

**PHILADELPHIA FIRE DEPARTMENT
FISCAL YEAR 2018 BUDGET TESTIMONY
APRIL 18, 2017**

INTRODUCTION

Good Afternoon, President Clarke and Members of City Council. I am Adam Thiel, Fire Commissioner. Joining me today are Deputy Commissioner for Finance and Administration Jesse Wilson and Chief of Staff Tara Mohr. I am pleased to provide testimony on the Philadelphia Fire Department's proposed Fiscal Year 2018 Operating Budget.

DEPARTMENT MISSION & PLANS

Mission: The mission of the Philadelphia Fire Department (PFD) is to serve the public by providing comprehensive all-hazard prevention, risk reduction and emergency response and to ensure the health and safety of its members. The PFD provides direct services to residents by combating fires, responding to medical emergencies, investigating the cause and origin of fires and educating Philadelphians on safety and risk reduction.

Plans for Fiscal Year 2018:

- In FY2018, the PFD will continue providing emergency response services to all hazards. EMS incidents have continued to rise and the PFD plans to make changes with the resources available to try to respond to this increasing demand. Structural fires and resulting injuries, deaths, and property loss also remain a problem in Philadelphia. On average, the Department has about 7-8 severe structure fires per day. The PFD will continue evaluating its initial deployment strategy and fire ground operations to enhance safety and performance.
- The PFD will continue the re-alignment set forth by the Commissioner to make the PFD more effective, efficient, balanced, streamlined and integrated. A large part of this effort is to combine Fire Suppression and EMS, enhance training, and impact planning efforts, prevention and risk reduction capacity.
- The PFD is also working to add Assistant Fire Chiefs on each platoon to ensure unity of command and decrease span of control for all hazards and for the entire city as a part of the initiative to reduce the span of control.
- To address the ongoing demand for emergency services, PFD will be adding 30 paramedics and 30 firefighters, along with 5 new peak-time medic units (adding an additional 12 paramedics). These resources will allow the PFD to better respond to emergencies and will contribute to improving the Department's overall staffing levels and strengthening its relief factor, which will help the Department to provide more training opportunities and deploy resources to respond more effectively. Lastly, the PFD will resource the consumable supplies and medications at the appropriate levels.
- PFD will also add four new training staff members as part of the Department's leadership restructuring. Currently, PFD must pull staff from the field to prepare and deliver training, back-filling those positions with other staff working overtime. Starting in FY18, these dedicated staff will provide additional capacity for coordinating and providing ongoing training to personnel to help the department to meet Philadelphia's fire suppression and EMS needs.

PHILADELPHIA FIRE DEPARTMENT

- The PFD will now hire firefighters and paramedics continuously throughout the year and will increase its number of classes at the Academy (with smaller class sizes).
- The PFD is examining its existing performance measures, definitions, and targets for appropriateness and accuracy. For example, PFD wants to set performance measures that are in-line with national standards and recommendations, especially as the City implements program-based budgeting. The PFD is considering additional performance measures such as Unit Hour Utilization (UHU) for medic units, EMS unit availability, number of civilians rescued from fires and hazardous conditions, property dollars lost, property dollars saved, etc. All of the aforementioned performance measures are still in the development stages but demonstrate PFD's commitment to goal-setting and performance management.
- The PFD will be enhancing its internal and external communications with the assistance of the newly hired Communications Director. This includes social media, website, PFD TV, etc.
- The PFD will be enhancing its maritime response on the Schuylkill River through the purchase of a fire boat (via a federal grant).
- The PFD will continue applying for grant funding made available for local fire departments. It will also pursue various new funding opportunities to help supplement the City budget and accomplish its goals.

PHILADELPHIA FIRE DEPARTMENT

BUDGET SUMMARY & OTHER BUDGET DRIVERS

Staff Demographics Summary (as of February 2017)*				
	Total	Minority	White	Female
Number of Full-Time Staff	2,512	986	1,526	298
Number of Civil Service-Exempt Staff	9	3	6	4
Number of Executive Staff	9	3	6	3
Average Salary, Full-Time Staff	\$70,486	\$67,594	\$72,355	\$60,728
Average Salary, Civil Service-Exempt Staff	\$127,667	\$119,667	\$131,666	\$74,667
Average Salary, Executive Staff	\$132,144	\$133,101	\$131,666	\$100,000
Median Salary, Full-Time Staff	\$71,809	\$71,809	\$71,809	\$60,729
Median Salary, Civil Service-Exempt Staff	\$155,000	\$155,000	\$140,000	\$87,500
Median Salary, Executive Staff	\$155,000	\$155,000	\$140,000	\$95,000

