



**Report to the Governor,
Co-Chairs of the Joint Legislative Committee on Capital Improvement
Programs,
Members of the 144th General Assembly,
Director of the Office of Management and Budget and
Controller General**

from the

Delaware Council on Volunteer Fire Service

pursuant to

29 Del. C. § 2720



**STATE OF DELAWARE
DEPARTMENT OF FINANCE
OFFICE OF THE SECRETARY**

**RICHARD S. CORDREY
SECRETARY OF FINANCE**

October 15, 2007

The Honorable Ruth Ann Minner
Carvel State Office Building
820 N. French Street
Wilmington, DE 19801

Dear Governor Minner:

Once again, I am pleased to provide to you the annual report required by 29 Del C. § 2720, which established the Delaware Council on Volunteer Fire Service and the Revolving Loan Fund. The report will provide the status of the fund and describe the Council's activities this past year.

I am very pleased to report that, without an additional appropriation from the General Assembly, the revolving loan fund was able to provide funding to purchase a new ambulance for a deserving community. In their application, the officers of the American Legion Post #8 and the Georgetown Volunteer Ambulance Service wrote that the company would not be able to purchase a new unit to meet the 20% annual increase in alerts without this low cost funding source. As a small volunteer unit, it takes time to set aside funding sufficient to replace an ambulance. This is the reason this fund was started – to help volunteer companies support emergency services that our Delaware communities rely on.

The Delaware Volunteer Fire Service Revolving Loan Fund is a legacy of which we should be proud. I know I am. It has been my honor to serve as chairman for the Council and I look forward continuing in 2008.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard S. Cordrey".

Richard S. Cordrey, Chairman
Council of Delaware Volunteer Fire Service

Attachment

cc: Sen. Robert L. Venables
Rep. Vincent A. Lofink

**CARVEL STATE BUILDING
820 N. FRENCH ST., 8TH FLR.
WILMINGTON, DELAWARE 19801
TELEPHONE: (302) 577 - 8979
FAX: (302) 577 - 8982**

**HASLET ARMORY
122 WILLIAM PENN STREET
DOVER, DELAWARE 19901
TELEPHONE: (302) 744 - 1100
FAX: (302) 739 - 1139**

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I. Executive Summary

The Council met on February 22, 2007 with the following membership:

- Mr. Alan Robinson, President of the Delaware Volunteer Firemen's Association;
- Mr. Kenneth H. McMahon, Chairman of the State Fire Prevention Commission;
- Mr. Ray Stevens, member appointed by the President of the Sussex County Firemen's Association;
- Mr. Michael D. Layton, member appointed by the President of the Kent County Firemen's Association;
- Mr. Rick Clark, Sr., member appointed by the New Castle County Firemen's Association;
- State Treasurer Jack Markell; and
- Secretary of Finance Richard S. Cordrey, Chairman

In its report to the Council, the Department of Finance reported that \$114,479 in loan repayments were due on June 1st from the six loans that had been awarded during fiscal 2007. The total annual repayment expected was \$128,581.

The Council set May 15th as the deadline for receiving applications for 2007 and arrangements were made to mail each volunteer company an application package between March 1st and March 15th. Three applications were received.

The Council met again on May 22, 2007 to review the applications, which requested total funding of \$612,171, an excess of \$483,653 over the repayment amount available. A single loan of \$90,000 was awarded to the Georgetown American Legion #8 Ambulance Service contingent upon the receipt of the expected June 1st repayments. All loan repayments were made as expected.

Absent further appropriations, the Council will meet again in February 2008 to determine the 2008 revolving loan calendar.

