



# LOS ANGELES FIRE DEPARTMENT

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FIRE CHIEF

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BOARD OF FIRE COMMISSIONERS  
FILE NO. 20-069

TO: Board of Fire Commissioners

FROM:  Ralph M. Terrazas, Fire Chief

SUBJECT: ANNUAL REPORT – LOS ANGELES FIRE DEPARTMENT SPECIAL  
TRAINING FUND 40J FISCAL YEAR 2019/2020

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 Withdrawn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 2019/20 (FY 19/20) is submitted.

The LAFD Special Training Fund (Fund) was created to receive, retain, and disburse funds received from training activities. 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, 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 journey-level Department members, excluding members of the California Firefighter Joint Apprenticeship Committee (CFFJAC) Program, are enrolled in the VET program.

As of the date of this report, figures shown are preliminary as the last fiscal reporting period of FY 19/20 had not yet closed. However, as of the date of this report LAFD Special Training Fund financial reports show the following activity:

<b>As of July 1, 2019, the Fund balance was:</b>	<b>\$</b>	<b><u>2,503,898</u></b>
The Fund received revenue deposits of:	\$	1,940,726
The Fund received in interest income:	\$	64,740
The Fund received in miscellaneous deposits:	\$	7,195
<b>Total Deposits:</b>	<b>\$</b>	<b><u>2,012,661</u></b>

Ending balance Due to other Agencies:	\$ 157,824	
Less: Starting balance Due to other Agencies:	\$ (280,781)	
<b>Net Decrease of Cash Due to State agencies:</b>		<b><u>\$ (122,957)</u></b>
Expenditures	\$ (1,567,936)	
<b>Total Expended:</b>		<b><u>\$ (1,567,936)</u></b>

**As of June 30, 2020, the ending cash balance  
was:**

**\$ 2,825,666**

### **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 the LAFD budget and would need to be absorbed by the General Fund.

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, fire 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. WLAC's billing periods are based on 8 month paramedic course cycles. Invoice periods for ELAC are semi-annual and payments for three semi-annual billing periods were received by LAFD during the FY19/20.

The Fund had a beginning balance of \$2,503,898. The accrued interest for FY 19/20 was \$64,740 and VET funds totaling \$1,940,726 were received and deposited into the account. During the FY 19/20 period of July 1, 2019 through June 30, 2020, Fund Expenditures totaled \$1,567,936 and the amount Due to other Agencies had a net decrease of \$122,957 at year-end. Although FY 19/20 has not officially closed as of the date of this report, the ending balance based on this activity is \$2,825,666.

The revenue from ELAC 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 revenue from WLAC is currently based on Paramedic Programs recorded at \$4.77 per hour minus tuition charges.

At the close of the fiscal year, there was a total of \$1,465,882 in pending encumbrances for training items incurred in FY 19/20 not yet expensed and \$157,824 in payables due to other agencies. The outstanding encumbrance amount includes pending expenditures for helicopter pilot recurrent training, paramedic courses, audiovisual training equipment purchased and installed, and a repair made to the training academy located in the Valley Bureau.

There is a limited training and travel budget for the Department's highly visible operations which are reliant on highly technical and physically demanding skill-sets. 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.