

2015



Budget Biz

Quarter 2 (April - June), Issue 11

Welcome to the eleventh 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, through June, 2015. 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 2015

- Operations revenues are at 56.68% of the revenue budget compared to 47.8% last year.
- Operations expenditures are at 48.74% of the annual budget, compared to 42.2% last year.
- LFRA Maturation process continues with methods established to protect all current employee benefits.
- The Smeal Ladder refurbishment is on schedule for a September delivery.
- 2016 \$12.6M Proposed Budget has been developed and proposed to the Budget Subcommittee (Rural District representative/Chair of the LFRA Board, City Manager, and the Chair of the Fire Rescue Authority Advisory Commission).
- The Lincoln Hotel Fire Sprinkler System is fully operational.
- Building plan reviews are 34% higher than last year through June and inspections are 43% higher for the same portion of the year.
- \$677,650 in grants have been awarded to install an emergency generator for the designated emergency evacuation center (Chilson Recreation Center), the Highway 287 Bridge Flood Mitigation Feasibility Study, Mitigation Strategy and Master Plan, emergency operations center technology improvements, and smoke detectors.
- The second Heart and Circulatory Trust Premium has been paid and reimbursed by the State of Colorado Division of Local Affairs.

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

2015

LFRA Budget Status - Revenue

Loveland Fire Rescue Authority

Budget Revenue Report

Quarter Ending 6/30/2015, 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	\$500.00	\$507.41	-\$7.41	-1.48	101.48
Gain/Loss On Investments	500.00	-230.58	730.58	146.12	-46.12
SubTotal : Investment Activity	\$1,000.00	\$276.83	\$723.17	72.32	27.68
Community Safety					
Special Events (1)	31,500.00	20,111.50	11,388.50	36.15	63.85
Miscellaneous	0.00	80.00	-80.00	0.00	100.00
Building	58,400.00	25,801.45	32,598.55	55.82	44.18
Contractor	4,000.00	2,000.00	2,000.00	50.00	50.00
Fire Permit & Inspection	26,000.00	11,650.00	14,350.00	55.19	44.81
Firework Stand Review (2)	12,350.00	12,100.00	250.00	2.02	97.98
Rural Fire Inspection Fee (3)	9,860.00	11,609.75	-1,749.75	-17.75	117.75
SubTotal : Community Safety	\$142,110.00	\$83,352.70	58,757.30	41.35	58.65
Station Operations					
State DOLA Firefighter Trust Premium (4)	0.00	8,925.00	-8,925.00	0.00	100.00
Academy Training	15,000.00	24,441.50	-9,441.50	-62.94	162.94
SubTotal : Station Operations	\$15,000.00	\$33,366.50	-\$18,366.50	-122.44	222.44
Technical Response and Systems					
Hazmat Mitigation	1,100.00	0.00	1,100.00	100.00	0.00
SubTotal : Technical Response and Systems	\$1,100.00	\$0.00	\$1,100.00	100.00	0.00
Administration					
Emergency Management Grant	43,000.00	22,320.00	20,680.00	48.09	51.91
Miscellaneous	5,000.00	0.00	5,000.00	100.00	0.00
Other Agency Deployment	20,000.00	0.00	20,000.00	100.00	0.00
Contribution - Rural Fire District	2,192,617.00	407,536.37	1,785,080.63	81.41	18.59
Contribution - Loveland	9,988,576.00	4,293,048.22	5,695,527.78	57.02	42.98
SubTotal : Administration	\$12,249,193.00	\$5,258,535.22	\$6,990,657.78	57.07	42.93
Grand Total : (5)	\$12,408,403.00	\$5,375,531.25	\$7,032,871.75	56.68	43.32

*YTD = Year to Date, Rev = Revenue

Revenue Variance Explanations

LFRA Budget Status - Revenue

Variance Explanations - Revenue

(1) Special Events

Budweiser Event Center Standby.

(2) Fireworks Stand Review

Fireworks Stand Permits have been purchased for the year.

(3) Rural Fire Inspection Fee

Several substantial projects in the 25/34 Development (Apartment complex, Shooting Range, care facility).

(4) State DOLA Firefighter Trust Premium

Received reimbursement of premium paid to the Trust from the Colorado Division of Local Affairs based on the heart and circulatory legislation effective Jan 1.

