

Fire Services in Unincorporated Greenburgh: Consolidation Feasibility Study & Fiscal Practices

**Report of the Fire Department Consolidation &
Government Efficiency Commission**

November 15, 2010

Table of Contents

INTRODUCTION BY THE CHAIR 4

EXECUTIVE SUMMARY 8

 Observations & Findings 10

 Recommendations..... 13

FORMATION OF COMMISSION & CHALLENGES..... 16

 Factors Driving Creation of Fire Commission..... 16

 Limitations of Empowerment Act 17

 Pension Reform..... 17

 Freedom of Information Law (FOIL) Challenges..... 19

FIRE DISTRICT ADMINSTRATIVE CONSOLIDATION 21

FINANCIAL & FISCAL PRACTICES OF THE DISTRICTS 24

 Budget & Property Tax Impact..... 24

 Collective Bargaining Agreements 36

 Overtime Practices 37

 Staffing Levels 40

 Peer Group Comparisons 42

 Automatic/Mutual Aid..... 45

 District Treasurer/Secretary/Clerk/Accountant Role and Compensation 46

PENSION PLANS AND PRACTICES..... 48

 Pension Plan Overview 48

 Overtime Practices Affecting Retirement Payouts 50

EMERGENCY COMMUNICATIONS CENTER (60-Control)..... 53

 Benefits of Local Dispatching 55

 Other Considerations 55

BACKGROUND OF DISTRICTS..... 57

 History 57

 Facilities..... 59

 Personnel and Operations 60

VOTER INTEREST IN FIRE DISTRICTS 64

ISSUES RELATED TO IMPLEMENTATION OF A LEGAL CONSOLIDATION 65

 Debt Resulting From Past and Future Building Renovations 65

 Differences in Unions Contracts 65

 Operational Issues..... 66

 Administrative Functions..... 66

 Dispatching 66

 Equipment..... 66

 Rules and Regulations..... 67

The Fire Department Consolidation & Government Efficiency Commission considered the following report at its November 10, 2010 meeting. The vote was 6 in favor of the report and 3 opposed. In favor were Victor Alleyne, Michael Goldstein, Alan Hochberg, Milton Hoffman, Luis Polit, and Steven Wolfert. Deputy Chief John Malone, Chief Edward Rush, and Commissioner Vikki Simmons were opposed and expect to issue a minority dissenting report. Vic Weinstein, an advisor, was present at the meeting, but as a non-voting member.

INTRODUCTION BY THE CHAIR

November 15, 2010

To The Taxpayers and Citizens of the Hartsdale, Greenville, and Fairview Fire Districts:

More than a year ago the Fire Department Consolidation & Government Efficiency Commission was created by the Greenburgh Town Board. The commission was an outgrowth of a new state law passed to encourage local communities to explore whether tax savings and other efficiencies could be achieved through the consolidation of municipal services. In a period of tight municipal budgets caused by increased expenses, reduced revenues and taxpayer resistance to further tax increases, a number of communities throughout Westchester County and the State of New York have begun to explore savings and efficiencies through shared services, consolidations, and dissolutions.

The mandate of our commission was to examine whether consolidation of the three taxing fire districts in unincorporated Greenburgh – Fairview, Greenville and Hartsdale – could save taxpayers money *without* jeopardizing public safety. We also examined whether greater efficiencies and cost savings could be achieved through increased cooperation among districts and improved fiscal and business practices.

It is important to note that we seek to find ways to *increase* the number of firefighters available for firefighting duties, *maintain* the existing number of fire houses in the three districts, and *encourage* greater voter participation in elections for fire district commissioners and district budgets. Fire protection is a significant portion of our local property tax bill, and we deserve to get the maximum bang for our buck.

The commission is represented by nine commissioners and one advisor (including one fire chief, one deputy chief and one fire commissioner) who represent a diverse cross-section of the community in terms of professional management experience, and fire safety experience. We have visited fire stations in the three districts, visited Westchester County and police dispatch services, and visited other fire districts in Westchester County and the tri-state area. We have also actively encouraged input from individual fire fighters, volunteers, fire union representatives and fire commissioners.

I want to thank each of the members of the commission: Fairview residents Milton Hoffman, retired senior editor of *The Journal News* and Victor Alleyne, a retired senior graphic designer at Texaco/Chevron Oil Company and retired White Plains entrepreneur and past president of the Hillside Wyndover Civic Association, Fairview Deputy Fire Chief John Malone and Vikki Simmons, a commissioner with the Fairview Fire District; Hartsdale residents Luis Polit, a Certified Public Accountant, Michael Goldstein, retired chief auditor of the Northeast Region for the U.S. Department of Transportation, and Hartsdale Fire Chief Ed Rush; Greenville

resident Steve Wolfert, a past executive for numerous U.S. corporations; and our adviser Vic Weinstein of Tarrytown, a retired IBM executive and resident of a Greenburgh fire protection district. They are all volunteers who have generously donated hundreds of hours of their time and expertise, and the community has been well served by their dedication. I have been president of the Poets Corner (Hartsdale) Civic Association for 20 years and am retired as executive director of the Scarsdale Synagogue Temples Tremont and Emanu-El. I also wish to thank former Consolidation Commissioners, Fairview Fire Chief Robert Mauro and Greenville resident Milo Riverso for their valuable contributions to our effort.

It is also important to acknowledge the many individual career and volunteer firefighters for their dedicated service to our community. We can all be proud of the job they perform protecting our community – not just in fighting fires but also for emergency medical services (EMS), fire inspections, school fire safety visits, pumping out flooded basements, responding to hazardous material (HAZMAT) contamination incidents and other emergency services.

The logical question is: Why study possible changes in local fire districts when firefighters are doing their jobs well? One reason is that the state legislature adopted a law last year allowing communities to examine separate districts to determine if consolidation could save taxpayer dollars and increase performance. Another reason is the June 2009 report commissioned by the Westchester County Career Fire Chiefs Association (conducted by the Edwin Michaelian Institute for Public Policy & Management at Pace University), which recommended consolidation among ten fire departments including the three districts in our study. The Michaelian report laid out a number of serious issues such as current deficiencies in staffing levels according to national guidelines. The final, and perhaps most important reason, is the increasingly high level of living costs and taxes in our Westchester community – something that is driving people and businesses to other communities and states with lower expenses. This is only compounded by the current economic environment of job losses, underperforming investments in the state pension fund and declining home values.

We began our year-long effort studying the three districts that cover 73% of unincorporated Greenburgh (the rest are covered by seven fire protection districts associated with neighboring villages). What some thought to be an easy and quick examination of the three districts has turned out to be a much greater in-depth study of its' day-to-day operations. This included visiting numerous fire district facilities, examining fire apparatus and equipment, interviewing fire personnel, obtaining detailed records, and thoroughly examining and cross-checking those records.

Similar to any study that undertakes to examine institutions and practices that have been firmly entrenched for many years we have faced questions about our members' knowledge, impartiality and motives. In fairness and to seek input from all interested parties, I reached out to the three fire districts to select volunteers to serve on the commission. The Hartsdale and Fairview districts selected a representative, while Greenville chose not to participate. The help of the participating districts in educating our commission about fire fighting and day-to-day operations has been invaluable. Our commission reached out to the union representing the uniformed firefighters in the three districts to seek their input, and repeatedly listened to their representatives' concerns at meetings. In response to a union request to submit questions we

wanted answered in writing, we spent numerous hours putting together a list of questions; ultimately we never received any responses to our questions.

As previously mentioned, our commission members have gone to all three fire districts – as well as outside fire departments – to examine their operations, speak to fire personnel and seek their guidance. In addition, our members with professional accounting experience examined records and other materials supplied to us to form a picture of the business operations and fiscal practices of the fire districts. We also visited Westchester County emergency dispatch headquarters and the Greenburgh Police Department dispatch system.

As we began to deliberate and analyze the material we gathered, a picture began to emerge that suggested to some members that change was important in how the fire districts operate. We also realize that some of the potential changes are beyond the scope of the individual fire districts and require legislative action at the state level.

Why is change important in the way our three paid fire districts operate? Some commissioners, including myself, believe the “Perfect Storm” of finances is fast approaching in the districts we studied. Specifically, the tax base supporting their revenues is eroding through certiorari applications by home and business owners to reduce their taxes as property values fall. At the same time the expenses of the fire districts are increasing because of higher salaries and costs of medical and other benefits negotiated in previous contracts, as well as increased contributions to fund the pension plan covering uniformed police and firefighters which are mandated by state law. At the same time as revenue is shrinking expenses are escalating and, according to the Chief of the Hartsdale Fire Department and the Deputy Chief of the Fairview Fire Department, both are short staffed as it relates to firefighters. This, in part, necessitates overtime to provide the fire coverage we in the community expect. Automatic aid is a concept that has been and continues to be practiced by fire departments across the country as a solution to reduce response times and manage shortages of manpower and apparatus – the three Greenburgh fire districts are no exception. This sharing of firefighting services is actually helpful and already shows the public that the fire districts are not totally independent and do work well together. The problem is that these fire districts are very expensive to operate when compared to other fire departments in Westchester County. It is true not all fire districts are the same and in the report we hope to point this out.

Our commission hopes that this report will educate the public and make it more knowledgeable about how their fire districts operate. Our report will attempt to suggest ways the fire districts can possibly save money and continue to provide the level of fire protection we expect in our communities. It is also hoped through greater efficiencies we can increase the number of firefighters available to fight fires and eliminate the need for so much overtime.

Our advisory commission has no legal authority to enact any proposals. This has to be done by voters in the fire districts and the current fire district commissioners. We hope the community will read the report and participate in a healthy discussion of its findings. By participating in this discussion, as well as attending public hearings on the proposed fire district budgets and questioning the district commissioners on the budgets, and participating in fire commissioner elections, we will be achieving our common goal: making sure the people living in

the Hartsdale, Greenville, and Fairview communities have the best and most efficiently run fire departments without creating further burdens on the taxpaying public. This report will be placed on the official Town of Greenburgh website, <http://www.greenburghny.com/>, and made available to the media and general public.

Sincerely,

A handwritten signature in blue ink that reads "Alan Hochberg". The signature is written in a cursive style with a long, sweeping tail on the letter "g".

Alan Hochberg, Chair

EXECUTIVE SUMMARY

The Fire Department Consolidation & Government Efficiency Commission (“FDCGEC”) has issued this report on the feasibility and potential benefits of consolidating the three fire districts that currently serve the unincorporated area of the Town of Greenburgh (“Unincorporated Greenburgh”)¹ located in Westchester County, New York. The FDCGEC also examined its’ fiscal and business practices at the three fire districts; Hartsdale, Fairview, and Greenville (individually under its’ own names, and collectively, the “Districts”)². The FDCGEC was established by the Town Board of the Town of Greenburgh on September 15, 2009³.

Towns in New York State, such as the Town of Greenburgh, provide fire protection in one or a combination of two forms; (i) the establishments of fire districts which are separate from the town (such as the subject Districts) each with its own governing body and having the power to tax and incur indebtedness and; (ii) fire protection districts which are areas within towns where fire suppression services are provided. In the Town of Greenburgh, for example, its residents are served by the Districts and seven fire protection districts which are contracted by the Town of Greenburgh. The seven fire protection districts are West Elmsford, North Elmsford, South Ardsley, Glenville, East Irvington, Donald Park and Chauncey. These fire protection districts were not part of the study conducted by the FDCGEC.

The ‘Perfect Storm’ may well be upon us. The subject Districts’ revenue is declining because of reductions to the tax base as homeowners property values shrink. Given the historical lag between economic conditions and their effect on state and local government revenues, economic difficulties will adversely impact state and local governments in the years to come, even though the recession ended in mid-2009. At the same time expenses such as salaries, pensions, and health care costs continue to escalate. This is measured against the need for overtime which is one way to achieve staffing goals. The subject Districts cannot cut personnel for this would jeopardize safety. Thus the burden falls on the taxpayer. The taxpayers of Greenville, Hartsdale, and Fairview cannot sustain large tax increases for they are already over taxed.

The FDCGEC’s final recommendation is that while legal consolidation may not be practical at the current time, administrative consolidation is a mechanism to share administrative resources. Savings to the Districts and to taxpayers may also be found by improved fiscal and business practices and greater cooperation among the Districts. Furthermore, the local communities need to get more involved in understanding and participating in the local fire districts through better communications, greater voter turnout, oversight of district actions and volunteerism. Some of the recommendations in this report may only be possible through

¹ Unincorporated Greenburgh represents the area outside of the six incorporated villages of the Town of Greenburgh consisting of Ardsley, Dobbs Ferry, Elmsford, Hastings-on-Hudson, Irvington, and Tarrytown.

² Each of the fire districts contains its own census designated place, or CDC, which is a tracking mechanism used by the US Census Bureau for statistical purposes.

³ Resolution acknowledging creation of the FDCGEC and conferring official status upon the FDCGEC, <http://www.greenburghgov.com/uppages/Minutes%202009-09-15%20Special%20Meeting.pdf>

legislative action, some to be achieved through the collective bargaining process, and others may be achieved through further administrative consolidation.

This report presents the findings and recommendations of the FDCGEC researched and developed over the course of the last year. The findings and recommendations that follow are summarized and are elaborated in more detail and put into context in the chapters that follow.

Observations & Findings

- Over a seven-year period between 2003 and 2010, property taxes levied by the subject Districts are up 7.03% on a year-over-year basis while the corresponding cost of living was up 2.6%.
- Assuming that salaries continue to increase at 4% per year (as they have based on the current union contracts), contributions to the pension fund covering uniformed police and firefighters increase by 18% per annum, and medical and dental premiums increase by 15% per year, then property tax rates starting in 2011 through 2015 are expected to increase 8.4% per year. The revenue projections use the 2011 taxable assessment values and assume no change through the forecasted period. There is also the reliance on using the fund balances, or savings, to balance the budget during these years. The expense projections are based on an analysis of current union contracts and predictions by the New York State Comptroller's Office. There are factors that may cause actual outcomes or results to differ from these predictions.
- As required under law, in early October 2010, the subject Districts prepared and a proposed a budget for 2011. Public hearings by each of the Districts were held on October 12, 2010. It was learned that the subject Districts are anticipating an average property tax increase of 1.6%, which is below the FDCGEC estimate of 7.4%. There are two reasons for the disparity. The first is that the subject Districts are comparing the 2011 proposed budget not to the 2010 approved budget, but to a budget which the FDCGEC has not been able to validate, which understates the year-over-year increase. The second reason is that the expenses in the 2011 proposed budget are less than the expenses reflected in the FDCGEC projection, which also understates the year-over-year increase.
- Compensation per employee in the subject Districts is higher than their peers by 32%. The average wages per full-time equivalent (FTE) employee in 2008 in the subject Districts was \$125,712. In comparison, the average wages per FTE in the peer group was \$95,210. The peer group consisted of the City of White Plains, Village of Scarsdale, and the Eastchester Fire District. Base salary differentials as well as compensation sources in excess of base salary, such as overtime and emergency medical technician pay, are driving the disparity in compensation with the peer group.
- Compensation per fire chief in the subject Districts is higher than peers by 34%. The average wages per fire chief in 2009 in the subject Districts was \$207,358. In comparison, the average in the peer group was \$156,077. Peers used were the City of White Plains, Village of Scarsdale, and City of New Rochelle. Under the terms of the employment agreements with the fire chiefs, built-in compensation sources in excess of base salary are driving the disparity in compensation with the peer group.
- The City of White Plains, which has 167 fire personnel and had fiscal 2008/2009 salaries, wages, and overtime expense of \$15.4 million, compares to the subject Districts which has 111 fire suppression personnel and had combined 2008 salaries, wages, and overtime

expense of \$14.6 million. For an additional \$800,000 of salaries, wages, and overtime White Plains has 56 additional firefighters.

- In 2009, the subject Districts incurred \$2.4 million in overtime costs, which represented 16% of total employee compensation of \$15.3 million. As one example, the total overtime cost in Greenville was \$869,094 for 28 eligible firefighters, or \$31,039 per employee, which is higher than the other two districts. Employee compensation includes base salaries, overtime, longevity pay, Kelly time, and other compensatory pay. Additionally, discrepancies in Fairview between the overtime reported on the audited financial statements and the underlying payroll records was \$167,000 and \$179,000 for 2009 and 2008, respectively, with the audited numbers being higher. Explanations were requested but not obtained.
- Greenville currently uses 60-Control, the Westchester County agency dispatching local fire and EMS agencies, which is funded by the county, not the subject Districts. It has been represented to the FDCGEC that this has worked out well for them. Hartsdale and Fairview continue to do their own dispatching by using their own personnel on a rotating basis to man the dispatch desk. In Hartsdale this has cost the taxpayers \$356,000 and \$366,000 in 2008 and 2009, respectively (paid at straight-time rates and not including related pension contributions) and in Fairview, it is estimated to cost a similar amount, but due to data limitations, an exact amount was not quantified.
- Hartsdale and Fairview paid an additional \$1.7 million for the privilege of participating in a more generous and costly pension plan; moving from a three year average to a one year Final Average Salary (FAS) for pension determination. This change was done without informing the voters (although voter approval is not required). This change is also increasing the retirement contribution by 2.5% per year.
- FAS for purposes of determining pension benefits include overtime earnings for certain Hartsdale and Fairview employees as they near retirement. The one-year FAS plan has led to 8 out of the last 18 firefighters who retired in the last five years (ending December 31, 2009) receiving pensions that exceeded \$100,000 due, in part, to the use of overtime. In Hartsdale, out of the 8 retirees over the last five years, 4 had pensions over \$100,000. In Fairview, there were 10 employees who retired over the same period of which 4 had pensions over \$100,000. In comparison, Greenville had 8 employees who retired in the last five years, and only 1 retiree had a pension over \$100,000.
- Union members and their families do not contribute to medical plans or to their pensions (except for employees hired after January 1, 2010 who are required to contribute 3% annually to their pensions throughout their employment). It is out of the norm for local and municipal employers to pay for the full cost of medical insurance. Based on a Bureau of Labor Statistics study, on a nationwide basis, municipal and local public employees pay an average of 19% for family coverage and 9% for single coverage.
- There are a total of four civilian employees in the subject Districts earning in 2009 almost \$350,000 acting in the capacities of treasurer and secretaries/clerks. These are non-uniformed personnel and based on the terms of their employment contracts receive benefits that are comparable to those of uniformed personnel. For example, in Fairview, in addition to

receiving 14 holidays off, on top of their base salary, they were getting paid for the holiday itself, which means they are being paid twice for the same day.

