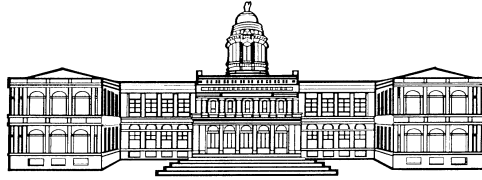


THE COUNCIL OF THE CITY OF NEW YORK

Finance Division



Hearing on the Fiscal 2010 Executive Budget for the **Fire Department**

Tuesday, May 12, 2009

Hon. Christine C. Quinn
Speaker

Hon. David I. Weprin
Chair, Committee on Finance

Hon. James Vacca
Chair, Committee on Fire and Criminal
Justice Services

Preston Niblack
Director

Jeffrey Rodus
First Deputy Director

Andrew Grossman
Deputy Director

John Russell
Legislative Financial Analyst

Fire Department (057)

Agency Overview

The Fire Department (FDNY) protects life and property from fire through a network of 357 Fire Companies, including 198 Engine Companies, 143 Ladder Companies, seven squads, five rescue Units, three Marine Companies, and one Hazardous Materials Unit (strategically placed in 219 firehouses throughout the City) whose primary responsibilities are to extinguish, prevent, and investigate fires, and conduct fire safety education and fire prevention activities. In addition to these roles, the Fire Department also responds to calls for utility emergencies, building collapses, hazardous material incidents, and water main breaks. The Department's firefighters also respond to life-threatening medical emergencies on a limited basis, including responding to terrorist incidents and hazardous materials events. The Department's Bureau of Emergency Medical Services (EMS) is responsible for responding to all types of medical emergencies in the City and providing transport to area hospitals for individuals requiring medical assistance. EMS operates 32 EMS stations throughout the City.

Expense Budget Highlights

When compared to the Fiscal 2009 Adopted Budget, the Personal Services (PS) spending in the Fiscal 2010 Executive Budget increases by 7.8 percent to \$1.47 billion, while headcount decreases by 4.8 percent to 15,551 civilian and uniform positions. This increase in PS spending is largely the result of collective bargaining increases which exceed savings related to program reductions, including several headcount reductions. Since Adoption, collective bargaining adjustments will have increased the Fiscal 2010 PS Budget by approximately \$113 million. The reduction in headcount is in large part due to the November and January Plan budget proposals to: eliminate 17 Fire Companies, reduce resources in the Bureau of Fire Investigation, and eliminate 30 BLS ambulance tours.

City-funds account for 88.4 percent of the FDNY's entire \$1.6-billion Fiscal 2010 Expense Budget. Other Categorical funding, which includes EMS ambulance revenues comprised of private payments as well as Medicaid reimbursement payments from HHC, account for 10.3 percent of the FDNY's Budget.

Since Adoption, the FDNY has proposed PEG actions that would generate increased revenues of approximately \$31 million and achieve Expense Budget savings of approximately \$72 million. The Department's new needs increased its 2010 budget by approximately \$11.4 million and include the creation of a Fire Prevention Construction, Demolition and Abatement (CDA) Inspection Program and 17 additional ALS ambulance tours.

Significant Program to Eliminate the Gap (PEG) actions since the Fiscal 2009 Adopted Budget include:

November Plan

- Reduction of Operational Nighttime Hours at 3 Engine Companies and 1 Ladder Company and the elimination of the Governor's Island Fire Company
- Five-Week Reduction in Firefighter Academy Training
- Elimination of Fee Exemption for Non-Profit and Charitable Organizations

January Plan

- Elimination of Manning of 17 Fire Companies, 4 of which were scheduled in the November Plan to be closed at night
- Bureau of Fire Investigation Reduction
- Elimination of 30 EMS Basic Life Support (BLS) Tours
- Restructuring of Advanced Life Support (ALS) Tour Staffing

Executive Plan

- Takeover of 17 Advanced Life Support (ALS) Voluntary Ambulance Tours.
- Reduction in Uniformed Administrative Overtime
- Bureau of Fire Prevention Revenue Increase
- Summons Enforcement Revenue Increase

	2008 Actual Expenses	2009 Adopted Budget	2010 Preliminary Budget	2010 Executive Budget
Spending				
Personal Services	\$1,364,649,141	\$1,388,884,792	\$1,462,745,463	\$1,472,025,227
Other than Personal Services	\$156,632,005	\$137,853,865	\$130,709,967	\$128,605,506
Total	\$1,521,281,146	\$1,526,738,657	\$1,593,455,430	\$1,600,630,733
Funding				
City	NA	\$1,352,007,089	\$1,410,661,493	\$1,414,179,267
Other Categorical	NA	\$145,912,208	\$161,928,928	\$165,586,457
State	NA	\$1,846,001	\$1,786,001	\$1,786,001
Federal - Other	NA	\$16,230,010	\$8,335,659	\$8,335,659
Intra-City	NA	\$10,743,349	\$10,743,349	\$10,743,349
Total	\$1,521,281,146	\$1,526,738,657	\$1,593,455,430	\$1,600,630,733
Headcount				
Full-time Positions-Civilian	4,714	4,820	4,659	4,728
Full-time Positions-Uniform	11,585	11,233	10,782	10,783
Total	16,299	16,053	15,441	15,511