Employment Levels (as of February 2017)*		
	Budgeted	Filled
Number of Full-Time Positions	2,573	2,512
Number of Part-Time Positions	0	0
Number of Civil-Service Exempt Positions	9	9
Number of Executive Positions	9	9
Average Salary of All Full-Time Positions	\$68,688	\$70,486
Median Salary of All Full-Time Positions	\$71,809	\$71,809

*The staff demographic and employment level data is as of February 2017 due to data availability and to reflect the more recent re-alignment of staff as part of ongoing changes to PFD’s organizational structure.

General Fund Financial Summary by Class						
	FY16 Original Appropriations	FY16 Actual Obligations	FY17 Original Appropriations	FY17 Estimated Obligations	FY18 Proposed Appropriations	Difference: FY18-FY17
Class 100 - Employee Compensation	\$197,326,907	\$219,101,252	\$201,369,162	\$214,118,673	\$225,242,832	\$11,124,159
Class 200 - Purchase of Services	\$5,296,593	\$6,615,496	\$5,375,153	\$5,998,650	\$5,789,667	(\$208,983)
Class 300 - Materials and Supplies	\$6,673,070	\$9,309,712	\$6,473,334	\$7,130,086	\$7,310,124	\$180,038
Class 400 - Equipment	\$939,000	\$380,720	\$947,680	\$590,928	\$1,231,411	\$640,483
Class 500 - Contributions	\$0	\$2,672,473	\$0	\$0	\$0	\$0
Class 700 - Debt Service	\$0	\$0	\$0	\$0	\$0	\$0
Class 800 - Payment to Other Funds	\$8,847,226	\$8,162,000	\$7,647,000	\$7,647,000	\$7,972,000	\$325,000
Class 900 - Advances/Misc. Payments	\$0	\$0	\$0	\$0	\$0	\$0
	\$219,082,796	\$246,241,653	\$221,812,329	\$235,485,337	\$247,546,034	\$12,060,697

Contracts Summary						
	FY12	FY13	FY14	FY15	FY16	FY17 YTD (Q1 & Q2)
Total amount of contracts	\$9,553,455	\$2,732,697	\$1,113,511	\$3,306,260	\$4,616,783	\$442,915
Total amount to M/W/DSBE	\$1,414,975	\$16,219	\$36,991	\$639,965	\$870,801	\$51,544
Participation Rate	15%	1%	3%	19%	19%	12%

* Philadelphia Fire Department is presenting historic contract summary analysis as provided by the Office of Economic Opportunity. PFD expects M/W/DSBE participation to increase by year-end.

M/W/DSBE Contract Participation Goal			
	FY16	FY17	FY18
M/W/DSBE Contract Participation Goal	15%	15%	15%

PROPOSED BUDGET OVERVIEW

Proposed Funding Request:

The proposed Fiscal Year 2018 General Fund budget totals \$247,546,034, an increase of \$12,060,697 over Fiscal Year 2017 estimated obligation levels. This increase is primarily due to a \$11,124,159 increase in “Class 100 – Personal Services” for additional positions.

The proposed budget includes:

- \$225,242,832 in Class 100, an \$11,124,159 increase over FY17. The FY18 increase in Class 100 provides additional front-line emergency personnel, training professionals, safety officers as well as staff to support the strategic re-alignment of the Department. Funding was also made available to transfer grant-funded employees to the general fund.
- \$5,789,667 in Class 200, a \$208,983 decrease over FY17. The FY18 decrease in Class 200 total funding reflects a net of various need changes, such as a re-allocation of funding from Class 200 to Class 100, small increases related to new positions and reductions in other personal and professional services such as tuition reimbursement and an ambulance billing contract.
- \$7,310,124 in Class 300, an \$180,038 increase over FY17. This funding will provide additional supplies needed to support additional positions.
- \$1,231,411 in Class 400, an \$640,483 increase over FY17. This funding will provide additional equipment needed to support additional positions.
- \$7,972,000 in Class 800, an \$325,000 increase over FY17. This funding represents increased requirements related to the water utility.

PHILADELPHIA FIRE DEPARTMENT

STAFFING LEVELS

The department is requesting 2,806 budgeted positions for FY18, an increase of 280 over the FY17 current estimate and an increase of 233 over the FY17 budgeted positions.