- Lack of transparency, full disclosure, resistance, and in certain cases, non-compliance, on the part of the subject Districts in providing records pursuant to New York Freedom of Information Law (“FOIL”). Fairview has been non-compliant in providing the FDCGEC with payroll vendor reports to validate the compensation and all of the related components. The treasurers, who are required by law for maintaining the financial books and records of each of the Districts, did not grant the request of the FDCGEC to meet with them to walk-through the information that was being provided. The Hartsdale fire chief, on the other hand, made time available on numerous occasions to meet and discuss the data received as it pertained to the Hartsdale district.
- Voter participation in fire commissioner elections is extremely low (well under 5%) due in part to the inconvenient election dates.

Recommendations

Snapshot

- Propose administrative consolidation in which subject Districts would remain separate legal entities but would share certain administrative functions, such as fire administrative personnel, including sharing one fire chief; this removes any increase in taxes due to consolidation
- Propose that the Town of Greenburgh apply for a grant under the Local Government Efficiency Grant Program to study specific problems with implementing proposals
 - Examine the use of 60-Control by Hartsdale and Fairview which would have Westchester County pick up the costs of dispatching
 - Examine continuing overtime as opposed to hiring new personnel
 - Examine the effect of extended overtime on health of our firefighters
 - Examine the need for hiring personnel as a result of the loss of two fire chiefs
- Propose the creation of a watchdog commission by the Town of Greenburgh which will report to the public quarterly to educate the public about the fire district budgets and elections of fire commissioners; this will create greater transparency; the creation of the watchdog group should go beyond the fire districts to other local services located in the Town of Greenburgh
- Tax certioraris, the grievance process for property tax assessments, are expected to cost the Town of Greenburgh and the subject Districts property tax revenues in the years to come; it is recommended that the subject Districts and the Town of Greenburgh work together to arrive at a solution
- Proposed that firefighters contribute to the costs of their health insurance; as of now they contribute nothing
- Legislative changes
 - Propose that overtime not be added to income for purposes of establishing pension benefits
 - Propose a change in the date of fire commissioner elections so more people can participate
 - Consolidation laws should be amended to allow communities to effectuate change without interference from entrenched interests

Specifics on Administrative Consolidation

- The FDCGEC recommends that there be an administrative consolidation where the subject Districts would remain separate legal entities but would share certain administrative functions, such as fire administrative personnel, including sharing one fire chief. However, to implement this, the FDCGEC is requesting that the Town of Greenburgh seek a grant under the Local Government Efficiency Grant Program which will allow independent experts who are not part of the FDCGEC or the subject Districts to study the optimal staffing levels, the efficiency and health of firefighters working long hours of overtime, the use of 60-Control by Hartsdale and Fairview which is funded by the county, and an examination to determine if one chief is enough to run three departments (realizing that this action may require additional deputy chiefs). There already exists cooperation among the subject Districts in terms of automatic aid arrangements, training exercises, and other cooperative actions. The power to tax and incur debt would remain with the subject Districts and should remove concerns by citizens of each District about losing autonomy and being subjected to higher taxes due to property tax differentials among each of the subject Districts. This proposal cannot occur by referendum but must be approved by the local fire commissioners of each of the subject Districts.

- The FDCGEC recommends that the Town of Greenburgh create a watchdog commission which reports to the public quarterly to educate the community on the subject Districts. The need for this is that there is a perception that the Town of Greenburgh is responsible for raising the taxes of the subject Districts and creating their budgets. Also, the commission would serve as a conduit of information to let the citizens know about the fire election voting process and how to become a candidate. The watchdog group would also be responsible for analyzing, questioning, and monitoring budgets.

Specifics on Legislative Changes

- Notwithstanding resolving issues over local autonomy, assumption and incurrence of debt, and property tax differentials to name a few, a legal consolidation cannot be accomplished until there are changes in the consolidation law. Under the consolidation law enacted by the New York State Legislature in June 2009 giving voters a process to petition for the public vote of a government entity consolidation, the governing bodies of the entities contemplating the consolidation are required to set the date of the voter initiated referendum and to develop a consolidation plan. There is a weakness in this in that it hands over control of these decisions to the very governing bodies that may wish to maintain the status quo. While there are appeals procedures in place in the event that the governing bodies are unwilling or unable to formulate a consolidation plan, it is a rather unwieldy process. The FDCGEC recommends that the consolidation law be reevaluated and amended by the New York State Legislature so that a group consisting of representatives of the governing bodies and a citizens group work together in setting the referendum date and developing a consolidation plan. That way, there is a system of checks and balances.

- Given the historical lag between economic conditions and their effect on state and local government revenues, economic difficulties will adversely impact state and local

governments in the years to come. Also, lower stock market valuations have made it a challenging environment for state and local governments to afford the pension benefits that were promised to employees. With this said, the states can control the types of compensation that can be included as income in determining pensions. Overtime is one of them. The FDCGEC recommends that that pension law be reevaluated and amended by the New York State Legislature so that overtime is excluded from the calculation.

- Voter participation of fire district commissioner elections is low due to the timing of the elections – the statutory requirement is that the elections be held on the second Tuesday of December, not a very convenient time to most voters. Any meaningful reform would come from changing the timing of elections to encourage greater voter participation, perhaps in May when the school district elections are held or November during general elections.

Other Considerations

- The collective bargaining agreements covering the uniformed firefighters in Hartsdale and Fairview expire on December 31, 2010 and December 31, 2011, respectively. Greenville’s agreement with the uniformed firefighters expired on December 31, 2009. Under the terms of the Hartsdale and Greenville agreements, there is an automatic extension unless one party gives notice on the contractually set date in the year of expiration. The FDCGEC proposes that employees of the subject Districts contribute to the cost of their medical and dental insurance plans. It is also proposed that the disparity in wages with the peer group be considered in future salary negotiations (perhaps implementing wage freezes or wage cuts) so that the gap can be narrowed over a period of time.

FORMATION OF COMMISSION & CHALLENGES

Factors Driving Creation of Fire Commission

Westchester County has 425 government and taxing jurisdictions, including 6 cities, 19 towns, 23 villages, 47 school districts, and 28 fire districts⁴. In New York State, cities, towns, and villages can make provisions for fire protection, and as a result, many maintain their own fire departments. While there are 28 fire districts in Westchester County, there are many more towns, cities, and villages which provide fire suppression services. The merging of municipal services has caught some traction over the last few years as the rising cost of providing services and the recession driven fall in tax revenues are prompting local governments to relook at the way services are rendered. For example, the police departments of the Village of Dobbs Ferry and the Town of Greenburgh were considering last year to merge forces and perhaps consolidating the two departments⁵. This was ultimately turned down. Ten years ago, Cortlandt eliminated its police department and contracted with the Westchester County police for services.⁶ While the initial reaction was mixed, the residents have benefited from the reorganization.

With this said there is a call to explore cost savings through greater economies of scale, reduction of governance, fiscal, and operational duplication, and a redeployment of resources to improve fire suppression services. In an effort to control escalating costs of the Districts and the impact such increasing costs may have on future service levels, one of the options available are a voter-initiated consolidation proceeding of the Districts. In addition to the FDCGEC's addressing the feasibility of consolidation it also examined the District's fiscal practices. The FDCGEC believes that there are additional costs saving opportunities resulting from a change in these practices.

The creation of the FDCGEC was driven not only by the recognition by citizen taxpayers of the escalating costs and the recession driven fall in tax base facing the Districts, but was 'fast tracked' by the passing of the New N.Y. Government Reorganization and Citizen Empowerment Act ("Empowerment Act") in June 2009 which allows citizens, through the petition and voting process, to consolidate or dissolve certain local government entities, such as the subject Districts⁷. While the FDCGEC recognizes that the new law is one step closer in making it easier for citizen groups to initiate change, expectations need to be tempered since controlling the cost structure of the Districts is not expected to be accomplished through a consolidation plan alone. There are a myriad of other issues and challenges that need to be addressed, for example pension reform. There are also limitations in the Empowerment Act, which make it difficult to

⁴ New York State Attorney General's Office, A New N.Y.: A Blueprint to Reform Government, http://www.reformnygov.com/county_flash_map.html

⁵ See New York Times article dated April 30, 2009, "Closer Look at Sharing Town Services", <http://www.nytimes.com/2009/05/03/nyregion/westchester/03townswe.html?pagewanted=1&r=1&sq=Dobbs+Ferry+Police&st=nyt&scp=2>

⁶ See Journal News editorial dated August 31, 2010, "Bad economy spurs consolidation talks", <http://www.lohud.com/article/20100831/OPINION/8310305/1015/OPINION01/Bad%20economy%20spurs%20consolidation%20talks>

⁷ New N.Y. Government Reorganization and Citizen Empowerment Act, June 2009 <http://www.dos.state.ny.us/LG/publications/ConsolidationDissolutionLaw.pdf>

implement a voter initiated consolidation. Through the work of the FDCGEC, it is hoped that the taxpayers of the Districts would become aware of how expensive the Districts have become, and if the current fiscal practices are not changed, then a deterioration of services is all but inevitable.

Some of the changes which are being proposed by the FDCGEC can be done administratively as collective bargaining agreements expire, but others need to be changed through a statutory mandate.

Limitations of Empowerment Act

It should be noted that the Empowerment Act delegates to the governing bodies of the subject Districts to set the date of any referendum and develop a consolidation plan - the very governing bodies that may want to maintain the status-quo. While the new law has a court consolidation and mediation provision in the event that the governing bodies do not conduct the implementation work in good faith, this measure could be very costly and time consuming for the Districts, since the Districts would have to bear the cost of this process (and eventually pass-through to the taxpayers)⁸.

Pension Reform

Other steps that may need to be taken for any meaningful reform include pension reform at the state level. While there has been some pension reform that was passed by the New York State legislature on December 2, 2009 (“Tier 5 Law”) impacting new members who join the New York State and Local Police and Fire Retirement System (“PFRS”), this is one small step and does not address all of the fiscal challenges that the state is facing⁹. Under the Tier 5 Law, new employees hired by the subject Districts after January 1, 2010 will be required to (i) contribute three percent (3%) of their annual compensation towards the pension plan over the entirety of their employment, (ii) limit the amount of overtime that can be used in the calculation for final average salary, which determines pension benefits, to 15% of regular annual wages, and (iii) require ten years of creditable service in order to vest with the retirement system. The last provision does not significantly impact the subject Districts since, to our knowledge, employees are on the force, for the most part, for more than ten years. Existing employees would be grandfathered and will not be required to make contributions to the PFRS (it will continue to be funded exclusively by the Districts) and will be permitted to count overtime towards final average salary subject to the limits currently imposed. The full effect of the Tier 5 Law won’t be felt until there is a complete turn-over in the force, which in the subject Districts could take about 20 years. The passage of the Tier 5 Law, in an indirect way, also preserves the defined benefit nature of the pension plans, which have long been the bastion of local government benefits. Under these plans there is a promise to pay a certain percentage of the employee’s final average salary. Under an alternative funding arrangement, defined contribution plans – which are more

⁸ See *N.Y. Government Reorganization and Citizen Empowerment Act* § 764, Court-ordered consolidation; mediation; judicial hearing officer. <http://www.dos.state.ny.us/LG/publications/ConsolidationDissolutionLaw.pdf>

⁹ See New York State Legislature, *Extraordinary Session Bill A.26*, http://assembly.state.ny.us/leg/?default_fld=&bn=A40026%09%09&Summary=Y&Text=Y

common in corporate America – employees would bear the risk of pension investments, not the taxpayer. There is a movement by local and state government to implement hybrid defined benefit/contribution plans. The private sector has embraced defined contribution plans for many years now¹⁰. The state of New York is resisting the trend.

¹⁰ See Wall Street Journal article dated July 10, 2010, “States Shift to Hybrid Pensions”, http://online.wsj.com/article/SB10001424052748703609004575354913893708970.html?mod=WSJ_hpp_LEFTTopStories

Freedom of Information Law (FOIL) Challenges

During the study, it was noted that the Districts have union and social traditions which have proven difficult to penetrate. While the Districts did facilitate a tour of the firehouses in January of 2010, the request for financial related records under the FOIL has not come without resistance. Resistance has come from the District commissioners and the records access officers to release such records. The FDCGEC also requested meetings with the treasurers and secretaries acting in the capacity of *records access officer* to facilitate the delivery of the requested records. These meetings were never facilitated. There were some records that were received, and others which were totally or partially denied. There was also a call to Local 1586 Greenburgh Uniformed Firefighters Association (“GUFA”), to solicit its views on the consolidation question, implementation issues, and certain staffing, operational and financial matters. GUFA did not respond to the request.

Much of the resistance from the subject Districts was in the form of delaying and/or not providing the original, source documentation payroll vendor reports. This is important considering that 86% (based on 2009 supplemental schedules in annual audit reports) of the subject District’s costs are compensation related. The source documentation would also assist in (i) validating the payroll expense reflected in the audited financial statements of the subject Districts, (ii) identifying non-recurring compensation expenses (e.g. cumulative vacation pay) for purposes of arriving at a normalized-run rate, and (iii) drilling down on the different types of overtime expense which would then identify the reasons for overtime. Those records that were denied were appealed to the New York Committee on Open Government (“NYCOG”). The responses received on the appeals by the FDCGEC from NYCOG acknowledge the subject District’s lack of compliance.

While all three Districts have resisted and delayed providing information, the level of resistance and non-compliance has varied from district to district. At the top of the list for not only being resistant but being non-compliant was Fairview. While Fairview did release the payroll vendor reports, the names were redacted, even though this is not considered privileged information for FOIL purposes. Payroll information should not be denied on the grounds that the disclosure would result in “an unwarranted invasion of personal privacy”. Payroll information has been found by the courts to be available. To protect personal privacy, Fairview was asked to only redact employee home addresses, phone numbers, and social security numbers from the payroll vendor reports to be furnished. The Fairview district has taken the position that although it acknowledges that the names are not deemed to be privileged information, the commissioners feel obligated to protect the Fairview firefighters from the FDCGEC.

In Greenville, the FOIL request for payroll vendor reports was met with resistance in the form of wanting to inundate the FDCGEC with 314 pages of payroll data (as a comparison the payroll data received from Hartsdale was only 18 pages). Eventually, the FDCGEC received the requested payroll information but after months of follow-up with the district Treasurer/Secretary and going through the appeals process with the NYCOG.

In Hartsdale, there were also FOIL requests for payroll and other information which was eventually released after months of delays and appealing to the NYCOG. Notwithstanding these delays, Chief Ed Rush, who is a member of the FDCGEC, has met with other members on numerous occasions to elaborate on the information received from Hartsdale.

FIRE DISTRICT ADMINISTRATIVE CONSOLIDATION

The FDCGEC, in assessing the feasibility of consolidation, has acknowledged that there is a delicate balance between the possible advantages and disadvantages of a legal consolidation of the subject Districts. In a legal consolidation, the subject Districts would merge to form one, with one governing body having the power to levy taxes and incur indebtedness. In its analysis, for each of the subject Districts, the FDCGEC has examined the organizational hierarchy, it has reviewed personnel and staffing levels, it has assessed capital improvement requirements, and it has reviewed the fiscal impact of a consolidation including outstanding and future debt levels as well as property tax rate impacts to District taxpayers. While fiscal implications are important, there is an overriding need to improve the level of services to the communities served by the subject Districts.

