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# **A REVIEW OF FIRE PROTECTION WITHIN ERIE COUNTY**



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June 2010

To the Honorable Erie County Legislature:

The Erie County Comptroller's Office has performed a review of fire protection services within Erie County. Our objectives were: (1) to compare and contrast Erie County fire protection services with other counties within New York State; (2) to report on the changes in legislation at the State level that make changes in District size or shape easier; (3) to collect and provide information on the nature and cost of fire protection in Erie County and (4) to analyze whether a more comprehensive review of the potential for the consolidation of fire companies in Erie County should be performed.

## **I. Introduction**

There are 115 fire districts/fire protection districts composed of 98 fire companies with 155 total fire stations in Erie County (19 of those stations are in the City of Buffalo).<sup>1</sup> This contrasts with 40 fire companies in Monroe County with 89 fire stations (15 of those stations are in the City of Rochester) and 58 fire companies in Onondaga County with 77 fire stations, including the City of Syracuse.

In total, there are 867 fire districts, 951 fire protection districts and 1,857 fire companies in New York State. The number of fire districts, fire protection districts and fire companies in New York State comes at significant expense to the taxpayers – over \$1.5 billion in 2006.<sup>2</sup> In Erie County, fire protection costs taxpayers over \$130 million annually through property taxes and other appropriations.<sup>3</sup>

The Erie County Comptroller's Office believes that given the large number of fire companies in Erie County, massive changes in the population and related demographics of the county, and the significant expense associated with fire protection, County, local and fire officials should commence a study and review of the costs of such protection of the 98 fire companies in Erie County. The ultimate aim of such a study should be how to continue providing a high level of fire service to the community while ensuring that taxpayers are not unduly burdened with property taxes and other expenses. This process has been encouraged by New York State through grants and other awards issued by the New York State Department of State in the name of improving local government efficiency. In the past year, this debate and discussion has intensified with the adoption of specific State legislation providing for an easier process for local government and special taxing district consolidation.

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<sup>1</sup> For the purposes of this document, a Fire Company is an organized group of firefighters. A Fire Protection District and a Fire District are legal constructs used to define the area in which a Fire Company works. Some Fire Districts or Fire Protection Districts do not have a Fire Company and some Fire Companies protect more than one District. A Fire Station is a building in which a Fire Company keeps their equipment. A Fire Company can have more than one Fire Station.

<sup>2</sup> See [http://www.nyslocalgov.org/pdf/Fire\\_Protection\\_in\\_NYS.pdf](http://www.nyslocalgov.org/pdf/Fire_Protection_in_NYS.pdf)

<sup>3</sup> Nearly \$78 million of this expense is for the City of Buffalo Fire Department.



To that end, the Comptroller's Office has conducted a limited review of fire protection in Erie County and analyzed what the State, other county and local governments and fire companies are doing to study consolidation and collaboration. This is not an analysis of the professionalism, training, capacity or response times of fire companies in Erie County, this is simply a limited analysis intended to foster a discussion. We offer this review to the public and County and local officials as a means to start a dialogue on this important issue.

**The Erie County Comptroller and his staff have the highest respect for the many paid and volunteer firefighters throughout Erie County. What they do is dangerous and demanding.**

## II. Fire Protection in Erie County – Volunteer and Paid

There are two forms of fire protection authorized in New York State – volunteer and paid. In some cases, there are also fire companies which maintain a mix of paid firefighters on duty at all times supplemented by a larger volunteer force. For the latest data period, 2008, there were 155 fire stations, with 1,015 active paid firefighters (including paid support staff) and more than 4,600 active volunteer firefighters in Erie County.<sup>4</sup> In 2008, there were more than 72,000 reported calls to these fire companies.

Firefighting departments in Erie County that have 100% full-time paid firefighters include the City of Buffalo, City of Lackawanna and the Niagara Frontier Transportation Authority's paid firefighting department at Buffalo Niagara International Airport. Some larger local businesses also have their own internal fire protection services, although we did not consider those in preparing this report.

The City of Tonawanda maintains a fire department that is roughly 40% paid firefighters and 60% volunteers. The Village of Kenmore Fire Department has a small paid firefighting force with about 80% of the force consisting of volunteers.

In the remainder of the County, there are 93 fire companies that consist entirely of volunteers. Specific details on the size, composition, number of fire stations, tax levy that supports the company (where the data is available), and number of calls responded to by each fire company is attached within Appendix One.

According to data submitted by volunteer fire companies to the United States Fire Administration ("USFA"), there are more than 4,600 active volunteer firefighters within Erie County. However, the number of volunteers reported may not be truly representative of the manpower available to a fire company. Interviews with members of local fire companies revealed that some volunteers are carried on rosters when those volunteers, through age or infirmity, are unable to perform many of the physical tasks needed to fight fires. Additionally, training is required to perform some tasks, such as entering a burning building. Not all

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<sup>4</sup> 765 of the 1,015 paid firefighters and staff were in the City of Buffalo.

volunteers have obtained this or other specialized training. Last, and most importantly, not all volunteers are able to respond to fire calls at all times of the day.