The increase is attributed to getting the Philadelphia Fire Department up to sufficient staffing levels and providing the appropriate amount of positions to cover episodic vacancies and provide sustainable training and safety programs. Interconnected with this is reducing the span of control for supervisory positions and increasing other additional capacities to help the Department run more effectively and efficiently.

NEW HIRES

New Hires (from December 2016 to present)	
	Total Number of New Hires
Black or African American	3
White	3
Total	6

PHILADELPHIA FIRE DEPARTMENT

PERFORMANCE, CHALLENGES, AND INITIATIVES

FY18 Performance Measures				
Measure	FY16 Actual	FY17 YTD (Q1 & Q2)	FY17 Estimate	FY18 Target
EMS incidents	263,754	133,159	266,318	< FY17
Fire incidents	48,965	29,903	60,000	< FY17
Number of structure fires*	2,742	1,249	2,700	< FY17
Number of civilian fire-related injuries **	119	78	N/A	< FY17
Number of civilian fire-related deaths **	17	8	N/A	< FY17
Percent of EMS calls responded to within 9:00 minutes***	N/A	64%	64%	≥ 90%
EMS response time (minutes:seconds)***	N/A	8:35	8:35	≤ 9:00
Percent of fire calls responded to within 5:20 minutes***	N/A	81%	81%	≥ 90%
Fire engine response time (minutes:seconds) ***	N/A	5:33	5:33	≤ 5:20

*A structure fire is a “working fire,” which requires the use of at least one hose length. It has come to the PFD’s attention that prior to FY17, the Department was not utilizing the standard classifications for incident reporting and fire protection data as outlined in NFPA 901. The PFD will begin to refine how structure fires are classified in FY17. In addition, structure fires with “exposures” (i.e. when a fire in one structure spreads to an adjoining/nearby structure) typically were excluded; they will now be included.

**In the second half of FY17, PFD will continue to work to reduce the number of civilian fire-related injuries and deaths.

***Prior to FY17, this performance measure did not reflect the call processing time to transition calls from the Primary Public Safety Answering Point (PSAP) to Fire Communications (as recommended in NFPA standards). This additional step adds approximately 48 seconds to the response

OTHER BUDGETARY IMPACTS

Federal and State (Where Applicable)

The impacts of increased/decreased Federal and/or State funds is as follows:

- The PFD applied for an FY16 Staffing for Adequate Fire & Emergency Response Grants (SAFER) grant in the amount of \$27,853,254 (inclusive of match funding), which spans a period of three years. The purpose of the grant is to hire a total of 99 firefighter cadets to get staffing to appropriate levels and enhance the daily relief factor. These funds have been applied for but awards have not been announced.
- The PFD applied for an FY16 Assistance to Firefighters Grant Program (AFG) grant in the amount of \$3,200,000 for survival training. This type of training includes mayday techniques, fire ground survival and modern fire behavior training for the PFD's firefighters. This training has been identified as a dire need in reports/studies to provide effective service to residents and keep our members safe while on the job. These funds have been applied for but awards have not been announced.
- The PFD applies annually for a PA Urban Search & Rescue Task Force (PATF1) grant in the approximate amount of \$3,100,000 (which can be spent across fiscal years). This funding is through a cooperative agreement and has been consistent over the last four years. It has allowed the PFD to staff and operate its Urban Search and Rescue Task Force.
- The PFD has participated annually in the Philadelphia Regional Office of Emergency Medical Services via a state grant through the PA DOH Bureau of EMS. The composition of the regions and/or of the organization may change, which could affect participation.

