

**FIRE DEPARTMENT
FISCAL YEAR 2020 BUDGET TESTIMONY
MAY 1, 2019**

INTRODUCTION

Good afternoon, President Clarke and Members of City Council. I am Adam Thiel, Fire Commissioner. Joining me today are Craig Murphy, Deputy Commissioner, and Tara Mohr, Chief of Staff. I am pleased to provide testimony on the Fire Department's Fiscal Year 2020 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 the PFD's members.

Plans for Fiscal Year 2020: The PFD anticipates further restoring and strengthening its capabilities in FY20. The department will continue to execute nearly \$20 million in competitive federal grants that will provide incident command training; improve shipboard firefighting and water rescue capabilities; and, ultimately, reopen fire companies closed during the Recession.

- A combination of city support and a \$16.7 million FEMA grant allowed the PFD to hire 128 firefighter cadets who are currently in training at the Fire Academy. Their graduation, anticipated this fall, will allow the PFD to reopen fire companies closed during the Recession.
- Another FEMA grant for \$2.7 million will help provide comprehensive incident command training program for the first time in years; such training was recommended in the federal after-action report on Lieutenant Joyce Craig's death.
- We expect to put a new, grant-funded fast boat in service this year to improve our response capabilities on the Delaware and Schuylkill rivers, soon to be followed by a second new grant-funded vessel. FEMA's Port Security Grant Program will also provide shipboard firefighting training for another 240 members (in addition to the 100 members trained in FY19) and new water rescue nets.
- The Proposed FY20-24 Five Year Plan includes \$5.3 million for five peak-time ambulances to help us respond to an average of more than 770 EMS incidents each day. However, we are still coping with a regional shortage of paramedics. To that end, the PFD now offers its emergency medical technicians (EMTs) an educational pathway to becoming paramedics, a position that is certified to perform more advanced medical procedures.
- We will launch our second alternative response unit, known as AR-2, as part of the Resilience Project. This marked SUV will be staffed by a paramedic and certified recovery specialist, who will respond to overdose calls with the ultimate goal of connecting those with a substance use disorder to recovery resources and other social services. This innovative approach is a partnership with the Departments of Public Health and Behavioral Health & Intellectual disAbility Services, and includes support from a social worker and epidemiologist.
- The PFD and DPP are aiming to select a site for the PFD's Logistics Hub by the end of FY19. The Hub will offer more office and training space; vehicle storage; warehouse capacity; and gear-cleaning facilities for our Health & Safety unit. Around that same time, ground is expected to be broken for renovations to Engine 37's historic station in Chestnut Hill.

FIRE DEPARTMENT

BUDGET SUMMARY & OTHER BUDGET DRIVERS

Staff Demographics Summary (as of November 2018): All Funds				
	Total	Minority	White	Female
Number of Full-Time Staff	2,623	1,041	1,582	320
Number of Exempt Staff	11	5	6	4
Number of Executive Staff (deputy level and above)	9	4	5	6
Average Salary, Full-Time Staff	\$76,405	\$73,529	\$78,297	\$67,643
Average Salary, Exempt Staff	\$131,690	\$143,367	\$121,958	\$109,798
Average Salary, Executive Staff	\$142,261	\$166,150	\$130,350	\$119,392
Median Salary, Full-Time Staff	\$76,737	\$76,737	\$76,737	\$64,945
Median Salary, Exempt Staff	\$114,600	\$170,000	\$106,605	\$111,935
Median Salary, Executive Staff	\$133,256	\$180,000	\$111,935	\$113,268

Employment Levels (as of November 2018): All Funds		
	Budgeted in FY19	Filled as of the Increment Run (11/18)
Number of Full-Time Positions	2,851	2,623
Number of Exempt Positions	11	11
Number of Executive Positions (deputy level and above)	10	9
Average Salary of All Full-Time Positions	\$76,405	\$76,405
Median Salary of All Full-Time Positions	\$76,737	\$76,737

General Fund Financial Summary by Class						
	FY18 Original Appropriations	FY18 Actual Obligations	FY19 Original Appropriations	FY19 Estimated Obligations	FY20 Proposed Appropriations	Difference: FY20-FY19
Class 100 - Employee Compensation	\$225,242,832	\$244,026,657	\$263,307,745	\$268,369,652	\$273,324,292	\$4,954,640
Class 200 - Purchase of Services	\$5,789,667	\$6,737,647	\$6,046,121	\$6,892,121	\$6,516,272	(\$375,849)
Class 300/400 - Materials, Supplies & Equipment	\$8,541,535	\$9,306,254	\$8,259,314	\$10,664,314	\$8,831,714	(\$1,832,600)
Class 500 - Contributions	\$0	\$626,727	\$0	\$0	\$0	\$0
Class 800 - Payment to Other Funds	\$7,972,000	\$7,866,000	\$0	\$8,259,300	\$9,235,000	\$975,700
	\$247,546,034	\$268,563,285	\$277,613,180	\$294,185,387	\$297,907,278	\$3,721,891