Fire training for volunteers has become more demanding, and more expensive over time. The cost of training a volunteer firefighter is estimated to be \$4,000 annually, as provided by a volunteer fire chief. Such training is not a substitute for experience. There are volunteer fire companies in Erie County that have not fought a fire in more than six (6) months.

Volunteer fire companies attract new members through a mixture of community activities designed to encourage recruitment, including openly advertising for new members and simple word-of-mouth. It is common in volunteer fire companies for generations of family members to be involved.

Volunteers are harder to find than ever before. As Erie County's population has dramatically shrunk, the pool of potential volunteers has shrunk as well. This trend is reflected across New York and the country. This trend in part led the New York State Commission on Local Government Efficiency and Effectiveness ("Lundine Commission") to recommend in April 2008 that local governments and counties examine options regarding the large number of fire departments in New York State. In its report, the Lundine Commission recommended that local conversations and dialogues be held regarding "how fire and emergency medical services can best be provided and the volunteer system preserved, with the likelihood that some counties will move forward with restructuring initiatives."<sup>5</sup> More information on the Lundine Commission and its findings as it pertains to fire protection is noted in Appendix Two.

### **III. The Law Regarding Fire Districts and Fire Protection Districts**

To understand why there are so many fire districts, fire protection districts and fire departments across New York State and Erie County, it is important to note that this situation has been driven by State law and historical antecedents.

New York State law does not presently allow towns to provide their residents with fire protection as a municipal function. Counties are also not allowed under existing State law to provide fire service. Villages are required, like cities, to provide fire protection and may have a village fire department, contract with a town department or a fire district, or may establish a joint town-village fire district. Fire protection within towns is provided through one of two methods: an independently governed fire district or a fire protection contract agreed to by the town board. A fire district is covered by Article X of the New York State Constitution. A fire protection district is governed by Section 184 of the New York State Code.

A fire district is created to provide fire protection to areas of towns outside of villages. A town board may establish a fire district on its own motion or upon the receipt of a petition from the owners of at least 50% of the resident-owned taxable assessed valuation in the proposed district.

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<sup>5</sup> "21<sup>st</sup> Century Local Government." Report of the New York State Commission on Local Government Efficiency and Effectiveness, April 2008, page 1.



If the town board decided to establish a fire district, it must request and receive approval from the New York State Comptroller. State Comptroller approval is required to confirm that the fire district will serve the public interest and that its creation will not be an undue tax burden on the taxpayers of the district.

The majority of fire departments in Erie County are fire protection districts. Please see the aforementioned Appendix One for a listing of all the fire districts, fire protection districts and paid fire departments in Erie County.

The powers granted to a fire district board are very specific. The most significant of these are listed below:

- They shall have the power to make any and all contracts for statutory purposes within the appropriations approved by the taxpayers or within statutory limitations;
- They may organize, operate, maintain and equip fire companies, and provide for the removal of members for cause;
- They may adopt rules and regulations governing all fire companies and departments in the district, prescribe the duties of the members, and enforce discipline;
- They may purchase apparatus and equipment for the extinguishment and prevention of fires, for the purposes of emergency rescue and first aid, and fire police squads;
- They may acquire real property and construct buildings for preservation of equipment and for social and recreational use by firefighters and residents of the district;
- They may construct and maintain fire alarm systems;
- They may purchase, develop, or contract for a supply of water for firefighting purposes; and
- They may contract to provide firefighting or emergency services outside the fire district where such services can be supplied without undue hazard to the fire district.

Fire districts are not governed by the constitutional tax or debt limits that restrict most municipal corporations. However, statutory limitations are imposed on their spending and financing authority. A fire district establishes its own budget, establishing the revenues it requires, and then forwards that budget to the town.

Under section 176(18) of the Town Law, every fire district has a minimum basic spending limitation of \$2,000, plus an additional amount related to full valuation of district taxable real property in excess of one million dollars. Several important expenditures are exempt from this spending limitation, such as certain insurance costs, salaries of career firefighters, most debt service and contracts for fire protection or water supplies. The basic spending limitation may be exceeded only if a proposition for the increase is approved by the voters of the fire district. Further, many capital expenditures proposed for a fire district, which would exceed the spending limitation, also require voter approval. A fire district may incur debt by issuing obligations

pursuant to provisions of the New York State Local Finance Law. Fire districts are subject to a statutory debt limit (generally 3% of the full valuation of taxable real property in the fire district) and mandatory referendum requirements.

Within the statutory constraints, the district enjoys general autonomy in developing its budget. When completed, the budget is filed with the town budget officer of each of the towns where the district is located. *Most significantly, however, the town board can make no changes in a fire district budget and must submit it with the town budget to the county for levy and spreading on the town tax roll.* When the taxes are collected, the town supervisor must also “immediately” turn over to the fire district treasurer all taxes levied and collected for the fire district.

