



**Report to the Governor,
Co-Chairs of the Joint Legislative Committee on Capital Improvement
Programs,
Members of the 146th 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

October 2012



STATE OF DELAWARE
DEPARTMENT OF FINANCE
OFFICE OF THE SECRETARY

THOMAS J. COOK
SECRETARY OF FINANCE

October 2012

The Honorable Jack A. Markell
Carvel State Office Building
820 N. French Street
Wilmington, DE 19801

Dear Governor Markell:

I am pleased to provide you with the annual report required by 29 Del. C. §2720, which established the Delaware Council on Volunteer Fire Service (the "Council") and the Revolving Loan Fund (the "Fund"). This report provides a summary of the Council's activities during the past year and gives an accounting of the Fund's fiscal status. It is available in its entirety electronically via the Department of Finance's website at the following link:
<http://finance.delaware.gov/publications/ReportsMain.shtml>

This year, the Council took significant steps to promote the revolving loan fund to its member companies. First, the Council eliminated the annual deadline for filing loan applications adopting a policy of accepting applications any time during the year. Both the Department of Finance and the Council committed to holding quarterly meetings to consider and process loan applications for greater expedience. Further, the Council reduced the administration fee to 2.0% from 2.5% to make lending rates even more attractive. And finally, the Council increased the lending limits on two categories of equipment – ambulances and fire apparatus – to allow member companies to finance a greater percentage of their equipment costs. As a result, the revolving loan fund is fully obligated and, in fact, is unable to completely satisfy a \$600,000 loan request from the Selbyville Fire Company for a \$1.3 million aerial tower truck.

It is the hope of the Council that additional appropriations can be committed to satisfy the needs of Selbyville and other volunteer companies. With a continued commitment, this revolving loan fund can expand low cost lending to a greater number of Delaware volunteer fire and emergency service companies.

Sincerely,

Thomas J. Cook, Secretary of Finance
Chair, Council of Delaware Fire Service

Attachment

cc: Sen. Robert L. Venables, Chair
Rep. Helene M. Keeley, Co-Chair

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Summary Report

Delaware Council on Volunteer Fire Service Revolving Loan Fund

The Delaware Council on Volunteer Fire Service maintains a revolving loan fund for the benefit of volunteer fire and emergency services companies servicing Delaware communities. The purpose of the Delaware Volunteer Fire Service Revolving Loan Fund (the “Fund”) is to provide a source of low-cost financing for equipment upgrades and facility improvements that are essential to providing adequate fire, rescue, and emergency medical and technical emergency response related services. The Fund is guided by 29 Del C. §2720, was initiated with a \$1 million appropriation in fiscal 2006 and is administered by the Department of Finance.

DELAWARE COUNCIL ON VOLUNTEER FIRE SERVICE

Since the last annual report filed in December 2011, the Delaware Council on Volunteer Fire Service (the “Council”) held meetings on March 7th, June 6th and again on August 28, 2012 with the following membership:

- Thomas J. Cook, Chairman of the Delaware Council on Volunteer Fire Service and Secretary of Finance;
- Chipman L. Flowers, Jr., Delaware State Treasurer;
- Charles Frampton, President, Delaware Volunteer Fire Association (“DVFA”)
- Alan Robinson, State Fire Prevention Commission;
- Ray Stevens, appointed by the President of the Sussex County Firemen’s Association;
- Michael D. Layton, appointed by the President of the Kent County Firemen’s Association; and,
- Richard T. Perillo, appointed by the President of the New Castle County Firemen’s Association

Also attending:

- Warren Jones, President of the Delaware Volunteer Firemen’s Association;

COUNCIL ACTION

The Council presided over an active year creating an initiative to make the application process less onerous and to actively promote the program to its member companies. At its March meeting, the Council eliminated the annual deadline for filing loan applications and adopted a policy to accept applications at any time during the year. Both the Department of Finance and the Council committed to holding quarterly meetings to consider and process loan applications and determined that such meetings should be timed to the Firefighter’s Executive Committee meeting schedule set by the DVFA.

Also at its March meeting, the Council reduced the administrative fee on loans from 2.5% to 2.0%, effective immediately, and increased the lending limits on ambulances to \$175,000, from \$90,000, and on apparatus to \$275,000, from \$262,500.

