

LOS ANGELES FIRE COMMISSION

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September 22, 2021

Honorable Members of the City Council
City of Los Angeles
City Hall, Room 395
Attn: City Clerk

Honorable Eric Garcetti
Mayor, City of Los Angeles
Room 303, City Hall
Attn: Legislative Coordinator

[BFC 21-082] – ANNUAL REPORT – LOS ANGELES FIRE DEPARTMENT SPECIAL TRAINING FUND 40J FISCAL YEAR 2020-2021

At its special meeting of September 21, 2021, the Board of Fire Commissioners approved the report and its recommendations. The report is hereby transmitted concurrently to the Mayor and City Council for consideration and approval.

Should you need additional information, please contact the Board of Fire Commissioners' office at 213-978-3838.

Sincerely,

Leticia Gómez
Commission Executive Assistant II

Attachments

cc: Board of Fire Commissioners (without attachments)
Fire Chief Ralph M. Terrazas (without attachments)

LOS ANGELES FIRE DEPARTMENT



RALPH M. TERRAZAS
FIRE CHIEF

APPROVED: *9/21/2021*
BOARD OF FIRE COMMISSIONERS
BY: *[Signature]*
COMMISSION EXECUTIVE ASSISTANT

September 3, 2021

BOARD OF FIRE COMMISSIONERS
FILE NO. 21-082

TO: Board of Fire Commissioners

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

SUBJECT: ANNUAL REPORT – LOS ANGELES FIRE DEPARTMENT SPECIAL TRAINING FUND 40J FISCAL YEAR 2020/2021

FINAL ACTION:	<input checked="" 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 Withdrawn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. 174434, the following report on the Los Angeles Fire Department (LAFD) Special Training Fund 40J covering Fiscal Year 2020/21 (FY 20/21) 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.

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

As of July 1, 2020, the Fund balance was:		<u>\$ 2,384,468</u>
The Fund received revenue deposits of:	\$ 1,714,410	
The Fund received in interest income:	\$ 36,200	
The Fund received in miscellaneous deposits:	\$ 392	
Deposits re-directed to General Fund	\$ (251,002)	
Total Deposits:		<u>\$ 1,500,000</u>

Adjustment to Prior Years	\$	300	
Total Adjustment to Prior Years:			<u>\$ 300</u>
Ending balance Due to other Agencies:	\$	179,702	
Less: Starting balance Due to other Agencies:	\$	(157,824)	
Net Increase of Cash Due to State agencies:			<u>\$ 21,878</u>
Expenditures	\$	(2,103,309)	
Total Expended:			<u>\$ (2,103,309)</u>
As of June 30, 2021, the ending cash balance was:			<u>\$ 1,803,337</u>

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.

Deposit into General Fund

Ordinance 174434, which was approved on February 13, 2002, required that revenue receipts in excess of \$1.5 Million be deposited into the General Fund. Thus, for the fiscal year 2020-21, an amount of \$251,002 was deposited into the General Fund. The Department is currently evaluating the impacts of this limit to its operations, as it relies on this Fund to obtain mandatory training.

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. ELAC calculates what is due to LAFD on a six-month basis and submits training reimbursements, accordingly. WLAC calculates what is due to LAFD per paramedic training program cycle.

The Fund had a beginning cash balance of \$2,384,468. During the FY 20/21 period of July 1, 2020 through June 30, 2021, State fund payouts (via ELAC and WLAC) totaling

\$ 1,714,410 were deposited into the account. This revenue is based on the total In-Service Training, Regional Training, Emergency Medical Technician Training, Recruit Training, and Paramedic Training hours. The balance of the deposits into the account represent interest income in the amount of \$36,200 and a miscellaneous revenue deposit of \$392.

Of these deposits, the Fund retained \$1,500,000 and \$251,002 was deposited into the General Fund.

Fund Expenditures for the fiscal year totaled \$2,103,309 and the amount Due to Other Agencies had a net decrease of \$21,878 at year-end. The ending cash balance based on this activity was \$1,803,337.

A portion of the ending cash balance is comprised of \$1,031,635 in encumbrances for training items incurred in FY 20/21 not yet expensed and \$179,702 in payables due to other agencies. The outstanding encumbrance amount includes pending expenditures for helicopter pilot recurrent training, audiovisual training equipment purchased and installed, certifications for new recruits, and maritime firefighting training supplies and equipment.

Since 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.

The Fund also provided monies for Department members to attend mandatory and/or critical training held at Department facilities as well as other venues. Some of these include Helicopter Pilot recurrent training classes, 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. The Fund also provides the Department with the Target Solutions technology- the learning management system that 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.