II. Activity Report

Delaware Volunteer Fire Revolving Loan Fund		<u>Available</u>
Activity Report		<u>Funding</u>
August 15, 2007		
Initial appropriation		
Fiscal year 2006 - HB 315 Grant-in-Aid bill		\$ 1,000,000.00
Loan Awards Fiscal 2007:		
Bowers Fire Company	\$ 40,000.00	
Five Points Fire Company	145,000.00	
Harrington Fire Company, Inc.	90,000.00	
Odessa Fire Company	225,000.00	
Rehoboth Beach Volunteer Fire Co., Inc.	275,000.00	
Townsend Fire Company, Inc.	225,000.00	
Total Loans Awarded Fiscal 2007 from initial appropriation	<u>\$ (1,000,000.00)</u>	<u>\$ -</u>
New Loan Applications Received 5/15/07:		
American Legion Post #8 Ambulance Service	\$ 90,000.00	
Christiana Fire Company, Inc.	262,500.00	
Hockessin Fire Company	259,671.00	
Total New Loan Applications	<u>\$ 612,171.00</u>	
Loan Payments Received - June 1st:		
Bowers Fire Company	\$ 4,319.92	
Five Points Fire Company	16,816.89	
Harrington Fire Company, Inc.	9,719.82	
Odessa Fire Company	26,095.17	
Rehoboth Beach Volunteer Fire Co., Inc.	31,534.15	
Townsend Fire Company, Inc.	25,992.74	
Total Loan Payments Received - June 1st	<u>\$ 114,478.69</u>	<u>\$ 114,478.69</u>
Loan Award June 2007:		
American Legion Post #8 Ambulance Service	\$ 90,000.00	
Total Loans Awarded June 2007	<u>\$ (90,000.00)</u>	<u>\$ 24,478.69</u>
Loan Payments Receivable - December 1:		
Bowers Fire Company	\$ 4,319.92	
Harrington Fire Company, Inc.	9,719.82	
Georgetown Ambulance	9,735.04	
Total Loan Payments	<u>\$ 23,774.78</u>	
Available Funding - December 1		<u><u>\$ 48,253.47</u></u>

Exhibit 1 House Bill 190, as amended, 141st General Assembly

SPONSOR: Rep. Price &

Rep. B. Ennis & Rep. Lee & Rep. Viola &
Sen. Cook; Reprs. Buckworth, Carey,
Quillen, Thornburg, Valihura, Van Sant,
West, Williams, Sens. Adams, Amick,
Blevins, Bonini, Bunting, Cloutier, Connor,
DeLuca, Henry, Marshall, McBride,
McDowell, Simpson, Sokola, Sorenson, Still,
Vaughn, Venables, Winslow

HOUSE OF REPRESENTATIVES

141st GENERAL ASSEMBLY

HOUSE BILL NO. 190

AS AMENDED BY

HOUSE AMENDMENT NOS. 1 & 3

AND

SENATE AMENDMENT NO. 1

AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO THE VOLUNTEER
FIRE SERVICE REVOLVING LOAN FUND PROGRAM.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Chapter 27, Title 29 of the Delaware Code, by adding a new §2719 to read as follows:

"§2719. Delaware Council on Volunteer Fire Service.

- a. There is hereby created a Delaware Council on Volunteer Fire Service, hereinafter referred to as the Council, to advise the Secretary of Finance on all matters relating to the administration, implementation and financing of the Volunteer Fire Service Revolving Loan Fund Program. The Council shall review and recommend to the Secretary of Finance for adoption, after a public hearing, criteria for administering and awarding loans from the Volunteer Fire Service Revolving Loan Fund, including but not limited to criteria for assessing recipient need.
- b. The Council shall consist of:
 1. The President of the Delaware Volunteer Firemen's Association or designee;
 2. The Chairman of the State Fire Prevention Commission or designee;
 3. Three members; one each appointed by the Presidents of the New Castle, Kent, and Sussex County Firemen's Associations no later than September 1 for the initial appointment and January 15 of each calendar year thereafter.
 - (a) Initial appointments shall be for staggered terms. The member from Sussex County's initial term shall be for three years, the member from Kent County's initial term shall be

for two years, and the member from New Castle County's initial term shall be for one year.