Grant Revenue Fund Financial Summary by Class						
	FY18 Original Appropriations	FY18 Actual Obligations	FY19 Original Appropriations	FY19 Estimated Obligations	FY20 Proposed Appropriations	Difference: FY20-FY19
Class 100 - Employee Compensation	\$12,049,741	\$6,750,588	\$12,386,697	\$13,374,872	\$18,206,396	\$4,831,524
Class 200 - Purchase of Services	\$6,852,077	\$2,389,622	\$5,445,189	\$3,610,066	\$5,068,028	\$1,457,962
Class 300/400 - Materials, Supplies & Equipment	\$1,122,244	\$888,522	\$2,313,262	\$3,039,760	\$3,464,091	\$424,331
	\$20,024,062	\$10,028,732	\$20,145,148	\$20,024,698	\$26,738,515	\$6,713,817

Aviation Fund Financial Summary by Class						
	FY18 Original Appropriations	FY18 Actual Obligations	FY19 Original Appropriations	FY19 Estimated Obligations	FY20 Proposed Appropriations	Difference: FY20-FY19
Class 100 - Employee Compensation	\$7,608,574	\$7,619,658	\$8,161,574	\$8,324,574	\$8,161,574	(\$163,000)
Class 200 - Purchase of Services	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$0
Class 300/400 - Materials, Supplies & Equipment	\$155,900	\$155,339	\$155,900	\$155,900	\$155,900	\$0
Class 800 - Payment to Other Funds	\$23,000	\$0	\$23,000	\$23,000	\$23,000	\$0
	\$7,802,474	\$7,789,997	\$8,355,474	\$8,518,474	\$8,355,474	(\$163,000)

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Contracts Summary (Professional Services only)						
	FY14	FY15	FY16	FY17	FY18	FY19 YTD (Q1 & Q2)
Total amount of contracts	\$1,113,511	\$3,306,260	\$4,616,783	\$6,453,884	\$8,591,666	\$4,500,000
Total amount to M/W/DSBE	\$36,991	\$639,965	\$870,801	\$1,123,167	\$1,671,240	\$900,000
Participation Rate	3%	19%	19%	17%	19%	20%

Total M/W/DSBE Contract Participation Goal (Public Works; Services, Supplies & Equipment; and Professional Services combined)			
	FY18	FY19	FY20
M/W/DSBE Contract Participation Goal	15%	16%	17%

FIRE DEPARTMENT

PROPOSED BUDGET OVERVIEW

Proposed Funding Request:

The proposed Fiscal Year 2020 General Fund budget totals \$297,907,278, an increase of \$3,721,891 over Fiscal Year 2019 estimated obligation levels.

The proposed budget includes:

- \$273,324,292 in Class 100, a \$4,954,640 increase over FY19. This funding will fund the current staffing level, including contract increases for DC33, DC47 and Fire Arbitration awards for Local 22. The funding will also cover costs to staff additional peak-time ambulances and to fund a shift schedule realignment for all EMS providers.
- \$6,516,272 in Class 200, a \$375,849 decrease from FY19. This funding decrease is due to various contracting adjustments, including hiring full-time staff and decreasing other contractual costs from FY19.
- \$8,831,714 in Class 300/400, a \$1,832,600 decrease from FY19. This decrease results from a reduction from various one-time costs experienced in FY19, including the costs to prepare for additional operating units and additional fire cadet classes.
- \$9,235,000 in Class 800, a \$975,700 increase from FY19. This funding increase is due to increased requirements related to the water utility.

FIRE DEPARTMENT

STAFFING LEVELS

The department is requesting 2,906 budgeted positions in All Funds for FY20, an increase of 55 positions over FY19.

The increase is attributed to staffing the five additional peak time medic units and increasing non-uniform personnel capacity within administration and communication units.

NEW HIRES

New Hires (from 7/1/2018 to 11/25/18)	
	Total Number of New Hires
Black or African American	20
Asian	2
Hispanic or Latino	7
White	1
Other	32
Total	62

Due to the attrition rate during fire and paramedic training, it is possible that not all of the 62 people hired between 7/1/18 and 11/25/18 are currently employed by the PFD. Of those still employed, at least 6 people are bilingual (Spanish, Korean, and Polish).

Over 140 new employees have been hired since 11/25/18. Of those employees, at least four are bilingual (Spanish and Albanian).