Overtime

The FDNY's annual overtime budget for Fiscal 2010-2013 is approximately \$183 million, 5.5 percent higher than the agency's average overtime spending (\$173.5 million) over the 5-year period from Fiscal 2004 to Fiscal 2008. According to the Executive Plan for Fiscal 2010, overtime for uniformed firefighters would account for 78.9 percent of the Department's total overtime expenditures. Total overtime funds are significantly higher in Fiscal 2009 (\$205.6 million) as a result of collective bargaining adjustments to fund newly negotiated contracts for firefighters, EMS workers, and other titles. Because some FDNY labor contracts have mandatory overtime requirements, a portion of collective bargaining adjustments is allocated to overtime.

Actual Overtime - Fiscal 2004-2008

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Uniformed	\$130,807,899	\$132,609,245	\$157,377,862	\$140,945,884	\$137,057,102
Civilian	\$6,390,637	\$7,517,836	\$10,388,123	\$10,231,662	\$12,965,324
EMS	\$18,772,192	\$20,587,572	\$26,107,483	\$27,075,354	\$28,842,041
Total OT	\$155,970,728	\$160,714,653	\$193,873,468	\$178,252,900	\$178,864,467

Planned Overtime - Fiscal 2010 Executive Plan

	FY 09	FY 10	FY 11	FY 12	FY 13
Uniform	\$164,020,821	\$144,692,946	\$143,889,199	\$143,731,748	\$143,631,601
Civilian	\$12,512,903	\$10,712,903	\$10,712,903	\$10,712,903	\$10,712,903
EMS	\$29,065,360	\$28,007,227	\$28,182,671	\$28,182,671	\$28,182,671
Total OT	\$205,599,084	\$183,413,076	\$182,784,773	\$182,627,322	\$182,527,175

Capital Budget

The Fiscal 2010 Executive Capital Commitment Plan includes \$591.1 million in Fiscal 2009-2013 for the Fire Department (including City and non-City funds). This represents 1.3 percent of the City's total \$47.11-billion January Plan for Fiscal 2009-2013. The agency's Executive Commitment Plan for Fiscal 2009-2013 is 19 percent less than the \$729.5 million in the January Commitment Plan.

Over the past five years, the FDNY has committed only an average of 42.18 percent of its annual Capital Plan. Therefore, it is assumed that a large portion of the agency's Fiscal 2009 Capital Plan will be rolled into Fiscal 2010, thus greatly increasing the size of the Fiscal 2010-2014 Capital Plan. Since the January Plan, the Capital Commitment Plan for Fiscal 2009 has fallen from \$269.1 million to \$183.8 million, a decrease of \$62.8 million, or 23.3 percent.

Current FDNY appropriations total \$430.4 million in City funds for Fiscal 2009. These appropriations are to be used to finance the Department's \$144.2-million City-funded Fiscal 2009 Capital Commitment Program. The agency has nearly two times more funding than is needed to meet its entire capital commitment program for the current fiscal year.

In January the Mayor announced his intention to reduce the City's capital plan by 30 percent. The objective of the capital cut is to reduce the amount of the City's general obligation (GO) debt service as a percentage of total revenues. The 30 percent reduction in the Ten-Year Capital Plan Fiscals 2010 – 2019 would reduce the long-term average annual growth in debt service costs to 3.4 percent, equal to

the level of forecast growth in City revenues. The 2010 Executive Capital Budget includes \$47.0 billion in planned commitments for Fiscals 2010 – 2019. This total includes \$12.84 billion in commitments for capital projects for the Department of Environmental Protection (DEP) which are funded primarily by non-GO debt. The GO-funded portion of the Fiscal 2010 – 2019 Executive Capital Plan is \$34.17 billion; this is \$6.93 billion or 16.86 percent less than the \$41.1 billion Preliminary Fiscal 2010 – 2019 Capital Plan.

FDNY Capital Commitment Plan, 2009-2013

Millions of dollars

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	TOTAL
January Plan						
City	\$238.4	\$69.9	\$165.8	\$85.1	\$139.6	\$698.8
Non-City	\$30.7					\$30.7
Total	\$269.1	\$69.9	\$165.8	\$85.1	\$139.6	\$729.5
Executive Plan						
City	\$183.8	\$97.0	\$122.6	\$72.8	\$84.4	\$560.6
Non-City	\$22.5	\$8.0				\$30.5
Total	\$206.3	\$105.0	\$122.6	\$72.8	\$84.4	\$591.1
Difference						
City	(\$54.6)	\$27.1	(\$43.2)	(\$12.3)	(\$55.2)	(\$138.2)
Non-City	(\$8.2)	\$8.0				(\$0.2)
Total	(\$62.8)	\$35.1	(\$43.2)	(\$12.3)	(\$55.2)	(\$138.4)
Percent Change	(23.3%)	50.2%	(26.1)	(14.5%)	(39.5%)	(19%)

Executive Budget Overview

Executive Administrative – Units of Appropriation 001/005

These units of appropriation provide for all civilian policy direction, administrative, human resources support, and funding to purchase supplies, materials and other services required to support executive and administrative operations (Fiscal Services, Personnel, Budget and Health Services) for the entire Department. Also included are the infrastructure and vehicle maintenance units, and the Bureau of Information and Computer Services.