(b) Upon expiration of the preceding terms, subsequent appointments shall be for a three-year term.

(c) At the end of a member's term, such member shall continue to serve until the member's successor is duly appointed;

(4) The State Treasurer or designee;

(5) The Secretary of Finance or designee

(c) The Secretary of Finance shall serve as the chair of the Council.

- d. Members of the Council shall receive no compensation. The Council shall hold at least one regular meeting each calendar year and shall keep a record of its proceedings. All proceedings of the Council shall be conducted in accordance with Chapter 100 of Title 29.
- e. For purposes of conducting business of the Council, four voting members shall constitute a quorum. A majority vote of Council members shall be required on any action or matter before the Council.
- f. The Council shall adopt procedural rules and regulations to carry out the provisions of this chapter."

Section 2. Amend Title 29 of the Delaware Code, by adding to a new §2720 to read as follows:

"§2720. Delaware Volunteer Fire Service Revolving Loan Fund.

- 1. A special fund appropriation account is hereby created in the Department of Finance, to be known as the Delaware Volunteer Fire Service Revolving Loan Fund, hereinafter referred to as the Fund. Sums appropriated by the General Assembly to the Fund shall be used to create a loan program to be administered according to guidelines and procedures developed by the Delaware Council on Volunteer Fire Service to upgrade equipment and improve facilities that are essential to providing adequate fire, rescue, emergency medical and technical emergency response related service to Delaware communities. Loan funds shall not be made available for equipment that has already been ordered or the expansion of facilities or parking that has already begun, except where such expansion is deemed necessary to provide adequate fire, rescue, and emergency medical and technical emergency response services to the surrounding community by the Delaware Council on Volunteer Fire Service. The Fund shall serve as a revolving loan account and shall be eligible to receive loan repayments. The Fund shall be deemed a special fund and shall be approved by the Governor for the following purposes:
 - a. To accept and retain the funds and revenues appropriated by the General Assembly;
 - b. To make loans to eligible volunteer fire, rescue, and emergency medical service companies meeting the criteria established herein;
 - c. To buy or refinance debt obligations of eligible volunteer fire, rescue, and emergency medical service companies;
 - d. To facilitate the pledging by an eligible fire, rescue and emergency medical service company of its State grant-in-aid and health insurance rebate funds as collateral for securing a loan from the Fund;
 - e. To earn interest on amounts on deposit in such Fund;
 - f. To establish all necessary interest bearing accounts for deposit of loan repayments; and

Exhibit 2 Program Guidelines and Application

Delaware Volunteer Fire Service Revolving Loan Fund Calendar

February 2007	March 2007	April 2007	May 2007
Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

June 2007	July 2007	August 2007	September 2007
Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

February 22, 2007

Organization Meeting

March 1-15, 2007

Provide applications by mail
Make available on website

May 15, 2007

Application Deadline
Applicant must supply **1 original and 7 copies** of the application package to:
The Department of Finance
State of Delaware
820 N. French Street, 8th floor
Wilmington, Delaware 19801

May 31, 2007

Evaluation and Review period ends

September 2007

Annual Conference

October 15

Annual Report to the Governor and co-Chairs of the Bond Bill Committee

Delaware Volunteer Fire Service Revolving Loan Fund

Program Guidelines

The Delaware Volunteer Fire Service Revolving Loan Fund was established to upgrade equipment and improve facilities that are essential to providing adequate fire, rescue, emergency medical and technical emergency response related service to Delaware communities. Loan funds are limited and are not available for equipment that has already been delivered or for the expansion of facilities including parking that has already been completed. For consideration, equipment and expansions must be deemed necessary to provide adequate fire, rescue and emergency medical and technical emergency response services to the surrounding community by the Delaware Council on Volunteer Fire Service.

The Delaware Council on Volunteer Fire Service (the “Council”) is comprised of the President of the Delaware Volunteer Firemen’s Association, the Chairman of the State Fire Prevention Commission, three members, one each appointed by the Presidents of the New Castle, Kent and Sussex County Firemen’s Associations, the State Treasurer and the Secretary of Finance.