In its study, the FDCGEC identified certain issues that would be impediments towards recommending that a legal consolidation take place as envisioned by the Empowerment Act. These include the following:

- Under the consolidation law enacted by the New York State Legislature in June 2009 giving voters a process to petition for the public vote of a government entity consolidation, the governing bodies of the entities contemplating the consolidation are required to set the date of the voter initiated referendum and to develop a consolidation plan. There is a weakness in this in that it hands over control of these decisions to the very governing bodies that may want to maintain the status quo. The FDCGEC recommends that the Empowerment Act be reevaluated and amended by the New York State Legislature so that a group consisting of representatives of the governing bodies and a citizens group work together in setting the referendum date and developing a consolidation plan.
- There is also the issue over uneven property tax rates. Using 2010 property tax rates for each of the subject Districts as a baseline, in a legal consolidation, the new property tax rate would be \$120.78 per \$1,000 of assessed value. Notwithstanding any cost savings, this would result in Hartsdale and Fairview seeing their property tax rates decrease from \$131.60 and \$129.53, respectively per \$1,000 of assessed value to \$120.78 (down 8%) and \$120.78 (down 7%), respectively per \$1,000 of assessed value. Greenville residents would see their property tax rates increase from \$99.73 to \$120.78 per \$1,000 of assessed value (up 21%).
- Hartsdale has significant debt remaining from the recent addition and renovation to its fire stations. The Hartsdale bond was issued in December 1, 2005, with an original issue amount of \$7.5 million. As of December 31, 2009, there is an unpaid principal balance of \$6.6 million. Fairview had an \$8.1 million bond issue defeated a few years ago to expand and renovate its firehouses. If the Hartsdale debt remains with that district's residents rather than the consolidated entity (as some legal opinion has suggested), and the deficiencies in Fairview's buildings are remedied through future renovations and debt service (which would transfer to the consolidated district), this would put an unfair burden on the taxpayers of the unaffected districts.

- The collective bargaining agreements of the subject Districts have different pay scales and pension benefits. In a legal consolidation, the agreements would have to be harmonized. These can be handled by changes to the Taylor Law allowing for renegotiation of the subject Districts' collective bargaining agreements in the event of a consolidation.

The FDCGEC has quantified the maximum cost savings stemming from (i) the centralization of fire department management due to the proposed administrative consolidation, and (ii) the renegotiation of collective bargaining agreements with economic terms that are more favorable to the combined District. It has also quantified the disparity in wages with the peer group that the subject Districts should reconsider in future salary negotiations (perhaps implementing wage freezes or wage cuts) so that the gap can be narrowed over a period of time. These cost reductions are not intended to result in a loss of manpower, but rather the subject Districts coming more in line with the peer group. As noted earlier the District firefighters remain the best compensated when compared to the peer group. These cost reductions can then be redeployed for the hiring of additional personnel, or used for capital improvements, or a combination of the two proposals.

Table 1 – Annual Cost Reduction Goals

<u>Example</u>	<u>Annual Cost Savings</u>	<u>Assumptions</u>
<u>Administrative Consolidation</u>		
Downsizing two fire chiefs - Compensation	\$ 481,400	Reflects the compensation of the highest and lowest paid fire chief of \$415,000 and applying a 16% pension contribution
Downsizing two fire chiefs - Medical Benefits	\$ 33,000	Used average medical expense of \$16,500 per employee.
<u>Collective bargaining agreements changes upon expiration</u>		
Employee Contributions of Medical Benefits	\$ 424,000	15% contribution of 2009 medical benefits of \$2,859,799 less the two downsized fire chiefs above of \$33,000
<u>Other Considerations</u>		
Addressing Disparity in Wages	\$ 835,000	Reflects the 2009 wage difference between the subject Districts and the Peer Group and applying a 16% pension contribution
Fairview and Hartsdale moving to 60 Control	\$ 812,000	\$350,000 each for Hartsdale and Fairview applying a 16% pension contribution

Under New York Town Law Article 11: *Powers and duties of fire district commissioners*, Section 176¹¹, there is a requirement that the board of commissioners of a fire district appoint a

¹¹N.Y. TOWN. LAW Section 176: Powers and duties of fire district commissioners
<http://codes.lp.findlaw.com/nycode/TWN/11/176>

secretary and a treasurer to fulfill their designated duties, which is why a proposal was not made to eliminate this position in an administrative consolidation. The appointees must also live in the district. Under New York Town Law Article 11: *Duties of chief and assistant chiefs of fire department of fire district*, Section 176-A¹², the requirement that there be a fire chief appointed by the board of commissioners is not as explicit. The fire chief is required to operate under the direction of the board of commissioners and have control over the day-to-day operational aspects of the fire district including fires, inspections, and supervision of fire equipment and apparatus. In theory, there could be one fire chief reporting to a designated group representing the three boards of commissioners, which is why the recommendation was made to eliminate two fire chief positions.

¹² N.Y. TWN. LAW Section 176-A: Duties of chief and assistant chiefs of fire department of fire district, <http://codes.lp.findlaw.com/nycode/TWN/11/176-a>

FINANCIAL & FISCAL PRACTICES OF THE DISTRICTS

Budget & Property Tax Impact

Historical Property Tax Rates and Expenditures

A tremendous burden has been placed on the taxpayers of the Districts. Over a seven-year period between 2003 and 2010, property tax rates¹³ increased from \$75.04 per \$1,000 of assessed value to \$120.78 per \$1,000 of assessed value for the combined Districts - up 61% and on a year-over-year basis up 7.03%. On an absolute basis, Hartsdale is up 70%, Greenville is up 51%, and Fairview is up 61%, for a combined increase of 61%. On a year-over-year basis, Hartsdale is up 7.85%, Greenville is up 6.06%, and Fairview is up 7.06%, for a combined increase of 7.03%. In comparison, the Consumer Price Index in the New York metropolitan area during the same period increased from an average of 197.8 during 2003¹⁴ to an average of 236.825 in 2009 (latest available average for a year)¹⁵, up 19.7%, and on a year-over-year basis it is up 2.6%.

Table 2 – Historical Property Tax Rates

Year ended	Hartsdale			Greenville		
	Taxable	Tax Rate per	Annual property	Taxable	Tax Rate per	Annual property
	Assessed Value	\$1,000	tax revenue	Assessed Value	\$1,000	tax revenue
12/31/2003	\$ 73,360,368	\$ 77.53	\$ 5,687,930	73,360,368	\$ 66.06	\$ 4,846,384
12/31/2004	\$ 75,325,140	\$ 91.02	\$ 6,855,966	73,355,682	\$ 76.00	\$ 5,574,973
12/31/2005	\$ 74,987,043	\$ 94.21	\$ 7,064,762	73,161,772	\$ 78.86	\$ 5,769,889
12/31/2006	\$ 74,817,155	\$ 102.12	\$ 7,640,448	72,913,838	\$ 85.99	\$ 6,269,664
12/31/2007	\$ 72,950,999	\$ 115.85	\$ 8,451,432	72,533,763	\$ 91.84	\$ 6,661,552
12/31/2008	\$ 71,172,242	\$ 123.13	\$ 8,763,602	72,112,525	\$ 95.50	\$ 6,886,450
12/31/2009	\$ 70,210,700	\$ 131.16	\$ 9,209,088	71,945,948	\$ 98.24	\$ 7,067,639
12/31/2010	\$ 69,788,802	\$ 131.60	\$ 9,184,074	71,893,199	\$ 99.73	\$ 7,170,211
Year-Over- Year Change	-0.71%	7.85%	7.08%	-0.29%	6.06%	5.76%

Year ended	Fairview			Consolidated		
	Taxable	Tax Rate per	Annual property	Taxable	Tax Rate per	Annual property
	Assessed Value	\$1,000	tax revenue	Assessed Value	\$1,000	tax revenue
12/31/2003	89,914,868	\$ 80.34	\$ 7,223,599	\$ 236,635,604	\$ 75.04	\$ 17,757,913
12/31/2004	89,153,967	\$ 84.96	\$ 7,574,361	\$ 237,834,789	\$ 84.11	\$ 20,005,300
12/31/2005	89,366,159	\$ 97.24	\$ 8,689,831	\$ 237,514,974	\$ 90.62	\$ 21,524,482
12/31/2006	89,251,193	\$ 103.07	\$ 9,199,112	\$ 236,982,186	\$ 97.51	\$ 23,109,223
12/31/2007	88,900,114	\$ 110.35	\$ 9,809,728	\$ 234,384,876	\$ 106.33	\$ 24,922,711
12/31/2008	87,641,069	\$ 115.46	\$ 10,118,863	\$ 230,925,836	\$ 111.59	\$ 25,768,915
12/31/2009	86,693,680	\$ 126.89	\$ 11,000,500	\$ 228,850,328	\$ 119.19	\$ 27,277,228
12/31/2010	86,492,751	\$ 129.53	\$ 11,203,657	\$ 228,174,752	\$ 120.78	\$ 27,557,941
Year-Over- Year Change	-0.55%	7.06%	6.47%	-0.52%	7.03%	6.48%

¹³ Source: 2003-2009 Westchestergov.com, Special District Tax Tables, <http://www.westchestergov.com/pdfs/>, 2010 Respective Districts Adopted Budget

¹⁴ Table 16A. Consumer Price Index for All Urban Consumers (CPI-U): Selected areas, by expenditure category and commodity and service group <http://www.bls.gov/cpi/cpid03av.pdf>.

¹⁵ Table 16A. Consumer Price Index for All Urban Consumers (CPI-U): Selected areas, by expenditure category and commodity and service group <http://www.bls.gov/cpi/cpid09av.pdf>.

It should be noted that Hartsdale is the only district with a long-term debt obligation, the proceeds which were used to finance the construction of the new firehouse on West Hartsdale Avenue and the renovation of the existing fire house on Central Avenue¹⁶. Greenville repaid its outstanding debt obligation in 2010 and Fairview had a bond issue defeated a few years ago to expand and renovate its two firehouses. The Hartsdale bond was issued in December 1, 2005, with an original issue amount of \$7.5 million. As of December 31, 2009, there is an unpaid principal balance of \$6.6 million. The related debt service costs are accounted for in Hartsdale's budget. All three Districts have short-term debt outstanding, which are monies borrowed via the sale of Tax Anticipation Notes and which have a set maturity date. Historically the tax anticipation notes are paid off within a year and a new note is issued that carries a different maturity date. It has been suggested by several FDCGEC members that the impact to the year-over-year increases to Hartsdale property tax rates be quantified giving effect to the exclusion of the Hartsdale debt service costs. If one were to strip out these costs, the year-over-year tax rate would decrease from 7.85% to 7.43%, not a meaningful impact.

Certain members of the FDCGEC and non-member attendees of the FDCGEC meetings have drawn attention to the taxes paid by the residents of Unincorporated Greenburgh and felt that taxpayers are better off cutting bloated town spending rather than spending time challenging District spending. The Town of Greenburgh operates two budgets: the A budget and the B budget. The A Budget is shared between the six incorporated villages and the unincorporated area. The B budget, is Unincorporated Greenburgh centric, and is funded by the taxes paid by the residents of this part of Greenburgh. The combined A and B property tax rates increased from \$103.08 per \$1,000 of assessed value in 2003 to \$167.76 per \$1,000 in assessed value in 2010, up 63% and on a year-over year basis it is up 7.21%¹⁷. There is not much of a difference between the town and the subject Districts which would imply that both have taxed above the Consumer Price Index. The FDCGEC is focused on the consolidation and the business practices of the subject Districts, so the discussion should be limited to them, and if there are any comparisons, it should be to other fire departments and districts.

For a typical residential homeowner in Hartsdale having an assessed tax value of \$17,600¹⁸ with a basic STAR exemption during the 2009 tax year, the total property tax bill for all municipal services including police, sanitation, public works, schools, community services and fire protection totaled \$13,100, of which 18% was for fire protection.

¹⁶ See Official Statement dated December 5, 2005, <http://emma.msrb.org/MS242040-MS217348-MD422775.pdf>

¹⁷ Source: 2010 Town of Greenburgh Budget, historical property tax rates

¹⁸ In New York State each taxing jurisdiction is authorized to assess at market value or some fraction of market value the level of assessment. This conversion factor, known as the equalization rate, set by the State Office of Real Property Services, converts the level of assessment to market value. In the Town of Greenburgh, the residential rate for 2009 is 2.95 implying that the market value of a residential property with an assessed valuation of \$17,600 is \$596,000.

Projected Property Tax Rates

Assuming that salaries continue to increase at a 4% annual rate, contributions to the state pension plan covering uniformed police and firefighters, increase from an average of 15.1% of payroll in 2010 to 41.2% by 2015¹⁹ (or an increase of about 18.2% per year), and medical insurance premiums increase by 15% per year²⁰, property tax rates on a consolidated basis are expected to increase from \$120.78 per \$1,000 of assessed value in 2010 to \$180.37 per \$1,000 of assessed value in 2015, up 49% and on a year-over-basis up 8.35%. These increases are expected to occur despite the use of fund balances, or savings, to soften the impact of tax increases and which is discussed in the following section. For this model, the assessed values were based on the proposed 2011 budgets, which understate the year-over-year increase if tax certioraris increase over the period. Tax certioraris drive up property taxes in two ways; tax refunds are funded through the district budget (these costs have nothing to do with operations) and tax certioraris settlements or judgments lower the tax base and this alone increases the tax rate (and this alone increases the tax rate).

Table 4 – Projected Property Tax Rates

Year ended	Hartsdale			Greenville		
	Taxable	Tax Rate per	Annual	Taxable	Tax Rate per	Annual
	Assessed Value	\$1,000	property tax revenue	Assessed Value	\$1,000	property tax revenue
12/31/2010	\$ 69,788,802	\$ 131.60	\$ 9,184,074	\$ 71,893,199	\$ 99.73	\$ 7,170,211
12/31/2011	\$ 68,406,784	\$ 141.59	\$ 9,685,950	\$ 70,898,548	\$ 106.52	\$ 7,551,795
12/31/2012	\$ 68,406,784	\$ 155.96	\$ 10,669,023	\$ 70,898,548	\$ 114.26	\$ 8,100,616
12/31/2013	\$ 68,406,784	\$ 170.48	\$ 11,662,307	\$ 70,898,548	\$ 124.53	\$ 8,829,142
12/31/2014	\$ 68,406,784	\$ 183.79	\$ 12,572,606	\$ 70,898,548	\$ 134.73	\$ 9,552,394
12/31/2015	\$ 68,406,784	\$ 199.22	\$ 13,627,919	\$ 70,898,548	\$ 148.71	\$ 10,543,465

Year-Over-Year Change	-0.40%	8.65%	8.21%	-0.28%	8.32%	8.02%
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Year ended	Fairview			Consolidated		
	Taxable	Tax Rate per	Annual	Taxable	Tax Rate per	Annual
	Assessed Value	\$1,000	property tax revenue	Assessed Value	\$1,000	property tax revenue
12/31/2010	\$ 86,492,751	\$ 129.53	\$ 11,203,657	\$ 228,174,752	\$ 120.78	\$ 27,557,941
12/31/2011	\$ 84,350,908	\$ 139.53	\$ 11,769,113	\$ 223,656,240	\$ 129.69	\$ 29,006,858
12/31/2012	\$ 84,350,908	\$ 149.87	\$ 12,641,487	\$ 223,656,240	\$ 140.44	\$ 31,411,126
12/31/2013	\$ 84,350,908	\$ 161.71	\$ 13,640,178	\$ 223,656,240	\$ 152.61	\$ 34,131,626
12/31/2014	\$ 84,350,908	\$ 175.32	\$ 14,788,625	\$ 223,656,240	\$ 165.05	\$ 36,913,624
12/31/2015	\$ 84,350,908	\$ 191.69	\$ 16,169,466	\$ 223,656,240	\$ 180.37	\$ 40,340,850

Year-Over-Year Change	-0.50%	8.15%	7.61%	-0.40%	8.35%	7.92%
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¹⁹ See New York Times article dated July 7, 2009, "Pension Costs for Local Governments May Triple," <http://www.nytimes.com/2009/07/08/nyregion/08pension.html>.

²⁰ See September 24, 2010 letter by the Department of Civil Service to Participating Members of the Empire Plan <http://www.cs.state.ny.us/ebd/ebdonlinecenter/pamarket/ebd/ebdonlinecenter/qer/pa10-30.cfm#proj11>. Letter projects 14.5% rate increase for 2011 - used a rounded 15% in the projection.

The assumed 4% increase in salaries is based on the terms stipulated in the most recent collective bargaining agreements. The 18% increase in retirement benefits is based on 5-year projections provided by the New York State Comptroller's Office (plus 4% attributable to increased salaries), and the 15% increase in medical and dental premiums is based on the correspondence sent by the state in September 2010 to all Empire Plan participants in which guidance was provided for 2011.

