

Minnesota Department of Public Safety



Fire Safety Account *Financial Report for* *Fiscal Year 2018*

October 2018



Fire Safety Account – Fiscal Year 2018

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 2018 Budget:

Transfers from the account as established in the base FY18 budget:

- State Fire Marshal Division – \$6,274,000
- Homeland Security and Emergency Management Division – \$1,525,000
- Board of Firefighter Training and Education – \$4,265,000
- Transfer to Minnesota Air Rescue Team (MART) \$250,000
- Transfer to Minnesota Task Force 1 (MN TF-1) \$500,000
- Transfer to State Fire Marshal Division \$282,670

FY18 Activity Summary:

Balance Forward from FY16	\$ 7,005,671
Collections from Fire Safety premiums	\$13,722,745
Returned to Fire Safety Account	\$ 4,072
Resources available	\$20,732,488
Transfer to General Fund	\$0
Transfer to State Fire Marshal Division	\$6,274,000
Transfer to Board of Firefighter Training and Education	\$4,265,000
Transfer to Homeland Security and Emergency Management Division	\$1,525,000
Transfer to Board of Firefighter Training and Education for MART base budget	\$250,000
Transfer to Board of Firefighter Training and Education for MN TF-1 base budget	\$500,000
Transfer to State Fire Marshal for Service Planning Grants and Special Projects	\$282,670
Total Transfers	\$13,096,670
Account Balance end of FY17	\$ 7,635,818

Board of Firefighter Training and Education (MBFTE):

The MBFTE received a base budget of \$4.265 million in FY18, with \$2.247 million made available for training reimbursements to Minnesota fire departments. Once again, awards to all Minnesota fire departments were based on a “per firefighter” rate (\$105.50). 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 2017, each of Minnesota’s 778 fire departments received an award letter informing them of the amount of funding available for their use on firefighter training during FY18.

A record number of fire departments (90 percent) submitted training reimbursement documentation to the MBFTE in FY18 — an increase of three percent over FY17. First-time applicants to the training reimbursement program numbered five fire departments, and all but 15 fire departments have now submitted for training reimbursements in at least one of the first 10 rounds since this program began in 2009. The average reimbursement in FY18 was \$2,550.84 based on 702 fire departments seeking training reimbursement. Overall, nearly \$4 million in eligible training reimbursements were requested by Minnesota fire departments in FY18.

Other FY18 highlights:

- Again in FY18, the MBFTE provided reimbursement directly to training providers and academies for National Fire Protection Association (NFPA) 1001 training. Approximately \$1.4 million funded 919 Minnesota firefighters in obtaining this basic firefighter training and certification to the national standard.
- The MBFTE provided more than \$65,000 in reimbursement grants to local, regional and statewide fire service organizations for unique training events. These “Conference, Seminar and Symposium” awards made available 21 different training opportunities for the 20,600 Minnesota firefighters to attend at a significantly reduced rate.
- \$174,000 was made available for live-burn training throughout Minnesota. The money funded 106 separate live-burns in acquired structures for training across the state in accordance with 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 and meeting the statutory requirements of the Minnesota Department of Natural Resources.
- The MBFTE provided more than \$36,000 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. More than 130 firefighters have now completed this course over the last four years.

The MBFTE continues to work with the fire departments, fire training providers, and the many fire service organizations throughout the state of Minnesota to educate them on the resources made available to them from the Fire Safety Account, and to maintain a simplified website and reimbursement process that allows for online management 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 contracts for inspection of healthcare, daycare facilities, schools and motels.

FY18 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 Service Specialists)
- 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, approximately 201 classes have trained nearly 3,800 fire service personnel throughout the state.

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 devices, and a functional understanding of their operation and purpose.

Fire Marshal Conference

Since 2012, the SFMD has sponsored an annual State Fire Marshal Conference in April. Attendance has grown from 160 the first year to over 225. 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. In FY18, the State Fire Marshal Division provided 16 classes for 280 students. These classes involved 170 hours of instruction and 1,624 student contact hours and were provided free of charge to attendees.

Records Management

One of the first purchases made under the FSA was the purchase of an online records management system that can be accessed and used by any of Minnesota’s 775 fire departments. This online records management system was developed by ImageTrend from Lakeville, Minnesota. Although primarily developed as a fire reporting method for fire departments, it also includes modules for training, personnel, payroll, inventory, inspections and investigations. In FY17 and FY18 a significant software upgrade was initiated by ImageTrend for the online fire

reporting and fire investigation records management system, called ImageTrend Elite. In FY18, this system was used by 89 percent of the state's fire departments.

Service Planning Grant Program (Old Shared Services Program)

The Service Planning Grant Program has moved into another round of awards with \$265,000 available for FY18 and our Fire Services Specialists continue to work with those 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 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 FY18, HSEM continued its focus on upgrading and sustaining equipment for Chemical Assessment Teams (CAT) along with St. Paul, Duluth, St. Cloud and Moorhead Fire Department's 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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