The Council will approve loan applications based on the availability of funds and criteria that assess the relative needs for fire service and loan assistance throughout the State. The criteria include financial need, age and condition of existing equipment and the demographic, geographic and financial conditions of the communities served. The loan fund should not be considered an organization’s sole source of funding.

1. Who May Apply?

- 1.1. All volunteer fire, rescue and emergency medical service companies located in the State of Delaware.

2. Guidelines for Apparatus and Equipment Loans

- 2.1 The purchase of new and used apparatus will be considered, provided new and used apparatus pass all Federal, State, and/or county certifications. For all apparatus and equipment requests, applicant should include product specifications.
- 2.2 Loan funds are available to upgrade equipment and improve facilities that are essential to providing adequate fire, rescue, emergency medical and technical emergency response related service to Delaware communities and shall not be made available for equipment that has already been ordered.

2.3 Interest on all loans will be at the fixed rate of 3%. Repayment schedules will have semi-annual or annual payments. Annual payments will be due June 1st; semi-annual payments will be due June 1st and December 1st.

2.4 Suggested maximum loan amounts and terms:

	Maximum Loan	Maximum Term
Apparatus (New) Rescue, Pumpers	\$262,500 or 50% (whichever is less)	10 years
Heavy Rescue	\$450,000 or 50% (whichever is less)	10 years
Aerial Tower trucks or Quints	\$600,000 or 50% (whichever is less)	10 years
Light Duty Rescue Brush Trucks	\$90,000 or 50% (whichever is less)	5 years
Apparatus (Used)	\$60,000 or 50% (whichever is less)	5 years
Ambulances	\$90,000 or 75% (whichever is less)	5 years
Water Craft Rescue	\$45,000 or 50% (whichever is less)	5 years
Rehabilitation	\$35,000 or 50% (whichever is less)	5 years
Equipment	\$50,000 (once per 5-year period)	5 years

3. Guidelines for Facility Loans

- 3.1 Applications will be considered for establishing or renovating facilities that house fire fighting and rescue equipment, and emergency medical and technical emergency response services.
- 3.2 Proceeds of the loan shall be used only for construction and shall not be used for land acquisition, payment of fees for design, planning and preparation of application or any other cost not directly attributable to construction.
- 3.3 The applicant shall present an estimated construction cost for the project from a reliable engineering or architectural firm. A new or renovated facility must meet all requirements and codes of the Federal, State and local jurisdiction, included local firemen's association standards.

3.4 Interest on all loans will be at the fixed rate of 3%. Repayment schedules will have semi-annual or annual payments. Annual payments will be due June 1st; semi-annual payments will be due June 1st and December 1st.

3.5 Suggested maximum loan amount and terms

Facility	\$200,000 or 50% (whichever is less)	10 years
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4. Guidelines for Loan application process

- 4.1 All applications must be prepared in accordance with Delaware Council on Volunteer Fire Service guidelines. Failure to comply with Council guidelines may be cause for rejection of the application. The Council may reserve the right to correct minor errors or irregularities in the application.
- 4.2 An original application must be provided to the Council. Financial statements and proposed operating and capital budgets must be completed and provided, along with the completed application, for the two fiscal years immediately prior to the fiscal year in which the application is made.
- 4.3 Each applicant must submit IRS Form 990 for each year presented on the financial statements.
- 4.4 Applicant must submit to Council, an inventory of each applicant’s equipment and fleet of vehicles.
- 4.5 Applicant must supply **one original and 7 copies** of the application package to The Department of Finance, State of Delaware, 820 N. French Street, 8th floor, Wilmington, Delaware 19801. An application package consists of the original application and inventory list, financial statements and budgets, IRS Form 990, Company’s Resolution and List of Officers and estimate and plans, if any.
- 4.6 In addition to financial statements submitted with the application, applicants must agree to supply annual financial statements as may be required.
- 4.7 A representative from the company will be required to be available and prepared to answer questions about the apparatus or facility to be financed as well as financial operations related to the applicant’s company. Additionally, a company officer must be available to sign a promissory note at the time the loan is received by the company.
- 4.8 Applications are valid until December 31st of the year the application was submitted unless otherwise determined by the Council.