Table 5 – Selected Expenditures Assumptions

	Adopted Budget		Projected			
	2010	2011	2012	2013	2014	2015
Hartsdale						
Salaries, overtime, & other con	\$ 5,415,000	\$ 5,631,600	\$ 5,856,864	\$ 6,091,139	\$ 6,334,784	\$ 6,588,175
State Retirement	\$ 1,052,599	\$ 1,293,522	\$ 1,589,588	\$ 1,953,419	\$ 2,400,525	\$ 2,949,966
Medical & dental insurance	\$ 962,375	\$ 1,106,731	\$ 1,272,741	\$ 1,463,652	\$ 1,683,200	\$ 1,935,680
Total	\$ 7,429,974	\$ 8,031,853	\$ 8,719,193	\$ 9,508,210	\$ 10,418,509	\$ 11,473,822
Greenville						
Salaries, overtime, & other compensation	\$ 4,243,000	\$ 4,412,720	\$ 4,589,229	\$ 4,772,798	\$ 4,963,710	\$ 5,162,258
State Retirement	\$ 757,000	\$ 930,265	\$ 1,143,188	\$ 1,404,845	\$ 1,726,391	\$ 2,121,534
Medical & dental insurance	\$ 924,000	\$ 1,062,600	\$ 1,221,990	\$ 1,405,289	\$ 1,616,082	\$ 1,858,494
Total	\$ 5,924,000	\$ 6,405,585	\$ 6,954,406	\$ 7,582,931	\$ 8,306,183	\$ 9,142,286
Fairview						
Salaries, overtime, & other compensation	\$ 6,278,000	\$ 6,529,120	\$ 6,790,285	\$ 7,061,896	\$ 7,344,372	\$ 7,638,147
State Retirement	\$ 1,092,168	\$ 1,342,148	\$ 1,649,343	\$ 2,026,851	\$ 2,490,765	\$ 3,060,861
Medical & dental insurance	\$ 1,762,400	\$ 2,026,760	\$ 2,330,774	\$ 2,680,390	\$ 3,082,449	\$ 3,544,816
Total	\$ 9,132,568	\$ 9,898,028	\$ 10,770,402	\$ 11,769,138	\$ 12,917,585	\$ 14,243,823
Total						
Salaries, overtime, & other compensation	\$ 15,936,000	\$ 16,573,440	\$ 17,236,378	\$ 17,925,833	\$ 18,642,866	\$ 19,388,581
State Retirement	\$ 2,901,767	\$ 3,565,934	\$ 4,382,119	\$ 5,385,115	\$ 6,617,681	\$ 8,132,361
Medical & dental insurance	\$ 3,648,775	\$ 4,196,091	\$ 4,825,505	\$ 5,549,331	\$ 6,381,730	\$ 7,338,990
Total	\$ 22,486,542	\$ 24,335,466	\$ 26,444,002	\$ 28,860,279	\$ 31,642,277	\$ 34,859,931
Percentage Change						
Salaries, overtime, & other compensation		4%	4%	4%	4%	4%
State Retirement (18% plus 4% salaries)		23%	23%	23%	23%	23%
Medical & dental insurance		15%	15%	15%	15%	15%

2011 Proposed Budget

Based on the 2011 proposed budgets that were submitted to the Town of Greenburgh at the end of September/beginning of October 2010 as required under Town Law Section 181, *Annual budget and levy of taxes*²¹, the anticipated annual tax increase for the 2011 fiscal year for Fairview, Greenville, and Hartsdale are expected to be 1.7%, and 1.8%, and 1.4%, respectively. Based on an analysis performed by the FDCGEC the anticipated tax increases are 7.7%, 6.8%, and 7.4%, respectively, for a combined increase of 7.4%. This is a significant disparity which deserves further analysis.

There are two reasons for the disparity. The first is that the subject Districts are comparing the 2011 proposed budget not to the 2010 approved budget, but to a budget which the FDCGEC has not been able to validate, which understates the year-over-year increase. The second reason is that the expenses in the 2011 proposed budget are less than the expenses reflected in the FDCGEC projection, which also understates the year-over-year increase. The following presents an explanation of the disparity by District.

Hartsdale

The proposed budget keeps salaries flat between 2010 and 2011 suggesting that there are no plans to increase salaries once the collective bargaining agreements expire on December 31, 2010. Under the terms of the union contract, there is an automatic extension unless one party gives notice during the final contract year. It is not known what the intent is of the union and the district as it pertains to salary increases in 2012 and beyond and whether such increases would be retroactive to 2011. Medical and dental premiums are up 10.9% between 2010 and 2011 (\$1,067,384 in 2011 proposed budget versus \$962,375 in 2010 adopted budget), while the expected increase was 15%.

Greenville

State retirement contributions are up 12.7% (\$853,500 in 2011 proposed budget versus \$757,000 in 2010 adopted budget) and the medical insurance premiums are up 3.9% (\$960,000 in 2011 proposed budget versus \$924,000 in 2010 adopted budget). This runs against the direction that was expected. It should also be noted that the union contract with the uniformed firefighters has a December 31, 2009 expiration date, but under the terms of the agreement renews automatically unless one party gives notice during the final contract year. Greenville's salaries and wages expense is up 4.5% in the proposed budget.

²¹ TWN. LAW § 181 : NY Code - Section 181: Annual budget and levy of taxes
<http://codes.lp.findlaw.com/nycode/TWN/11/181>

Fairview

State retirement contributions are down 23.7% (\$833,157 in 2011 proposed budget versus \$1,092,168 in 2010 adopted budget) and the medical insurance premiums are down 0.3%, or flat, between 2010 and 2011 (\$1,757,400 in 2011 proposed budget versus \$1,762,400 in 2010 adopted budget). This is counterintuitive. The union contract with the uniformed firefighters has a December 31, 2011 expiration date.

Table 6 – Analysis of Proposed 2011 Proposed Budget and 2010 Adopted Budget

Category	2010 Adopted Budget				2011 Proposed Budget			
	Fairview	Greenville	Hartsdale	Total	Fairview	Greenville	Hartsdale	Total
Appropriations								
Salaries, overtime, & other compensation	\$ 6,278,000	\$ 4,243,000	\$ 5,415,000	\$ 15,936,000	\$ 6,560,285	\$ 4,431,961	\$ 5,462,146	\$ 16,454,392
State Retirement	1,092,168	757,000	1,052,599	2,901,767	833,757	853,500	1,268,524	2,955,781
Medical & dental insurance	1,762,400	924,000	962,375	3,648,775	1,757,400	960,000	1,067,384	3,784,784
Other	440,000	460,500	530,717	1,431,217	470,000	464,300	582,958	1,517,258
Compensation & benefits	9,572,568	6,384,500	7,960,691	23,917,759	9,621,442	6,709,761	8,381,012	24,712,215
Other operating costs	1,614,085	1,055,810	1,088,727	3,758,622	1,273,185	893,385	973,347	3,139,917
Debt service	52,000	15,000	559,653	626,653	30,000	10,000	535,653	575,653
Total Appropriations	\$ 11,238,653	\$ 7,455,310	\$ 9,609,071	\$ 28,303,034	\$ 10,924,627	\$ 7,613,146	\$ 9,890,012	\$ 28,427,785

Expense Category	\$ Variance				% Variance			
	Fairview	Greenville	Hartsdale	Total	Fairview	Greenville	Hartsdale	Total
Salaries, overtime, & other compensation	\$ 282,285	\$ 188,961	\$ 47,146	\$ 518,392	4.5%	4.5%	0.9%	3.3%
State Retirement	(258,411)	96,500	215,925	54,014	-23.7%	12.7%	20.5%	1.9%
Medical & dental insurance	(5,000)	36,000	105,009	136,009	-0.3%	3.9%	10.9%	3.7%
Other	30,000	3,800	52,241	86,041	6.8%	0.8%	9.8%	6.0%
Compensation & benefits	48,874	325,261	420,321	794,456	0.5%	5.1%	5.3%	3.3%
Other operating costs	(340,900)	(162,425)	(115,380)	(618,705)	-21.1%	-15.4%	-10.6%	-16.5%
Debt service	(22,000)	(5,000)	(24,000)	(51,000)	-42.3%	-33.3%	-4.3%	-8.1%
Total	\$ (314,026)	\$ 157,836	\$ 280,941	\$ 124,751	-2.8%	2.1%	2.9%	0.4%

Table 7 – Analysis of Proposed 2011 Tax Increases – Fire District View versus FDCGEC View

Fire District View

Category	2010 Budget (in 2011 Proposed Budget)				2011 Proposed Budget			
	Fairview	Greenville	Hartsdale	Total	Fairview	Greenville	Hartsdale	Total
Appropriations	\$ 11,038,653	\$ 7,455,310	\$ 9,609,071	\$ 28,103,034	\$ 10,924,627	\$ 7,613,146	\$ 9,890,012	\$ 28,427,785
Revenues								
Amount raised by taxes	11,003,653	7,170,210	9,184,071	27,357,934	10,909,627	7,228,046	9,315,872	27,453,545
Unexpended balance	-	250,000	400,000	650,000	-	350,000	500,000	850,000
Other sources	35,000	35,100	25,000	95,100	15,000	35,100	74,140	124,240
Total revenues	11,038,653	7,455,310	9,609,071	28,103,034	10,924,627	7,613,146	9,890,012	28,427,785
Assessed Valuation	86,492,748	71,565,438	69,788,802	227,846,988	84,350,908	70,898,548	69,788,802	225,038,258
Tax rate per \$1,000	\$ 127.22	\$ 100.19	\$ 131.60	\$ 120.07	\$ 129.34	\$ 101.95	\$ 133.49	\$ 122.00

Category	\$ Variance				% Variance			
	Fairview	Greenville	Hartsdale	Total	Fairview	Greenville	Hartsdale	Total
Appropriations	\$ (114,026)	\$ 157,836	\$ 280,941	\$ 324,751	-1.0%	2.1%	2.9%	1.2%
Revenues	\$ -	\$ -	\$ -	\$ -				
Amount raised by taxes	(94,026)	57,836	131,801	95,611	-0.9%	0.8%	1.4%	0.3%
Unexpended balance	-	100,000	100,000	200,000	NA	40.0%	25.0%	30.8%
Other sources	(20,000)	-	49,140	29,140	<u>-57.1%</u>	<u>0.0%</u>	<u>196.6%</u>	<u>30.6%</u>
Total revenues	(114,026)	157,836	280,941	324,751	-1.0%	2.1%	2.9%	1.2%
Assessed Valuation	(2,141,840)	(666,890)	-	(2,808,730)	-2.5%	-0.9%	0.0%	-1.2%
Tax rate per \$1,000	\$ 2.12	\$ 1.76	\$ 1.89	\$ 1.92	1.7%	1.8%	1.4%	1.6%

FDCGEC View

Category	2010 Adopted Budget				2011 Estimated			
	Fairview	Greenville	Hartsdale	Total	Fairview	Greenville	Hartsdale	Total
Appropriations	\$ 11,238,653	\$ 7,455,310	\$ 9,609,071	\$ 28,303,034	\$ 12,004,113	\$ 7,936,895	\$ 10,210,950	\$ 30,151,958
Revenues								
Amount raised by taxes	11,203,653	7,170,210	9,184,071	27,557,934	11,769,113	7,551,795	9,685,950	29,006,858
Unexpended balance	-	250,000	400,000	650,000	200,000	350,000	500,000	1,050,000
Other sources	35,000	35,100	25,000	95,100	35,000	35,100	25,000	95,100
Total revenues	11,238,653	7,455,310	9,609,071	28,303,034	12,004,113	7,936,895	10,210,950	30,151,958
Assessed Valuation	86,492,748	71,893,199	69,788,802	228,174,749	84,350,908	70,898,548	68,406,784	223,656,240
Tax rate per \$1,000	\$ 129.53	\$ 99.73	\$ 131.60	\$ 120.78	\$ 139.53	\$ 106.52	\$ 141.59	\$ 129.69

Category	\$ Variance				% Variance			
	Fairview	Greenville	Hartsdale	Total	Fairview	Greenville	Hartsdale	Total
Appropriations	\$ 765,460	\$ 481,585	\$ 601,879	\$ 1,848,924	6.8%	6.5%	6.3%	6.5%
Revenues	\$ -	\$ -	\$ -	\$ -				
Amount raised by taxes	565,460	381,585	501,879	1,448,924	5.0%	5.3%	5.5%	5.3%
Unexpended balance	200,000	100,000	100,000	400,000	NA	40.0%	25.0%	61.5%
Other sources	-	-	-	-	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>
Total revenues	765,460	481,585	601,879	1,848,924	6.8%	6.5%	6.3%	6.5%
Assessed Valuation	(2,141,840)	(994,651)	(1,382,018)	(4,518,509)	-2.5%	-1.4%	-2.0%	-2.0%
Tax rate per \$1,000	\$ 9.99	\$ 6.78	\$ 10.00	\$ 8.92	7.7%	6.8%	7.6%	7.4%

Unappropriated, Unreserved/Retirement Contribution Fund Balances

As of December 31, 2009 the unappropriated, unreserved fund balance for Hartsdale, Fairview, and Greenville, was \$1,104,264, \$265,120, and \$1,206,881, respectively. Additionally, as of December 31, 2009, the retirement contribution fund reserve for Fairview and Greenville was \$680,409 and \$338,148, respectively. If the current expense trends continue and the combined unreserved and retirement fund balances are used to fund on-going expenditures and retirement benefit contributions, respectively then Hartsdale would have depleted its fund balance by 2012. Fairview and Greenville would have its combined unreserved and retirement fund balance depleted by 2015.

The projected tax increases have been softened due to the use of fund balances, or savings. Pursuant to New York State law, counties, towns, villages and fire districts are permitted to carry over a “reasonable amount” of unappropriated, unreserved fund balances from one year to the next and tap into it to minimize tax increases²². Furthermore, there are other dedicated fund balance such as the retirement benefit fund that Greenville and Fairview have established that can be used to fund payments to the pension fund.

²² Office of the State Comptroller, July 2001: Budgeting and Fund Balance Legislation
<http://www.osc.state.ny.us/localgov/pubs/releases/budfund.htm>

Table 8 – Reserve (Provision) Use 2007-2015

Category	2007 Actual				2008 Actual			
	Fairview	Greenville	Hartsdale	Total	Fairview	Greenville	Hartsdale	Total
Total revenues	\$ 10,275,445	\$ 6,911,112	\$ 9,710,867	\$ 26,897,424	\$ 10,566,970	\$ 6,949,668	\$ 8,796,105	\$ 26,312,743
Other financing sources	\$ -	\$ -	\$ 1,104,262	\$ 1,104,262	\$ -	\$ -	\$ -	\$ -
Reserve (Provision) Use	\$ (410,840)	\$ (595,912)	\$ (1,079,294)	\$ (2,086,046)	\$ (57,709)	\$ (205,273)	\$ 134,036	\$ (128,946)
Total expenditures	\$ 9,864,605	\$ 6,315,200	\$ 9,735,835	\$ 25,915,640	\$ 10,509,261	\$ 6,744,395	\$ 8,930,141	\$ 26,183,797
Total unreserved & retirement fund balance	\$ 65,139	\$ 776,272	\$ 635,848	\$ 1,477,259	\$ 188,659	\$ 1,030,648	\$ 742,503	\$ 1,961,810

Category	2009 Actual				2010 Adopted Budget			
	Fairview	Greenville	Hartsdale	Total	Fairview	Greenville	Hartsdale	Total
Total revenues	\$ 11,422,183	\$ 7,091,217	\$ 9,337,632	\$ 27,851,032	\$ 11,238,657	\$ 7,205,311	\$ 9,209,074	\$ 27,653,041
Other financing sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve Net (Provision) Use	\$ (1,054,277)	\$ (643,971)	\$ (462,100)	\$ (2,160,348)	\$ (4)	\$ 249,999	\$ 399,997	\$ 649,993
Total expenditures	\$ 10,367,906	\$ 6,447,246	\$ 8,875,532	\$ 25,690,684	\$ 11,238,653	\$ 7,455,310	\$ 9,609,071	\$ 28,303,034
Total unreserved & retirement fund balance	\$ 945,529	\$ 1,545,029	\$ 1,104,264	\$ 3,594,822	\$ 945,533	\$ 1,295,030	\$ 704,267	\$ 2,944,829

Category	2011 Estimate				2012 Estimate			
	Fairview	Greenville	Hartsdale	Total	Fairview	Greenville	Hartsdale	Total
Total revenues	\$ 11,804,113	\$ 7,586,895	\$ 9,710,950	\$ 29,101,958	\$ 12,676,487	\$ 8,135,716	\$ 10,694,023	\$ 31,506,226
Other financing sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve Net (Provision) Use	\$ 200,000	\$ 350,000	\$ 500,000	\$ 1,050,000	\$ 200,000	\$ 350,000	\$ 204,267	\$ 754,268
Total expenditures	\$ 12,004,113	\$ 7,936,895	\$ 10,210,950	\$ 30,151,958	\$ 12,876,487	\$ 8,485,716	\$ 10,898,290	\$ 32,260,494
Total unreserved & retirement fund balance	\$ 745,533	\$ 945,030	\$ 204,267	\$ 1,894,829	\$ 545,533	\$ 595,030	\$ (0)	\$ 1,140,562

Category	2013 Estimate				2014 Estimate			
	Fairview	Greenville	Hartsdale	Total	Fairview	Greenville	Hartsdale	Total
Total revenues	\$ 13,675,178	\$ 8,864,242	\$ 11,687,307	\$ 34,226,726	\$ 14,823,625	\$ 9,587,494	\$ 12,597,606	\$ 37,008,724
Other financing sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve Net (Provision) Use	\$ 200,045	\$ 250,000	\$ (0)	\$ 450,044	\$ 200,046	\$ 249,999	\$ (0)	\$ 450,045
Total expenditures	\$ 13,875,223	\$ 9,114,241	\$ 11,687,307	\$ 34,676,771	\$ 15,023,670	\$ 9,837,493	\$ 12,597,606	\$ 37,458,769
Total unreserved & retirement fund balance	\$ 345,488	\$ 345,030	\$ (0)	\$ 690,518	\$ 145,442	\$ 95,031	\$ (0)	\$ 240,473

Category	2015 Estimate			
	Fairview	Greenville	Hartsdale	Total
Total revenues	\$ 16,204,466	\$ 10,578,565	\$ 13,652,919	\$ 40,435,950
Other financing sources	\$ -	\$ -	\$ -	\$ -
Reserve Net (Provision) Use	\$ 145,442	\$ 95,031	\$ (0)	\$ 240,473
Total expenditures	\$ 16,349,908	\$ 10,673,596	\$ 13,652,919	\$ 40,676,423
Total unreserved & retirement fund balance	\$ 0	\$ 0	\$ (0)	\$ 0

It should be noted that as a percentage of ensuing years' expenditures, since 2007, Hartsdale has maintained an unreserved fund balance of between 7% and 11%, which would appear to be reasonable. Greenville, has maintained a higher unreserved balance than Hartsdale ranging between 11% and 16%. Fairview, on the other hand, had an unreserved fund deficit in 2007 and 2008, and has only managed to keep around a percentage of ensuing years' expenditures of around 5%.