The Council also requested that a sample resolution be included as part of the application package so that volunteer companies can easily provide the necessary certification that is required of company officers. The resolution has been completed and is now included in the application package shown in Exhibit 1.

LOAN ACTIVITY

Since the last annual report, Council originated three new loans, two to the Harrington Fire Company and another to the Brandywine Hundred Fire Company.

- Harrington Fire Company received loans for:
 - \$90,000.00 for the replacement of a brush truck,
 - \$175,000.00 for a new ambulance. Both have terms of five year.
- Brandywine Hundred Fire Company received a loan for \$275,000 for a new Spartan rescue truck.

One loan application is pending.

- Felton Fire Company requested and was approved for a \$50,000 loan to replace an aging ambulance.

As of September 28, 2012, there are eight loans that remain outstanding in the Fund. All loans are current. The balance in the Fund, less the commitment to the Felton Fire Company, is \$241,750.27.

The Council will meet again in late November/early December to consider an application from the Selbyville Fire Company for a \$600,000 loan for the purchase of a 115' aerial tower truck, including chassis, articulating platform and associated equipment. The total cost of such equipment is \$1.3 million. While the balance in the Fund is not sufficient to satisfy the full loan request, the Council will consider a loan of the remaining balance of the Fund.

OTHER BUSINESS

In keeping with the Council's objective to promote the program, the Department of Finance conducted a survey of previous borrowers to get feedback on the program and the application process. Respondents generally reported a favorable experience noting that the interest rates were beneficial to their company and the cooperation received from the Department of Finance made for a smooth process. But the survey was not without criticism. Some reported that the application process was somewhat time-consuming and were critical of the length of time it took to have the loan approved. Another reported that because of the amount of money that was needed, it was not possible to borrow as

much as was necessary. And another reported that more funding would allow for additional equipment purchases.

The Council has taken action to improve the application process, has committed to meeting quarterly for loan review and approval and has adjusted the lending limits as much as available resources will allow. Of equal importance to the Fund's success, is the ability to fund not just additional equipment but also a greater percentage of equipment.

Included in this report are an activity report, schedule of expected payments, a loan portfolio summary and a list of equipment financed through the Fund.

Delaware Volunteer Fire Revolving Loan Fund
Activity Report
FSF Appropriation No. 21187
September 28, 2012

			Available Funding
Initial appropriation			
Fiscal year 2006 - HB 315 Grant-in-Aid bill			\$ 1,000,000.00
Loan Awards:			
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 from initial appropriation		\$ (1,000,000.00)	
			\$0.00
Loan Payments Received - June 1, 2007			
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 1, 2007		\$ 114,478.69	
Available Balance June 1, 2007			\$ 114,478.69
New Loan Applications Received May 15, 2007			
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	\$ 612,171.00		
Loans Awarded 2007			
American Legion Post #8 Ambulance Service	\$ 90,000.00		
Total Loans Awarded 2007		\$ (90,000.00)	
Available Balance September 1, 2007			\$ 24,478.69
Loan Payments Received - December 1, 2007			
Bowers Fire Company	\$ 4,319.92		
Harrington Fire Company, Inc.	9,719.82		
Georgetown Ambulance	9,735.04		
Total Loan Payments Received - December 1, 2007		\$ 23,774.78	
Available Balance December 1, 2007			\$ 48,253.47
Loan Payments Received - June 1, 2008			
Bowers Fire Company	\$ 5,000.00		
Five Points Fire Company	16,816.89		
Harrington Fire Company, Inc.	9,719.82		
Odessa Fire Company	26,095.16		
Rehoboth Beach Volunteer Fire Co., Inc.	32,238.00		
Townsend Fire Company, Inc.	25,992.74		
Georgetown Ambulance	9,735.04		
Total Loan Payments Received - June 1, 2008		\$ 125,597.65	
Available Balance June 1, 2008			\$ 173,851.12

Delaware Volunteer Fire Revolving Loan Fund
Activity Report
FSF Appropriation No. 21187
September 28, 2012

