

# Minnesota Department of Public Safety



## **Fire Safety Account** *Financial Report for* *Fiscal Year 2019*

November 2019



**Fire Safety Account — Fiscal Year 2019**

**Overview**

The 2006 Minnesota State Legislature established a fire safety surcharge on homeowner and certain commercial insurance policies. The Fire Safety Account (FSA) was created to hold revenue generated by that surcharge. The 2006 Legislature simultaneously abolished the fire insurance tax that had been in law for decades, the proceeds of which went into the state general fund. State statute requires insurance companies submit surcharge collections quarterly to the Minnesota Department of Revenue on or before May 15, Aug. 15, Nov. 15, and Feb. 15.

MN Statute 299F.012 directs the Fire Service Advisory Committee (FSAC) to make recommendations to the commissioner of public safety on how to spend FSA money. These revenues may be allotted only to:

1. The Minnesota Board of Firefighter Training and Education (MBFTE).
2. Programs and staffing for the Minnesota Department of Public Safety State Fire Marshal Division (SFMD).
3. Fire-related, regional response-team programs and other fire service programs that have potential statewide impact.

The FSAC is made up of representatives from state fire service associations, local units of government, and the insurance field. The FSAC meets quarterly to review the account’s status and funding allotments. It creates biennial budget recommendations for the commissioner.

**Fiscal Year 2019 (FY19) Budget**

Transfers from the FSA as established in the base FY19 budget:

- SFMD — \$6,420,000.
- MBFTE — \$4,265,000.
- Fire-related, regional response-team programs and fire service programs with statewide impact:
  - Minnesota Air Rescue Team (MART) — \$250,000.
  - Minnesota Task Force 1 (MN TF-1) — \$500,000.
  - Homeland Security and Emergency Management Division (HSEM) — \$1,525,000.

**FY19 Activity Summary**

Balance forward from FY18	\$ 7,645,011	
Collections from FSA premiums	\$14,216,910	
Resources available		\$21,861,921
Transfer to general fund	\$0	
Transfer to SFMD	\$6,420,000	
Transfer to MBFTE	\$4,265,000	
Transfer to HSEM	\$1,525,000	
Transfer to MBFTE for MART base budget	\$ 250,000	
Transfer to MBFTE for MN TF-1 base budget	\$ 500,000	
Returned to the FSA	(\$2,251,888)	
One-time appropriations	\$5,635,799	
Total transfers		\$16,343,911
Account balance end of FY19		\$ 5,518,010



## One-Time Appropriation for Fiscal Year 2019

Commissioner of Public Safety Mona Dohman approved the \$5,635,799 one-time appropriation. The committee recommended funding the following:

MBFTE	\$2,433,500
MN TF-1: Equipment, training reimbursements	\$464,000
HSEM CAT/ERT	\$1,000,000
SFMD Gear Washer/Dryer Program	\$600,000
SFMD: Fire Protection Team software	\$143,399
MART	\$75,000
Mn FIRE Mental Health/Cancer/Cardiovascular Training	\$500,000
Minnesota DNR for Virtual Reality Training Programs	\$419,900
Total	\$5,635,799

### MBFTE

In FY19, a base budget appropriation of \$4.265 million and a \$2.4 million one-time appropriation from the FSA were available to Minnesota fire departments. The MBFTE awarded departments a per-firefighter rate of \$205 for training. Based on that rate, the average training reimbursement per fire department in FY19 was \$7,715. Of Minnesota's 775 fire departments, 687 requested more than \$5.3 million in training reimbursements. All fire departments that submit a request receive a training reimbursement; no formal application is required.