	2008 Actual Expenses	2009 Adopted Budget	2010 Preliminary Budget	2010 Executive Budget
Spending				
Executive Administrative-PS	\$72,167,794	\$70,219,330	\$67,839,795	\$70,810,920
Executive Administrative-OTPS	\$92,945,035	\$77,866,525	\$70,876,471	\$71,711,519
Total	\$165,112,829	\$148,085,855	\$138,716,266	\$142,522,439
Funding				
City	NA	\$141,135,533	\$134,251,852	\$138,058,025
Federal - Other	NA	\$6,550,332	\$4,064,414	\$4,064,414
Intra-City	NA	\$400,000	\$400,000	\$400,000
Total	NA	\$148,085,855	\$138,716,266	\$142,522,439
Headcount				
Full-time Positions (Civ & Unif.)	NA	910	834	844

In the Executive Plan, the Department's Executive Administrative headcount decreases to a total of 844 positions (civilian and uniformed) compared to the 910 positions included in the Fiscal 2009 Adopted Budget. The reduction in headcount would be achieved by the elimination of vacancies and attrition.

Budget Proposals

- Bureau of Fire Prevention Revenue Increase.** The Department estimates that it would collect baseline revenues of \$545,000 beginning in Fiscal 2010 from new fees associated with fire safety plans for Class E office buildings. The Department would charge a \$210 fee to assist building owners in preparing and registering required fire safety plans. Associated with this action is a one-time cost of \$45,000 in Fiscal 2010 for OTPS expenditures
- Project Manager for the Coordinated Building Information and Data Analysis System (CBIDAS).** The Department would add one Project Manager position responsible for overseeing consultants who are charged with developing systems that allow multiple City agencies to share data regarding building construction projects throughout the City. This action would result in an additional baseline expenditure of \$106,700 per year beginning in Fiscal 2010.
- Fleet Related Expense Reduction.** Embracing an alternative savings proposal made by the City Council, OMB included in the November Plan lump sum reductions in City funds associated with a citywide fleet reduction. These lump sum reductions included \$20 million in Fiscal 2010 associated with the purchase of fewer vehicles, and \$2 million annually beginning in Fiscal 2011 associated with lowered vehicle maintenance costs. The Executive Plan now zeroes out these lump sum figures and apportions the savings throughout the City's many agencies. For the FDNY, the

Executive Plan shows a fleet reduction savings of \$648,900 in Fiscal 2010 and 2011, and a vehicle maintenance savings of \$93,000 in Fiscal 2012 and the outyears.

- **Worker's Compensation Insurance for Volunteer Fire Companies.** The Department would baseline \$190,000 beginning in Fiscal 2010 to cover costs for insurance premiums for worker's compensation coverage at multiple volunteer fire companies throughout the City.

Fire Extinguishment/Emergency Response – Units of Appropriation 002/006

These units of appropriation are responsible for all uniform tactical and operational decisions. Resources provide for the protection of lives and property from fires, hazardous materials incidents and non-fire emergencies. The operating field units include Headquarters, 9 Divisions, 49 Battalions, the Special Operations Command, 195 Engine Companies and 143 Ladder Companies, 7 Squad Companies, 5 Rescue Units, 3 Marine Companies and 1 Hazardous Materials Unit, all of which are located in one of over 220 firehouses throughout the City. These field units are also responsible for yearly inspections of all major structures in order to identify and issue notice of violation summonses for all fire code violations. Also included are the dispatchers, emergency engineers and electricians responsible for the maintenance and operation of the communications network.

	2008 Actual Expenses	2009 Adopted Budget	2010 Preliminary Budget	2010 Executive Budget
Spending				
Fire Extinguishing/Emergency Response-PS	\$1,087,111,289	\$1,101,694,409	\$1,157,589,890	\$1,162,482,798
Fire Extinguishing/Emergency Response-OTPS	\$40,514,067	\$39,366,255	\$37,943,131	\$34,055,258
Total	\$1,127,625,356	\$1,141,060,664	\$1,195,533,021	\$1,196,538,056
Funding				
City	NA	\$1,122,066,500	\$1,182,007,300	\$1,813,012,335
State	NA	\$1,000,000	\$940,000	\$940,000
Federal - Other	NA	\$9,679,688	\$4,271,245	\$4,271,245
Intra-City	NA	\$8,314,476	\$8,314,476	\$8,314,476
Total	NA	\$1,141,060,664	\$1,195,533,021	\$1,196,538,056
Headcount				
Full-time Positions (Civ & Unif.)	NA	11,349	10,929	10,929

In the Executive Plan, the Department's Fire Extinguishing/Emergency Response headcount decreases to a total of 10,929 positions (civilian and uniformed) compared to the 11,349 positions included in the Fiscal 2009 Adopted Budget.