			Available Funding
Loans Awarded 2008			
Hockessin Fire Company	\$ 86,925.56		
Christiana Fire Company	86,925.56		
Total Loans Awarded 2008		\$ (173,851.12)	
Available Balance			\$0.00
Loan Payments Received - December 1, 2008			
Bowers Fire Company	\$ 5,000.00		
Georgetown Ambulance	9,735.04		
Harrington Fire Company, Inc.	9,719.82		
Hockessin Fire Company	5,032.01		
Total Loan Payments Received - December 1, 2008		\$ 29,486.87	
Available Balance December 1, 2008			\$ 29,486.87
Loan Payments Received - June 1, 2009			
Bowers Fire Company	\$ 5,000.00		
Christiana Fire Company, Inc.	5,091.73		
Five Points Fire Company	16,816.89		
Georgetown Ambulance	9,735.04		
Harrington Fire Company, Inc.	9,719.82		
Hockessin Fire Company	5,032.01		
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 1, 2009		\$ 135,017.55	
Available Balance June 1, 2009			\$ 164,504.42
Loan Payments Received - December 1, 2009			
Bowers Fire Company	\$ 5,000.00		
Christiana Fire Company, Inc.	5,091.73		
Georgetown Ambulance	9,735.04		
Harrington Fire Company, Inc.	9,719.82		
Hockessin Fire Company	5,032.01		
Total Loan Payments Received - December 1, 2009		\$ 34,578.60	
Available Balance December 1, 2009			\$ 199,083.02
Loan Payments Received - June 1, 2010			
Bowers Fire Company	\$ 5,000.00		
Christiana Fire Company, Inc.	5,091.73		
Five Points Fire Company	16,816.89		
Georgetown Ambulance	9,735.04		
Harrington Fire Company, Inc.	9,719.82		
Hockessin Fire Company	5,032.00		
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 1, 2010		\$ 135,017.54	
Available Balance June 1, 2010			\$ 334,100.56 √

Delaware Volunteer Fire Revolving Loan Fund
Activity Report
FSF Appropriation No. 21187
September 28, 2012

				Available Funding
Loan Payoff				
Georgetown American Legion - paid in full	\$ 37,804.00			
Payment Received - September 1, 2010		\$ 37,804.00		
Available Balance September 1, 2010			\$ 371,904.56	
Loan Awarded 2010				
Citizen's Hose Company, Smyrna	\$ 31,214.00			
		\$ (31,214.00)		
Available Balance October 1, 2010			\$ 340,690.56	
Loan Payments Received - December 1, 2010				
Bowers Fire Company	\$ 5,000.00			
Christiana Fire Company, Inc.	5,091.73			
Harrington Fire Company, Inc.	9,719.82			
Hockessin Fire Company	5,032.01			
Total Loan Payments Received - December 1, 2010		\$ 24,843.56		√
Available Balance December 1, 2010			\$ 365,534.12	√
Loan Payoff				
Bowers Fire Company	\$ 4,275.84			
Payment Received - February 16, 2011		\$ 4,275.84		
			\$ 369,809.96	
Loan Awarded				
Odessa Fire Company	90,000.00			
		\$ (90,000.00)		
Available Balance March 1, 2011			\$ 279,809.96	√
New Loan Applications Received May 13, 2011				
Five Points Fire Company No. 1	\$ 90,000.00			
Total New Loan Applications				
Loan Payments Received				
Christiana Fire Company	\$ 5,091.73			
Citizens' Hose Company	3,393.00			
Five Points Fire Company	16,816.89			
Harrington Fire Company	9,713.83			
Hockessin Fire Company	5,032.01			
Odessa Fire Company	26,095.17			
Odessa Fire Company #2	19,222.62			
Rehoboth Beach Fire Company	175,182.23			
Townsend Fire Company	25,992.74			
Total Loan Payments Received as of June 2011		\$ 286,540.22		
Available Balance June 2011			\$ 566,350.18	√
Loan Payoff				
Christiana Fire Company	\$ 67,940.07			
Payment Received - July 8, 2011		\$ 67,940.07		
Christiana Fire Company	\$ 147.20			
Payment Received July 19, 2011		\$ 147.20		
			\$ 634,437.45	
Loan Awarded				
Five Points Fire Company	\$ 90,000.00			

Delaware Volunteer Fire Revolving Loan Fund
Activity Report
FSF Appropriation No. 21187
September 28, 2012