Our office has noted a key issue associated with fire district budgeting; namely, that once the fire commissioners of that district approve their annual budget and send it to the town board, the town board has no authority to change it. As a result, those fire expenses are imposed, unchanged and unchallenged, on the property owners residing in that town district on their property tax bill. The Lundine Commission also noted this incongruity, and questioned it in their April 2008 report, saying “Fire districts prepare a proposed budget and discuss it at a public hearing on the third Tuesday in October. While public notice of the meeting is required, attendance by non-firefighters and their families is slim unless there is a controversial (high dollar) proposal for the budget.”<sup>6</sup> On the other hand, as shall be discussed below, spending associated with contracts for fire protection districts are included in a town’s budget.

A fire protection district is markedly different from a fire district. A fire protection district is defined under Section 184 of the New York State Code. A fire protection district contracts with a fire district, city, town, village or incorporated fire company to provide fire coverage for a specific area. The contract cannot be for more than five years, and must be approved by the town board. Unlike a fire department protecting a fire district, a fire protection district negotiates a contract with the town or village it protects. This contract specifies a fixed sum per year and is open to amendment or re-negotiation. As such, the town board has greater ability to control spending and budgeting in a fire protection district than in a fire district.

The fire districts maintain elected fire commissioners who run in public elections in that district every year in December and which typically features low district voter turnout. In some cases, fire districts occupy parts of more than one town or are only in one portion of a town. This results in more than one fire department or district in a single town. An example of this is the Town of Amherst, which has ten (10) volunteer fire departments servicing eight (8) fire protection districts and two (2) fire districts; or the Town of Cheektowaga, which has ten (10) fire departments servicing the town.

The Lundine Commission expressed concern with this type of situation, leading it to recommend that towns should be statutorily allowed to directly provide fire protection through the creation of a town-run fire department which could, among other possible changes, put the town board in

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<sup>6</sup> “21<sup>st</sup> Century Local Government.” Report of the New York State Commission on Local Government Efficiency and Effectiveness, April 2008, page 32.



ultimate budgetary control of equipment purchases and fire station locations and reduce overhead and spending.<sup>7</sup>

We believe that the potential option of establishing town budgetary control over fire protection should be part of a County-led discussion on the future of fire protection in Erie County.

#### **IV. Fire Company Congestion**

A map of the 115 districts in Erie County is provided as Appendix Three.<sup>8</sup>

This map shows the significant congestion among many fire departments, particularly in certain first-ring suburban towns such as Tonawanda, Amherst, Cheektowaga, Hamburg and West Seneca. Amherst has ten (10) fire departments, Hamburg has eight (8) and Cheektowaga has ten (10). The Village of Williamsville has five (5) Fire Protection Districts that do not contain fire stations, and do not have their own individual fire companies. In the Town of Tonawanda, two (2) fire protection districts maintain contracts with six (6) other fire companies for fire protection services as neither of these two (2) locations has a fire station or fire company. Two (2) areas of Erie County are serviced by fire companies not based within Erie County – the northern part of Clarence is serviced by the Rapids Fire Company, based in Niagara County, and a portion of the Town of Holland is serviced by a fire company based in Wyoming County.

Due to the proximity among many of these fire companies, it appears that there may be capacity for a consolidation of fire districts and fire protection districts in some, but not all communities. When combining this geographic issue with the property tax levies and expense of maintaining the existing fire system and the many demographic changes to our community, we believe there are even stronger grounds for a discussion between local, County, and fire officials regarding the potential for collaboration and consolidation.

For example, Appendix Four shows a series of detailed maps of Erie County, each map showing fire stations with a one-mile radius ring. The Insurance Services Office, Inc. (“ISO”) recommends fire stations be within 1.5 miles of a protected area, meaning the maps in Appendix Four represent a more conservative outlook than the insurance industry recommends. Some areas shown in Appendix Four are within one mile of five (5) separate fire stations.

#### **V. Public Protection Classification Grades within Erie County**

The ISO is an advisory organization for property and casualty insurance companies. Through its Public Protection Classification (“PPC”) program, ISO develops ratings of fire protection

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<sup>7</sup> “21<sup>st</sup> Century Local Government.” Report of the New York State Commission on Local Government Efficiency and Effectiveness, April 2008, page 32.

<sup>8</sup> The Comptroller’s Office extends its appreciation to the Erie County Department of Environment and Planning, Office of Geographic Information Services for providing Appendices Three and Four.



services for use by insurers throughout the United States. These ratings, called ISO rankings or PPC grades, range from “1” through “10” with a “10” being a rating of minimal fire protection and a “1” being the best grade obtainable. A PPC grade is determined by an independent evaluator, with 10% of the grade determined by fire alarm and communication systems, 40% by the water system, notably the presence or absence of fire hydrants, and the remaining 50% of the grade based upon the fire department serving the area receiving the grade. A fire department is graded upon such areas as equipment (pumpers, ladder trucks and other equipment), distribution of fire stations, equipment carried on apparatus, pumping capacity, reserve apparatus and the number and training of personnel. The speed and number of personnel responding to a first alarm is also a factor in the grade.

