

2014



Budget Biz

Quarter 2 (April - June), Issue 8

Welcome to the eighth issue of the quarterly budget report for the Loveland Fire Rescue Authority (LFRA). This report is designed to provide information related to fiscal accountability. It is available on the website and accessible to anyone that is interested. It is designed to assist the LFRA Board with monitoring the budget status for all resources that assist with delivering service to the citizens of the City of Loveland and the Loveland Rural Fire Protection District.

There are three sections of the report: LFRA Budget Status, Other Resources, and In the Works. The Budget Status section will highlight the budget status for revenues and expenditures for the Fire Authority Fund from year to date, April through June, 2014. The expenditures will be presented by program and account category at the department level. Each of these financial presentations include variance explanations when the current percentage of the total budget is significantly different from the percentage of the year (i.e. second quarter is 50% of the year). There are resources outside of the Fire Authority Fund that are critical to our service delivery mission. The Other Resources section is devoted to highlighting the status of budgets that are outside of the Fire Authority Fund. The next section of the report provides status information on the various processes used to develop long term and short term operational and capital planning. It is also intended to highlight significant financial transactions or strategies that the department is working on to advance the strategic plan and deliver cost effective services.

Quarter 2 at 50% of 2014

- Revenues are in the Fire Authority Fund are at 47.8% of the annual budget, compared to 40.4% last year.
- Expenditures in the Fire Authority Fund are at 42.2% of the annual budget, compared to 44.4% last year.
- Station 2 construction progress is on target for an October opening.
- Thompson Valley EMS Board voted to draft an offer letter to purchase Old Station 2.
- The property at 1040 S. Railroad Avenue purchased for the expansion of the Training Grounds.
- The Residential Sprinkler Steering Committee is considering 3 options to present to City Council.
- Federal Aviation Administration Inspection was passed.
- \$11.9 million budget was submitted for 2015, including two new positions: Training Firefighter and Administrative Analyst.
- An extensive promotions and recruitment process in preparation for new crew at Station 2 was completed.
- Accreditation implementation plan approved by LFRA Board.

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Through commitment, compassion and courage, the mission of the Loveland Fire Rescue Authority (LFRA) is to protect life and property.

2014

LFRA Budget Status - Revenue

Loveland Fire Rescue Authority

Budget Revenue Report

Quarter Ending 6/30/2014, 50% of the Year

Segments/Accounts	Total Budget	YTD Rev*	Total Variance	Total % Uncollected	Total % Collected
Investment Activity as a % of the Total					
City Investment Pool					
Interest On Investments	\$0.00	\$600.52	-600.52	0.00	100.00
Gain/Loss On Investments	0.00	-25.42	25.42	0.00	100.00
SubTotal : Investment Activity	\$0.00	\$575.10	(\$575.10)	0.00	100.00
Community Safety					
Special Events (1)	30,000.00	21,420.00	8,580.00	28.60	71.40
Miscellaneous	0.00	223.00	-223.00	0.00	100.00
Gifts/Donations (2)	5,290.00	5,292.00	-2.00	-0.04	100.04
Building Permits (3)	44,880.00	32,254.25	12,625.75	28.13	71.87
Contractor Licenses	4,000.00	2,625.00	1,375.00	34.38	65.63
Fire Permit & Inspection (3)	20,000.00	11,400.00	8,600.00	43.00	57.00
Firework Stand Review	12,000.00	0.00	12,000.00	100.00	0.00
Rural Fire Inspection Fee (3)	5,000.00	8,309.94	-3,309.94	-66.20	166.20
SubTotal : Community Safety	\$121,170.00	\$81,524.19	\$39,645.81	32.72	67.28
Station Operations					
Standby Reimbursements (Misc) (4)	0.00	408.30	-408.30	0.00	100.00
Academy Training (5)	27,750.00	16,011.32	11,738.68	42.00	58.00
SubTotal : Station Operations	\$27,750.00	\$16,419.62	\$11,330.38	41.00	59.00
Technical Response and Systems					
Hazmat Mitigation	2,500.00	0.00	2,500.00	100.00	0.00
SubTotal : Technical Response and Systems	\$2,500.00	\$0.00	\$2,500.00	100.00	0.00
Administration					
Emergency Mgmt Grant (6)	0.00	10,158.92	-10,158.92	0.00	100.00
Miscellaneous (7)	2,000.00	5,766.95	-3,766.95	-188.35	288.35
Other Agency Deployment	20,000.00	0.00	20,000.00	100.00	0.00
Insurance Recoveries	0.00	4,966.00	-4,966.00	0.00	100.00
Contribution - Rural Fire District (8)	1,986,640.00	828,061.00	1,158,579.00	58.32	41.68
Contribution - Loveland (8)	9,050,230.00	4,414,404.00	4,635,826.00	51.22	48.78
SubTotal : Administration	\$11,058,870.00	\$5,263,356.87	\$5,795,513.13	52.41	47.59
Grand Total : (9)	\$11,210,290.00	\$5,361,875.78	\$5,848,414.22	52.17	47.83