			Available Funding	
		\$ (90,000.00)	\$ 544,437.45	√
Loan Payoff				
Odessa Fire Company, Inc.	\$ 195,355.65			
Payment Received October 17, 2011		\$ 195,355.65	\$ 739,793.10	√
Loan Payments Received				
Citizens' Hose Company	\$ 3,393.00			
Harrington Fire Company	9,725.88			
Hockessin Fire Company	5,030.01			
Total Loan Payments Received December 1, 2011		\$ 18,148.89	\$ 757,941.99	√
Available Balance December 2011				
Loan Awarded				
Harrington Fire Company (#2)	\$ 90,000.00			
Harrington Fire Company (#3)	175,000.00			
Total Loans Awarded		\$ (265,000.00)	\$ 492,941.99	
Available Balance June 2012				
Loan Payments Received				
Hockessin Fire Company	\$ 5,032.01			
Five Points Fire Company	16,816.89			
Five Points Fire Company	19,180.64			
Citizens' Hose Company	3,393.00			
Townsend Fire Company	25,992.74			
Total Loan Payments Received June 1, 2012		\$ 70,415.28	\$ 563,357.27	
Available Balance June 30, 2012				
Loan Payments Received				
Citizens' Hose Company	\$ 3,393.00			
Total Loan Payments Received July 10, 2012		\$ 3,393.00	\$ 566,750.27	√
Available Balance July 30, 2012				
Loan Awarded				
Brandywine Hundred Fire Company	\$ 275,000.00			
Total Loans Awarded		\$ (275,000.00)	\$ 291,750.27	
Available Balance June 2012				
Loan Pending				
Felton Community Fire Company	50,000.00			
Total Approved Loans Amount		\$ (50,000.00)	\$ 241,750.27	
Available Balance after Commitment to Loans Approved				
Loan Applications Received				
Selbyville Fire Company	\$ 600,000.00			

√ reconciled against appropriation 21187

Delaware Volunteer Fire Revolving Loan Fund
Payment Schedule
September 28, 2012

	December 1, 2012	June 1, 2013	Annual Total
1 Brandywine Hundred	\$ 28,843.42	\$ 28,843.42	
2 Citizens' Hose Company	3,393.00	3,393.00	
3 Five Points Fire Company		16,816.89	
4 Five Points Fire Company #2		19,173.94	
5 Harrington Fire Company #2	9,486.71	9,486.71	
6 Harrington Fire Company #3	18,446.37	18,446.37	
7 Hockessin Fire Company	5,032.01	5,032.01	
8 Townsend Fire Company		25,992.74	
	<hr/>	<hr/>	
Sub-Total	\$ 65,201.51	\$ 127,185.08	
	<hr/>	<hr/>	
Total Payments Expected			<u>\$ 192,386.59</u>

Delaware Volunteer Fire Revolving Loan Fund
Loan Portfolio Summary
September 28, 2012

Date of Loan	Borrower	Annual/ Semi-Annual Payment Schedule	Original Term of Loan (in years)	Original Loan Amount	Principal Amount Due (after last payment)	
10/13/2006	Five Points Fire Company	A	10	\$ 145,000.00 *	62,510.02	✓
10/13/2006	Odessa Fire Company	A	10	225,000.00 *	-	✓
3/1/2011	Odessa Fire Company #2	A	5	90,000.00	-	✓
1/20/2007	Bowers Fire Company	S	5	40,000.00 *	-	✓
1/20/2007	Harrington Fire Company	S	5	90,000.00 *	-	✓
3/1/2007	Rehoboth Beach Fire Company	A	10	275,000.00 *	-	✓
7/1/2007	Georgetown American Legion	S	5	90,000.00	-	✓
12/1/2007	Townsend Fire Company	A	10	225,000.00 *	96,617.55	✓
8/1/2008, 9/15/2008	Hockessin Fire Company	S	10	86,925.56	54,888.64	✓
9/22/2008	Christiana Fire Company	S	10	86,925.56	-	✓
10/4/2010	Citizens' Hose Company	S	5	31,214.00	19,067.52	✓
11/1/2011	Five Points Fire Company	A	5	90,000.00	72,131.86	✓
7/1/2012	Harrington Fire Company #2	S	5	90,000.00	90,000.00	
7/1/2012	Harrington Fire Company #3	S	5	175,000.00	175,000.00	
10/1/2012	Brandywine Hundred Fire Co.	S	5	275,000.00	275,000.00	
Loans Originated				\$ 2,015,065.12		
Total Principal Due					\$ 845,215.59	

*Loans originated from the original \$1 million appropriation.