A better rating has an impact on the fire insurance premiums paid by property owners in the district. Nationally, per \$1,000 of insured property, communities with the worst PPC grades have fire losses two or more times as high as those with the best grades.

In addition to the previously described information, Appendix One contains a listing of the fire districts and fire protection districts in Erie County, showing the PPC grade for those that have one. Those districts with a split ranking represent grades for areas with and without fire hydrants.

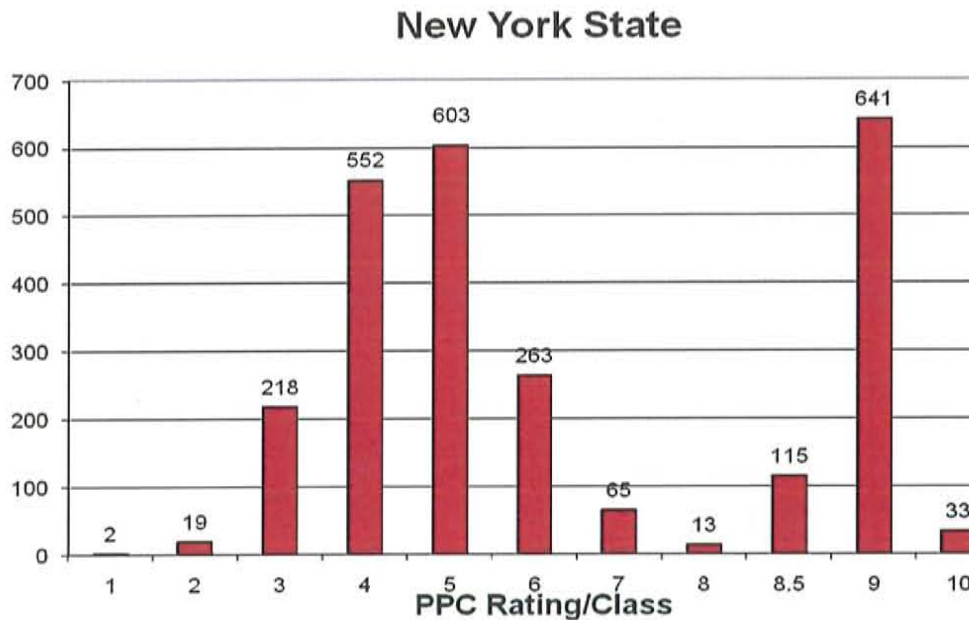
These PPC grades are not accessible by the general public, and were obtained by the Comptroller’s Office at considerable effort. To our knowledge, the PPC grades for Erie County have never before been publicly disseminated.

These grades highlight some unusual findings. The best grade in Erie County is a “3.” The worst is a “10” for an area without hydrants. Five (5) of the best graded areas in Erie County, Autumn Harvest, Mill, Park Club, Lamm Post and Lehn Springs Fire Protection Districts, all graded at a “3,” do not have their own fire stations. Each is serviced by the Williamsville Fire Protection District. The entire City of Buffalo is graded as a “3,” while portions of Hamburg vary from a PPC grade of “3” through a grade of “5.” In general, the most rural locations feature the worst grades, in all likelihood because of the lack of hydrant systems in these districts.

As determined by ISO, these PPC grades are reflective of a wide range of capabilities of fire departments in Erie County. The disparities in grades, particularly among neighboring fire districts and departments suggest possibilities for dialogue on collaboration and consolidation.

In Table 1 below, the PPC grades for all of the 2,524 New York State communities rated by the ISO are provided. More than half of all PPC grades in New York State (56%) are either a “4,” “5” or a “6.” Erie County compares favorably with the statewide figures: more than half of all grades in Erie County are a “3” or a “4.” The two fire companies in New York State with a grade of “1” are the City of White Plains in Westchester County, and the City of Syracuse in Onondaga County.

**Table 1**



## **VI. The Cost of Fire Protection in Erie County**

Fire departments within a city are paid for through taxes levied upon the residents, usually as part of the property tax. Volunteer companies are more complex. All volunteer fire companies in Erie County are not-for-profit entities. As such, they are required to file with the United States Internal Revenue Service (“IRS”) Forms 990, 990-EZ or 990-N if their revenues or expenses exceed \$25,000.

Volunteer fire companies pay for their operations through several ways, including a town-imposed property tax for fire protection or a town payment via the town’s budget and appropriation process and fundraising by the department itself through ways such as the rental of fire halls, fundraising events and requests for donations. The Lundine Commission staff reported in April 2008, and our analysis confirms, that fire districts receive “over 90% of their revenue from property taxes” with average annual increases in the property tax levy statewide between 1995 and 2005 of 4.9%.<sup>9</sup>

In 2000, the total town property tax levy for special fire districts and hydrants in Erie County was \$31.69 million. In 2009, that levy had risen to \$43.24 million, an increase of 36.44%, or a corresponding average annual increase of 3.5%. In 2009, Erie County maintained 83 town tax levies for fire districts/fire protection. These fire property tax levies are imposed by town governments, and not cities or villages. A listing of the property tax levies for fire protection and hydrants is also included within Appendix One.