(5) Grand Total

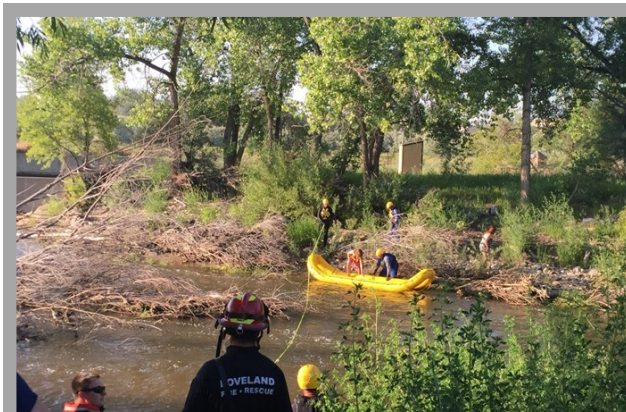
Last year LFRA had collected 47.8% of the revenue budgeted for the year.



Vehicle in Lake Loveland



MVA with extrication



Swiftwater incident



Engineer Waldorf being interviewed

LFRA Budget Status - Expenditures

Loveland Fire Rescue Authority Authorized Spending Report by Division and Program Quarter Ending 6/30/2015, 50% of the Year

Segments	Total Budget	*YTD Exp	*YTD Enc	Total Available	Total % Available	Total % Spent
Community Safety						
Prevention	\$202,520.00	\$94,828.16	\$1.98	\$107,689.86	53.18	46.83
Business Inspections	158,180.00	65,232.60	0.00	92,947.40	58.76	41.24
Permitting & Development Review (1)	332,060.00	190,688.83	5,070.93	136,300.24	41.05	58.95
Community Safety	\$692,760.00	\$350,749.59	\$5,072.91	\$336,937.50	48.64	51.36
Station Operations						
General Station Operations	7,899,060.00	3,821,044.65	43,585.59	4,034,429.76	51.08	48.93
Training (2)	94,430.00	48,092.31	17,411.15	28,926.54	30.63	69.37
Station 1	47,730.00	22,468.47	167.18	25,094.35	52.58	47.42
Station 2 (3)	9,550.00	5,263.96	439.82	3,846.22	40.28	59.73
Station 3	7,630.00	2,689.01	121.58	4,819.41	63.16	36.84
Station 5	7,600.00	1,941.23	0.00	5,658.77	74.46	25.54
Station 6	9,550.00	3,635.32	32.76	5,881.92	61.59	38.41
Health/Safety (Fitness & Peer Support)	86,490.00	20,248.94	16,818.76	49,422.30	57.14	42.86
Station Operations	\$8,162,040.00	\$3,925,383.89	\$78,576.84	\$4,158,079.27	50.94	49.06
Technical Response and Systems						
Special Operations (Dive, Hazmat & Urban Rescue)	94,254.00	32,590.16	5,447.53	56,216.31	59.64	40.36
Wild Land	45,500.00	15,767.70	41.91	29,690.39	65.25	34.75
Emergency Medical Service (4)	23,050.00	7,810.90	6,000.00	9,239.10	40.08	59.92
Tac Fire	26,670.00	2,096.34	360.00	24,213.66	90.79	9.21
Aircraft Rescue and Firefighting	2,280.00	0.00	0.00	2,280.00	100.00	0.00
Technical Response and Systems	\$191,754.00	\$58,265.10	\$11,849.44	\$121,639.46	63.44	36.57
Equipment Maint & Replacement						
Communications / Telephone (5)	180,710.00	49,716.41	72,369.00	58,624.59	32.44	67.56
Hoses	30,890.00	75.62	0.00	30,814.38	99.76	0.25
Ladders/Small Engine	11,550.00	821.86	0.00	10,728.14	92.88	7.12
Self Contained Breathing Apparatus	53,520.00	25,135.82	675.00	27,709.18	51.77	48.23
Thermal Imaging (6)	13,820.00	1,212.56	9,135.00	3,472.44	25.13	74.87
Computer Equipment	21,724.00	8,735.66	0.00	12,988.34	59.79	40.21
Vehicles and Apparatus	975,570.00	445,243.66	39,214.01	491,112.33	50.34	49.66
Equipment Maint & Replacement	\$1,287,784.00	\$530,941.59	\$121,393.01	\$635,449.40	49.34	50.66
Administration						
Emergency Management	289,740.00	65,842.03	28,024.99	195,872.98	67.60	32.40
Admin (Including Services Provided by City)	1,784,325.00	845,285.14	25,889.92	913,149.94	51.18	48.82
Administration	\$2,074,065.00	\$911,127.17	\$53,914.91	\$1,109,022.92	53.47	46.53
Grand Total (7)	\$12,408,403.00	\$5,776,467.34	\$270,807.11	\$6,361,128.55	51.27	48.74

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

Expenditure Variance Explanations

LFRA Budget Status - Expenditures

Variance Explanations - Expenditures

(1) Permitting & Development Review

Overtime as a function of building activity and Training as a result of the commitment to the Development Team Training.