Table 9 – Historical Fund Balances as % of Ensuing Year's Expenditures

	2007 (A)	2008 (A)	2009 (A)	2010 (B)
Fairview				
Expenditures	\$ 9,864,605	\$ 10,509,261	\$ 10,367,906	\$ 11,238,653
Fund Balance				
Reserved	1,712,175	1,640,517	2,140,007	N/A
Unreserved	(419,034)	(289,667)	265,120	N/A
Total	1,293,141	1,350,850	2,405,127	-
Unreserved % of Ensuing Year Expenditu	-4%	-3%	2%	N/A
Total % of Ensuing Year Expenditures	12%	13%	21%	N/A
Hartsdale				
Expenditures	\$ 9,735,835	\$ 8,930,141	\$ 8,875,532	\$ 9,609,071
Fund Balance				
Reserved	801,786	561,095	661,434	N/A
Unreserved	635,848	742,503	1,104,264	N/A
Total	1,437,634	1,303,598	1,765,698	-
Unreserved % of Ensuing Year Expenditu	7%	8%	11%	N/A
Total % of Ensuing Year Expenditures	16%	15%	18%	N/A
Greenville				
Expenditures	\$ 6,315,200	\$ 6,744,395	\$ 6,447,246	\$ 7,455,310
Fund Balance				
Reserved	929,173	942,113	1,280,674	N/A
Unreserved	709,138	901,471	1,206,881	N/A
Total	1,638,311	1,843,584	2,487,555	-
Unreserved % of Ensuing Year Expenditu	11%	14%	16%	N/A
Total % of Ensuing Year Expenditures	24%	29%	33%	N/A

Collective Bargaining Agreements

The most recent union contracts between the Districts and the GUFA have provided for (i) between 4% and 4 ½% annual salary increases for non-supervisory firefighters, (ii) lifetime, non-contributory medical benefits for the employees themselves, spouses, and their dependents, and (iii) a non-contributory, defined benefit pension plan based on a three-year FAS for Greenville and a one-year FAS for Hartsdale and Fairview for firefighters and supervisory personnel only²³.

There are some other generous provisions in the contracts, although they may not be uncommon among other fire departments. These include being paid for sick days not used in Fairview, and cash compensation for holidays in all Districts, whether worked or not. In addition uniformed employees are paid a lump sum for holidays which adds to their pensions and they get paid for the day off. Fairview, Hartsdale, and Greenville provide their employees with 14, 13, and 12 paid holidays, respectively. There are also arrangements providing overtime to firefighters in Hartsdale for manning the dispatch desk. There are also some arcane provisions. In Fairview, one gets paid for birthdays. Also in Fairview, there is an automatic 5% increase to the base salary of supervisory, uniformed personnel for purposes of exchanging shift change information. Hartsdale has the same provision, but the line officer is compensated at the rate of 6.25% of annual base salary. Greenville does not have such provisions included in its agreement.

As mentioned earlier, based on the terms of the union agreements, the Districts offer existing employees health insurance covering medical and hospital expenses. The Districts pay the full premium cost of a comprehensive policy covering employees, their spouses, and dependents. For retired employees, the Districts provide retirees and their spouses with the same comprehensive coverage as is provided to current employees and pays the full premium. In addition, the FDCGEC noted that in Fairview, there are reimbursements to retirees to cover the payment of Medicare Part B coverage (the FDCGEC was not able to confirm that this is the case in Hartsdale and Greenville). Part B coverage includes doctors' visits, outpatient care, and other treatment and preventative services.

Based on research conducted by the FDEGEC, it is out of the norm for local and municipal employers, such as the subject Districts, to pay for the full cost of medical insurance.

²³ Refer to the digital collection of the various collective bargaining agreements provided by the Martin P. Catherwood Library, ILR School, Cornell University.

Hartsdale Fire District and Greenburgh Uniformed Firefighters Association, Inc. (2008),

<http://digitalcommons.ilr.cornell.edu/cgi/viewcontent.cgi?article=5046&context=perbcontracts>,

Hartsdale Fire District and Hartsdale Fire Officers Association, Inc. (2006),

<http://digitalcommons.ilr.cornell.edu/cgi/viewcontent.cgi?article=5047&context=perbcontracts>

Greenville Fire District and Greenburgh Uniformed Firefighters Association,

International Association of Fire Fighters (IAFF), Local 1586 (2007),

<http://digitalcommons.ilr.cornell.edu/cgi/viewcontent.cgi?article=4412&context=perbcontracts>,

Greenville Fire District and Greenville Fire Officers, Greenburgh Uniformed

Firefighters Association, International Association of Fire Fighters (IAFF), Local

1586 (2007), <http://digitalcommons.ilr.cornell.edu/cgi/viewcontent.cgi?article=4414&context=perbcontracts>

Fairview collective bargaining agreements not available online.

Based on a study conducted by the Bureau of Labor Statistics in March 2009²⁵, state and local public employers require union employees to pay an average of 19% of medical policy premiums for family coverage and 9% for single plans. It was also noted that while these are nationwide statistics, there are variations across regions with the heavily unionized employees in the Northeast being able to negotiate more favorable terms. Notwithstanding the regional differences, the subject Districts should make a concerted effort to more closely conform to the national norm.

Overtime Practices

Large overtime costs place a burden on the subject Districts budgets. Using 2009 as an example, the subject Districts incurred \$2,432,590 in overtime costs, which represented 16% of total employee compensation of \$15,300,692²⁶. Employee compensation includes base salaries, overtime, longevity pay, Kelly time²⁷, and other compensatory pay. The overtime cost in Hartsdale was \$888,826²⁸ (17% of total compensation expense of \$5,272,912) for 36 overtime eligible firefighters, or \$24,689 per employee; in Fairview it was \$674,670²⁹ (11% of total compensation expense of \$6,089,661) for 45 overtime eligible firefighters, or \$14,992 per employee; and in Greenville it was \$869,094³⁰ (22% of total compensation expense of \$3,938,119) for 28 overtime eligible firefighters, or \$31,039 per employee.

Table 10 – Overtime % total salaries, overtime & other compensation

Overtime \$ per eligible personnel

Description	2009			
	Fairview	Greenville	Hartsdale	Total
Overtime	\$ 674,270	\$ 869,094	\$ 888,826	\$ 2,432,190
Salaries, overtime, & other compensation	\$ 6,089,661	\$ 3,938,119	\$ 5,272,912	\$ 15,300,692
Overtime %	11%	22%	17%	16%
Overtime	\$ 674,270	\$ 869,094	\$ 888,826	\$ 2,432,190
Overtime eligible personnel	44	28	36	108
Overtime \$ per eligible personnel	\$ 15,324	\$ 31,039	\$ 24,690	\$ 22,520

²⁵ Bureau of Labor Statistics, Employee Benefits in the United States, March 2009, Page 7 and Page 9 <http://www.bls.gov/ncs/ebs/sp/ebnr0015.pdf>.

²⁶ From a combination of the Hartsdale, Greenville, and Fairview 2009 audited financial statements.

²⁷ In fire department jargon, this is supposed to represent a non-compensatory, mandatory day off for certain number of hours worked, or compensatory work day.

²⁸ From 2009 payroll records, comprised of \$219,684 time and one-half overtime, \$366,083 straight dispatch desk overtime, \$133,087 straight regular overtime, \$169,972 supervisory coverage at straight time.

²⁹ From Fairview 2009 audited financial statements.

³⁰ From 2009 payroll records, due to data limitations, computed the straight-overtime component as follows - Total compensation of \$3,835,842 less salaries/EMT pay of \$2,597,750 less other compensatory pay of \$368,998 including time and one-half overtime, Kelly time, longevity pay = \$869,094 straight-time overtime.

The total overtime cost per employee for 108 firefighters in the Districts averaged \$22,520 in 2009 including Greenville averaging \$31,039 per firefighter, which is the highest of the three districts.

In theory, the need for overtime stems from firefighters being out for Kelly days, holiday, vacation, FMLA medical leave, and injuries so that minimum fire suppression strength is maintained. In order to ensure a safe work environment, firefighters are encouraged to take holidays, vacation days, and Kelly days. Overtime needs to be challenged if it is used for purposes other than the aforementioned reasons and becomes expected as part of total compensation. The excessive use of overtime also may result in firefighters becoming physically or mentally less capable of doing their work over an extended period of time. For example, Greenville firefighters work a 24-hour shift. There is also the liability exposure for overworked or fatigued firefighters driving and operating vehicles. There needs to be a balance of overtime to meet fire suppression needs. There also needs to be budgetary sensitivity, and personnel should not be overburdened so that they are unable to perform their functions without being overworked and fatigued.

The following breaks out the overtime by District:

Greenville

There was a total of 19,367 hours of overtime incurred during 2009 which was paid at straight-time totaling \$869,094. Under the terms of the firefighters' collective bargaining agreement, straight-time is paid for non-firefighting holdovers and when firefighters report voluntarily in response to an alarm. The FDCGEC found the number of hours related to these two categories of overtime to be questionable. The 19,367 hours of overtime equates to 53 hours per day. All other overtime, for hours worked over the regularly scheduled shift and which are paid at the rate of time and one-half, was not quantifiable due to data not being available.

Hartsdale

Under the firefighters' collective bargaining agreement, all hours worked over the regularly scheduled shift are paid at the rate of time and one-half (\$219,684 in 2009) with the exception of the desk watch which is paid at straight time (\$366,083 in 2009). Also, each line officer reporting for duty will be compensated at the rate of 6.25% of annual base salary for briefing time with off-going officers (\$169,972 in 2009). The agreement is silent on the time allotted per shift change. There is also other overtime that has been paid on a straight-time basis (\$133,087 in 2009).

Fairview

As requested pursuant to a FOIL request, Fairview did not provide the FDCGEC with the complete payroll records which would provide different categories of compensation including overtime. Fairview did, however, provide the payroll records with data redacted. Despite having information redacted from the payroll records, the FDCGEC found major differences in the overtime contained in such redacted reports and the overtime expense disclosed in the 2008 and

2009 audited financial statements. The FDCGEC calculated a difference of \$167,000 and \$179,000 in 2009 and 2008, respectively, with the audit report being higher. It was also noted that \$2.3 million, or almost 40%, of Fairview's 2009 payroll expense of \$5.8 million was paid to 11 firefighters and 2 administrative staff out of a total headcount of 47. Nine of the 11 firefighters mentioned above received 46% of the total overtime reported in the 2009 redacted payroll records.

Staffing Levels

The combined Districts have authorization for 115 personnel. Of these 115, there are 4 employees who do not participate in suppression leaving a total of 111 firefighters available for suppression work and manning the dispatch desk. Dividing that number into four groups leaves 28 firefighters per shift for fire suppression; Hartsdale, Fairview and Greenville have a maximum available personnel of 9, 11, and 7, respectively. The 111 firefighters available are then reduced by the number of fire fighters out for Kelly days, holiday, vacation, sick, training, or other reasons. This leaves a total of 88 firefighters available for suppression work and manning the dispatch desk. Dividing that number into four groups leaves 22 firefighters per shift for fire suppression; Hartsdale, Fairview and Greenville have a maximum available personnel of 8, 8, and 6, respectively.

Table 11 – Maximum/Minimum Staff Available for Fire Suppression

Description	September-09			Total
	Fairview	Greenville	Hartsdale	
Chiefs	1	1	1	3
Deputies	5	0	4	9
Captains	5	5	4	14
Firefighters	34	23	28	85
Total fire suppression staff	45	29	37	111
Number of Groups	4	4	4	4
Maximum staff available for fire suppression	11	7	9	28
Minimum staff available for fire suppression	8	6	8	22

Since the subject Districts are required to maintain suppression strength of 111 firefighters, any absence that drops below this level results in overtime. Firefighters are called to fill the vacant spot. Under the terms of the collective bargaining agreements, firefighters who are called in to work are paid at one and one-half times their base rate, and are paid for a minimum of 4 hours in Hartsdale, 6 hours in Fairview, and 4 hours in Greenville regardless of the number of hours worked.

In terms of layers of management, out of the authorized 115 personnel, the management team in the subject Districts represented 29 employees – 3 chiefs, 9 deputies, 13 captains, and 4 administrative staff. The US Federal Government’s National Incident Management System (NIMS) has established a standard for command and control systems in response to incidents. The Span of Control concept is one that has been addressed by NIMS which represents the number of subordinates that one person can effectively control. The acceptable range is between 3 and 7 with 5 being optimal.

The FDCGEC has calculated two ratios; one including the fire chief under the premise that the chief participates in fire suppression activities at an incident scene when on call and another excluding it. Including the chief, the subject Districts have a ‘Span of Control’ range of between 3 and 4 which is within the acceptable range, Fairview is at the lower end of the range and should address the Span of Control ratios to conform to the optimum level and the other two districts. The other ratio excludes the fire chief and improves the ratio. Irrespective of the method used, the subject Districts should gravitate towards the optimum or higher levels to maximize resources.

Table 12 – Firefighter to Supervisor Ratios

Description	September-09			
	Fairview	Greenville	Hartsdale	Total
Chiefs	1	1	1	3
Deputies	5	0	4	9
Captains	5	5	4	14
Firefighters	34	23	28	85
Administrative staff	2	1	1	4
Total	47	30	38	115
Firefighter to Supervisor ratio (excluding administrative staff)	3	4	3	3
Firefighter to Supervisor ratio (excluding administrative staff and fire chief)	3	5	4	4

Peer Group Comparisons

Districts' Compensation per Employee Higher Than Peers by 32%

The average compensation per employee of the subject Districts is significantly higher than in other surrounding Westchester communities in which fire suppression services is also performed using a career force. The average wages³¹ per full-time equivalent (FTE) employee in 2008 in the subject Districts was \$125,712. In comparison, the average wages per FTE in the peer group was \$95,210. This implies that the subject Districts are 32% more expensive to operate on a per man basis. The peer group consists of Eastchester³², a mostly career fire district in Westchester County, and Scarsdale and White Plains which are not standalone fire districts per se, but are fire departments within their respective city, town, or village. The additional pay for an EMT certification was carved out since the fire departments for White Plains and Scarsdale do not render such services to its residents.

Table 13 – Peer Group Analysis for 2008 – All Employees Compensation

Municipal Name	Compensation Expense	EMT Pay	Compensation Expense	No. Personnel	Personnel Costs/head
Fairview Fire District	\$ 5,922,877	\$ (86,621)	\$ 5,836,256	47	\$124,176
Greenville Fire District	\$ 3,859,486	\$ (52,654)	\$ 3,806,832	30	\$126,894
Hartsdale Fire District	\$ 4,821,731	\$ (31,205)	\$ 4,790,526	38	\$126,066
Greenburgh Fire Districts Average				115	\$125,712
Eastchester Fire District	\$ 8,004,000		\$ 8,004,000	78	\$102,615
White Plains Fire Department	\$ 15,387,847		\$ 15,387,847	167	\$92,143
Scarsdale Fire Department	\$ 4,543,623		\$ 4,543,623	50	\$90,872
Peer Group Average					\$95,210
\$ Difference					\$30,502
% Difference (excludes benefits)					32%

EMT Pay - Fairview 3% of base salary, Greenville 2.75%, and Hartsdale 1% of base salary

It was also observed that the White Plains fire department has more firefighting personnel per dollars spent compared to the subject Districts: This is highlighted by the City of White Plains which has 167 fire personnel and had fiscal 2008/2009 salaries, wages, and overtime expense of \$15.4 million³³. This compares to the subject Districts combined 2008 salaries, wages, and overtime expense of \$14.6 million which covers 111 fire personnel. For an additional \$800,000 of salaries, wages, and overtime White Plains has 56 additional firefighters.

³¹ Wages consists of salaries, overtime, longevity pay, Kelly time, and other compensatory pay.

³² Data derived from the Office of the State Comptroller: Local Government & School Accountability.

http://www.osC.state.ny.us/localgov/datanstat/findata/index_choice.htm.

³³ THE CITY OF WHITE PLAINS 2009 – 2010 SUMMARY ADOPTED BUDGET, Pages 44, 98, and 99,

http://www.cityofwhiteplains.com/dataimages/2009-10_summary_adopted_budget.pdf.

On the bottom of page 99 of the City of White Plains budget there is a table comparing authorized and filled positions over a historical period. For public safety, which would include public safety administration, fire, and police, there were 9 vacant positions at the end of 2008. Assuming that all the 9 vacant positions were in the fire department, it would bring the headcount down from 171 to 162. Used mid-point of 167.

The driver behind the disparity in compensation per employee stems from the higher salaries and overtime being incurred by the subject Districts. The Chief of the Hartsdale fire district has argued that a higher base salary allows the subject Districts to recruit better qualified personnel. He has also argued that the incurrence of overtime is justified to maintain suppression strength, without having to hire additional staff which would result in having to pay additional medical benefits, additional hours for annual training, uniform allowances, and turnout gear, etc. In Hartsdale, for example, there are two contractual training days per year where the entire group gets together to perform training. According to the Chief in Hartsdale, this is extremely valuable training, but it costs the district twenty hours per year per man in overtime. He mentions that it is well worth the investment, but increases the average compensation per employee when compared to the peers. There are, however, other sources of overtime which are driving the disparity including the desk watch (paid at straight overtime), debriefing time (paid at straight overtime), officer coverage (paid at straight overtime), and other compensatory pay.