<sup>9</sup> See [http://www.nyslocalgov.org/pdf/Fire\\_Protection\\_in\\_NYS.pdf](http://www.nyslocalgov.org/pdf/Fire_Protection_in_NYS.pdf)



The tax levy figures provided do not include funds provided for emergency medical services (“EMS”) or volunteer ambulance expenses, which are often separate from fire expenses and levies. Expenses at the County level, such as maintaining the various fire and related training facilities, communications systems and support are also not included in the tax levy figures above. These expenses are considerable.

Obtaining financial information for this report was extremely difficult and demonstrates a lack of transparency and consistency for the reporting of costs associated with and effectiveness of fire protection in Erie County. Some fire companies post data on their websites, such as the number of calls. Many companies do not have websites or post data online. For those companies that post data publicly, many track the data in different ways. This makes any comparison difficult.

Fire companies are not the only groups that make analysis difficult. Certain town budgets list the cost of fire protection as a single figure, even when that figure represents multiple fire districts/fire protection districts. Appendix One of this document shows 98 total fire companies with five (5) being fully or partially paid. The PPC schedule also found in Appendix One shows 100 areas with a PPC grade. The USFA, a part of the Federal Emergency Management Agency (“FEMA”), took a fire department census in 2008. That census shows 91 fire departments in Erie County (and states incorrectly that Elma has a paid fire department). FEMA also stated in their October 2009 report entitled Fire in the United States that “. . . data challenges still exist: many records submitted to the National Fire Incident Reporting System by participating fire departments provide either incomplete or no information in some of the fields.”

Fire districts are also required to annually file certain aggregate, broad financial data with the Office of the New York State Comptroller. Our review of the most current data available on the State Comptroller’s website for 2008 found that data was available for 32 fire districts in Erie County, and what was available contained limited financial information.<sup>10</sup>

Our analysis of public sources of data on fire protection also revealed that the New York State Comptroller has audited fire districts and fire protection districts throughout New York State. These audits, available on the State Comptroller website, reveal a laundry list of financial problems common to fire companies, including, but not limited to, failing to file annual and quarterly financial reports, an inability to establish formal reserve funds to replace equipment, non-existent cash management policies, unfiled IRS reports and simple shoddy bookkeeping. This in turn leaves us with lower assurance on the reliability and veracity of the data submitted to State and federal officials. These issues clearly presented certain methodological challenges to our office during this review.

Total spending on Erie County’s 115 districts in 2009 was more than \$130 million. This amount includes \$77.7 million for Buffalo, \$2.2 million for Tonawanda and \$3.5 million for Lackawanna. Approximately \$46.5 million was spent by/on suburban fire companies in Erie County.

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<sup>10</sup> See <http://www.osc.state.ny.us/localgov/datanstat/findata/firedistricts/levelone08.xls>

In contrast, according to the *Syracuse Post-Standard*, in Onondaga County, more than \$28 million was spent in 2009 for 57 suburban fire departments not including the City of Syracuse.<sup>11</sup> In addition, according to the *Rochester Democrat and Chronicle*, in Monroe County, residents paid \$45.2 million in fire district taxes in 2008, not including the City of Rochester.<sup>12</sup>

Our review of IRS Form 990 for fire companies in Erie County reveals that that largest source of income for these companies is government support paid by the towns and villages they protect.

Unfortunately, we were unable to obtain all IRS Form 990's for all fire companies in Erie County. Appendix One shows which fire companies have a filed 990 form on record. It appears that a number of fire companies that should have filed a Form 990, because their revenues or expenses exceeded \$25,000, did not. The Boston Fire District did not file an IRS 990 form, but did file with the IRS stating they were exempt from a need to file. We have financial data for 64 fire companies in Erie County. Despite this methodological issue the data from Form 990 for the fire companies we reviewed shows significant financial differences among fire companies in Erie County.

- Two (2) fire companies in Erie County (Getzville in their 2007 report and Harris Hill in 2008) had more than \$2 million in cash or negotiable securities according to their filed IRS 990 forms. The County-wide average for those companies for which we have data is about \$365,000.
- Sixteen (16) fire companies of the 64 that reported have less than \$250,000 in assets. The County average is slightly more than \$1.4 million in assets for those who filed.
- Of the total revenues reported by these fire companies, about 90% came from some form of government support. The remainder came from donations or was raised by the companies themselves, for those companies for which we have data.
- For those companies for which we have data, restricted fund balance (money formally set aside for a specific purpose) composes less than 10% of net assets.
- Offsetting the large sums of cash retained by some fire companies is the cost of fire equipment. A new ladder truck can cost more than \$1 million and other vehicles, such as rescue vehicles can cost more than \$400,000 per vehicle.