The Department cancelled the January 2009 firefighter class and plans to cancel the next firefighter class, originally scheduled for July 2009. The next planned class is scheduled for January 2010. Each class includes between 100 and 200 cadets.

According to the Fiscal 2009 Preliminary Mayor's Management Report, citywide response time to structural fires decreased 20 seconds in the first four months of Fiscal 2009 compared to the same period last fiscal year, averaging 4.06 minutes. Civilian fire fatalities increased from 30 to 33 in the first four months of Fiscal 2009 compared to the same period last fiscal year.

Budget Proposals

- **Reduction in Uniformed Administrative Overtime.** The Department plans to reduce uniformed administrative overtime expenditures by approximately 10 percent. This action would incur baseline savings of \$3.4 million beginning in Fiscal 2010.
- **November Plan Reduction of FDNY Firefighting Services.** The November plan called for the elimination of the Governors Island Fire Protection Unit and the elimination of nighttime tours for three engine companies and one ladder company in dual firehouses that housed both a ladder and engine company. The companies identified for these service reductions include:
 - Engine Company 271, Brooklyn
 - Ladder Company 53, Bronx
 - Engine Company 4, Manhattan
 - Engine Company 161, Staten Island

Update: The Governor's Island Fire Protection Unit has been eliminated and the Department plans to staff Governors Island with FDNY personnel based on situational needs. The remaining companies have been operating nighttime shifts on a day-to-day basis depending on the Department's ability to staff these companies using staffing reserves. Currently, the Department has approximately 315 firefighters in its reserve staffing pool. Eventually, staffing is expected to go down and the night closures would take full effect.

- **Restoration of Fiscal 2009 Funding for the November Plan PEG to Reduce Nighttime Operational Hours at Five Fire Companies.** As per the Executive Plan, the Department has not been able to achieve \$4.5 million in projected Fiscal 2009 savings from the November Plan's proposal to reduce the nighttime operational hours at Fire Companies. Because the companies have been in about all instances operating around the clock using the Department's staffing reserve, the funding would be returned to the Department's Fiscal 2009 budget.
- **Elimination of Manning for Three Engine Companies, One Ladder Company – Attrition (January Plan).** The Department proposes to eliminate the four fire companies that are identified in the November Plan for nighttime closure. This action is designed to generate savings of \$797,000 in Fiscal 2010, \$1.6 million in Fiscal 2011, \$2.3 million in Fiscal 2012 and \$3.2 million in Fiscal 2013. The year-to-year increase in projected savings results from contractual salary increases. As a result of this action, headcount would be reduced by 119 uniformed firefighters.
- **Elimination of Manning for Twelve (12) Companies – Attrition (January Plan).** The Department proposes to eliminate the manning of twelve additional companies in dual company firehouses where the remaining company would continue to be fully staffed. This action is designed to generate savings of \$16.2 million in Fiscal 2010, increasing to \$22 million in Fiscal 2011, \$23.7 million in Fiscal 2012 and \$25.7 million in Fiscal 2013. Although this action would reduce the Department's headcount by 300 uniformed firefighters through attrition, no firehouses would be closed. Originally, the Department planned to eliminate 11 companies (including the 4 Companies impacted in the November Plan) in July 2009 and the remaining 5 in January of 2010. Although not explicitly stated in the Executive Plan budget documents, conversations with the Department revealed its present intentions to close only four companies in July, with the remainder to be closed in January. This delay, the Council is told, is associated with lower-than-planned attrition. (See "Engine Company Manning Adjustment" action below.)

The companies to be eliminated would predominately be engine companies, although the Department has not determined specifics. The Department uses three main criteria when making decisions about closures: 1) projected post-closing response time to the company's first-due alarm boxes; 2) the number of occupied structural fires the company worked; and 3) projected post-closing response time to the company's second-due alarm boxes. The Department also considers: total runs; medical emergencies; "workers" (runs where the company performed any work); the operational knowledge of senior chiefs; proximity to other units; workload impact on surrounding units; street layout and geographic obstacles; response of perimeter companies; impact of the company closing in the community it serves; and overall safety of the City. The primary function of engine companies is to extinguish the fire ("get water on the fire.") The primary functions of ladder companies are ventilation, and search and rescue.

The Mayor has offered an alternative to this cut which involves negotiating with the Uniform Firefighters Association (UFA) to reduce the number of firefighters per shift to four in the 64 engine companies that currently staff five firefighters (not including one lieutenant). These 64 companies are currently staffed with five firefighters due to a stipulation in the UFA contract. Note: The remaining 134 engine companies currently staff four firefighters per shift. This option is estimated to result in savings that are roughly equal to the elimination of the 12 companies.