4.9 Within 12 months of the time the loan was granted, the volunteer company must submit documentation to the Council reflecting the actual expenditures of the loan proceeds.

5. Prioritization of Loan requests

5.1 It is the intent of the Council to manage the fund in a prudent and fiscally responsible manner and to extend loans to companies that can demonstrate the ability to repay the loan in accordance with its terms. Within that context, the priority for receiving loans will be established based on the criteria set forth below and the availability of funds.

5.1.1 New vehicles and apparatus will have the highest priority followed by new equipment, renovations or rehabilitations of apparatus or equipment and facility improvements.

5.1.2 Further, priority consideration will be given to those companies demonstrating the greatest need considering financial need, age and condition of existing equipment and apparatus and demographic, geographic and financial conditions of the communities served.

5.1.3 The Council would also consider refinancing to prevent an event of default.

6. Loan Review and Approval Process

6.1 Applications must be submitted by the close of business on May 15, 2007 for funding consideration in the current year.

6.2 The Council shall review each loan request received from an applicant in accordance with the stated criteria.

6.3 Applicants will be notified of loan approvals by the Council. In addition, companies will be notified of any further requirements for loan closing.

7. Event of Default on Loans

7.1 The Council will follow prudent underwriting standards when considering a loan. In lieu of property and equipment liens, the Council may withhold future state funding including payments from insurance premium taxes and grant-in-aid funding.

7.2 Should a company be unable to make its loan payments in a timely manner, the company officers are required to notify the Council as soon as possible.

Delaware Volunteer Fire Service Revolving Loan Fund Application

The Delaware Volunteer Fire Service Revolving Loan Fund was established to upgrade equipment and improve facilities that are essential to providing adequate fire, rescue, emergency medical and technical emergency response related service to Delaware communities. Loan funds are limited and are not available for equipment that has already been delivered or for the expansion of facilities and parking that has already been completed. For consideration, equipment and expansions must be deemed necessary to provide adequate fire, rescue and emergency medical and technical emergency response services to the surrounding community by the Delaware Council on Volunteer Fire Service. See the Program Guidelines for additional information.

PLEASE NOTE: The application deadline date is May 15, 2007. One original and 7 copies of the application should be delivered to State of Delaware, Department of Finance, 820 N. French Street, 8th floor, Wilmington, DE 19806.

A. General Information

1. Applicant's Legal Name and Mailing Address

2. County: _____

3. Applicant's Federal Tax I.D. #: _____

4. Name/Position of Contact Person: _____

5. Mailing Address, if different: _____

6. E-mail Address:

7. Phone Numbers: (identify home/work/pager/cell) _____

The following information will be considered for prioritizing loan applications.

B. Organizational Profile

8. Name of applicant's primary protection district: _____

9. Population of applicant's primary protection district: _____

10. Square Miles of applicant's primary protection district: _____

C. Financial Information

11. ___ Compilation Reports, for two years preceding the year of application

12. ___ Proposed Operating and Capital Budgets, for two years preceding the year of application

13. ___ IRS Form 990, for two years preceding the year of application

14. ___ Inventory of applicant's assets
15. ___ Company's Resolution to Procure and Borrow for Requested Asset
16. ___ List of Company Officers
17. Please describe any income, revenue or other financial support from any source not reflected in the financial statements, for example, in-kind services, energy or city services provided by an outside source. _____