Districts' Salaries per Employee Higher than Peers

A wage comparability analysis of the subject Districts in relation to the peer group concluded that the subject Districts' top salaries for deputy chiefs, fire captains, and firefighters exceeded the salaries of the peer group by (4%), 11%, and 9%, respectively. Since the Emergency Medical Technician (EMT) stipend enhances the ranking of the subject Districts, it was stripped out of the analysis. The maximum savings that could result assuming the closing of the salary differential is \$835,000 including the related retirement contributions.

Table 14 – Peer Group Analysis for 2009 – Top Salaries for Deputy Chief, Fire Captain, Firefighter Salaries

Name	2009 Maximum Compensation (excluding EMT Pay)		
	Deputy Chief	Fire Captain/ Deputy	Firefighter
Fairview	\$ 119,229	\$ 109,005	\$ 88,319
Greenville	\$ 118,692	NA	\$ 86,578
Hartsdale	\$ 120,745	\$ 109,530	\$ 88,054
Greenburgh Fire Districts Average	\$ 119,555	\$ 109,268	\$ 87,650
White Plains Fire Department	\$ 124,483	\$ 94,212	\$ 79,895
Scarsdale Fire Department	NA	\$ 103,429	\$ 80,804
Peer Group Average	\$ 124,483	\$ 98,821	\$ 80,350
\$ Difference	\$ (4,928)	\$ 10,447	\$ 7,301
% Difference	-4%	11%	9%
Salary \$ Difference	\$ (4,928)	\$ 10,447	\$ 7,301
Retirement Contribution %	16%	16%	16%
Salary and Retirement Contribution per	\$ (5,695)	\$ 12,074	\$ 8,438
Number in Greenburgh Fire Districts	9	14	85
Total Salary Differential	\$ (51,256)	\$ 169,036	\$ 717,220
Grand Total Greenburgh Fire Districts			\$ 835,000

Districts' Compensation per Fire Chief Higher Than Peers by 33%

As fire chiefs, the position requires the direction and management of all fire fighting, fire prevention, and fire services activities in the subject Districts. Administrative duties include planning, directing and overseeing the respective District's activities, including hiring and firing, purchase of apparatus, preparation of budgets, and assignment of personnel and apparatus. Despite serving smaller communities, handling a lower volume of calls and incidents, and managing smaller staffs, the subject Districts' fire chiefs' pay significantly exceeds those of its peers.

Table 15 – Peer Group Analysis – Fire Chiefs

Name	Personal Services
Fairview Fire District	\$ 215,605
Greenville Fire District	\$ 206,969
Hartsdale Fire District	\$ 199,500
Greenburgh Fire Districts Average	\$ 207,358
New Rochelle Fire Department	\$ 159,855
White Plains Fire Department	\$ 154,806
Scarsdale Fire Department	\$ 153,569
Peer Group Average	\$ 156,077
\$ Difference	\$ 51,281
% Difference	33%
(excludes benefits)	

For example, during 2009, the Hartsdale, Fairview and Greenville's fire chiefs' total compensation was \$199,500, \$215,605, and \$206,969, respectively³⁴. The average was \$207,358. These fire chiefs served a population of 9,830, 14,400, and 8,648, respectively³⁵. Total calls received during 2009 were 937, 2,374, and 1,014, respectively³⁶. Total managed staff was 37, 45, and 29, respectively. In comparison, the corresponding White Plains, Scarsdale, and New Rochelle fire chiefs' total compensation was \$154,806, \$153,569, \$159,855, respectively³⁷. The average was \$154,077. These fire chiefs served a population of 53,077, 17,823, and 72,182, respectively³⁸. Total calls received during 2009 were 3,800, 1,245, and 8,000, respectively. They managed a total of 167, 49, and 173, respectively³⁹. This comparison suggests that the subject

³⁴ Sourced from 2009 payroll records. Hartsdale compensation for three months annualized, since the start date of Chief Edward Rush was October 1, 2009.

³⁵ Sourced from 2000 Census, <http://factfinder.census.gov/home/saff/main.html? lang=en> Each of the fire districts contains its own census designated place, or CDC, which is a tracking mechanism used by the US Census Bureau for statistical purposes. While the census data has Fairview with a population of 2,887, it has been estimated to be around 14,400 (45,000 in Unincorporated Greenburgh times 73% of area served by subject Districts = 32,850. 32,850 less Hartsdale and Greenville population of 9,830 and 8,648 = 14,362, say 14,400.

³⁶ Sourced from 2009 incident logs.

³⁷ Sourced from See through New York.

³⁸ Sourced from 2000 Census . <http://factfinder.census.gov/home/saff/main.html? lang=en>

³⁹ Call data and headcount sourced from respective budgets, with the exception of White Plains call data which was verbally provided by White Plains Fire Chief Richard Lyman.

THE CITY OF WHITE PLAINS 2009 – 2010 SUMMARY ADOPTED BUDGET, Page 98,

http://www.cityofwhiteplains.com/dataimages/2009-10_summary_adopted_budget.pdf

2008-09 Tentative Budget of the Village of Scarsdale, Page 53,

<http://www.scarsdale.com/LinkClick.aspx?fileticket=0kOewtxJBT4%3d&tabid=57&mid=586>

fire chiefs are compensated in excess of their peers by 33%, despite having similarly sized or smaller departments and staff to supervise, smaller populations, and a lower volume of calls.

Under the terms of the employment agreements with the fire chiefs, built-in compensation sources in excess of base salary are driving the disparity in compensation with the peer group. For example, in Greenville, while the 2009 chief’s base salary was \$154,231 (close to the peer group), there were other sources of income up to \$52,738 which included consulting pay, training pay, and wellness pay, that drove up the all-in compensation compared to the peer group. In Fairview, the 2009 base salary of the fire chief was \$167,073 and the add-on compensation was \$48,532. In Hartsdale, on the other hand, there is a higher fixed salary (compared to Fairview and Greenville) of \$182,000 with add-on compensation of \$17,500. It should also be pointed out that notwithstanding the longer length of service of the Fairview and Greenville fire chiefs compared to the Hartsdale fire chief who has only been in the position for one year, the Hartsdale fire chief’s total compensation is around \$200,000, which exceeds the peer group average.

Some members of the FDCGEC, particularly those affiliated with the subject Districts, have argued that the duties and responsibilities of the subject District fire chiefs are different from those of their peers, which would justify the higher compensation. For example, the position of fire chief in a fire district encompasses the duties of a fire chief and a public safety director in a city or a village.

Automatic/Mutual Aid

While the Districts are each separate legal government entities created by law, there is a history of cooperation in operations among the three. Under automatic aid and mutual aid arrangements⁴⁰, the Districts are already working closely with each other. Governing these arrangements are administrative regulations and orders to implement and manage such plans. The Districts have amplified resources and capacity within the geographic areas of their respective districts by responding to calls on an automatic basis so that the closest emergency unit responds to an incident, without regard to jurisdictional lines. Under these arrangements among the subject Districts, all costs associated with providing automatic aid/mutual aid services are the responsibilities of the rendering district. It has been represented to the FDCGEC that the Districts giving aid have not historically sought reimbursement for rendering such services to the district needing assistance.

Table 16 – Hartsdale Automatic/Mutual Aid Received/Given

	2008		2009		2010 (thorough 8/5)	
	Fairview	Greenville	Fairview	Greenville	Fairview	Greenville
Given	17	157	18	161	18	92
Received	32	44	50	40	81	19

⁴⁰ Automatic aid is defined as a pre arranged agreement among fire districts and/or city, town, or village fire departments to automatically dispatch assistance. Mutual aid, on the other hand, is a request for aid on a case-by-case basis. These agreements are common among fire service agencies.

District Treasurer/Secretary/Clerk/Accountant Role and Compensation

The Board of Commissioners governing each of the subject Districts is responsible for its own fiscal affairs, including implementing and maintaining adequate internal controls. With this responsibility, the boards appoint a treasurer who acts in the capacity of a principal fiscal officer responsible for maintaining the financial books and records (including preparing monthly and yearly financial statements), annual reporting to the Office of the State Comptroller, and for managing its funds. They also appoint a secretary who is responsible for preparing board minutes and coordinating fire district commissioner elections⁴¹.

Both the Greenville and Hartsdale fire districts have one individual charged with performing both functions while the Fairview fire district has two individuals charged with performing each function. There are a total of four employees earning almost \$350,000. These are non-uniformed personnel, yet based on the terms of their employment contracts receive benefits that are comparable to those of uniformed personnel. In its review, the FDCGEC noted a difference in titles, which may be responsible for part of the disparity in compensation.

Fairview

In 2009, the Fairview employee acting in the capacity of secretary and senior clerk earned \$96,788 and the employee acting in the capacity of treasurer and accountant earned \$61,340, for a total of \$158,128. This combined compensation is out of the norm when compared to Hartsdale and Greenville notwithstanding the additional titles. Under the terms of the employment agreements⁴², the Fairview treasurer and secretary were being paid as employees with all of the benefits of a firefighter. These benefits included Fairview paying the full premium cost of a comprehensive medical policy covering employees, their spouses, and dependents, sick leave, holiday pay, and vacation time on terms identical to those provided to uniformed fire personnel, and 2% longevity pay as if they were employed by Fairview for the past 16 years. It was also confirmed that these employees, in addition to receiving 14 holidays off, on top of their base salary, were getting paid for the holiday itself, which means they are being paid twice for the same day.

Fairview has represented to the FDCGEC that the treasurer works 35-hours per week on-site and off-site. It was also represented that the individual acting in the capacity of secretary and senior clerk works 35 and 12 ½ hours in each capacity for a total of 47.5 hours per week.

Fairview has represented to the FDCGEC certain facts regarding the creation of the senior clerk position. The position dates back to 1992, when the Fairview board of commissioners decided that they would not replace the assistant chief for economic reasons. The board and fire chief assigned non-firematic duties of the assistant chief to the senior clerk. The

⁴¹ S N.Y. TWN. LAW Section 176: Powers and duties of fire district commissioners
<http://codes.lp.findlaw.com/nycode/TWN/11/176>

⁴² From the June 19, 2009 letter agreement for the Fairview treasurer and Fairview secretary.

senior clerk is responsible for work scheduling, setting up physicals, preparation of special payroll data, and canvassing new employees. The Department of Civil Service reviewed the position and found it to be a full-time position, which required that the incumbent pass a civil service examination. The current employee passed the civil service examination and became a full-time clerk in 1993.

Hartsdale

At the other extreme, the Hartsdale individual who serves in both the capacity of secretary and treasurer had during 2008 and 2009 earnings of around \$50,000 per annum. This was a part-time position. After discussions and inquiries by the FDCGEC, an undated employment agreement was provided stipulating an annual compensation of \$85,000 per annum, on a full-time basis. According to the Hartsdale fire chief, the 60% increase was due to adding benefits administration to her payroll duties. Under the terms of the letter agreement⁴³ Hartsdale pays the cost of medical insurance, but it is silent on whether it includes spouses and dependents. The individual is also entitled to 13 paid holidays as specified in the firefighters' union contract and has coverage in the New York State Employees Retirement System.

Greenville

In Greenville the person who serves in both the capacity of secretary, treasurer, and accountant earned \$125,820 during 2009. This amount represented \$18,861 of additional compensation above the person's base salary. Based on the employment agreement⁴⁴ and the payroll records obtained from Greenville, the FDCGEC was unable to determine all of the categories of extra pay that represented the 18% increase in her total compensation. Under the terms of the letter agreement Greenville pays the cost of medical insurance, but it is silent on whether it includes spouses and dependents. The individual is also entitled to holiday pay comparable to the firefighters' union contract on top of their regular salary.

⁴³ Sourced from December an undated letter agreement covering Hartsdale secretary/treasurer.

⁴⁴ Sourced from December 2, 2007 letter agreement covering Greenville secretary/treasurer.

PENSION PLANS AND PRACTICES

Pension Plan Overview

The Districts provide pension benefits to most of its uniformed employees pursuant to Section 384 (e) of the PFRS. Under this section, uniformed employees receive a benefit of 1/60th FAS for each year of service creditable in excess of the 20-years allowed under Section 384 (d), the legacy retirement plan⁴⁵. For Tier 1 and Tier 2 members, the maximum retirement benefit is 75% and 70%, respectively of FAS⁴⁶. The retirement plan contributions rates are expressed as a percentage of salary and are set annually by the PFRS and certified by the New York State Comptroller's office⁴⁷. For Tier 1 and Tier 2 participants, the contribution rates for the period beginning February 1, 2010 was 19.9% and 15.3%, respectively. For the period beginning February 1, 2011, the contribution rates are 23.1% and 18.4%, respectively. The Hartsdale and Fairview districts participate in a more generous and costlier benefit – it is based on the final one-year FAS, rather than the final three-year FAS. This results in an increase in retirement contribution rates for the period beginning February 1, 2010 of 2.5% for Tier 2 members (the increase does not apply to Tier 1 members). For the period beginning February 1, 2011, the increase in contribution is 3.0%. Greenville is on the less generous one-year FAS.

On December 2, 2009, the New York State legislature enacted the Tier 5 Law. Under the law new employees hired by the subject Districts after January 1, 2010 will be required to (i) contribute three percent of their annual compensation towards the pension plan, (ii) limit the amount of overtime that can be used in the calculation for final average salary, which determines pension benefits, to 15% of regular annual wages, and (iii) require ten years of creditable service in order to vest with the retirement system. The last provision does not significantly impact the subject Districts since, to our knowledge, employees are on the force for the most part, for more than ten years. Existing employees would be grandfathered and will not be required to make contributions to the PFRS (it will continue to be funded exclusively by the Districts) and will be permitted to count overtime towards final average salary subject to the limits currently imposed. The full effect of this new law won't be felt until there is a complete turnover in the force, which in the subject Districts could take about 20 years.

Hartsdale and Fairview participate in generous and costly pension benefits. In addition, Hartsdale and Fairview paid fees amounting to \$1.7 million to participate in a richer pension plan. To offer the pensions based on the one-year FAS, when Hartsdale and Fairview changed plans from a three-year FAS, they were required to pay fees retroactively to cover employees hired after July 1973. These retroactive fees are \$0.6 million and \$1.1 million for Hartsdale and Fairview, respectively which are being paid to the PFRS under an installment agreement over a period of 5-years and 10-years, respectively⁴⁸. This was done without informing the voters

⁴⁵ See Tier 1 and 2 PFRS Special 20- and 25-Year Plans (Sections 384, 384-d and 384-e), Office of the State Comptroller http://www.osc.state.ny.us/retire/publications/vo1517/service_ret_benefits/20-year_additional.php

⁴⁶ Upon joining PFRS, an employee is assigned a tier depending on the date of membership. For employees who joined the system before July 31, 1973, Tier 1 is assigned. Employees joining on or after July 31, 1973, Tier 2 is assigned.

⁴⁷ See PFRS contribution rates, 2010-2011

http://www.osc.state.ny.us/retire/word_and_pdf_documents/employers_files/2011_final_rates/pfrs_final_rates_2011.pdf.

⁴⁸ Journal News article dated March 22, 2010, "Firefighter, police pension perk costs communities more for years"

(although voter approval is not required). It was represented that Hartsdale completed these payments several years ago.

The Chief of Hartsdale has argued that this was a negotiated item, and that there were several offsets of give backs that would partially offset this incremental cost, which he acknowledged, is difficult to quantify. It may never be known what additional items may have been granted or other changes made had this item not been negotiated. It has also been argued that such a benefit would have the intangible effect of allowing Hartsdale and Fairview to attract the best available people for the job. However, a reasonable person would ask why would you need to have a more attractive pension, when average compensation per employee is already 32% higher than the peer group and presumably there is a long waiting list for available positions?

The one-year FAS plan has led to 8 out of the last 18 firefighters who retired in the last five years (ending December 31, 2009) receiving pensions that exceeded \$100,000 per year. In Hartsdale, out of the 8 retirees over the last five years, 4 had pensions over \$100,000. In Fairview, there were 10 employees who retired over the same period of which 4 had pensions over \$100,000. In comparison, Greenville had 8 employees who retired in the last five years, and only 1 retiree had a pension over \$100,000.

Overtime Practices Affecting Retirement Payouts

On April 1, 2010, New York State Attorney General's Office ("NYSAG") announced the examination of the subject Districts along with other local governments and agencies in Westchester and Rockland counties for possible pension padding⁴⁹. On July 7, 2010, the NYSAG issued a Preliminary Report of its findings⁵⁰. In the Preliminary Report, the NYSAG cited numerous cases where employees were boosting the overtime in the last few years of employment, which would inflate the FAS used to calculate pension benefits.