- **Engine Company Manning Adjustment.** As per the Executive Plan, the FDNY would restore \$6 million in Fiscal 2010 to cover additional staffing costs due to lower-than-projected attrition rates. This is a re-estimate of the savings that would have been achieved from the PEGs to eliminate 16 engine companies. In January, the Department projected a 6% rate of attrition. The rate has been adjusted to approximately 3% to reflect the lower actual rate of attrition.

Fire Investigation – Units of Appropriation 003/007

These units of appropriation are responsible for investigating and determining the cause and origin of all suspicious fires, and for the apprehension of arsonists.

	2008 Actual Expenses	2009 Adopted Budget	2010 Preliminary Budget	2010 Executive Budget
Spending				
Fire Investigation-PS	\$10,001,582	\$15,539,756	\$13,013,836	\$10,704,327
Fire Investigation-OTPS	\$399,818	\$78,160	\$76,900	\$76,900
Total	\$10,401,400	\$15,617,916	\$13,090,736	\$10,781,227
Funding				
City	\$10,401,400	\$15,617,916	\$13,090,736	\$10,781,227
Total	\$10,401,400	\$15,617,916	\$13,090,736	\$10,781,227
Headcount				
Full-time Positions (Civ & Unif.)	NA	138	106	106

In the Executive Plan, the Department's Fire Investigation headcount decreases to a total of 106 positions, compared to the 138 positions (civilian and uniformed) included in the Fiscal 2009 Adopted Budget.

According to the Preliminary Fiscal 2009 Mayor's Management Report, investigations by fire marshals into the causes and origins of fires and other fire-related offenses remained virtually unchanged during the reporting period when compared to the same period in Fiscal 2008.

Budget Proposals

- Bureau of Fire Investigation Reduction – Attrition (January Plan).** The Department proposes to reduce the headcount of the Bureau of Fire Investigation. This action is designed to generate savings of \$3.2 million in Fiscal 2010, increasing to \$3.3 million in Fiscal 2011, \$4 million in Fiscal 2012, and \$4 million in Fiscal 2013. Fire Marshal headcount would be reduced by 32 positions, including 27 Fire Marshals and 5 Fire Marshal Supervisors. This would decrease the total Fire Marshal Headcount to 102, including 80 Fire Marshals and 20 Fire Marshal Supervisors, one Chief Fire Marshall, and one Administrative Fire Marshal. In the Fiscal 2008 Executive Budget, the previously-shuttered Queens Fire Marshal Base was re-opened and the Fire Marshal headcount was increased by the same 32 positions. PMMR data indicated there has been no significant increase in fire investigations since this increase in headcount which likely lead to the current proposal to reduce Fire Marshal headcount.

Fire Prevention – Units of Appropriation 004/008

These units of appropriation are 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.

	2008 Actual Expenses	2009 Adopted Budget	2010 Preliminary Budget	2010 Executive Budget
Spending				
Fire Prevention-PS	\$20,235,227	\$23,798,944	\$26,974,454	\$27,117,500
Fire Prevention-OTPS	\$388,579	\$440,797	\$412,386	\$417,386
Total	\$20,623,806	\$24,239,741	\$27,386,840	\$27,534,886
Funding				
City	NA	\$24,239,741	\$27,386,840	\$27,534,886
Total	NA	\$24,239,741	\$27,386,840	\$27,534,886
Headcount				
Full-time Positions (Civ & Unif.)	NA	452	490	484

In the Executive Plan, the Department's Fire Prevention headcount increases to a total of 484 positions, compared to the 452 positions (civilian and uniformed) included in the Fiscal 2009 Adopted Budget.

According to the Fiscal 2009 Preliminary Mayor's Management Report, completed fire prevention inspections, performed by FDNY inspectors who visit sites to ensure compliance with the City's Fire Code, increased 22 percent in the reporting period. Field force inspections, performed by fire units who visit commercial and residential buildings within designated areas, increased 37 percent during the reporting period.

Budget Proposals

- Certificate of Fitness Revenue Increase.** The Fire Department of the City of New York issues certificates of fitness for various occupations by providing tests to applicants for a fee of \$25. A certificate of fitness is required by law and regulation to serve in certain hazard-related occupations within New York City. The Department is offering 18 new tests and estimates increased baseline

revenues of \$100,000 beginning in Fiscal 2010. Net revenues for this action would be offset by \$5,000 in additional OTPS expenses in Fiscal 2010 only.

- **Fire Prevention Construction, Demolition and Abatement (CDA) Inspection Program (January Plan).** The Department proposes to create a Fire Prevention Inspection Team within the Fire Department to inspect buildings undergoing construction, demolition and abatement. The January Plan includes \$496,000 in Fiscal 2009 (1/4-year value) increasing to a baseline expenditure of \$2 million beginning in Fiscal 2010. The Department's civilian headcount would increase by 40. This proposal is related to recommendations emanating from the analysis of the Deutsche Bank fire.

Emergency Medical Services – Units of Appropriation 009/010

These units of appropriation are responsible for delivering ambulance and pre-hospital emergency medical services citywide, as well as providing tactical and medical direction to field personnel and administrative and support services to the EMS Bureau through the deployment of, on average, 553 daily ambulance tours.