D. Describe Asset to Be Acquired

VEHICLES AND APPARATUS

Part 1 Describe asset to be acquired

New Used Rehabilitated Vehicle

Addition Replacement

Rescue Truck Heavy Rescue Aerial Pumpers Ambulance

Light Duty Rescue Watercraft Rescue Other Used Apparatus

Year _____ Make _____ Model _____

Tank cap./gal _____ Pumping cap./gal _____ Ladder/ft. _____

If used:

Odometer _____ Vehicle ID# _____

Part 2 Describe asset to be replaced, if applicable

Rescue Truck Heavy Rescue Aerial Pumpers Ambulance

Light Duty Rescue Watercraft Rescue Other Used Apparatus

Year _____ Make _____ Model _____

Odometer _____ Vehicle ID# _____

Tank cap./gal _____ Pumping cap./gal _____ Ladder/ft. _____

Part 3 Describe vehicle to be rehabilitated/repared as well as rehabilitation efforts, if applicable

Rescue Truck Heavy Rescue Aerial Pumpers Ambulance

Light Duty Rescue Watercraft Rescue Other Used Apparatus

Year _____ Make _____ Model _____

Odometer _____ Vehicle ID# _____

Does vehicle meet applicable NFPA Standards? _____

EQUIPMENT

New Used

Accessory Equipment Communications Equipment Protective Equipment

List the type of accessory, communications or protective equipment being acquired:

FACILITY

New Construction Modernization Renovation/Repair

Describe the organization's existing facilities and explain why they are inadequate. Describe the construction, renovations, repairs or modernization that is planned. If the facility address is, or will be different from the address listed in Section A of this application, please indicate the new address. Attach plans and detailed estimates of construction costs.

18. Estimate of Contract or Bid Cost: _____

19. Purpose of Loan Request:

Buy new apparatus/equipment/facility Refinance existing apparatus/equipment/facility

20. Amount of Loan Requested: _____

21. Term of Loan Requested: _____

22. Repayment Option (circle one): Semi-Annually / Annually

23. Other Funding sources and types (Loan/Allocation/Donation or Grant)

Source	Amount	Type
Self-funding	_____	_____
Bank or other lending institution	_____	_____
Municipality	_____	_____
Relief Association, Organization or	_____	_____
Individual	_____	_____
Other _____	_____	_____

24. How will the proposed expenditure be funded if the loan application is denied?

25. Please describe both your need for the apparatus, equipment or facility proposed as well as your need for a DVFS revolving loan. Attach a separate page, if necessary.

E. Signature/Certification

We, the undersigned and duly authorized officers of _____ do hereby certify that the information presented in this application, including all attachments, is true and accurate and that we are authorized by Resolution to apply for a loan and to borrow from the Delaware Volunteer Fire Service Revolving Loan Fund. Said Resolution is submitted as an attachment to this application.

Name: _____ Date _____
Signature of Volunteer Company President

Name: _____ Date _____
Signature of Volunteer Company Secretary

(Affix Corporate Seal)

Exhibit 3 Goals and Objectives

DELAWARE VOLUNTEER FIRE SERVICE REVOLVING LOAN FUND PROGRAM

There is hereby established by the 141st General Assembly that pursuant to House Bill No. 190, as amended by House Amendment Nos. 1 and 3 and Senate Amendment No. 1, that there be established a Delaware Council on Volunteer Fire Service (the “Council”) and a Delaware Volunteer Fire Service Revolving Loan Fund (the “Fund”). The above legislation also establishes the criteria to administer the Fund and to report to the Joint Legislative Committee on Capital Improvement Programs. Pursuant to the above legislation, both the Council, through 29 Del. C. § 2720, and the Fund, through 29 Del. C. § 2721, became effective upon the Governor’s signature on August 22, 2002.

It should also be noted that for the four years following, the Fund went unfunded. In fiscal year 2006, the Delaware General Assembly committed ONE MILLION DOLLARS to initiate the Fund.

THE COUNCIL HAS ESTABLISHED THE FOLLOWING GOALS AND OBJECTIVES TO ADMINISTER THE FUND IN THE STATE OF DELAWARE.