While the analysis of earnings used to calculate pension benefits of retirees in the Districts is not designed to replicate the work being conducted by the NYSAG, it is intended to expand the examination of the business practices in the subject Districts. The request by the FDCGEC under the FOIL for earnings data used in determining an employee's FAS, which is their highest paid consecutive 36 or 12 month earnings prior to retirement depending on the subject District's plan, was made before the NYSAG announced its investigation. Originally, the subject Districts resisted releasing retiree earnings data under the FOIL. It was not until the NYSAG investigation that the Districts released the information, and as it turns out, the records released were not earnings of the consecutive 36 or 12 months prior to retirement, but a calendar 5-year history of earnings for each retiree. Notwithstanding some of the limitations in the data received, the FDCGEC was able to draw some conclusions. Through the subpoena powers of the NYSAG, the FDCGEC would expect that more will be revealed as the investigation continues.

The FDCGEC did find a pattern of three individuals (two in Hartsdale and one in Fairview) who retired in 2008 and 2009 who incurred a disproportionate amount of overtime hours in the years leading up to retirement relative to other overtime eligible employees. While there is nothing illegal with this practice, it is a poor business policy. While the elimination of overtime and other sources of compensation used to calculate FAS could be accomplished through the passage of state legislation, the subject Districts should explore reducing overtime proactively. The Tier 5 Law caps the overtime for purposes of determining FAS at 15%, but it only applies to individuals who are hired after January 1, 2010. All other existing employees are grandfathered under existing law.

For purposes of determining the one-year and three-year FAS of existing employees, compensation includes regular salary, overtime, holiday pay, non-compensatory overtime, and longevity bonus earned in the 12-months and average of the 36-months, respectively, immediately preceding retirement⁵¹. For purposes of determining FAS, earnings used in the calculation cannot exceed the previous year's earnings by more than 20% - the excess is excluded from the calculation⁵². Notwithstanding the cap on earnings, the inclusion of overtime

⁴⁹ See New York State Attorney General Office press release, dated April 1, 2010, http://www.ag.ny.gov/media_center/2010/apr/apr1a_10.html.

⁵⁰ See New York State Attorney General's Office, Preliminary Report, dated July 7, 2010, http://www.nypensionpadding.com/pdfs/preliminary_data_analysis_summary.pdf

⁵¹ See Tier 1 and 2 PFRS Special 20- and 25-Year Plans (Sections 384, 384-d and 384-e), Office of the State Comptroller http://www.osc.state.ny.us/retire/publications/vo1517/final_average_salary/index.php

⁵² See Tier 1 and 2 PFRS Special 20- and 25-Year Plans (Sections 384, 384-d and 384-e), Office of the State Comptroller http://www.osc.state.ny.us/retire/publications/vo1517/final_average_salary/limitations.php.

into the calculation has provided an opportunity for participants to inflate their pension benefits. In Fairview and Hartsdale, for example, the planning is over a two-year period.

Under the terms of a side letter agreement in Hartsdale⁵³ uniformed personnel man the dispatching function and are paid at straight time. Overtime was disproportionately assigned to the two individuals who retired in Hartsdale during 2008 and 2009.

SeeThroughNY, a website sponsored by the Empire Center for New York State Policy, part of the nonpartisan and non-profit Manhattan Institute for Policy Research⁵⁴, was used as a reference for determining the pension benefits received compared to the retiree's most recent base salary.

The following are some overtime practices favoring recent retirees.

Retirement of Deputy Fire Chief in Hartsdale

The deputy fire chief in Hartsdale who retired on September 30, 2009 had 32.6-years of service. His earnings during the 12-months and 24-months preceding retirement was \$168,588 and \$157,787, respectively. The corresponding overtime was \$41,724 and \$35,826, respectively. While his year-over-year increase in earnings was 7%, well below the 20% limitation, it should be noted that the employee consumed 22% and 21% of overtime hours⁵⁵ during calendar years 2008 and 2009, suggesting that he incurred a disproportionate amount of overtime during the years leading up to retirement compared to other employees in Hartsdale. As a comparison, this retiree represents 1 out of 8 overtime eligible supervisory personnel in Hartsdale, or 13%, suggesting that the overtime is skewed towards the retiree. *SeeThroughNY* reports that his pension benefit is \$142,976 per year, significantly more than the \$120,745 base salary when he retired.

Retirement of Firefighter in Hartsdale

A firefighter in Hartsdale who retired on November 30, 2009 had 20.7-years of service. His earnings during the 12-months and 24-months preceding retirement was \$127,045 and \$103,558, respectively. Since his year-over-year earnings exceeded the 20% cap, the allowable earnings are \$124,269. The corresponding overtime was \$40,428 and \$20,800, respectively. It should be noted that the employee consumed 8% and 13% of dispatch desk overtime hours⁵⁶ during calendar years 2008 and 2009, suggesting that he incurred a disproportionate amount of overtime during the years leading up to retirement compared to other employees in Hartsdale. As a comparison, this retiree represents 1 out of 28 non-supervisory personnel in Hartsdale, or

⁵³ The existence of the side-letter agreement was verified by Chief Edward Rush.

⁵⁴ Link to *SeeThroughNY*,

<http://www.seethroughny.net/PayrollsPensions/tabid/55/Payrolls/StatePayroll/tabid/69/Default.aspx?BRANCHID=15>

⁵⁵ 2008 Payroll records – 581 hours of overtime divided by 2,624.5 hours for the department as a whole, 2009 Payroll records – 645 hours of overtime divided by 3,028.5 hours for the department as a whole

⁵⁶ 2008 Payroll records – 708 hours of overtime divided by 8,844 hours for the department as a whole, 2009 Payroll records – 1,161 hours of overtime divided by 8,820 hours for the department as a whole

3.6%, suggesting that the overtime is skewed towards the retiree. *SeeThroughNY* reports that his pension benefit is \$84,109 per year. His base salary when he retired was \$88,054.

Retirement of Deputy Chief in Fairview

The Fairview deputy chief who retired on December 31, 2009, had 31 years of service. His earnings during the 12-months and 24-months preceding retirement was \$292,404 and \$200,795, respectively. Since his year-over-year increase in earnings was in excess of the 20% limitation, the allowable earnings were \$240,954. The corresponding overtime was \$50,771 and \$23,214, respectively. While overtime hours were not provided, the FDCGEC looked at the overtime dollars as a percentage of total overtime for 2008 and 2009 and noted that it was 3% and 8%, respectively⁵⁷. As a comparison, this retiree represents one 1 of 44 employees in Fairview, or 2%., suggesting that the overtime is skewed towards the retiree. Neither the pension benefit nor his base salary was available in *SeeThroughNY*.

⁵⁷ 2008 - \$23,214 individual divided by \$765,239 total overtime, 2009 - \$50,771 individual overtime divided by \$674,270 – sourced from audit report.

EMERGENCY COMMUNICATIONS CENTER (60-Control)

One of the main issues raised during our study was whether Fairview and Hartsdale should follow the lead of Greenville through each saving \$350,000 a year by utilizing the 60-Control dispatching services provided by county government at no charge. Fairview and Hartsdale do not have regularly assigned dispatchers, but bring in off-duty firefighters at straight overtime pay to do the job. In Hartsdale this has cost the taxpayers \$356,000 and \$366,000 in 2008 and 2009 (paid at straight-time rates), respectively, which counts as earnings for purposes of determining FAS⁵⁸.

Westchester County's Emergency Communication Center, popularly known as 60-Control, is a division of the county's Department of Emergency Services. It is located at County Fire Control headquarters on the Grasslands Reservation in Valhalla. One of its main functions is to dispatch fire departments and Emergency Medical Service teams to where they are needed⁵⁹.

44 fire agencies avail themselves of this service, as do 20 EMS teams throughout Westchester County. Twelve of the 44 fire agencies are largely career departments; Eastchester, Greenville, Harrison, Mamaroneck Town, Mohegan, New Rochelle, Peekskill, Pelham, Pelham Manor, Port Chester, Rye City and Rye Brook. The other departments are largely volunteer-operated. None of the agencies using 60-Control are charged for the dispatching services; the county finances the operation through general county taxes.

The Center receives 91,000 calls a year, and it also directs the fire mutual aid program, and health department, HazMat and technical rescue teams. Four to six dispatchers are on duty at one time. At the desk of each dispatcher is a sophisticated computer system and multiple video screens that are part of the Critical Incident Dispatch System (CIDS) and contain maps of all residential and commercial locations in the county as well as special information such as households that have members with special needs or whether a fire could endanger a nearby school. The information is updated regularly.

The dispatcher needs only the address of the incident to call up a neighborhood map and direct apparatus and personnel to the scene. Many of the specially trained dispatchers are people with firefighting or EMS worker backgrounds.

60-Control answers emergency telephones of the 64 agencies. In addition, 911 calls to local and state police departments pertaining to the 64 agencies are relayed to 60-Control, which then notifies the local fire department or EMS team. The times of calls are logged onto the Computer Aided Dispatch (CAD) system and all audio files (radio and phone) are time-stamped as well.

⁵⁸ Regarding the dispatching overtime, it needs to be made clear that Hartsdale has a dedicated staff for 24 hours which in 2008 amounted to \$356,000 while Fairview has explained that it uses one of the shift members to man the phone and only uses overtime when they fall short of a shift member and then they call someone in to man the desk. The FDCGEC estimated the cost to Fairview the same as Hartsdale assuming they use personnel with similar pay scales.

⁵⁹ Wetchestergov.com, Emergency Communication Center (60-Control) website, http://emergencyservices.westchestergov.com/index.php?option=com_content&task=view&id=95&Itemid=716

In the case of Greenville, for instance, calls made to the department's emergency number 723-2500 are answered at 60-Control. Emergency 911 calls from within Greenville are answered at Greenburgh Police Headquarters, which also answers calls from the rest of Unincorporated Greenburgh for police, fire, EMS or poison control matters. The telephone number of the Greenville caller appears on the screen of the police dispatcher and the computer recognizes the caller's location in Greenville. Once the dispatcher determines it is a fire-related incident, he or she presses the fire button and the Greenville call is forwarded to 60-Control. The 60-Control dispatcher then radios the information to Greenville where three loud beeps are received on its in-house intercom system with speakers throughout the building followed by the address and any additional information. 911 calls received by police headquarters are relayed to Fairview or Hartsdale, based on the telephone number. In utilizing their own dispatchers, Fairview and Hartsdale also answer seven digit emergency calls to their own headquarters.

If a fire department has an automatic aid agreement with another department, such as Greenville and Hartsdale have in cases of structural fires, 60-Control will notify both departments. When 60-Control agrees to dispatch another agency, the chiefs of both agencies must provide a Mutual Aid Run Card and a "10-75" Working Structure Fire response plan. Having that information programmed into its Computer Aided Dispatch system allows 60-Control to fill out the assignment without the local chief having to specify requests at the time when he may be engaged in life-saving operations.

While the emergency calls of departments using 60-Control are forwarded to that agency, the departments can "unforward" them during major emergencies, such as violent storms when the departments would be busier.

It was announced on August 4, 2010 that Westchester County government was considering merging its police and emergency services departments that includes fire control. Unified communications was under consideration. How this would affect the 60-Control dispatching system has not yet been made public⁶⁰.

⁶⁰ Westchestergov.com, Proposal to Merge Depts. of Public Safety and Emergency Services, August 4, 2010, http://www3.westchestergov.com/index.php?option=com_content&view=article&id=2774:astorino-proposes-consolidation-of-public-safety-and-emergency-services-departments&catid=74&Itemid=300137

Benefits of Local Dispatching

- There is someone in the firehouse to greet the public, give directions, answer questions, deal with walk-in emergencies, etc. 24/7.
- This person can be utilized to help with firematic administrative functions such as ordering equipment, scheduling repairs, scheduling training, updating training manuals, running monthly reports, etc. that may require some fire knowledge and would thus be beyond the scope of the secretary/treasurer.
- During a major alarm such as the 4-alarm fire in March 2010 at 80 Charlotte Place in Hartsdale, and the two storms that hit the area in February and March of 2010, the dispatcher can call back additional personnel as needed.
- During major incidents, the dispatcher can make certain decisions such as back-filling the stations etc without having to bother the incident commander.
- During major incidents such as the storms, the dispatcher can make call triage decisions and dispatch the units in order of priority.
- The dispatcher knows the area and can assist in figuring out where calls such as 911 cell calls are coming from. For example, the dispatcher will be able to decipher the difference between Shaw Place and Shaw Lane, Woods Road and Woods End Lane, Birchwood and Beechwood, Maple Ave. and Maple Street, etc.
- 60-Control has a history of making occasional errors, some of them being potentially costly. Fairview was one of the first departments to go to 60-Control, and switched back due to the noted errors. Granted, this was awhile ago, and they have gotten better. But there are still issues. Both New York and Washington DC have gone to a unified call-taking system. The New York City problems are recent and have been well documented. The Washington DC fire department staffs the call center with a captain 24/7 to alleviate these problems. The protocol used by Hartsdale and Fairview gives direct control over its dispatchers.

Other Considerations

The FDCGEC did not conduct an intensive study to determine which system is better; in-house dispatching, the use of 60-Control, or whether there are any practical differences. The FDCGEC knows that it apparently works well for Greenville and it can save Fairview and Hartsdale \$350,000 each, for a total of about \$700,000. Greenville often has a person at the firehouse when the firefighters are called to an incident and there is a telephone outside the building drop-in residents can use to get information or make an emergency call.

There is an argument to be made that if it works well for Greenville and apparently 12 other career companies, 60-Control is something that Fairview and Hartsdale should explore.

Members of the FDCGEC had a tour of 60-Control this past winter and were very impressed, particularly with the modern technology and staffing.

If Fairview and Hartsdale are still satisfied with local dispatching, they at least should look at ways to lower costs. For while the cost is now cited as \$350,000 a year for each one, it might actually be more if any person now in his final year of service is being used for dispatching duty. The employee's overtime pay would help boost his retirement pension thereby adding to the department's retirement costs.

Here are some other alternatives.

- Combine their dispatching operation. Instead of 8 men now needed for four shifts in each of the departments, 4 would do. The departments would have to split the costs. By now, men in each department should be well acquainted with their neighboring districts because of the proximity and because they often render mutual aid assistance.
- Hire civilians to do the dispatching, the same as that now done for Greenburgh's Police's 911 emergency call system that pays less for civilians than uninformed employees partly because of lower benefits (a suggestion to consider according to Fairview fire commissioners).
- Utilize volunteers or a combination of volunteers, civilians and firefighters.

BACKGROUND OF DISTRICTS

History⁶¹

Organized fire fighting in Greenburgh originated about a century ago, consisting of all-volunteer bucket brigades. The creation of official fire districts with the ability to tax residents didn't occur until the mid 1920s. Three districts were created, each governed by a board made up of five elected commissioners. Funds from real estate taxes enabled districts to purchase new equipment, build firehouses, install fire hydrants and hire paid firefighters.

The Fairview, Greenville and Hartsdale districts cover 73% of Unincorporated Greenburgh, or about 11.6 square miles. The remaining 27% are in fire protection districts, serviced by fire departments in villages adjacent to Greenburgh. The town government arranges contracts for seven fire protection districts--West Elmsford, North Elmsford, South Ardsley, Glenville, East Irvington, Donald Park and Chauncey. The Town of Greenburgh collects property taxes that have been levied on the three fire districts and seven fire protection districts, and transfers the collection to the respective districts.

Fairview

In late 1911, residents of the Fairview section drafted bylaws and gained a charter for Fairview Engine Co. 1, with 26 men, to address problems of growth by businesses along Tarrytown Road and the presence of the Fair Grounds with its numerous wooden stables, concession booths and seating stands. Apparatus consisted of homemade vehicles converted from second-hand passenger cars as well as a horse and bakery wagon. A one-story frame firehouse was built on Spring Street and Tarrytown Road.

In 1927, voters approved the creation of Fairview with the ability to levy property taxes and soon afterward a 1928 Ahrens-Fox pumper was acquired. Two men were hired to drive the apparatus; they worked shifts - 24 hours on duty and 24 hours off duty. In 1939, a headquarters building was erected at 19 Rosemont Blvd. Station 2 was built in 1965 at 170 Worthington Road to help protect the Woodland and Worthington sections between Dobbs Ferry Road and Route 9A.

Fairview covers 5.5 miles. In addition to private homes, the district includes Town Hall, Town Library, large shopping centers along Tarrytown and Dobbs Ferry Roads, Westchester Community College, the Hebrew Hospital Home, the WestHELP facility, a portion of High Point apartments, Metropolis and Elmwood Country Clubs, Elmwood and Mohawk day camps and a number of schools and halfway or group homes. The fire department is also responsible for assisting at an accident scene on a section of the northbound Sprain Brook Parkway.

⁶¹ Information sources include District websites, history books, Reporter Dispatch articles

Greenville

In 1913, residents obtained a charter to form Greenville Fire Company No. 1, and raised money through donations. The equipment was housed in a back room of The Greenville Hotel. When fire calls were received at the hotel, someone would run outside and sound the alarm by striking the steel rim from the wheel of an old locomotive. The volunteers would arrive, load equipment onto wagons or horses and proceed to the fire. In 1923, residents voted to create the Greenville Fire District with the ability to raise funds through taxation. A year later, it purchased an Ahrens-Fox engine and in 1925 the district purchased a wooden building and moved to leased property (\$1 a year) at Central Avenue and Old Army Road where it became the first firehouse.

Greenville purchased the old Edgemont School on Central Avenue in 1927 and converted it to a fire house. Construction of a new firehouse next door was completed in 1940. In 1991, the district borrowed \$2.9 million for renovation and expansion of its headquarters. It made its final payment on that bond in November 2009.