*YTD = Year to Date, Rev = Revenue

Revenue Variance Explanations



LFRA Budget Status - Revenue

Variance Explanations - Revenue

(1) Special Events

Budweiser Event Center Standby.

(2) Gifts / Donations

Donation money collected over time; appropriated and used for the Purchase of smoke and carbon monoxide detectors

(3) Building Activity

Variances are a function of building activity in the community.

(4) Standby Reimbursements (Misc)

Training Center Fees: Burn Building and Command Training Center



TAC Fire Team

(5) Academy Training

Thompson School District Board Meeting Standby

(6) Emergency Management Grant

Emergency Management Grant: 1st Quarter reimbursement grant has been received. The last few years we have not included it in the adopted budget because the State had been slow to release the money.

(7) Miscellaneous

Admin Miscellaneous includes the Yuma County reimbursement of equipment purchase we made on their behalf when we bought similar Emergency Management equipment.

(8) Contributions

Includes the cash flow advance in January equal to one month of the originally adopted annual budget

(9) Grand Total

Last year through the second quarter LFRA had collected 40.36% compared to 47.83 this year for the same time period.



Special
Operations
Team Rescue
School



LFRA Budget Status - Expenditures

Loveland Fire Rescue Authority Authorized Spending Report by Division and Program Quarter Ending 6/30/2014, 50% of the Year

Segments	Total Budget	*YTD Exp	*YTD Enc	Total Available	Total % Available	Total % Spent
Community Safety						
Prevention	\$194,070.00	\$78,917.60	\$155.89	\$114,996.51	59.26	40.75
Business Inspections	156,120.00	63,812.18	0.00	92,307.82	59.13	40.87
Permitting and Development Review	312,870.00	134,204.33	100.00	178,565.67	57.07	42.93
Community Safety	\$663,060.00	\$276,934.11	\$255.89	\$385,870.00	58.20	41.81
Station Operations						
General Station Operations (1)	7,199,670.00	3,083,087.58	38,001.62	4,078,580.80	56.65	43.35
Training	94,740.00	26,212.13	-344.55	68,872.42	72.70	27.30
Station 1	46,440.00	19,750.89	-14.02	26,703.13	57.50	42.50
Station 2	9,550.00	2,797.08	109.29	6,643.63	69.57	30.43
Station 3	7,630.00	3,549.51	71.92	4,008.57	52.54	47.46
Station 5	7,600.00	1,428.95	161.87	6,009.18	79.07	20.93
Station 6	9,530.00	3,559.26	108.26	5,862.48	61.52	38.48
Health and Safety	83,620.00	13,310.36	27,083.30	43,226.34	51.69	48.31
Station Operations	\$7,458,780.00	\$3,153,695.76	\$65,177.69	\$4,239,906.55	56.85	43.16
Technical Response and Systems						
Special Operations (2)	108,780.00	8,042.47	17,267.39	83,470.14	76.73	23.27
Wild Land	48,210.00	1,771.60	0.00	46,438.40	96.33	3.68
EMS (3)	23,050.00	7,553.70	6,170.94	9,325.36	40.46	59.54
Tac Fire	35,220.00	1,492.83	-600.00	34,327.17	97.47	2.54
ARFF	2,280.00	0.00	0.00	2,280.00	100.00	0.00
Technical Response and Systems	\$217,540.00	\$18,860.60	\$22,838.33	\$175,841.07	80.83	19.17
Equipment Maint & Replacement						
Communications / Telephone	215,870.00	74,399.42	3,133.09	138,337.49	64.08	35.92
Hoses (4)	23,620.00	244.27	10,782.25	12,593.48	53.32	46.68
Ladders/Small Engine (5)	7,800.00	5,163.55	0.00	2,636.45	33.80	66.20
SCBA	81,890.00	23,995.47	0.00	57,894.53	70.70	29.30
Thermal Imaging (6)	25,340.00	19,779.99	0.00	5,560.01	21.94	78.06
Computer Equipment	48,600.00	158.97	0.00	48,441.03	99.67	0.33
Vehicles and Apparatus	617,290.00	276,970.12	0.00	340,319.88	55.13	44.87
Equipment Maint & Replacement	\$1,020,410.00	\$400,711.79	\$13,915.34	\$605,782.87	59.37	40.63
Administration						
Emergency Management	225,590.00	57,751.95	0.00	167,838.05	74.40	25.60
Administration	1,624,910.00	714,629.01	100.00	910,180.99	56.01	43.99
Administration	\$1,850,500.00	\$772,380.96	\$100.00	\$1,078,019.04	58.26	41.74
Grand Total (7)	\$11,210,290.00	\$4,622,583.22	\$102,287.25	\$6,485,419.53	57.85	42.15