(2) Training

Purchase order for the Paul Callan Course for half of the Lieutenants to occur later in the year.

(3) Station Two

Equipment purchases for power washer and lamps.

(4) Emergency Medical Service

Full year commitment for the Physician Advisor.

(5) Communications

Radio replacements.

(6) Thermal Imaging

Replacement purchases made.

(7) Grand Total

Last year LFRA spent 42.2% of the budget.



Individual trapped in the sand in the Big Thompson River near Thompson Ponds. Engine 3 and Rescue 2 work to free the person.

Loveland Fire Rescue Authority Authorized Spending Report by Account Class Quarter Ending 6/30/15, 50% of the Year

Segments	Total Budget	*YTD Exp	*YTD Enc	Total Available	Total % Available	Total % Spent
Personal Services	\$8,727,490.00	\$4,281,537.25	\$0.00	\$4,445,952.75	50.94	49.06
Supplies	556,818.00	239,753.18	35,775.49	281,289.33	50.52	49.48
Purchased Services	2,802,245.00	1,238,527.60	147,832.61	1,415,884.79	50.53	49.47
Capital Outlay	321,850.00	16,649.31	87,199.01	218,001.68	67.73	32.27
Grand Total (1)	\$12,408,403.00	\$5,776,467.34	\$270,807.11	\$6,361,128.55	51.27	48.74

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

(1) Grand Total

There are several encumbrances: development review team training, drug testing, ramp system for the command training center, Stat 5 exhaust system, the EMS Physician Advisor for the year, Peer Support Psychologist, vehicle, radio replacements, radio maintenance contract, and outside legal counsel.

Other Resources

City's Capital Replacement Fund:

Ladder Truck Refurb Budget	\$606,240.00
Plus Reappropriation for the Aerial Platform Truck (final reading in April)	925,094.00
Less Actual Expenditures (Aerial Platform)	831,028.00
Less Encumbrances (Purchase Order-Refurb)	486,021.71
Remaining Budget	<u>\$214,284.29</u>

Ladder Truck Refurbishment and the remaining 2014 budget for the 100' Aerial Platform Truck and equipment necessary to make it service ready. Aerial Platform truck is in service. The ladder truck refurb is in progress and expected to be completed in August or early September.

City's Fire Capital Expansion Fee Fund:

Budget	\$295,000.00
Less Actual Expenditures	1,450.00
Less Encumbrances (Purchase Orders)	0.00
Remaining Budget	<u>\$293,550.00</u>

New Training Center Property Design; the actual expenditures are related to a final close out bill from Belford Watkins for the Station 2 construction. The total is less because lamps for Station 2 were incorrectly posted to this account and that expenditure was moved to the station budget in operations.

This fund is also being charged for an allocated share of the Capital Expansion Fee Study; however, LFRA only reports on Fire related expenditures. \$15,000 was appropriated in 2014. There was a balance of \$11,000 that has been included in the reappropriation ordinance; the actual expenditures in 2015 through 6/30/15 are \$1,021.55.

In the Works

LFRA Maturation

- Employee Conversion - All of the appropriate documents have been drafted by City attorneys and Ireland Stapleton attorneys to convert employees from City to LFRA employees. A working group of the Fire Chief, Administrative Director, three LFRA Captains, attorneys, and City Human Resources Director have been meeting every two weeks to work through the many different policy and implementation challenges to ensure that this process occurs smoothly. Fire employees will retain all the same benefits, including accrued hours for sick, holiday, vacation and others. The process is intended to be complete by the end of October for a November 1, 2014 effective date.
- The IRS form to establish the City of Loveland an agent of LFRA for the purpose of payroll and tax reporting has been sent for approval.
- The Fire Rescue Authority Advisory Commission (formerly the City FRAC commission) has drafted a handbook to govern the administration of the commission based on the City of Loveland Boards and Commissions handbook to recommend to the LFRA Board on July 29, 2015.

Apparatus / Equipment

We have taken delivery on two replacement pickups: the Smeal Ladder Refurbishment is in progress for a September delivery: and the aircraft rescue truck for the airport is due for final inspection in August. A new apparatus committee (simply to provide the experience to a wider variety of interested firefighters) has been designated and the process to refine the standard engine design and begin work on the 2016 engine replacement has begun.

Budgetary Analysis & Consideration

Several budget related projects have been completed within the second quarter: City's Capital Improvement Plan, Fire Capital Expansion Fee Methodology Study, City Comprehensive Master Plan Fiscal Impact Analysis, Food Sales Tax Elimination Budget Reduction Scenario, and the \$12.6M 2016 Operations Budget 2016 with a financial plan through 2024.