	2008 Actual Expenses	2009 Adopted Budget	2010 Preliminary Budget	2010 Executive Budget
Spending				
Emergency Medical Services- PS	\$175,133,249	\$177,632,353	\$197,327,488	\$200,909,682
Emergency Medical Services- OTPS	\$22,384,506	\$20,102,128	\$21,401,079	\$22,344,443
Total	\$197,517,755	\$197,734,481	\$218,728,567	\$223,254,125
Funding				
City	NA	\$48,947,399	\$53,924,765	\$54,792,794
Other Categorical	NA	\$145,912,208	\$161,928,928	\$165,586,457
State	NA	\$846,001	\$846,001	\$846,001
Intra-City	NA	\$2,028,873	\$2,028,873	\$2,028,873
Total	NA	\$197,734,481	\$218,728,567	\$223,254,125
Headcount				
Full-time Positions (Civ & Unif.)	NA	3,204	3,082	3,148

In the Executive Plan, the Department's Emergency Medical Services headcount decreases to a total of 3,148 positions (civilian only) compared to the 3,204 positions included in the Fiscal 2009 Adopted Budget.

According to the Fiscal 2009 Preliminary Mayor's Management Report, average ambulance response time improved by one second to an average of 6.36 minutes in the first four months of Fiscal 2009 compared to the same period last fiscal year.

Budget Proposals

- **Takeover of 17 Advanced Life Support (ALS) Voluntary Ambulance Tours.** As per the Executive Plan, the FDNY would add 17 new ALS ambulance tours in the Bronx and Queens to replace voluntary ALS tours no longer provided by private hospitals following the closure of the Caritas (St John's & Mary Immaculate), Westchester Square, and Our Lady of Mercy hospitals. This action would result in additional expenditures of \$2.8 million in Fiscal 2010, \$3 million in Fiscal 2011, \$3.3 million in Fiscal 2012, and \$3.5 million in Fiscal 2013. As a result of this action,

EMS headcount would increase by 64 positions. As discussed below, an associated revenue increase would also occur.

- **Additional EMS Lieutenants.** As per the Executive Plan, the FDNY would add 5 EMS Lieutenant positions to its force at a baseline cost of \$272,000 per year beginning in Fiscal 2010. These positions are associated with the Department's plan to add 17 new ALS tours.
- **Additional EMS Revenue.** As per the Executive Plan, the FDNY anticipates collecting additional EMS ambulance revenue of \$7.8 million in Fiscal 2009 and a baseline increase of \$3 million beginning in 2010 due to billing improvements and the addition of 17 new ALS Ambulance Tours. The Fiscal 2009 revenue estimate is considerably higher because it recognizes higher Medicaid reimbursement payments from the State.
- **Elimination of Thirty EMS Basic Life Support Tours – Attrition (January Plan).** The Department proposes to eliminate 30 Basic Life Support (BLS) ambulance tours. Personnel savings would be achieved through attrition. This action is designed to generate savings of \$3.3 million in Fiscal 2010, increasing to \$3.6 million in Fiscal 2011, \$3.7 million in Fiscal 2012 and \$4.4 million in Fiscal 2013. Headcount would be reduced by 112 civilian paramedic and EMT personnel.

Currently, there are a total of 940 tours (including private tours) in the 911 system. EMS operates 585 total ambulance tours, 402 of which are BLS. Although this action would result in net savings, it would also reduce annual EMS revenue by \$1.7 million beginning in Fiscal 2010.

- **Restructure Advanced Life Support (ALS) Tour Staffing (January Plan).** The Fire Department proposes to restructure 90 of the existing Advanced Life Support (ALS) ambulance tours from a staffing of two paramedics to a staffing of one paramedic and one emergency medical technician (EMT). This action is designed to generate a baseline savings of \$2.1 million beginning in Fiscal 2010. This proposal requires regulatory approval which is deemed uncertain.

Agency-Wide Adjustments

- **Summons Enforcement Revenue.** The FDNY estimates increased baseline revenues from Fire Code Violation fines of \$1 million beginning in Fiscal 2010. These fines are adjudicated by the Environmental Control Board.
- **Elimination of Fee Exemption for Non-Profit and Charitable Organizations (November Plan):** The FDNY will re-submit legislation to the City Council to charge previously exempt non-profit and charitable organizations for fire inspections. The November Plan projected annual revenue of \$3 million from this action, beginning in Fiscal 2010. The average fee for such inspections is \$210. The Department does not plan to lift the exemption for churches and faith-based organizations. This action was originally proposed in the Fiscal 2007 Preliminary Budget.
- **Collective Bargaining Adjustments.** The Executive Plan includes increases in City funds of \$1.7 million in Fiscal 2009, \$3.1 million in Fiscal 2010, \$3.3 million in Fiscal 2011 and the outyears for collective bargaining adjustments for various staff positions across all PS units of appropriation. These funds are being transferred from the Labor Reserve in the Miscellaneous Budget to the budget of the FDNY to cover the costs associated with recent collective bargaining settlements. The November and January Plans included collective bargaining increases totaling \$72.3 million in

Fiscal 2009, \$109.8 million in Fiscal 2010, \$114.8 million in Fiscal 2011, \$114.9 million in Fiscal 2012, and \$115.2 million in Fiscal 2013.