*Exp = Expenditures; Enc = Encumbrance (ordered, not yet paid); YTD = Year to Date

Expenditure Variance Explanations

LFRA Budget Status - Expenditures

Variance Explanations - Expenditures

(1) General Station Operations

30 sets of bunker gear (coats and pants) are encumbered for the year's replacement and new position needs.

(2) Special Operations

ATV replacement is on order according the replacement schedule. July delivery is expected.

(3) EMS- Emergency Medical Services

The physician advisor, (required by statute), contract for the year is encumbered. It is billed quarterly.



Eugene Drive House Fire

(4) Hoses

Replacement hoses are on order according the replacement schedule.

(5) Ladders / Small Engine

Ground ladder testing for the year is complete and saw replacements have been purchased.

(6) Thermal Imaging

Replacement of two cameras according to the replacement schedule.

(7) Grand Total

Last Year through the second quarter of the year LFRA had spent 44.15% of the budget compared to the 42.15% this year.

Loveland Fire Rescue Authority

Authorized Spending Report by Account Class

Quarter Ending 6/30/14, 50% of the Year

Segments	Total Budget	*YTD Exp	*YTD Enc	Total Available	Total % Available	Total % Spent
Personal Services	\$8,159,170.00	\$3,442,964.04	\$0.00	\$4,716,205.96	57.80	42.20
Supplies	546,270.00	133,569.17	49,037.87	363,662.96	66.57	33.43
Purchased Services	2,298,630.00	1,026,612.01	37,862.89	1,234,155.10	53.69	46.31
Capital Outlay	206,220.00	19,438.00	15,386.49	171,395.51	83.11	16.89
Grand Total (1)	\$11,210,290.00	\$4,622,583.22	\$102,287.25	\$6,485,419.53	57.85	42.15

*Exp = Expenditures; Enc = Encumbrance; YTD = Year to Date

(1) Grand Total

The encumbrances include bunker gear, Peer Support Psychologist, ATV, Physician Advisor, and hose replacements. Last Year through the second quarter of the year LFRA had spent 44.15% of the budget compared to the 42.15% this year.

Other Resources

City's General Fund:

Budget	\$7,500.00
Actual Expenditures	6,501.84
Encumbrances (Purchase Orders)	0.00
Remaining Budget	<u>\$998.16</u>

Appropriated to replace tools and equipment in the Training Center damaged in the flood.

City's Capital Replacement Fund:

Budget	\$1,458,610.00
Actual Expenditures	374,975.05
Encumbrances (Purchase Orders)	896,931.03
Remaining Budget	<u>\$186,703.92</u>

100' Aerial Platform Truck and equipment necessary to make it service ready.

City's Fire Capital Expansion Fee Fund:

Budget	\$745,000.00
Actual Expenditures	741,441.01
Encumbrances (Purchase Orders)	0.00
Remaining Budget	<u>\$3,558.99</u>

Training Center Land Purchase

City's Fire Capital Expansion Fee Fund:

Budget	\$3,841,740.00
Actual Expenditures	1,573,216.23
Encumbrances (Purchase Orders)	1,740,821.86
Remaining Budget	<u>\$527,701.91</u>

Station 2 off of 29th & Wilson

In the Works



New and Old Fire Station 2

The new station is progressing according to schedule and within budget. All the interior and site work is now underway. The station is still expected to be completed by the end of September and the move in is expected to be by the middle of October.

The Thompson Valley EMS Board of Directors voted June 26th to move forward with the purchase of the old station and the contract is being drafted.