PHILADELPHIA FIRE DEPARTMENT

CONTRACTING EXPERIENCE

M/W/DSBE Participation on Large Professional Services Contracts											
Top Five Largest Contracts, FY17											
Vendor Name	Service Provided	Dollar Amount of Contract	RFP Issue Date	Contract Start Date	Ranges in RFP	% of M/W/DSBE Participation Achieved	\$ Value of M/W/DSBE Participation	Total % Participation - All DSBEs	Total \$ Value Participation - All DSBEs	Local Business (principal place of business located within City limits) *	Waiver for Living Wage Compliance?
Intermedix Holdings**	EMS Billing, Collection, Analysis	\$2,000,000	4/6/2011	2/1/2017	MBE: 20-25%	3.5%	\$70,000	20%	\$400,000	No	No
					WBE: 20-25%	16.5%	\$330,000				
					DSBE: N/A	0%	\$0				
Intermedix Holdings**	EMS Billing, Collection, Analysis	\$1,900,000	4/6/2011	9/1/2016	MBE: 20-25%	3.5%	\$66,500	20%	\$380,000	No	No
					WBE: 20-25%	16.5%	\$313,500				
					DSBE: N/A	0%	\$0				
Community Marketing Concepts	911 EMS Outreach and Education	\$32,000	10/4/2016	11/1/2016	MBE: N/A	100.0%	\$32,000	100%	\$32,000	Yes	No
					WBE: N/A	0%	\$0				
					DSBE: N/A	0%	\$0				
SB & Company	Auditing Services	\$23,000	8/19/2016	9/15/2016	MBE: N/A	100.0%	\$23,000	100%	\$23,000	No	No
					WBE: N/A	0%	\$0				
					DSBE: N/A	0%	\$0				

*Due to the specialized work performed under certain contracts, PFD does not always have an available local business that that can provide the service.

**The two Intermedix contracts listed above reflect extensions of the same contract.

PHILADELPHIA FIRE DEPARTMENT

EMPLOYEE DATA

Staff Demographics (as of February 2017)					
Full-Time Staff			Executive Staff		
	Male	Female		Male	Female
	African-American	African-American		African-American	African-American
<i>Total</i>	599	138	<i>Total</i>	3	0
<i>% of Total</i>	24%	6%	<i>% of Total</i>	33%	-
<i>Average Salary</i>	\$70,963	\$57,584	<i>Average Salary</i>	\$133,101	-
<i>Median Salary</i>	\$72,290	\$49,712	<i>Median Salary</i>	\$155,000	-
	White	White		White	White
<i>Total</i>	1403	123	<i>Total</i>	3	3
<i>% of Total</i>	56%	5%	<i>% of Total</i>	33%	33%
<i>Average Salary</i>	\$72,904	\$66,092	<i>Average Salary</i>	\$163,333	\$100,000
<i>Median Salary</i>	\$71,809	\$71,809	<i>Median Salary</i>	\$155,000	\$95,000
	Hispanic	Hispanic		Hispanic	Hispanic
<i>Total</i>	182	33	<i>Total</i>	0	0
<i>% of Total</i>	7%	1%	<i>% of Total</i>	-	-
<i>Average Salary</i>	\$67,529	\$57,276	<i>Average Salary</i>	-	-
<i>Median Salary</i>	\$71,809	\$52,910	<i>Median Salary</i>	-	-
	Asian	Asian		Asian	Asian
<i>Total</i>	19	2	<i>Total</i>	0	0
<i>% of Total</i>	1%	0%	<i>% of Total</i>	-	-
<i>Average Salary</i>	\$65,150	\$33,319	<i>Average Salary</i>	-	-
<i>Median Salary</i>	\$67,908	\$33,319	<i>Median Salary</i>	-	-
	Other	Other		Other	Other
<i>Total</i>	11	2	<i>Total</i>	0	0
<i>% of Total</i>	0%	0%	<i>% of Total</i>	-	-
<i>Average Salary</i>	\$58,634	\$32,224	<i>Average Salary</i>	-	-
<i>Median Salary</i>	\$52,910	\$32,224	<i>Median Salary</i>	-	-
	Bilingual	Bilingual		Bilingual	Bilingual
<i>Total</i>	0	0	<i>Total</i>	0	0
<i>% of Total</i>	-	-	<i>% of Total</i>	-	-
<i>Average Salary</i>	-	-	<i>Average Salary</i>	-	-
<i>Median Salary</i>	-	-	<i>Median Salary</i>	-	-
	Male	Female		Male	Female
<i>Total</i>	2,214	298	<i>Total</i>	6	3
<i>% of Total</i>	88%	12%	<i>% of Total</i>	67%	33%
<i>Average Salary</i>	\$71,750	\$60,664	<i>Average Salary</i>	\$160,000	\$100,000
<i>Median Salary</i>	\$71,809	\$57,384	<i>Median Salary</i>	\$155,000	\$95,000

PHILADELPHIA FIRE DEPARTMENT

NUMBER OF BILINGUAL EMPLOYEES

The Philadelphia Fire Department has not historically collected language data department-wide due to staffing and collection challenges; it will do so for future hires and potentially try to collect current employee language data over time. That being said, the Department is aware that it currently has a number of bilingual employees who help with translation as needed. Fire Prevention publishes educational materials in multiple languages and the Department uses the language line.