### Other FY19 highlights:

- The MBFTE provided reimbursement for NFPA 1001, Firefighter 1, Firefighter 2 and Hazardous Materials Operations training. There was \$1.7 million available to Minnesota fire departments to pay for this training — enough to fund more than 1,000 firefighters.
- The MBFTE provided more than \$66,000 in reimbursement grants to local, regional and statewide fire service organizations for unique training events. These awards helped nearly 20,000 firefighters attend a total of 17 different training opportunities at a significantly reduced rate.
- Approximately \$145,000 funded 97 live-burn training events across Minnesota. Live-burn training is conducted in accordance with NFPA 1403 standards, which ensured all burns were conducted in a safe manner and met a nationally recognized standard and the statutory requirements of the Minnesota Department of Natural Resources.
- The MBFTE provided more than \$38,000 to fund two Fire Service Leadership Development courses held at Camp Ripley. Each 32-hour course helped a cross-section of fire service leaders from across the state — at no cost to them or their department — develop skills and address key leadership issues specific to the Minnesota fire service. More than 160 firefighters have now completed this course over the last four years.

The MBFTE continues educating fire departments, fire training providers, and fire service organizations across Minnesota on the resources available to them from the FSA. The MBFTE continues to maintain a simplified website and reimbursement process that allows for online management of training reimbursements for all departments.

## **SFMD**

Approximately 70 percent of the SFMD budget comes from the FSA. The remaining 30 percent comes from fees and contracts for health care, daycare, school, and motel inspections.

FY19 monies provided operational funding to the SFMD for the following:

- 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 (such as fire service specialists).
- Fire and life safety education.
- Youth firesetter intervention.
- Fire incident data collection and analysis.

FSA funding has helped the SFMD 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 provides students a hands-on demonstration of the internal operations of these systems and helps them gain a better understanding of how individual components function during a fire. Since this unit was placed in service in August 2012, approximately 4,800 fire service personnel have attended 267 classes statewide.

Another training aid is the Fire Code Training Trailer. This unit contains a variety of training props, including a working fire alarm system, kitchen hood fire protection system, several fire doors and egress devices, escape window, 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 props, and a functional understanding of their operation and purpose.

During FY19 the Fire Protection Team used FSA funding to purchase software to enhance and expedite sprinkler plan reviews online. Also during FY19, the Fire Protection Team purchased pipefitter exam software.

### **Fire Marshal Conference in Partnership with the Fire Marshals Association of Minnesota (FMAM)**

The SFMD has sponsored a State Fire Marshal Conference in April since 2012 and now has partnered with FMAM to do so. Attendance has grown from 160 the first year to over 225 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 FSA, the SFMD has been able to provide fire investigation, fire code, fire protection system, and fire safety education training to the Minnesota fire service at no cost. This has augmented local government budgets, especially training dollars that are often in short supply on a local level. In FY19, the SFMD provided for the first time ever a week-long fire code academy at Camp Ripley to focus on fire code training for code officials from across the state. The fire code training, along with room and board at Camp Ripley, was provided free of charge to the 32 attendees.

### **Records Management**

One of the first purchases made with FSA funding was an online records management system accessible to any of Minnesota's 775 fire departments. The system was developed by ImageTrend out of Lakeville, Minn.

Although primarily developed as a fire reporting tool for fire departments, the system also includes modules for training, personnel, payroll, inventory, inspections and investigations. A significant software upgrade called ImageTrend Elite was initiated by the company in FY17 and FY18. The system was used by 89 percent of the state's fire departments in FY19.

### **Service Planning Grant Program (Old Shared Services Program)**

The Service Planning Grant Program moved into another round of awards with \$265,000 available for FY18/FY19. SFMD's fire service specialists continue to work with the recent award recipients. When studies are completed, fire departments may use Service Planning Grant funding to help implement agreed-upon recommendations.

"Sharing services" refers to a number of ways in which fire-and-rescue organizations are working together to become more efficient and effective. The sharing of services 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)**

HSEM and the SFMD continued its focus in FY19 on upgrading and sustaining equipment for Chemical Assessment Teams (CAT) along with Saint Paul, Duluth, St. Cloud and Moorhead Fire Department's Emergency Response Teams (ERT) and Minnesota Task Force 1. As of May 1, 2019, the coordination and administration of all the state response teams was transferred to the state fire marshal division.

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. One-time funding was secured from the Fire Safety Account for \$1 million to purchase four new hazardous materials incident response vehicles. The new response vehicles have an anticipated July 2020 delivery and will be going to Moorhead, Duluth, Rochester and Saint Paul's hazardous materials response teams.

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