FIRE DEPARTMENT

PERFORMANCE, CHALLENGES, AND INITIATIVES

FY20 Performance Measures ¹				
Measure	FY18 Actual	FY19 YTD (Q1 + Q2)	FY19 Target	FY20 Target
Number of civilian fire-related deaths	17	6	A reduction from FY18	A reduction from FY19
Number of structure fires ²	N/A	2,573	Establish a new baseline	A reduction from FY19
Fire engine response time (minutes:seconds) ³	7:21	6:43	≤ 5:20	≤ 5:20
Percent of EMS calls responded to within 9:00 minutes ³	33.0%	32.9%	≥ 90.0%	≥ 90.0%
Number of EMS incidents	271,450	140,797	Meet demand	Meet demand
Number of fire incidents	48,797	25,485	Meet demand	Meet demand
Total incidents (number of EMS incidents + number of fire incidents)	320,247	166,282	Meet demand	Meet demand
Number of civilian fire-related injuries	206	71	A reduction from FY18	A reduction from FY19
EMS response time (minutes:seconds) ^{3,4}	12:52	12:22	≤ 9:00	≤ 9:00
Percent of fire calls responded to within 5:20 minutes ³	25.3%	26.9%	≥ 90.0%	≥ 90.0%

¹ All Fire Department measures are under review. All response time-related measures have a margin of error of 10-15% because a first-on-scene time is recorded 85-90% of the time. The Fire Department is currently working diligently to minimize this margin.

² After review of fire incident data, the Fire Department determined that some types of fire incidents were being incorrectly categorized. As a result, the Department has updated protocols and provided additional training to front-line staff. Data from FY19 Q1 has begun to reflect these efforts and the Department expects that data quality will continue to improve over the remainder of FY19.

³ After a review of response time data, Fire discovered that cold calls had previously been omitted from the reporting of response times. Cold calls are a response mode without the use of emergency lights and sirens (Reduced Speed). Hot calls are a response mode utilizing emergency lights and sirens (Emergency Speed). National standards for fire reporting dictate that cold calls should be included in response times and actions have been taken to correct this going forward. Previously reported data has also been corrected to reflect the inclusion of cold calls.

⁴ With the addition of cold calls, meeting the national standard of 9:00 is even more challenging than in previously reported years, when Fire only submitted hot calls. Previously reported data has also been corrected to reflect the inclusion of cold calls.

FIRE DEPARTMENT

OTHER BUDGETARY IMPACTS

Federal and State (Where Applicable)

GRANTS: Competitive federal grants could affect the PFD’s Plan projections. Last year, the PFD successfully applied for a \$3M grant (\$2.7M project with \$400k general fund match) through the Assistance to Firefighters Grant (AFG) program to provide incident command training for all officers, which is currently underway. The PFD also applied for a \$1M grant through the Fire Prevention and Safety (FP&S) program, which was not awarded. We were successful in receiving a three-year, \$16M (with a \$41.8M General Fund – Operating (in Fire, Fleet and Fringe) and \$6.4M Capital Fund (in Fleet) match from FY19-24) grant to hire 120 new firefighters under the Staffing for Adequate Fire and Emergency Response (SAFER) grant program.

Over this past year, the PFD continued to apply for grants. In October 2018, we submitted an application for a \$5M AFG grant (\$3.4M project with \$1.6M general fund match) for department-wide training on fire science behavior and dynamics. In December 2018, the PFD applied for a \$459,000 FP&S grant for a targeted fire prevention strategy to include the purchase and distribution of smoke alarms and a pilot program testing cooktop fire suppression devices.

EMS BILLING: In the past, emergency medical services received payment for services only for transporting patients to emergency rooms. There may be new rules on the horizon at the state and federal level that may result in payment for “treating in place” or for transporting patients to alternative destinations, such as a primary care provider or an urgent care clinic.

AFFORDABLE CARE ACT: Due to the Affordable Care Act (ACA) Expansion, 220,000 adults (1 out of every 6 Philadelphian adults) gained new coverage. If the provisions afforded under the ACA were to be altered, diminished, or eliminated entirely, it would have an effect on emergency medical service demand and provision.

