

# Minnesota Department of Public Safety



## *Fire Safety Account* *Financial Report for* *Fiscal Year 2015*

October 2015



## Fire Safety Account – Fiscal Year 2015

### Overview:

The 2006 Legislature established a fire-safety surcharge on homeowner insurance policies and certain commercial insurance policies, and established the Fire Safety Account to hold revenue generated by the surcharge. The bill abolished the fire insurance tax which had been in law for decades, the proceeds of which went into the state general fund. Insurance companies now submit their surcharge collections monthly and are required to submit quarterly, on or before May 15, Aug. 15, Nov. 15 and Feb.15 each year.

The legislation also created a Fire Service Advisory Committee to make recommendations to the commissioner of public safety on how to spend Fire Safety Account money. These revenues may be allotted only to (1) the Minnesota Board of Firefighter Training and Education (2) programs and staffing for the State Fire Marshal Division, and (3) fire-related, regional response-team programs and other fire service programs that have potential statewide impact. The committee is made up of representatives from state fire service associations, local units of government and the insurance field. The Fire Service Advisory Committee meets quarterly to review the account's status and funding allotments. The committee creates biennial budget recommendations for the commissioner.

### Fiscal Year 2015 Budget:

Transfers from the account as established in the base FY15 budget:

- State General Fund – \$2,368,000
- State Fire Marshal Division – \$4,487,000
- Homeland Security and Emergency Management Division – \$604,000
- Board of Firefighter Training and Education – \$2,700,000

#### *FY15 Activity Summary:*

|   |              |
|---|--------------|
| Balance Forward from FY14                                       | \$4,885,999  |
| Collections from Fire Safety premiums                           | \$12,632,217 |
| Returned to Fire Safety Account                                 | \$3,471,968  |
| Resources available   | \$20,990,184 |
| Transfer to General Fund  | \$2,368,000  |
| Transfer to State Fire Marshal Division                         | \$4,487,000  |
| Transfer to Board of Firefighter Training and Education         | \$2,700,000  |
| Transfer to Homeland Security and Emergency Management Division | \$604,000    |
|   |              |
|   |              |
| Total Transfers   | \$10,159,000 |
|   |              |
| Account Balance end of FY15                                     | \$10,831,184 |

## **Board of Firefighter Training and Education (MBFTE):**

In FY15, approximately \$2 million was made available for Minnesota fire departments, and once again, awards to all Minnesota fire departments were based on a “per firefighter” rate (\$97). The MBFTE chose to award departments based on the number of firefighters on their current roster. No formal applications were required by the MBFTE for a fire department to receive a training reimbursement award. In August 2015, each of Minnesota’s 781 fire departments received an award letter informing them of the amount of funding available for their use on firefighter training during FY16.

Seventy-nine percent of the 781 fire departments submitted training reimbursement documentation to the MBFTE in FY15 — an increase of 20 percent from FY14. First-time applicants to the training reimbursement program numbered 37 fire departments, and all but 48 fire departments have now submitted for training reimbursements in at least one of the first eight rounds since this program began. The average reimbursement in FY15 was \$4,336.95 based on 618 fire departments seeking training reimbursement. Overall, more than \$2.9 million in training reimbursements was requested by Minnesota fire departments in FY15.

Other FY15 highlights:

- Again in FY15, the MBFTE provided reimbursement directly to training providers for NFPA 1001, Firefighter 1, Firefighter 2 and Hazardous Materials Operations training. There was \$1,160,000 available to Minnesota fire departments to pay for this training — enough to fund more than 800 firefighters.
- The MBFTE provided a total of \$50,000 in reimbursement grants to local, regional and statewide fire service organizations for unique training events. These “conference, seminar and symposium” awards made available 13 different training opportunities for 20,000 Minnesota firefighters at a significantly reduced rate.
- There was \$79,500 available for live-burn training throughout Minnesota. The money funded 53 separate live-burn trainings in acquired structures across the state in accordance with National Fire Protection Association (NFPA) 1403 standards. NFPA 1403 live-burn training ensures that all live burns in acquired structures were conducted in a safe manner, meeting a nationally recognized standard.
- The MBFTE provided \$100,000 to train Minnesota firefighters in a course called “Incident Safety Officer.” The intent is for firefighters to understand roles and responsibilities of the safety officer on an emergency incident scene. The training has been provided free of charge to more than 500 fire departments in the last three years and will continue through 2016 to ensure all Minnesota fire departments receive this vital training.
- The MBFTE provided more than \$25,000 to fund two Fire Service Leadership Development courses held at Camp Ripley throughout the fiscal year. Each 32-hour course consists of four modules, bringing a cross-section of fire service leaders from across the state – at no cost to them or their department – to develop skills and address key leadership issues that are specific to the Minnesota fire service.
- The MBFTE continues to work with the fire departments across the state of Minnesota to simplify the reimbursement process and their newly designed website will allow for online reporting of training reimbursements for all departments.

## **State Fire Marshal Division (SFMD):**

Approximately 70 percent of the SFMD budget comes from the Fire Safety Account. The remaining 30 percent comes from fees and from contracts for inspection of healthcare, daycare facilities, schools and motels.

FY15 monies provided operational funding for the SFMD

- Health Care and Department of Corrections Facilities Inspection Team

- Public and Charter School Inspection Team
- Residential Care and Lodging Inspection Team
- Fire Protection Systems Plan Review and Inspection Team
- Fire Investigation Team
- Administrative, Management and other Support Services
- Fire and Life Safety Education
- Youth Firesetter Intervention
- Fire Incident Data Collection and Analysis

Funding from the Fire Safety Account has enabled the SFMD to significantly improve training opportunities for local fire marshals, inspectors and firefighters. One example is the addition of the Fire Protections Systems Demonstration Trailer, a mobile training prop containing seven complete, working fire protection (sprinkler) systems in a variety of configurations. This demonstration trailer allows students a “hands-on” demonstration of the internal operations of these systems and gains a better understanding of how individual components function during a fire. Since this unit was placed in service in August 2012, more than 125 classes have trained 2,400+ fire service personnel throughout the state.

Another training aid, currently under development, is the Fire Code Training Trailer. When completed, this unit will contain a variety of training props including a working fire alarm system, kitchen hood fire protection system, several fire doors and egress devices, window systems, and other fire safety and protection features commonly found in buildings. This unit will give fire marshals and inspectors — particularly those new to the job — hands on experience with the devices, and a functional understanding of their operation and purpose.

### **Fire Marshal Conference**

For the past four years (beginning in 2012), the SFMD has sponsored a State Fire Marshal Conference in April. Attendance has grown from 160 the first year to over 200 in recent years. The conference has brought national fire service experts to Minnesota to share the most up-to-date information for those involved in fire prevention, fire safety education, and fire investigation.

### **Training Efforts**

Since the implementation of the Fire Safety Account, the SFMD has been able to provide training on fire investigations, fire codes, fire protection systems, and fire safety education to the fire service in Minnesota at no cost. This has helped local government budgets, especially training dollars that are often in short supply on a local level.

### **Shared Services Program**

The Shared Services Program has moved to the implementation phase, and our Fire Services Specialist continues to work with recent award recipients. When studies are completed, fire departments may use shared-service funding to help implement agreed-upon recommendations.

“Shared Services” refers to a number of ways in which fire-and-rescue organizations are working together to become more efficient and effective. The shared services concept may result in cost savings for fire organizations — but it doesn’t always have that result, nor does it mean that fire departments must formally merge to “share services.” The goals are efficiency and effectiveness.

### **Homeland Security and Emergency Management Division (HSEM):**

In FY15, HSEM continued its focus on upgrading and sustaining equipment for Chemical Assessment Teams (CAT), St. Paul and Moorhead Fire Department Emergency Response Teams (ERT) and Minnesota Task Force 1.

Additional funds were used to update standard operating procedures based on shortcomings identified in exercises. Monthly exercises with local police, fire, state response teams, other state agencies, and federal partners allowed us to evaluate, improve and streamline response procedures across the state.

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