- **Fringe Benefit Offset Reduction.** In order to give the agency PEG credit, the PEG actions described above that impact Personal Services include fringe benefit savings that should be properly accounted for not in the Department's budget, but in the City's Miscellaneous Budget. To reflect the neutral impact on Department's budget that would result from these fringe benefit savings, an offsetting sum totaling \$239,995 in Fiscal 2011, and \$242,175 in Fiscal 2012 and the outyears is being added back to the Department's budget as an adjustment.
- **Lease Adjustments.** The Executive Plan adjusts the Department's lease budget by adding \$890,367 in Fiscal 2010, and \$1 million in Fiscal 2011 and the outyears.
- **Heat, Light and Power.** The Executive Plan adds \$304,875 to the agency's budget in Fiscal 2009, and \$663,524 in Fiscal 2010 and the outyears to properly reflect the costs associated with heat, light and power.
- **Fuel.** The Executive Plan removes \$913,719 from the agency's budget in Fiscal 2009, and \$727,190 in Fiscal 2010 and the outyears to properly reflect the costs associated with fuel.
- **Gasoline.** The Executive Plan removes \$1.1 million from the agency's budget in Fiscal 2009 and \$3.1 million in Fiscal 2010 and the outyears to properly reflect the costs associated with fuel.

Executive Capital Commitment Plan, 2009-2013

In the Executive Capital Plan, FDNY's planned commitments for Fiscal 2009-2013 decrease by 19 percent to a total of \$591.1 million when compared to the Department's January Plan.

Significant changes in the Executive Plan that result in the net 19-percent decrease include:

- Planned commitments totaling \$44.4 million for the new Fleet Maintenance Facility have been removed from the plan and the project is on hold. The Department will continue to use its current Fleet maintenance facility in Maspeth, Queens.
- Planned commitments totaling \$17.6 million for the Queens Hospital EMS station have been removed from the plan and the project is on hold.
- Planned commitments totaling \$20 million for a new firehouse for Rescue 2 (Brooklyn) have been removed from the plan and the project is on hold. The department was in the process of reviewing location options for the new facility.
- Planned commitments for FDNY vehicle acquisition decreased by \$15.9 million. The Department will delay vehicle replacement.

Funding for large-scale Fire Department projects in the Capital Plan for Fiscal 2009-2013 include:

- Planned commitments totaling \$308.5 million for citywide vehicle acquisition: \$67.5 million in Fiscal 2009, \$32.8 million in Fiscal 2010, \$76.2 million in Fiscal 2011, \$71.3 million in Fiscal 2012, and \$60.5 million in Fiscal 2013.
- Planned commitments totaling \$86.4 million for the Management Information and Control System, technology-related operations that include performing administrative and dispatching functions.
- Planned commitments totaling \$29.9 million for the Citywide Fire Alarm Communication System.
- Planned commitments totaling \$12.3 million for improvements to the Department's training centers at Fort Totten and Randalls Island.
- Approximately \$40 million in planned commitments to build and repair EMS stations including: \$10.4 million for EMS Battalion 35 (Greenpoint), and \$14.1 million for EMS Battalion 27 (Woodlawn), and \$14.8 million for a new Soundview EMS station.

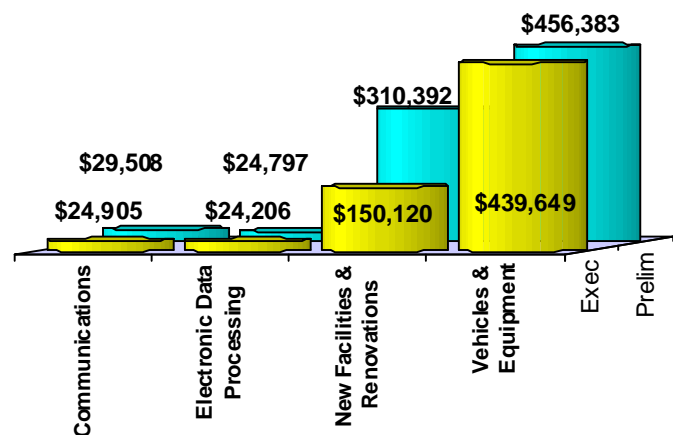
Executive Ten-Year Capital Strategy, 2010-2019

The Department's Executive Ten-Year Capital Strategy includes a total of \$646.9 million in funding for the acquisition and maintenance of: equipment, facilities, and communications and computer systems for Fiscals 2010-2019. This is a decrease of 22.19 percent compared to the \$821.1 million in the Preliminary Ten Year Strategy.