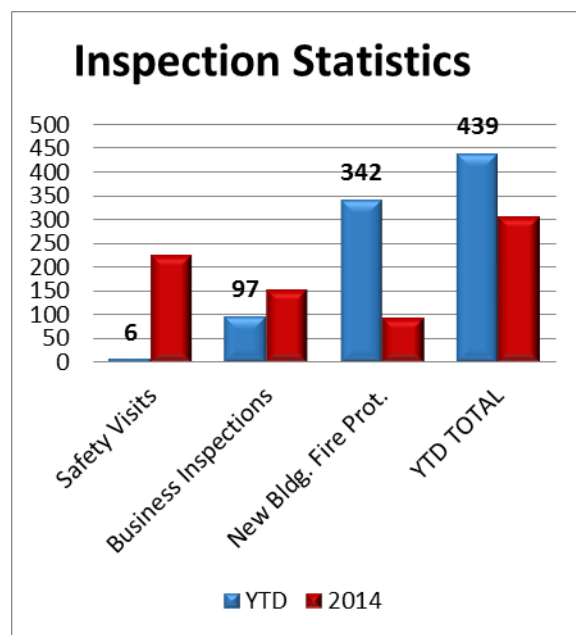
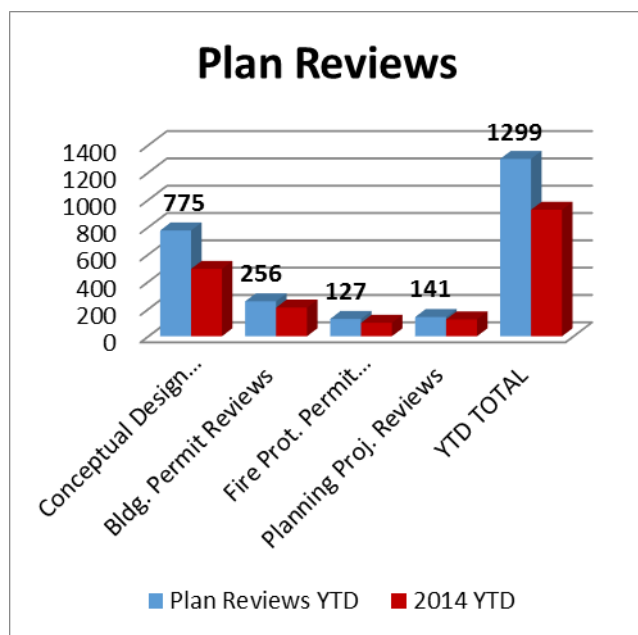
In the Works Continued...

Lincoln Hotel

The downtown Lincoln Hotel fire sprinkler system is fully operational. This has been a multiple year complicated process to achieve fire code compliance in the best interest of permanent residents of the hotel. The partnership between LFRA, The City of Loveland and the property owner has created a far safer living environment and is expected to reduce the number of false alarm responses significantly.

Significant Building Activity

The Community Safety Division has been overwhelmed with a 34% increase in the plan reviews and a 43% increase in the number of inspections year to date generated by projects throughout the LFRA response area, within the City Limits and in the Rural District. The need to address plan review and inspections demands was the primary driver for a personnel realignment. This realignment allows for the addition of a part time inspector in August.



Grants

Captain Mialy, Emergency Manager, successfully secured three grants.

- A grant from FEMA (Federal Emergency Management Agency) through the Colorado Division of Homeland Security and Emergency Management for \$365,150 of a \$486,867 project to install a generator at the Chilson Center, a designated emergency evacuation center.
- A \$290,000 Community Development Block Grant – Disaster Recovery (CDBG-DR) federal planning grant through the State of Colorado to complete a \$172,150 Highway 287 Bridge Flood Mitigation Feasibility Study and a \$167,500 Mitigation Strategy and Master Plan.
- A \$20,000 Northeast All Hazards Region State Homeland Security grant for emergency operations center technology upgrades, exercises and planning.

Roylene Sterkel, Business Services Coordinator, and Scott Pringle, Public Affairs Officer, secured a \$2,000 grant to purchase smoke alarms. A formal presentation will be made at the August LFRA Board meeting.

Heart & Circulatory Benefit

The second premium to align the premium year with the State's fiscal year has been made to the Trust that provides a heart and circulatory benefit to all full time firefighters that have been with the organization for at least five years for \$9,975. It has been 100% reimbursed by the State of Colorado Division of Local Affairs. The premium per firefighter remained the same at \$175, however there were six more firefighters that will qualify for the benefit in the 2015-2016 fiscal year.

In the Works Continued...

2015 Proposed LFRA Budget Process

