300	305	0	0	0	0	0	0	1,415
New Facilities and Renovations	37,349	4,661	4,754	3,628	0	0	0	0	0	0	50,392
Vehicles, Firefighting Tools and Equipment	12,532	31,701	33,862	12,826	60,654	45,710	38,576	81,551	44,964	100,319	462,695
<b>Total</b>	<b>\$54,625</b>	<b>\$36,947</b>	<b>\$39,241</b>	<b>\$17,094</b>	<b>\$60,934</b>	<b>\$46,410</b>	<b>\$39,289</b>	<b>\$82,278</b>	<b>\$44,964</b>	<b>\$100,319</b>	<b>\$522,101</b>

- Vehicles, Firefighting Tools, and Equipment** - The Department is mandated to procure front-line vehicles on a predetermined replacement cycle, typically 11 years. The Preliminary Ten-Year Capital Strategy provides \$462.7 million for both mandated and support vehicle replacement and necessary firefighting tools and equipment.

- **Facilities Renovation** - The average age of the Fire Department’s 218 firehouses is 78 years, with 41% over 90 years old. Many of the houses were built in the 19th Century and are in need of renovations. The Preliminary Ten-Year Capital Strategy includes \$50.4 million to replace building components within individual firehouses, consisting of apparatus floors, apparatus doors, roof replacement/waterproofing, boilers, windows and toilets.
- **Communications** - The Preliminary Ten-Year Capital Strategy provides \$3.9 million for radio equipment upgrades and \$3.7 million for cabling to support the Department’s Voice Alarm System.
- **Electronic Data Processing** - The Preliminary Ten-Year Capital Strategy provides \$1.4 million for the replacement and upgrade of equipment that has reached the end of useful life.

**HHC FY 2014 Preliminary Ten-Year Capital Strategy**

<i>Dollars in Thousands</i>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>Total</b>
<b>Emergency Medical Services Equipment</b>	\$7,731	\$27,871	\$7,929	\$0	\$12,762	\$26,290	\$60,312	\$9,508	\$34,278	\$9,751	<b>\$196,432</b>

- **Emergency Medical Services Equipment** - Funding for acquisition of new ambulances is included in the Health and Hospitals Corporation’s Capital Budget, HHC has \$196.4 million for the purchase of FDNY/EMS ambulances over the ten year period. The maximum useful lifecycle of ambulances is five years.

## Appendix A: Contract Budget

### Fire Department Fiscal 2014 Preliminary Contract Budget

Category	Number	Budgeted	Pct of (FDNY) Total	Pct of City Total
Contractual Services General	41	\$30,231,259	48.43%	6.65%
Telecommunications Maintenance	2	115,000	0.18%	0.23%
Maint & Repair of Motor Vehicle Equipment	35	2,264,000	3.63%	16.88%
Maint & Repair, General	97	10,125,488	16.22%	8.67%
Data Processing Equipment	8	11,241,154	18.01%	5.69%
Security Services	1	185,516	0.30%	0.21%
Temporary Services	1	1,592,500	2.55%	4.46%
Cleaning Services	3	2,909,739	4.66%	13.25%
Training Programs for City Employees	3	94,700	0.15%	0.61%
Maint & Oper of Infrastructure	23	1,781,209	2.85%	0.96%
Professional Services: Computer Services	1	1,336,000	2.14%	1.36%
Professional Services: Direct Education Serv	1	15,000	0.02%	0.00%
Professional Services: Other	5	535,232	0.86%	0.31%
<b>Fiscal 2014 Preliminary Budget</b>	<b>221</b>	<b>\$62,426,797</b>	<b>100.00%</b>	<b>2.45%</b>