In addition to their annual appropriations and budgets, fire companies also periodically purchase, occasionally using bond proceeds or through capital reserve funds, new equipment such as fire engines, pumpers, aerial trucks, miscellaneous trucks and ambulances/rescue trucks. Many volunteer companies also utilize bond financing or create capital reserve funds for the

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<sup>11</sup> Knauss, Tim and Marnie Eisenstadt. "Onondaga County to Release Fire Department Emergency Response Times as it Promotes Consolidation." *Syracuse Post-Standard*. March 3, 2010.

<sup>12</sup> McDermott, Meaghan. "As Firefighting Costs Rise, so does Call for Consolidating Services." *Rochester Democrat and Chronicle*. January 10, 2010.



construction of new fire stations. Any time a fire district bonds or creates a capital reserve fund, voter approval via mandatory or permissive referendum is required.

The cost of new fire stations and equipment, specifically new fire trucks, is significant. Our research finds no coordination or collaboration between fire companies concerning fire truck procurement and individual policies set by companies on truck replacement. At a minimum, we believe collaboration and coordinated procurement and shared purchasing power could help reduce the expense to local companies and taxpayers.

## **VII. The Case for Discussing the Consolidation of Fire Districts and Fire Protection Districts within Erie County**

A comparison of various counties in New York reveals that Erie County has the second-greatest number of fire companies in New York State.

Appendix Five lists the Counties in New York State, the population and the area as per the New York State Comptrollers Office, the number of fire companies and firefighters as of the USFA census per county, and the number of fire calls as reported to New York State. Selected data appears below for the most populous upstate counties:

County	Area (land in square miles)	Assessed Full Value (in billions)	Population	Fire Companies <sup>13</sup>
Erie	1,044.2	\$42.446	950,265	91
Onondaga	780.3	\$23.512	458,336	49
Albany	523.4	\$24.972	294,565	40
Monroe	659.3	\$36.669	735,343	36
Rockland	174.2	\$45.542	286,753	23

As per the USFA, the county with the largest number of fire companies in New York State is Suffolk County with 103. Erie County is second with 91. The next highest county is Nassau, with 66 fire companies. While Nassau County has about one-quarter of Erie County's land area, it has about 300,000 more residents, an assessed value that is six (6) times greater than Erie County's with 25 fewer fire companies.

Appendix Five also shows that Erie County has more total firefighters than all but two (2) counties in New York State. Erie County has more fire companies per square mile than all but

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<sup>13</sup> The figure of 91 fire companies as provided by the USFA does not match the number of fire companies as determined by the Erie County Comptrollers Office in Appendix One.

five (5) New York Counties and is below the New York State average for the amount of assessed value a fire company protects.<sup>14</sup>

Erie County volunteer fire districts had outstanding slightly more than \$12 million in debt in 2008 for the 32 districts that reported to the New York State Comptroller. Using the 2000 census data for those districts, we determined that the debt per resident was approximately \$47.00. It is difficult to compare that debt figure to other counties in New York, in part due to the approximately 60 districts without data on the New York State Comptroller's website. We used census tract data and matched that to the various districts, all of which are oddly shaped. That data was unavailable for the other counties in New York State.<sup>15</sup> For a rough comparison of debt per person, and debt per Fire District, we have the number of Fire Districts, Fire District debt and the county population listed in Appendix Five.

#### **A. Consolidation could mean more volunteers would be available for the new districts**

The best reason to consider consolidation of the various districts is not financial in nature. Interviews with volunteer fire chiefs, both active and inactive, voice the same theme: volunteers are simply getting harder to recruit and harder to retain throughout Erie County. As the Erie County population base falls, the number of potential recruits falls as well. Consolidating districts, especially within the first-ring suburbs, would allow a larger population base from which to recruit. Additionally, consolidating districts with larger numbers of volunteers with districts with lower numbers of volunteers would enhance the overall safety of the community – a goal for all involved.

#### **B. The borders of the various districts could be re-examined to allow for firehouse location**

The districts within Erie County were largely established along political borders; however, as noted above, towns currently do not have the power to approve a budget for a fire district located within the town's borders. Assuming that town governments are not given the power to review fire district budgets, there is no reason that the districts need to remain tied to town limits. It would be an effective use of resources to base districts around the locations of the various fire halls, or re-locate fire halls to maximize the area they serve. Erie County performed this process backward – it added fire districts as population increased. What should have been done is an examination of the needs of the people of Erie County, and then the districts should have been changed to reflect the public service requirements of the community. A re-examination of district borders is a golden opportunity to right that wrong.

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<sup>14</sup> Data provided by the Erie County Department of Environment and Planning, Office of Geographic Information Services on the 2000 census and the land area of Erie County do not match figures provided by New York State. The differences are insignificant for our analysis.