FIRE DEPARTMENT

CONTRACTING EXPERIENCE

M/W/DSBE Participation on Large Professional Services Contracts with For-Profit Vendors											
Top Five Largest Contracts over \$34,000 for FY19											
Vendor Name	Brief Description of 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	Is This a Local Business? (principal place of business located within City limits) [yes / no]	Does the Vendor Have a Waiver for Living Wage Compliance? [yes / no]
Intermedix Holdings	EMS Billing Software	\$4,500,000	6/20/2016	8/1/2018	MBE: 20-25	17%	\$742,500	20%	\$900,000	No	No
					WBE: 20-25	4%	\$157,500				
					DSBE: Best Efforts		\$0				
Tri-State Maritime Safety Assoc	Shipboard Firefighting Training	\$150,000	6/11/2018	11/1/2018	MBE: Best Efforts	1%	\$1,950	1%	\$1,950	No	No
					WBE: Best Efforts		\$0				
					DSBE: Best Efforts		\$0				
Deccan International	GIS Software Maintenance	\$145,350	9/6/2018	3/1/2019	MBE: 25-30	100%	\$145,350	100%	\$145,350	No	No
					WBE: 23-30		\$0				
					DSBE: Best Efforts		\$0				
Priority Dispatch	EMS/911 Call Prioritization Software Maintenance	\$129,000	10/26/2017	5/12/2018	MBE: Best Efforts		\$0	0%	\$0	No	No
					WBE: Best Efforts		\$0				
					DSBE: Best Efforts		\$0				
SB & Company	Auditing Services	\$10,500	5/9/2018	7/1/2018	MBE: Best Efforts		\$0	100%	\$10,500	No	No
					WBE: Best Efforts	100%	\$10,500				
					DSBE: Best Efforts		\$0				

FIRE DEPARTMENT

EMPLOYEE DATA

Staff Demographics (as of November 2018)					
Full-Time Staff			Executive Staff		
	Male	Female			
	African-American	African-American			
<i>Total</i>	605	144	<i>Total</i>	2	
<i>% of Total</i>	23%	5%	<i>% of Total</i>	22%	
<i>Average Salary</i>	\$76,658	\$64,801	<i>Average Salary</i>	\$190,000	
<i>Median Salary</i>	\$77,252	\$59,427	<i>Median Salary</i>	\$114,600	
	White	White			
<i>Total</i>	1,451	131	<i>Total</i>	1	
<i>% of Total</i>	55%	5%	<i>% of Total</i>	44%	
<i>Average Salary</i>	\$78,766	\$73,107	<i>Average Salary</i>	\$220,000	
<i>Median Salary</i>	\$76,737	\$76,737	<i>Median Salary</i>	\$111,935	
	Hispanic	Hispanic			
<i>Total</i>	209	40	<i>Total</i>	0	
<i>% of Total</i>	8%	2%	<i>% of Total</i>	0%	
<i>Average Salary</i>	\$71,878	\$62,625	<i>Average Salary</i>	N/A	
<i>Median Salary</i>	\$76,737	\$60,687	<i>Median Salary</i>	N/A	
	Asian	Asian			
<i>Total</i>	23	1	<i>Total</i>	0	
<i>% of Total</i>	1%	0%	<i>% of Total</i>	0%	
<i>Average Salary</i>	\$70,992	\$38,468	<i>Average Salary</i>	N/A	
<i>Median Salary</i>	\$75,098	\$38,468	<i>Median Salary</i>	N/A	
	Other	Other			
<i>Total</i>	15	4	<i>Total</i>	0	
<i>% of Total</i>	1%	0%	<i>% of Total</i>	0%	
<i>Average Salary</i>	\$67,218	\$48,126	<i>Average Salary</i>	N/A	
<i>Median Salary</i>	\$68,271	\$41,973	<i>Median Salary</i>	N/A	
	Bilingual ¹	Bilingual			
<i>Total</i>			<i>Total</i>		
<i>% of Total</i>	N/A		<i>% of Total</i>	N/A	
<i>Average Salary</i>			<i>Average Salary</i>		
<i>Median Salary</i>			<i>Median Salary</i>		
	Male	Female			
<i>Total</i>	2,303	320	<i>Total</i>	3	
<i>% of Total</i>	88%	12%	<i>% of Total</i>	67%	
<i>Average Salary</i>	\$77,622	\$67,643	<i>Average Salary</i>	\$200,000	
<i>Median Salary</i>	\$76,737	\$64,945	<i>Median Salary</i>	\$113,268	

¹ PFD does not have this data but is exploring collection methods to capture and report this information accurately.

FIRE DEPARTMENT

LANGUAGE ACCESS

1. Has your leadership received language access training?

Yes, all PFD officers received language access training during our Professional Development Series that occurred between June and September of 2018. The Commissioner was also trained as part of the A-Team trainings in June 2016.

2. Do you currently have a language access coordinator?

We are currently transitioning several responsibilities and our new language access coordinator, Kyle Bosket, started on April 15, 2019.

3. Has your department written a language access plan and is it posted online?

Yes, our language access plan has been online since April 2018: <https://www.phila.gov/documents/language-access-plans/>

4. Explain what your department has done to improve language access services over the past year.

Over the past year, the Fire Department has trained over 300 members to improve language access services.