Greenville covers an area of 2.9 square miles. In addition to private homes, the district includes apartments and commercial buildings, particularly on Central Avenue, Sprain Brook Nursing Home, Edgemont Junior/Senior High School and some elementary schools. Greenville is also responsible for assisting at accident scenes on a portion of the Sprain Brook Parkway.

Hartsdale

Hartsdale residents organized fire protection in 1904 after the community suffered two major fires, a double-fatal fire in a private house and a fire at the Trianon Hotel at Columbia and East Hartsdale Avenues. Local residents raised funds by organizing dances and musical events, and bought a four-wheel hand truck. Lemuel Hart donated land on Central Avenue near the Hartsdale Four corners for a fire house.

In 1925, the residents, unable to able to raise money through private sources, voted to create a fire district with the ability to levy property taxes. It built the firehouse with two bays in 1926 at the present location on Central Avenue and acquired new equipment. It hired two firemen to drive the equipment and act as custodians. As the population increased, more paid and volunteer firefighters were added to the ranks. The first chief, Clifton Nicholas, was appointed in 1947.

In 1963, a second firehouse was erected on West Hartsdale Avenue to better protect residences in the northern part of the district including Poets Corners and other developments along Secor Road. In recent years, that headquarters building, called Hartsdale Fire Station 2, has been modernized along with Fire Station 1.

Hartsdale covers an area of 3.2 square miles. In addition to private homes, the district includes high rise apartments along East Hartsdale Avenue, most of the High Point condominiums, shopping and commercial areas on Central Avenue, a number of schools including Woodlands, Solomon Schechter and Maria Regina Highs, and a number of county and town parks including Ridge Road and Harts Brook.

Facilities

Five fire houses, all strategically located, are used to help protect three Greenburgh fire districts.

Fairview fire headquarters at 19 Rosemont Blvd. is nearest the northern part of the district, and Station 2 at 170 Worthington Road is in the southern sector. The district covers 5.5 square miles. Some major installations are a number of schools including Bailey and Virginia Road and the New York School for the Deaf; one of the five buildings in the High Point condos off Central Avenue at the Hartsdale border, Westchester Community College, Hebrew Hospital Home of Westchester, Metropolis and Elmwood Country Clubs, the WestHELP home, Elmwood and Mohawk day camps and several large shopping centers on Tarrytown Road and Central Avenue.

An engine truck, a ladder truck and a rescue truck donated by the Hebrew Hospital Home are located at Fairview headquarters. Several public schools are in the district. Among other vehicles is an enclosed truck used to teach safety at schools and other locations. An engine rig is located at Station 2 along with a reserve engine, a HAZMAT trailer and a bus that pulls it.

The headquarters building, Station 1, erected in 1928 and renovated in 1989-90, is structurally deficient. So is Station 2, a much smaller building, erected in 1965. Space is inadequate at headquarters, and living and eating conditions are poor. The building lacks a decontamination room for washing men and equipment. Ground water leaks in during rainstorms. Station 2 has no insulation. Its roof is in very poor condition and triggers flooding and water damage in the building during rainstorms. Three years ago, voters (in a low turnout) defeated an \$8.1 million bond issue that would have solved most of those problems. Among the items rejected by voters was expansion of the headquarters facility so that vehicles now parked outside could be sheltered.

According to Fairview Commissioner Vikki Simmons, her commission recently decided to tackle some of the repairs and expansions over the next two or three years through regular tax money and not resort to bonding. She said the Station 2 roof will be repaired this year. She expects that late this year or early next year insulation will be installed in the two living areas of Station 2. In 2011/12, a third bay along with office and storage place is expected to be added to the headquarters building. The commission plans to continue needed upgrades of both buildings afterward. No cost estimate was supplied.

Greenville has only one building, a recently renovated headquarters at 711 Central Avenue that was constructed in 1940. Last year, it retired the debt for that reconstruction. It doesn't anticipate any additional capital improvements to its facilities. Its equipment includes a Quintuple ladder truck, a first-line pumper with Jaws of Life extrication equipment and one reserve engine scheduled to be replaced this year by a pumper. It also has a rescue truck.

Greenville's district covers 2.9 square miles, including three schools in the Edgemont District, the Sprain Brook Nursing Home on Grassy Sprain Road and a number of apartments and commercial buildings that are located along Central Park Avenue.

Hartsdale has a newly renovated headquarters, station 2, located at 300 West Hartsdale Avenue. Erected in 1963, it houses one ladder truck, one engine and one command truck. Station 1 at 25 S. Central Avenue, Hartsdale, was built in 1926. It houses one engine truck and a spare engine. That building also was renovated two years ago. The debt remaining from the renovation programs as of December 31, 2009 is \$6.6 million.

Hartsdale covers 3.2 square miles, and includes the other four buildings of High Point condos, a number of county and town parks (among them Ridge Road and Harts Brook) as well as schools such as Woodlands High School and Junior High, Solomon Schechter School and Maria Regina High School. There are a number of apartments and commercial buildings along Central Avenue, and a number of apartments on East Hartsdale Avenue that also fall within the district.

Personnel and Operations⁶²

The districts each have four teams of firefighters and officers. Fairview and Hartsdale men work 10-hour day shifts and 14-hour night shifts. Greenville men work a continuous day and night shift for 24 hours and then get three days off between tours.

There is no significant difference in operations between the 24-hour and 10/14 hour shifts. It requires different methods of planning, training and inspections. The overall hours worked are similar. Each of the departments maintains that their shift schedules are effective.

Fairview has 45 career firefighters, including the fire chief, 5 deputies, and 5 captains. It also has 16 volunteers, 11 certified for interior fires. Each shift consists of 10 persons, including two officers. Six firefighters and two officers are sent to structural fires. A communications person remains at headquarters to handle calls. Nine of the men can act as fire investigators, including two assigned to the county's fire task force. The department also supplies 13 members to the town's Technical Rescue Squad consisting of police and firefighters. It was represented to the FDCGEC that a good number of its firefighters either live within Fairview or in nearby Valhalla or North White Plains. It was also represented that this is convenient when extra help must be quickly brought in.

Fairview also has a part-time secretary who also serves as the full-time senior clerk. It also has a full-time treasurer.

Greenville is staffed by 29 career men, including the fire chief and 5 captains. On each shift are a captain and six firefighters. One captain is the training officer. One of the men lives in the district. Chief Raftery said that a number of his men reside in a five or six-mile radius elsewhere in Greenburgh or in North Yonkers. The department has three certified fire

⁶² Sources for this information included interviews with Chief Robert Mauro on October. 1, 2009, Chief Edward Rush on November, 5, 2009, and Chief Dan Raftery on January. 7, 2010, commission member visits to all fire installations, as well as County Fire Control, Greenburgh Police 911 answering operation, and visits to other fire districts in Westchester and New Jersey.

investigators. It also has one person and a trained canine for body searches on technical rescues. There are 22 volunteers, 13 trained for interior fires. Greenville has a secretary/treasurer.

Hartsdale has 37 career firefighters, including the fire chief, 4 deputy chiefs, and 4 captains. It also has 12 volunteers, six of whom are certified for interior fires. Two career firefighters live in the district. There are from eight to 10 men on each shift. The headquarters staff includes one person who drives the ladder truck, two or three men for the engine truck and a deputy chief. One person remains at headquarters to handle calls. Station 1, with one engine truck, is manned by three or four persons per shift, including an officer. Two engines, one ladder rig and the vehicle of the deputy respond to structural fires. Hartsdale has a secretary/treasurer.

Table 17 – Personnel

Description	September-09			
	Fairview	Greenville	Hartsdale	Total
Chiefs	1	1	1	3
Deputies	5	0	4	9
Captains	5	5	4	14
Firefighters	34	23	28	85
Administrative staff	2	1	1	4
Total	47	30	38	115

The Michaelian Institute/Pace University report issued last year that discussed the advantages of combining 10 fire departments pointed out that the manpower in all three Greenburgh departments are far below the NFPA 1710 standards established by the National Fire Protection Association as well as the standards of the Insurance Services Office (ISO), a leading source of information serving the insurance and risk management industry. To meet the NFPA standards would require Fairview to add 48 additional firefighters and officers, Greenville 49 additional members and Hartsdale 48 additional members, the report said. Chief Ed Rush said he believes the standards could be reached by adding a total of 56 men among the three departments versus the 145 additional men that Michaelian/Pace said would be needed.

All three chiefs acknowledged that individually their departments do not meet the national standards. However, they say that by cooperation and collaboration they jointly can deliver enough manpower within four minutes to get to the scene of structural fires within a reasonable amount of time. There are automatic aid agreements to help one another in special situations. NFPA 1710 defines automatic aid as “a plan developed between two or more fire departments for immediate joint response on first alarms.”

For instance, Hartsdale and Fairview have an agreement dating to 1977 whereby they both will respond to homes in the vicinity of Dobbs Ferry Road and the Sprain Brook Parkway. They both respond to calls to High Point apartments, a large and tall complex of buildings mostly in Hartsdale and partly in Fairview. Hartsdale responds along with Greenville to the Old Colony Road section of the Greenville district, near the Hartsdale train station.

In multi-alarm fires, neighboring departments from Eastchester, White Plains, North White Plains, Scarsdale, Yonkers, Mount Vernon, New Rochelle, Pelham, Pelham Manor,

Elmsford and Valhalla have been called to assist the Greenburgh departments under the mutual aid program, and the Greenburgh departments have reciprocated when called. Mutual Aid is dispatched by the county's 60-Control facility located at the Grasslands Reservation. (The Michaelian/Pace report found that there were some critical problems related to mutual aid, "including, but not limited to, lack of unified command, lack of member accountability, and lack of company integrity.")

Fairview, Greenville and Hartsdale departments comprise Squad 6 in the county's special operations program. They share equipment to deal with hazardous material and rescue situations, such as trench collapses. They also cooperate in training personnel.

Fairview and Hartsdale have their own dispatching system while Greenville relies on 60-Control, a free county service, a service provided and funded by the county at no charge to those who use it.

Regardless of what radio frequency each fire department in Westchester operates on, all fire apparatus are also equipped with a trunked radio that was supplied by the County. All of these radios are set up with a number of common frequencies used by fire agencies. In addition, all portable radios used by Fairview, Hartsdale and Greenville, as well as most of the other Westchester departments, are programmed with eight common fire ground frequencies. Any time a department responds on mutual aid or automatic aid, it is able to switch the apparatus radios and portable radios to the frequency of the host department, and everyone can talk on the same frequency. When Hartsdale responds to Fairview or Greenville, it already knows which frequency to switch to. If the department is responding to an unfamiliar department, upon dispatch 60-Control will notify all responding units which apparatus frequency and fire ground frequency will be used.

In 2008 and 2009, Fairview responded to 2,281 and 2,374 calls, respectively, about 50% for medical assistance. Chief Mauro said that most of the district is within four minutes driving time of the stations, except the Mayfair Acres section in northwestern Greenburgh is within 5 to 5 1-2 minutes. Both Fairview and Greenville respond to Sprain Brook Parkway accidents, sometimes out of their districts. Greenville also responds to accidents on a portion of the Bronx River Parkway.

In 2008 and 2009, Greenville responded to 1,098 and 1,014 calls, respectively, of which approximately 40% to 45% are EMS related or accident related. Chief Raftery said that driving time to incidents is within 4 minutes.

In 2008 and 2009, Hartsdale responded to 892 and 937 calls, respectively. It has no responsibility for responding initially to accident scenes on parkways. Under an agreement with Greenville, Hartsdale initially responds to calls at the Old Colony section of Greenville near the Hartsdale train station that is closer to the Hartsdale firehouse on Central Avenue.

Table 18 – Number of Calls

District	No. of Calls	
	2008	2009
Fairview	2,281	2,374
Greenville	1,098	1,014
Hartsdale	892	937
Total	4,271	4,325

Fairview conducts about 1,600 building inspections each year, performed by on-duty firefighters and training officers whose engines accompany them so the firefighters can immediately respond to calls. The department also approves plans for new buildings and for extensive repairs to those buildings. The department pumps out flooded basements free of charge upon request. It inspects fire hydrants for the town. It also conducts safety programs for school children.

Greenville conducts one inspection a year in schools, commercial and apartment buildings and garden apartments, and offers to inspect homes. It will respond to calls to pump out flood basements of homes free of charge, conducts tours of the firehouse for children, conducts CPR classes and has a room for community events. It maintains the structural collapse equipment, including concrete boring for all three departments.

Hartsdale conducts one inspection a year in multi-family buildings, commercial structures, schools and churches, and follow-ups where needed. During Fire Prevention Week all lower grade schools and day care centers are visited. All of its men qualify as code-enforcement officers. The department does not have fire investigators; it depends on the county team. The department will respond to requests to pump out flooded basements, but has received few in recent years for this free service. Also, a babysitter’s course has been run annually for the past 36 years and has graduated over 1,000 students during this time.

Fairview, unlike Greenville and Hartsdale, does not mail or hand deliver periodic district newsletters. Fairview officials contend that their district disbanded such communications years ago based on a state comptroller’s audit that the fire department says found the newsletters to be too expensive. All three districts maintain a website.

VOTER INTEREST IN FIRE DISTRICTS

Under current state law, fire district budgets and elections of commissioners are conducted during times of the year which are not optimal for assuring a significant voter turnout. For example, the annual budget which consists of detailed revenue and expense estimates are proposed by the board of commissioners in late September/early October. Public hearings are held the first Tuesday in October to solicit comments and feedback. On or before the fourth day of November, the board of commissioners is required by law to adopt the budget of the fire district either as proposed or as changed, altered or revised after the public hearing.

Low voter turnout impacts the democratic process. Under current state law fire district elections are held during the second Tuesday in December, at the height of the holiday season, when many residents may be on vacation, preoccupied with other activities, or dealing with winter storms. A study conducted by the New York State Commission on Local Government Efficiency & Competitiveness concluded that participation in elections for fire district commissioners is minimal⁶³. Any meaningful reform would also come from changing the timing of these elections to encourage greater voter participation; perhaps in May when the school elections are held or November during general elections (this would require a change in state law).

Over the past ten years, the votes for the elections of fire commissioners (which are mostly uncontested) in each of the subject Districts have generally been below 100 votes, as opposed to many more votes cast in the school board elections and for elections of town officials. During the years, there may have been one or two exceptions, where the votes cast exceeded 100. According to the officials of the subject Districts, they have tried to inform the public of these fire district elections.

⁶³See report by New York State Commission on Local Government Efficiency & Competitiveness http://www.nyslocalgov.org/pdf/Voter_Participation_in_Elections.pdf.

ISSUES RELATED TO IMPLEMENTATION OF A LEGAL CONSOLIDATION

The following is a list of some of the potential implementation issues that would have been expected to arise and which were considered by the FDCGEC in assessing the feasibility of legal consolidation. This discussion is not meant to be all-inclusive; rather it is a list of some of the most significant and relevant issues.

Debt Resulting From Past and Future Building Renovations

Hartsdale has significant debt remaining from the recent addition and renovation to its fire stations. Greenville has paid off its debt from its most recent construction. If the Hartsdale debt remains with that district's residents rather than the consolidated entity (as some legal opinion has suggested), and the deficiencies in the Fairview buildings are remedied through future renovations and debt service (which would transfer to the consolidated district), this would put an unfair burden on the residents of Hartsdale. Greenville residents would also be paying a share of any Fairview construction.

Differences in Unions Contracts

There are significant differences in the union contracts between the three districts. Some of the major differences that would need to be resolved through collective bargaining are:

- Pay rates are different among the districts
- Medical and dental benefits may be different among the districts
- Calculation of retirement benefits: two districts base pensions on the final year of compensation, and one uses a three year average
- EMS certification and pay: two districts are "EMT level" and one is "CFR"; there is a difference in the stipends received for this work
- Title differences: Greenville has a Captain as shift commander, while Fairview and Hartsdale have a Deputy Chief as shift commander and Captains as company officers; Greenville's captains are paid at a rate similar to the deputies in the two other districts

There are many other provisions that need to be examined that may be unique to the specific contracts, such as administrative time, longevity, personnel time, bereavement time, holidays, etc.

Operational Issues

There are many operational issues that need to be determined in a consolidated district such as:

- How many and what types of apparatus the district will staff
- What the staffing will be on each piece of apparatus
- What the standard responses will be for each type of alarm
- Which apparatus will go to each address within the district
- Other operational considerations

Administrative Functions

Administrative functions need to be established and staffed for a consolidated district. These would include:

- Training
- Fire prevention
- Special operations
- Other administrative functions

An examination is necessary to determine to what level the consolidated district would operate for each of the above areas. For example, would inspections be performed annually on all commercial and multi-family buildings, and will these inspections be done by on-duty personnel, or a separate bureau? Training schedules and programs would need to be developed. Will training be done in-service, will units be pulled out of service to train, or will training be done on overtime? Will the consolidated district have a full response capacity for hazmat response, trench rescue, confined space rescue, high angle rescue, etc.?

Dispatching

There are differences in the way the districts are currently dispatched. Two are self-dispatched, and one uses county 60-Control.

Equipment

There are differences in equipment that would need to be standardized in a consolidated district. The three districts currently have different thermal imaging cameras, hydraulic rescue tools, defibrillators, computer hardware and software, etc.

Rules and Regulations

Each District currently has its own set of rules and regulations and general orders. These would need to be standardized in a consolidated district. This would change the daily routine as far as apparatus checks, physical fitness training, radio checks, fire reports, injury reports, etc.