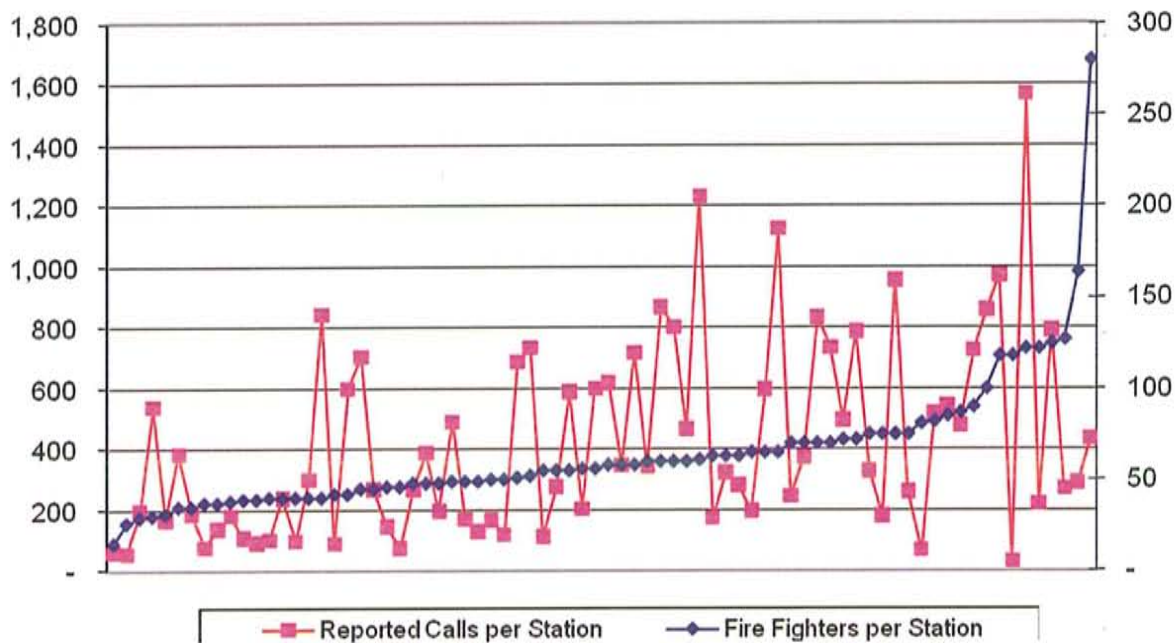
<sup>15</sup> The census data was provided by the Erie County Department of Environment and Planning, Office of Geographic Information Services. Census tracts were placed within Districts by determining the center of the tract, then determining in which district that point lay. This method may result in slight differences in population between the actual and calculated figures. Data on the area of each district was also provided by the Erie County Department of Environment and Planning, Office of Geographic Information Services.



For example, the graph below in Table 2 shows no correlation between the number of firefighters in a district, shown in blue, and the number of calls, shown in red. This result, when combined with the maps in Appendix Four, indicates that the way districts have been established is flawed, the way volunteers are utilized is inefficient and some other method of determining the size and location of districts and the distribution of scarce manpower is needed.

**Table 2**

**Calls and Firefighters**



**C. Larger Budgets do not result in higher rated districts**

Using the PPC grades provided to us, the Comptroller’s Office performed an analysis to determine whether a larger budget and the size of the district resulted in a better PPC grade. We removed the fully-compensated and partially-compensated locations from our listing and examined those locations with better (lower) PPC grades and compared them to those with higher PPC (worse) grades. In general, those districts with better (lower) grades are smaller. The average for those districts with a “3” grade is almost three (3) square miles. Those with a “9” grade averaged 29.2 square miles, and those with an “8” grade averaged about eleven (11) square miles in size. The population protected averaged slightly more than 9,000 persons per district with a “3” grade. Those with an “8” averaged about 1,700 persons, while those with a “9” averaged about 1,800 persons.

We compared total calls reported to the 2009 Tax Levy for each District. (We did not include any fully-compensated or partially-compensated locations in this portion of our analysis.) That

comparison provided a “total cost per call” for each district. The “9” graded districts had an average cost per call of \$1,652.00 per call. The “3” graded districts had an average cost per call of only \$1,502.00.

It would make financial sense to consider the consolidation or border adjustment of adjacent districts with significant differences in their costs per call, as well as the overall PPC grades of the two (2) or more districts. We have provided the cost per call in the case of those Districts with the necessary data in Appendix One.

When you consider the idea that multiple districts could be merged, facility locations adjusted and equipment needs reassessed, the real opportunity for consolidation lies in combining large groups of districts. This would allow costs to be spread over a larger area and allow volunteers to be used more effectively.

#### **D. Lower costs for the people of Erie County**

Volunteer fire companies within Erie County cost the taxpayers more than \$46.5 million annually. As the manpower provided is volunteer, much of that cost is tied to purchases of equipment. Fewer districts, covering a larger area would use less very expensive equipment more effectively. It is difficult to quantify how much could be saved: such a figure depends heavily on the number of (and which) districts would be consolidated.

This analysis will not recommend specific districts be consolidated, or that specific districts be adjusted or eliminated. Any such recommendations must include the community of firefighters that work within these districts on a regular basis. Our analysis can only point out the obvious inequities (and opportunities) within fire districts in Erie County. This report can only act as a catalyst for action.