## Appendix B: Budget Actions in the November and February Plans

<i>Dollars in Thousands</i>	FY 2013			FY 2014		
	City	Non-City	Total	City	Non-City	Total
<b>FDNY Budget as of Fiscal 2013 Adopted Budget</b>	<b>\$1,524,940</b>	<b>\$260,389</b>	<b>\$1,785,329</b>	<b>\$1,440,237</b>	<b>\$238,278</b>	<b>\$1,678,515</b>
<b>Program to Eliminate the Gap (PEGs)</b>						
Fire Prevention Revenue	\$727	\$0	\$727	\$1,966	\$0	\$1,966
Grants Fringe Savings	(5,000)	0	(5,000)	-5,000	0	(5,000)
Officer Training Grant Reimbursement	(549)	0	(549)	0	0	0
Probationary Firefighter CFR Training Charge	0	0	0	(110)	0	(110)
WTC/Zadroga Grant Reimbursement	(2,578)	0	(2,578)	(2,578)	0	(2,578)
<b>TOTAL</b>	<b>(\$7,400)</b>	<b>0</b>	<b>(\$7,400)</b>	<b>(\$5,722)</b>	<b>\$0</b>	<b>(\$5,722)</b>
<b>New Needs</b>						
Additional Fleet Staff - Move to Review Avenue	\$162	\$0	\$162	\$244	\$0	\$244
Brookdale EMS Tours	93	2,354	2,447	251	2,354	2,605
Increase Arrears Collection	28	0	28	57	0	57
Lease Increases - Fleet Consolidation/Review Avenue	1,521	0	1,521	1,950	0	1,950
Mobile Electronic Patient Care Record (ePCR) Citywide Rollout	835	0	835	973	0	973
OTPS Need	1,603	0	1,603	250	0	250
Investigators for Bureau of Personnel	45	0	45	135	0	135
Personnel and OTPS for the Bureau of Health Services	776	0	776	1,026	0	1,026
Quartermaster	3,821	0	3,821	5,371	0	5,371
Washington Heights Supervision	241	0	241	241	0	241
<b>TOTAL</b>	<b>\$9,125</b>	<b>\$2,354</b>	<b>\$11,479</b>	<b>\$10,498</b>	<b>\$2,354</b>	<b>\$12,852</b>
<b>Other Adjustments</b>						
Misc City Adjustments	\$1,773	\$80	\$1,853	\$1,283	\$160	\$1,443
Collective Bargaining	0	0	0	0	0	0
Fringe	4,928	(5,000)	(72)	4,712	(5,000)	(288)
Intra-City Adjustments	0	274	274	0	0	0
State Grants and Adjustments	0	42	42	0	0	0
Federal Grants and Adjustments	0	98,297	98,297	0	25,996	25,996
Hurricane Sandy	0	9,348	9,348	0	0	0
Other Categorical Grants and Adjustments	0	2	2	0	0	0
<b>TOTAL</b>	<b>\$6,701</b>	<b>\$103,043</b>	<b>\$109,744</b>	<b>\$5,995</b>	<b>\$21,156</b>	<b>\$27,151</b>
<b>PEG Restorations and Substitutions (PRS):</b>						
Delay in Unified Call Taking (UCT) Full Implementation	\$422	\$0	\$422	\$0	\$0	\$0
Voluntary Hospital Dispatch Fee	2,133	(2,133)	0	2,133	(2,133)	0
<b>TOTAL</b>	<b>\$2,555</b>	<b>(\$2,133)</b>	<b>\$422</b>	<b>\$2,133</b>	<b>(\$2,133)</b>	<b>\$0</b>
<b>TOTAL ALL CHANGES</b>	<b>\$10,981</b>	<b>\$103,264</b>	<b>\$114,245</b>	<b>\$12,904</b>	<b>\$21,377</b>	<b>\$34,281</b>
<b>FDNY Budget as of the Fiscal 2014 Preliminary Budget</b>	<b>\$1,535,922</b>	<b>\$363,651</b>	<b>\$1,899,573</b>	<b>\$1,453,141</b>	<b>\$259,654</b>	<b>\$1,712,795</b>