The Department's Capital funding is allocated in four broad categories of need:

- **Facilities Renovation** – The Executive Ten-Year Capital Strategy includes \$150.1 million for facilities renovations. This is a 51.6-percent reduction compared to the \$310.4 million in the Preliminary Ten Year Strategy. The average age of the Department's 219 firehouses is 75 years.
- **Vehicles, Fire-Fighting Tools, and Equipment** – The Executive Ten-Year Capital Strategy includes \$439.6 million for vehicle replacement and firefighting tools and equipment. This is a 3.7-percent reduction compared to the \$456.4 million in the Preliminary Ten Year Strategy. The average lifecycle for the Department's vehicles is 11 years.
- **Communications** - The Executive Ten-Year Capital Strategy includes \$24.9 million for radio replacement and fire alarm call box cabling. This is a 15.6-percent reduction compared to the \$29.5 million in the Preliminary Ten Year Strategy.
- **Electronics and Data Processing** - The Executive Ten-Year Capital Strategy includes \$24.2 million for computer network and applications development. This is a 2.3 percent reduction compared to the \$24.8 million in the Preliminary Ten Year Strategy.

Fire Ten-Year Capital Plan Preliminary FY10 vs. Executive FY10



Supplemental Tables

Executive Budget Actions

The following table summarizes changes to the Fiscal 2009 and 2010 budgets since the 2009 budget was adopted. The Non-City actions include State, Federal, Other Categorical, Intra-City and Capital Inter-Fund Agreement (IFA) funding changes.

Description	City	Non-City	Total	City	Non-City	Total
Agency Budget as per the January Plan	\$1,399,249	\$252,170	\$1,651,419	\$1,410,661	\$182,794	\$1,593,455
Executive Plan Programs to Eliminate the Gap (PEGs)						
<i>Reduce Nighttime Operational Hours at Five Engine Co.'s</i>	\$4,475		\$4,475			\$0
<i>Reduction in Uniformed Administrative Overtime</i>			\$0	(\$3,363)		(\$3,363)
<i>Bureau of Fire Investigation Revenue Increase</i>			\$0	\$45		\$45
<i>EMS Ambulance Revenue</i>	(\$7,752)	\$8,388	\$637	(\$2,953)	\$3,195	\$243
<i>Certificate of Fitness Revenue Increase</i>			\$0	\$5		\$5
<i>Fleet-Related Expense Reduction</i>			\$0	(\$649)		(\$649)
Total PEGs	(\$3,277)	\$8,388	\$5,112	(\$6,915)	\$3,195	(\$3,719)
Executive Plan New Needs						
Voluntary Firefighter's Worker's Comp Insurance	\$190		\$190	\$190		\$190
14 ALS Tours			\$0	\$2,710		\$2,710
3 ALS Tours			\$0	\$137	\$462	\$599
5 Additional EMS Lieutenants			\$0	\$272		\$272
Project Manager for the Coordinated Building Info and Data Analysis System (CBIDAS)			\$0	\$107		\$107
Total New Needs	\$190	\$0	\$190	\$3,416	\$462	\$3,878
Executive Plan PEG Restorations						
Engine Company Manning Adjustment			\$0	\$6,000		\$6,000
Total PEG Restorations	\$0	\$0	\$0	\$6,000	\$0	\$6,000
Executive Plan Other Adjustments						
<i>Collective Bargaining Adjustment-Various Staff Positions</i>	\$1,779		\$1,779	\$3,091		\$3,091
<i>Fringe Benefit Offset</i>			\$0	\$239		\$239
<i>Lease Adjustment</i>			\$0	\$890		\$890
<i>Heat Light and Power</i>	\$305		\$305	\$664		\$664
<i>Fuel</i>	(\$914)		(\$914)	(\$727)		(\$727)
<i>Gasoline</i>	(\$1,112)		(\$1,112)	(\$3,140)		(\$3,140)
<i>State Grants and Adjustments</i>			\$0			\$0
<i>Federal Grants and Adjustments</i>		\$10,298	\$10,298			\$0
<i>Other Categorical Grants and Adjustments</i>			\$0			\$0
Total Other Adjustments	\$59	\$10,298	\$10,356	\$1,017	\$0	\$1,017
Total Executive Plan Budget Changes	(\$3,028)	\$18,686	\$15,658	\$3,518	\$3,658	\$7,175
Agency Budget as per the Executive Plan	\$1,396,221	\$270,856	\$1,667,077	\$1,414,179	\$186,452	\$1,600,630

Summary of Changes Since June 2009 Plan*City Funds only, \$\$ 000's*

	2009	2010	2011	2012	2013
June 2009 Plan	\$	\$	\$	\$	\$
New Needs	\$686	\$11,389	\$5,515	\$5,821	\$6,062
Collective Bargaining	\$74,075	\$112,924	\$118,197	\$118,315	\$118,564
Other Adjustments	(\$1,031)	\$7,719	\$11,516	\$12,299	\$13,045
PEGS	(\$29,516)	(\$77,907)	(\$84,619)	(\$87,387)	(\$91,095)
Exec 2010 Plan	\$44,214	\$54,135	\$50,609	\$49,048	\$46,576