Applicant	Equipment Purchased	Loan Amount Awarded
Five Points Fire Co.	Ladder and Trailer replacement for Ladder 17	\$145,000
Bowers Fire Co.	Ambulance to replace '98 Ford	40,000
Townsend Fire Co.	Rescue truck to replace '91 Mack Truck	225,000
Odessa Fire Co.	Rescue truck to replace '86 Freightliner	225,000
Harrington Fire Co.	Ambulance to replace '01 Ford Mobile Medical	90,000
Rehoboth Beach Volunteer Fire Co.	Quint aerial truck	275,000
Odessa Fire Co. #2	2011 Freightliner M2 Road Rescue Ambulance	90,000
American Legion Sussex Post 8 – Georgetown	2007 Ford Horton Ambulance	90,000
Hockessin Fire Company	Crimson Pumper	86,926
Christiana Fire Company, Inc.	2008 Seagrave Fire Apparatus Rescue Truck	86,926
Citizen's Hose Company	Breathing Apparatus	31,214
Five Points Fire Co.	Ambulance	90,000
Harrington Fire Co. #2	Brush Truck	90,000
Harrington Fire Co. #3	Ambulance	175,000
Brandywine Hundred Fire Company	Spartan rescue truck	275,000
	TOTAL	\$2,015,066

Exhibit 1

Delaware Volunteer Fire Service Revolving Loan Program
Calendar, Guidelines and Application

Delaware Volunteer Fire Service Revolving Loan Fund Calendar 2013

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

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

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

Applications can be filed at any time and will be considered at regular quarterly meeting to be held in June, September, December and March prior to the Executive Meetings of the Delaware Volunteer Firefighter's Association

Applicant must supply **1 original copy** of the application package to:

State of Delaware
Department of Finance, Office of the Secretary
820 N. French Street, 8th floor
Wilmington, Delaware 19801

September 2013

Annual Conference

October 15, 2013

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 will be fixed at the rate of 2.0%. 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 Maximum loan amount and term:

	Maximum Loan	Maximum Term
Apparatus (New) Rescue, Pumpers	\$275,000 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	\$175,000 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 will be fixed at the rate of 2.0%. 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 Maximum loan amount and term:

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 Each applicant must submit an inventory of equipment and fleet of vehicles.

4.5 Applicant must supply **one original copy** of the application package to:

State of Delaware
Department of Finance, Office of the Secretary
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 may be submitted at any time and will be considered by the Council on a quarterly basis coincident with the schedule for meetings of the Executive Committee of the Delaware Volunteer Firefighter's Association.

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 Any volunteer fire, rescue and emergency medical service company awarded a loan through the Delaware Volunteer Fire Service Revolving Loan Fund should consider the purchase of a performance bond to protect against financial loss should an equipment or construction contractor default, or fail to deliver equipment, according to the terms of the contract.

7.3 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: One original copy of the application should be delivered to State of Delaware, Dept. of Finance, Office of the Secretary, 820 N. French Street, 8th floor, Wilmington, DE 19801.

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. Checklist of Financial Information to include with application

11. ___ Compilation Review and Audit Report, 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. _____

18. 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.

19. Estimate of Contract or Bid Cost: _____

20. Purpose of Loan Request:

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

21. Amount of Loan Requested: _____

22. Term of Loan Requested: _____

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

24. 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 _____	_____	_____

25. 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.

D. 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, in the form attached, is signed, sealed and submitted with this application.

Name:

Date

Signature of Volunteer Company President

Name:

Date

Signature of Volunteer Company Secretary

(Affix Corporate Seal)

Please describe applicant's fleet, including vehicles, apparatus and equipment.

[illegible]



RESOLUTION TO PROCURE AND BORROW FOR REQUESTED ASSET

I, _____, an officer of _____,
certify that the corporate officers of this organization have been authorized to procure
_____.

Said officers are also authorized to file an application to borrow money in the amount of
\$_____ from the Delaware Volunteer Fire Service Revolving Loan Fund. Minutes from
the relevant meeting of the board are attached.

Signature of Company Officer

Date

Signature of Company Secretary

Date

(Affix Company Seal)