

August 16, 2016

LOS ANGELES FIRE DEPARTMENT



RALPH M. TERRAZAS
FIRE CHIEF

August 1, 2016

BOARD OF FIRE COMMISSIONERS
FILE NO. 16-083

TO: Board of Fire Commissioners

FROM: *RMT* Ralph M. Terrazas, Fire Chief

SUBJECT: ANNUAL REPORT – LAFD SPECIAL TRAINING FUND 40J FISCAL
YEAR 2015–2016

FINAL ACTION:	<input type="checkbox"/> Approved	<input type="checkbox"/> Approved w/Corrections	<input type="checkbox"/> Withdrawn
	<input type="checkbox"/> Denied	<input type="checkbox"/> Received & Filed	<input type="checkbox"/> Other

SUMMARY

As required by City Ordinance No. 173341, the following report on the Los Angeles Fire Department (LAFD) Special Training Fund 40J covering Fiscal Year 2015-2016 (FY 15/16) is submitted.

The LAFD Special Training Fund (Fund) was created to receive, retain, and disburse funds received from training activities. There are two separate accounts within the Fund. The General Account 40JA is used for fees collected for rentals of training facilities, training grants, and training-related service fees; these funds are to be expended for direct educational costs incurred by the Fire Department. The State Educational Account, a.k.a. the Vocational Education Training (VET), 40JB Revolving Fund, holds monies received from the State through affiliation contracts with local colleges. These funds are also utilized for training-related purposes.

The current VET contract with East Los Angeles College (ELAC) was established in April 2016. The contract provides the Department \$4.00 per hour of training for members enrolled in the program. All journeyman-level Department members, excluding members of the California Fire Fighter Joint Apprenticeship Committee (CFFJAC) Program, are enrolled in the VET program.

A synopsis of the LAFD Special Training Fund Cash Balance Report shows the following activity:

• As of the beginning of FY 15/16 the Fund balance was:	\$ 1,712,743.76
• The Fund received deposits of:	\$ 1,697,533.47
• Due to other State agencies:	\$ 137,687.38
<u>Total</u>	<u>\$ 3,547,964.61</u>

- The Fund expended in FY 15/16: (\$ 1,503,256.91)
- Paid to other State agencies: (\$ 78,012.93)

Balance \$ 1,966,694.77

- At the end of FY 15/16, the ending cash balance was: \$ 1,966,694.77

RECOMMENDATION

That the Board:

1. Direct the Commission Executive Assistant II to forward this Annual Report to the Mayor and City Council.

FISCAL IMPACT

The fiscal impact of the State's annual training reimbursement to the LAFD is critical due to the cost of annual training fees that rise significantly each year, in addition to the expansion of LAFD training programs. If the VET funding was interrupted, numerous mandatory certifications and re-certifications could not occur within our current budget.

The ELAC contract is the vehicle that enables the Department to conduct mandatory training at applicable sites by providing LAFD certifications and college credits. A few examples of mandatory training requiring certifications and re-certifications include Urban Search and Rescue (USAR), Swift Water Rescue, station level member training, Disaster Preparedness, Hazmat, Arson and Counter-Terrorism, Pilot initial and recurrent certification programs, and training for recently promoted members. Fire Prevention, USAR, and Hazmat must recertify to existing Fire Code updates every alternate year, and all Chief Officers are mandated to certify or re-certify as Strike Team Leaders, Division Group Leaders, and Safety Officers.

In addition, a similar agreement with West Los Angeles College has been established to provide the Department with additional reimbursement opportunities.

DISCUSSION

The contract between the City of Los Angeles and ELAC states that the term of agreement for both entities becomes effective on a fiscal year basis, i.e., July 1 through June 30. ELAC calculates what is due to LAFD on a six-month basis and submits training reimbursements, accordingly.

The Fund had a beginning balance of \$1,712,743.76. During the FY 15/16 period of July 1, 2015 through June 30, 2016, State fund payouts (via ELAC) totaling \$1,680,418.740 were deposited into the account. This total is calculated from two consecutive six-month receipts of \$638,305.90 and \$1,042,112.50. This revenue is based on the total In-Service Training, Regional Training, Emergency Medical Technician Training, and Recruit Training hours recorded at \$4.00 per hour reimbursement rate minus tuition charges. The balance of the deposits into the account represents interest income in the amount of \$16,405.51 and a miscellaneous revenue deposit of \$709.56.

Fund Expenditures for the fiscal year totaled \$1,503,256.91 and \$78,012.93 was made payable to the State of California certifying agency throughout FY 14/15 and FY 15/16 (this figure was not reported in last year's annual report). In addition, there are pending encumbrances totaling \$300,709.82 for travel authorities issued to Department members approved in FY 15/16 but not yet expensed, and for payments to various vendors who provide training, equipment, etc.

The Department has a limited travel budget. The Fund provided travel and per diem expenses for Department members to attend various training, conferences, and seminars relevant to Department operations. The following are a few examples: Fire-Rescue International Conference, Los Angeles Area Fire Chief's Conference, National Association of Fire Investigation Conference, Emergency Medical Services Specialist Group Meeting, FIRESCOPE Operations Team Meeting, Fire Safety Officer Training, Arson Investigators Conference, Firehouse World Conference, Special Operations Medical Association Conference, and Helicopter Pilot recurrent training classes.

The Fund also provided monies for Department members to attend training held at Department facilities as well as other local venues. Some of these include Fire Instructor courses, Swift Water Rescue Team, Wildland Fire Training and Safety, Aviation Safety Management Systems, Community Risk Reduction Leadership Workshop, and Fire Code Statutes and Regulations. The Fund also subsidizes training contracts with the Regents of the University of California at Los Angeles (UCLA) and Target Solutions. The contract with UCLA allows the Department to send 45 sworn members to paramedic training annually, and the Target Solutions technology provides the Department with the learning management system which supports the online training academy.

CONCLUSION

The LAFD Special Training Fund 40J Account subsidizes many training opportunities and provides substantial means to improve our learning environments. Proper oversight and established procedures ensure this program is utilized in support of fire service-related training purposes.

Board Report prepared by Kim Fletes, Senior Management Analyst, Training and Support Bureau.

