

November 7, 2017

LOS ANGELES FIRE DEPARTMENT



RALPH M. TERRAZAS
FIRE CHIEF

October 16, 2017

BOARD OF FIRE COMMISSIONERS
FILE NO. 17-125

TO: Board of Fire Commissioners

FROM:  Ralph M. Terrazas, Fire Chief

SUBJECT: ANNUAL REPORT – LOS ANGELES FIRE DEPARTMENT SPECIAL
TRAINING FUND 40J FISCAL YEAR 2016-2017

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 Withdrawn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 2016-2017 (FY 16/17) 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.

Contracts with East Los Angeles College (ELAC) and West Los Angeles College (WLAC) allow the Department to participate in a revenue-share agreement based on State of California (State) reimbursement guidelines. The Department utilizes an automated system in order to maximize funding received from the State. All journeyman-level Department members, excluding members of the California Firefighter 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 July 1, 2016, the Fund balance was:

\$ 1,966,694.77

The Fund received deposits of: \$ 1,687,954.10

The Fund received in interest income: \$ 23,929.51

Total Receipts:

\$ 1,711,883.61

Due to other State agencies:	\$ 134,170.38	
Paid to other State agencies:	(\$ 66,823.57)	
Net due to State:		<u>\$ 67,346.81</u>
Total Expended:		<u>(\$ 1,163,466.91)</u>

As of June 30, 2017, the ending cash balance was: **\$ 2,582,458.28**

RECOMMENDATION

That the Board:

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 and WLAC contracts are the vehicles that enable 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.

DISCUSSION

The contracts between the City of Los Angeles and the aforementioned affiliate colleges state that the term of agreement for both entities becomes effective on a fiscal year basis, i.e., July 1 through June 30. Invoice periods are semi-annual and are calculated on an approximate six-month basis.

The Fund had a beginning balance of \$ 1,966,694.77. During the FY 16/17 period of July 1, 2016 through June 30, 2017, State fund payouts totaling \$1,687,954.10 were deposited into the account. This total is calculated from two consecutive six-month receipts of \$551,013.90 and \$1,136,940.20. This revenue is based on the total In-Service Training, Regional Training, Emergency Medical Technician Training, and Recruit Training hours recorded at \$4.25 per hour reimbursement rate minus tuition charges. The remaining balance of the deposits into the account represents interest income in the amount of \$23,929.51.

Fund Expenditures for the fiscal year totaled \$1,163,466.91 and \$66,823.57 of that amount was paid to the State of California certifying agency throughout FY 16/17. In addition, there were pending encumbrances totaling \$81,835.68 for travel authorities issued to Department members approved in FY 16/17 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 Maria Pascual, Senior Management Analyst, Training and Support Bureau.