PROGRAM GOALS

As defined in 29 Del. C. § 2720, the Council is comprised of the following:

1. The President of the Delaware Volunteer Firemen’s Association or designee;
2. The Chairman of the State Fire Prevention Commission or designee;
3. Three members; one each appointed by the Presidents of the New Castle, Kent and Sussex County Firemen’s Associations for staggered terms;
4. The State Treasurer or designee; and,
5. Serving as chair of the Council, the Secretary of Finance or designee.

The goal of the Council is to adopt any/all procedure rules and regulations to carry out the provisions of 29 Del. C. §§ 2720, 2721.

PROGRAM OBJECTIVES

The various objectives are defined as follows:

Application Process

1. To develop a competitive process by which loan applications for improving fire, rescue, emergency medical and technical emergency response services can be submitted statewide.

Evaluation Process

2. To develop criteria to assess the relative needs for fire service and loan assistance throughout the state by considering:
 - a. the financial assets of those making application as well as their ability to obtain revenue, income and financial support and loans from outside sources;
 - b. the age and existing condition of the applicant's apparatus, equipment or facilities and to determine whether such apparatus, equipment or facilities comply with the National Fire Protection Association standards.
 - c. the demographic, geographic and financial conditions of the community served by those making application.

Funding Process

3. To establish procedures and guidelines that would allow the Council:
 - a. to accept and retain the funds and revenues appropriated by the General Assembly;
 - b. to make loans to eligible volunteer fire, rescue and emergency medical service companies meeting the application criteria process;
 - c. to buy and/or refinance debt obligations of eligible applicants;
 - d. to facilitate the pledging of eligible applicant's state grant-in-aid and health insurance rebate funds as collateral for securing a loan;
 - e. to earn interest on amounts on deposit in the Fund;
 - f. to establish all necessary interest bearing accounts for deposit of loan repayments, and
 - g. to finance the reasonable costs incurred by the State in the administration of the Fund.

Reporting Process

4. The Council shall:
 - a. submit a strategic plan, (goals and procedures) to the Joint Legislative Committee on Capital Improvement Programs for accomplishing the Fund, and
 - b. submit an annual report to the Governor and the co-chairs of the Joint Legislative Committee on Capital Improvement Programs by October 15 of each year.

Exhibit 4 Award Letter



STATE OF DELAWARE
DEPARTMENT OF FINANCE
OFFICE OF THE SECRETARY

CARVEL STATE OFFICE BUILDING
WILMINGTON, DE 19801
TELEPHONE: (302) 577-8979
FAX: (302) 577-8982

HASLET ARMORY
DOVER, DE 19901
TELEPHONE: (302) 672-5182

August 8, 2007

Ms. Lisa Fensick, Supervisor
American Legion Post #8 Ambulance Service
P. O. Box 202
Georgetown, DE 19947

Dear Ms. Fensick:

On behalf of the Council for the Delaware Volunteer Fire Service, it is my pleasure to inform you that the Georgetown American Legion has been awarded a loan from the Delaware Volunteer Fire Service Revolving Loan Fund to help finance a new ambulance. A loan for the requested amount of \$90,000 was approved and mailed in late June after receipt of a promissory note, copy attached. To summarize, the terms of the loan are as follows:

Amount of Loan:	\$90,000
Fixed Interest Rate:	3%
Term:	5 years
Payments:	\$9,735.04 due semi-annually on December 1 st and June 1 st

If you should have any questions about the loan or the loan program, please do not hesitate to contact me or Stephanie Scola of my office. Payments should be mailed to the office address shown below:

Stephanie Scola, Director of Bond Finance
Carvel State Office Building, 8th floor
820 N. French Street
Wilmington, DE 19801
stephanie.scola@state.de.us
Phone: 302-577-8988

Sincerely,

Richard S. Cordrey, Secretary of Finance
Chairman, Delaware Council on Volunteer Fire Service

enclosure