Training Center Property

June 4th the City's Fire Capital Expansion Fee Fund paid \$740,000 to close on the property at 1040 South Railroad Avenue, adding a total of 9,108 square feet of building space in three buildings on four acres of land, to expand the training center and move critical existing structures out of the floodway. There are seven businesses operating on the property that will remain tenants for at least 6 – 9 months.



FAA Annual Inspection

On June 26th the FAA conducted their annual inspection of the airport. LFRA's involvement and focus was on the Aircraft Rescue and Firefighting (ARFF) portion of the inspection. The FAA's review was comprehensive and covered several areas

New Station 2, North Bays

In the Works Continued...

including: equipment, training, records, and field operations evaluation. The department passed the inspection without negative operational issues related to ARFF services.

2015 Budget Submitted

\$11.9 million proposed budget was submitted by staff that included new funding for a Training Firefighter at the Engineer level and half year funding for an Administrative Analyst. It has been reviewed by a subcommittee of the LFRA Board (Chair of the LFRA Board from the Rural District, the City Manager from the City and the Chair of the Fire Rescue Advisory Commission representing the citizen's perspective) and the committee approved the budget for submittal to the full LFRA Board on September 11, 2014.

Fire Chief Selection Process

Just over seventy applications were received for the Fire Chief position. The Board will meet to review the candidate pool and select candidates that will proceed in the recruiting process. These candidates will submit a written exercise and the Board will meet again to review the submittals to select candidates for interview on August 20th and 21st.

Promotions and Recruitment

An extensive promotions and recruitment process has been completed in preparation for the new crew at Station 2: three Captains, three Lieutenants, six Engineers, six firefighters, five part time firefighters, and five reserves. This process also allowed for an efficient process to fill a Firefighter II position when a resignation was received. The effort involves not only the tremendous work involved in the selection process, but designing new shifts and putting together academies for each position to assist with transitioning them successfully to their new positions. Due to the small pool of reserve firefighters, this is the first time that LFRA opened the recruitment process for part time firefighters to candidates outside of our organization.

Apparatus Committee

The apparatus committee has been working with Pierce Manufacturing on the new aerial platform truck for a November delivery (\$1.1M with another \$300,000 in equipment necessary to make it service ready) and has been working on the specifications for the refurbish of the existing tower truck (\$606,000) so that bids can go out late this year for work to be completed in 2015.



Accreditation Implementation Plan

May 29th the LFRA Board approved an implementation plan for department accreditation from the Center for Public Service Excellence (CPSE). The strategy will leverage experience and talents from existing staff, is expected to take three years, and will cost initially just over \$24,000 with recurring costs of \$1,540. After accreditation is received there is an annual reporting requirement and complete on-site evaluation every five years.

Amendment to the Johnstown Fire Protection District Auto-aid Agreement

The amendments to the exhibits attached the intergovernmental automatic mutual aid agreement between Loveland Fire Rescue Authority (LFRA) and the Johnstown Fire Protection District (JFPD) originally executed July 22, 2013 are based on a recent evaluation of the response plans by both organizations based on resource location and availability. The areas of auto aid response are expanded for both the aid provided by LFRA to JFPD and the aid provided by JFPD to LFRA based on the relocation of LFRA Station 2 and the coverage area proposed within the plan for the development of an Authority between the JFPD and the Milliken Fire Protection District (MFPD).

Residential Sprinkler Steering Committee

Work continues with the Residential Sprinkler Steering committee with a side-by-side demonstration conducted on June 11th for the Fire Rescue Advisory Commission, Construction Advisory Board and Sprinkler Committee. The following are being discussed:



1. Full implementation of the IRC without amending,
2. Amend the IRC to require duplexes and townhomes to have fire sprinklers,
3. Continue to amend out of the IRC and work on an education program for developers/construction industry.

In the Works Continued...

2014 LFRA Budget Process

Financial Plan Update/Policy Direction Budget Development/Priority
Based Budgeting April/May

LFRA Staff Recommendation June

LFRA Board Subcommittee Consideration of Staff Recommendation
July/August

Subcommittee: LFRA Chair, the City Manager, and the Chair of FRAC

Fire Authority Board Adoption of Budget and Fees
September

Rural District Board
Approves Budget and
Fees
October

City of Loveland
Approval of Budget
and Fees
October

Fire Authority Board Appropriation of Budget
November

For more information regarding this report contact: Renee Wheeler, *Public Safety Administrative Director* at 970-962-2704 or *Renee.Wheeler@cityofloveland.org*

