

Minnesota Department of Public Safety



Fire Safety Account *Financial Report for Fiscal Year* *2012*



Fire Safety Account – Fiscal Year 2012

Overview:

The 2006 Legislature established a fire safety insurance surcharge on homeowner and certain commercial insurance policies. The fire safety account was created to hold the revenues from this 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 submit their surcharge collections on a quarterly basis, on or before May 15, August 15, November 15 and February 15 each year.

The legislation created a Fire Service Advisory Committee to make recommendations to the Commissioner of Public Safety on how to spend the money in the account. These revenues may only be spent (1) for the Minnesota Board of Firefighter Training and Education, (2) for programs and staffing for the State Fire Marshal Division, and (3) for fire-related regional response team programs and any other fire service programs that have the potential for statewide impact. The committee is made up of representatives of the 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 use of the funds. This committee forwards their biennial budget recommendations to the commissioner.

Fiscal Year 2012 Budget:

Transfers from the account as established in the base FY2012 budget were as follows: General Fund - \$4,327,000; State Fire Marshal Division - \$4,287,000; Homeland Security & Emergency Management Division - \$604,000; and Board of Firefighter Training & Education - \$1,470,000.

As a result of unspent funds from FY2011, \$1,164 was added back into the available funds for FY2012.

Fiscal Year 2012 Activity Summary:

Balance Forward from FY2011	\$236,698
Collections from Fire Safety Premiums	\$14,055,364
Resources available	\$14,292,062
Transfer to General Fund	\$4,327,000
Transfer to State Fire Marshal Division	\$4,287,000
Transfer to Board of Firefighter Training & Education	\$1,470,000
Transfer to Homeland Security & Emergency Management Division	\$604,000
Unspent funds transferred back into account	-\$1,164
Total Transfers	\$10,686,836
Account Balance end of FY2012	\$3,605,226

Board of Firefighter Training & Education (MBFTE):

In fiscal year 2012, approximately \$2,088,000 was available for Minnesota fire departments and for the first time, awards were based on a “per firefighter” rate (\$101.85) to all 785 Minnesota fire departments. The MBFTE chose to award all fire departments based on how many firefighters are on their current roster. No formal applications were needed to be submitted to the MBFTE for the fire department to receive a training reimbursement award. In September 2011, all 785 fire departments received an award letter informing them of the amount of funding available for their usage on firefighter training.

68% of the 785 fire departments submitted reimbursement documentation to the MBFTE for training reimbursement funding which was an increase of 189 from the 344 fire department submittals from fiscal year 2011. The number of first time applicants into the training reimbursement program also increased to 157 fire departments. The program average reimbursement was \$3,691.00 based on the 534 fire departments seeking training reimbursement funding in fiscal year 2012.

In fiscal year 2012 the MBFTE also provided \$150,000.00 in reimbursement grants to 25 local, regional and statewide fire service organizations for unique training events around the state of Minnesota. This conference, seminar and symposium grant opportunity provided 25 different training opportunities for all 20,000 Minnesota firefighters to attend at a significantly reduced rate because of the reimbursement program provided by the MBFTE.

Also in fiscal year 2012 there was \$50,000 dollars available for the development of Live Burn Instructor training throughout Minnesota. The Live Burn Instructor training was developed by Hennepin Technical College based on National Fire Protection Association (NFPA) 1403 standards. The NFPA 1403 Live Burn training was to ensure that all live burns in “acquired” structures were conducted in a safe manner and in accordance with the NFPA 1403 nationally recognized standards.

State Fire Marshal Division (SFMD):

Approximately 70% of the division budget comes from the Fire Safety Account. The remaining 30% comes from fees and contracts for inspections of health care facilities, schools, day care facilities, and motels. FY2012 funding provided operational costs for the Health Care & Corrections Facilities Inspection Team, the Public & Charter School Inspection Team, the Residential & Day Care Inspection Team, the Fire Protection Systems Plan Review & Inspection Team, the Fire Investigation Team as well as administrative, management and other support functions.

In FY2012 a new position titled Fire Service Specialist was added to our staffing. This position exists to be the primary liaison with the MN fire service on matters involving mutual aid contracts, personnel policies, shared services and training, as well as any other questions that (typically) come from the smaller, volunteer fire departments that don't have full-time staffing. This concept has been received extremely well around the state. This person also became the primary contact in MN for all National Fire Academy on-campus (Emmitsburg, MD) and in-state courses.

Homeland Security & Emergency Management Division (HSEM):

In fiscal year 2012 HSEM focused on the upgrade and sustainment of equipment for the Chemical Assessment Teams and MN Task Force 1. Additional funds were used to update standard operating procedures based upon the gaps that were noted during exercises. Exercises were performed on a monthly basis throughout the state involving the local police, fire, state response teams, various other state agencies and some federal partnerships. These exercises allowed us to evaluate, improve and streamline the response procedures in the state of Minnesota.