### **VIII. Attorney General Cuomo’s Local Government Consolidation Legislation**

In December 2008 New York Attorney General Andrew Cuomo, along with Comptroller Poloncarz, announced a proposal by which existing legal barriers to local government and special taxing district consolidation and reform could be eliminated. Under this legislation, the Attorney General proposed eliminating mechanisms that prevented governments or special taxing districts from being altered in shape, eliminated, merged, or engaged in coordination or cooperation if local officials or residents supported such efforts. Central to his proposal was the emphasis on reducing the size of local government and special districts as a way to reduce taxes and taxpayer expense.

In spring 2009, as the Attorney General worked with members of the State Assembly and Senate to introduce the bill in the State Legislature, some state legislators who supported the bill began to express concern about its provisions and applicability to fire districts. The bill (A.8501) established a simplified process for the consolidation and elimination of local government



entities including fire districts. The changes can be accomplished via board-initiated consolidation, voter-initiated consolidation and petition-gathering of residents, as well as board-initiated and voter-initiated dissolution of a local government entity. The bill also provided for joint management of fire districts.

Additionally, the law provided for a new process of County Legislature-initiated dissolution and/or transfer of duties and functions of one local government within the county to another local government wholly contained in the county subject to public referendum.

Days after the bill passed the Assembly and Senate in early June 2009, Assemblyman Phil Boyle introduced legislation (A.8776) designed to block the Cuomo legislation from applying to fire districts and preventing or hindering fire district consolidation or elimination. That bill remains in committee. The Fireman's Association of the State of New York has listed amendments to the Cuomo legislation as its top 2010 legislative priority to "address the concerns of the Volunteers regarding dissolution or consolidation of local governments."<sup>16</sup>

The law, known as the New N.Y. Government Reorganization and Citizen Empowerment, took effect on March 21, 2010. The Comptroller's office supports the law as presently written, including keeping the provisions regarding the potential for consolidation of fire districts.

## **IX. Recommendations**

- We recommend that Erie County apply for grant funding from the Department of State's Local Government Efficiency program to retain an independent professional outside entity to work with County, local and fire officials to study and examine the existing model of fire protection in Erie County.
- We recommend that any such study should minimally examine three (3) issues: (1) the potential for consolidation of fire districts, fire protection districts and fire departments; (2) the possibility for amending state law to provide town elected officials' budgetary and managerial oversight and control of fire budgets and spending, and (3) how best to utilize the increasingly scarce volunteer manpower within the County.
- We recommend that in order to promote a level of transparency that does not currently exist, all fire companies should be required to have a website. On that website they should post their annual budgets and tax levies for public review, as well as a quarterly review of their current debt load of the district (if any). This information should also appear on the website of the municipality(ties) they protect, and through the County's

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<sup>16</sup> The Erie County Department of Emergency Services still maintains on its government website a form letter opposing earlier 2008 consolidation legislation that also allowed for town board budgetary oversight of fire departments. The letter was developed by the Fireman's Association of the State of New York. See [http://www.erie.gov/depts/community/emergency\\_fsd\\_resources.asp](http://www.erie.gov/depts/community/emergency_fsd_resources.asp).

website. Similarly, town and village governments should be required to prominently and publicly report such spending on their websites or that of the County.

- We recommend that the County Department of Emergency Services publicly post and regularly update and maintain the PPC grades for all locations within Erie County on the Division of Fire Safety's website. We believe the public should have access to this information in order to make informed decisions about fire protection services. We note that the Comptroller's Office will post the current PPC data on the Comptroller's web site.
- We recommend that the option of town budgetary control be explored with local New York State representatives for fire districts in Erie County.
- We recommend that the various fire companies in Erie County co-ordinate the purchase of equipment. Adjacent districts have mutual aid agreements throughout Erie County. Those agreements should include the purchase and sharing of expensive items, notably ladder trucks.

## **X. Conclusion**

The taxpayers of Erie County annually spend more than \$130 million on fire protection and related emergency services. Those dollars need to be used as efficiently as possible. The demands on fewer and fewer volunteer firefighters and the growing expense of equipment represent pressure on fire companies themselves, as well as County and local government officials to consider consolidation, collaboration, and a re-evaluation of current practices.

No one has any desire to place property or lives at risk. Taxpayers deserve nothing less than the maximum value from their public-service dollar. A thoughtful, considered analysis can potentially yield considerable savings, and have the additional benefit of helping to allocate valuable volunteer time more efficiently, while continuing the high tradition of professionalism and public safety that our first responders provide and we have come to expect.

## **ERIE COUNTY COMPTROLLER'S OFFICE**

cc: Hon. Christopher Collins, County Executive  
Gregory Skibitski, Commissioner – Department of Emergency Services  
The Fire Chiefs of all the Erie County Fire Companies listed in Appendix One

## **XI. Schedule of Appendices**

Appendix One – Selected Data for Districts in Erie County  
Appendix Two – Summary of Lundine Commission Findings on Fire Protection  
Appendix Three - Map of Fire Districts/Fire Protection Districts in Erie County  
Appendix Four – Maps of Districts showing Fire Stations with a 1 mile radius circle  
Appendix Five – Fire Protection Data for other Counties in New York State