

**Report to the Governor,
Co-Chairs of the Joint Legislative Committee on Capital
Improvement Program,
Members of the 149th 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 2017



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

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October 2017

The Honorable John C. Carney
Carvel State Office Building
820 N. French Street
Wilmington, DE 19801

Dear Governor Carney:

I am pleased to act as Chair to the Delaware Council on Volunteer Fire Service (the "Council") and administer the Revolving Loan Fund (the "Fund") established by 29 Del. C. §2720. 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 past year, the Council continued its efforts to promote the Fund to its member companies recognizing that, with the reduced cost of capital these loans provide, overall operating expenses are reduced. Three loans totaling \$1,049,998.35 were awarded to Delaware volunteer fire and emergency services companies funding a rescue pumper in Sussex County and self-contained breathing apparatus, or air packs, in both Kent and New Castle Counties.

In total, 29 loans totaling \$5,027,862 have been originated since the Fund's inception with original appropriations of only \$2 million. Thirteen loans remain outstanding. All are current.

It is important to note that, in most cases, these loans cannot fully fund the equipment needs of the member companies. With additional funding, this may become an important tool to assist the fire service community to manage the growing costs of their operations. The Council remains committed to continue making this low interest funding available to fire companies to support the accomplishment of their mission.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rick Geisenberger".

Richard J. Geisenberger, Secretary of Finance
Chair, Delaware Council on Volunteer Fire Service

Attachments

pc: Senator David P. Sokola, Chair
Representative Quinn Johnson, Co-Chair

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Summary Report Volunteer Fire Service Revolving Loan Fund Program

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 Program (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 was enhanced with an additional \$1 million appropriation in fiscal 2014. The Fund is administered by the Department of Finance.

DELAWARE COUNCIL ON VOLUNTEER FIRE SERVICE

Since the last annual report filed in October 2016, the Delaware Council on Volunteer Fire Service (the “Council”) held meetings on December 8, 2016, April 26, 2017, and September 6, 2017 with the following membership:

- *Richard J. Geisenberger, Chair, Delaware Council on Volunteer Fire Service and Secretary of Finance;
- Kenneth A. Simpler, Delaware State Treasurer;
- Theodore H. Walius, President, Delaware Volunteer Firefighter’s Association (DVFA);
- Alan Robinson, Vice Chairman, Delaware State Fire Prevention Commission;
- Ray Stevens, appointed by the President of the Sussex County Firefighter’s Association;
- Michael D. Layton, appointed by the President of the Kent County Firefighter’s Association; and,
- Richard T. Perillo, appointed by the President of the New Castle County Firefighter’s Association

Also attending:

- Warren Jones, Delaware Volunteer Firefighter’s Association

*In January 2017, Secretary of Finance Richard J. Geisenberger replaced Secretary of Finance Thomas J. Cook as Chair.

COUNCIL ACTION

The Delaware Council on Volunteer Fire Service continues to try to adapt its program to the needs of its volunteer fire companies, albeit with limited funding. In 2016, the Council revised its loan program to expand the list of new equipment that can be purchased with loan funds by adding “tankers” under the “Apparatus (New)” category.

And, in an effort to help fire companies offset the cost of expensive breathing apparatus (SCBAs) and ambulance vehicles, the Council reduced the interest rate from 2.0% to 1.0% for both and removed the lending limit. The favorable terms were made available to fire companies through January 31, 2017. As a result, all available funds were loaned and the fund was taken to zero. New loans will be originated as loan payments are received.

LOAN ACTIVITY

Since the last annual report, the Council originated three new loans to fire companies across the state. In Sussex County, the Indian River Fire Company applied for and was awarded a \$275,000 loan for the purchase of rescue pumper. From New Castle County, the Wilmington Manor Fire Company requested \$562,970.10 and received \$521,513, the only funding available. The loan was for the purchase of breathing apparatus and met the requirements of the Fund's special terms. In Kent County, the Felton Community Fire Company requested a loan for \$212,028.25 for air packs and was approved contingent on sufficient funding. Wilmington Manor and Felton Community fire companies received commitments from the Council and will receive full funding only after sufficient loan payments have been made.

As of June 30, 2017, thirteen (13) loans remain outstanding in the Fund and all are current. The next payment is due on December 1st. After the commitments to Wilmington Manor and Felton Community are satisfied, the available balance of the Fund is expected to be \$159,712.

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
June 30, 2017**

		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
June 30, 2017**

			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
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			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	

**Delaware Volunteer Fire Revolving Loan Fund
Activity Report
FSF Appropriation No. 21187
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			Available Funding	
			\$ 634,437.45	
Loan Awarded				
Five Points Fire Company	\$ 90,000.00			
		\$ (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		
Available Balance December 2011			\$ 757,941.99	√
Loan Awarded				
Harrington Fire Company (#2)	\$ 90,000.00			
Harrington Fire Company (#3)	175,000.00			
Total Loans Awarded		\$ (265,000.00)		
Available Balance June 2012			\$ 492,941.99	
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		
Available Balance June 30, 2012			\$ 563,357.27	
Loan Payments Received				
Citizens' Hose Company	\$ 3,393.00			
Total Loan Payments Received July 10, 2012		\$ 3,393.00		
Available Balance July 30, 2012			\$ 566,750.27	√
Loan Awarded				
Brandywine Hundred Fire Company	\$ 275,000.00			
Total Loans Awarded		\$ (275,000.00)		
Available Balance June 2012			\$ 291,750.27	√
Loan Payments Received				
Brandywine Hundred Fire Company	28,843.42			
Hockessin Fire Company	5,032.01			
Citizen's Hose Company	19,067.52			
Citizen's Hose Company	224.04			
Harrington Fire Company	27,933.08			
Total Loan Payments Received December 1, 2012		81,100.07		
Available Balance December 3, 2012			372,850.34	√

**Delaware Volunteer Fire Revolving Loan Fund
Activity Report
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			Available Funding	
Loan Awarded				
Felton Community Fire Company	50,000.00			
Total Loans Awarded		(50,000.00)		322,850.34 ✓
Loan Awarded				
Selbyville Fire Company	\$ 306,951.00			
Total Loan Awarded		\$ (306,951.00)		
Available Balance after Commitment to Loans Approved			\$ 15,899.34	✓
Loan Payments Received				
Harrington Fire Company #2	\$ 9,486.71			
Harrington Fire Company #3	18,446.37			
Townsend Fire Company	25,992.74			
Five Points Fire Company	16,816.89			
Five Points Fire Company	19,175.35			
Felton Fire Company	5,270.40			
Hockessin Fire Company	5,032.01			
Brandywine Fire Company (paid in full)	249,736.15			
Total Loan Payments Received June 2013		\$ 349,956.62		
Available Balance June 2013			\$ 365,855.96	✓
Additional appropriation				
Fiscal Year 2014 - SB 145 Bond Bill	1,000,000.00	\$ 1,000,000.00	\$ 1,365,855.96	✓
Loan Awarded				
Frederica Fire Company - 11/1/13	\$ 150,000.00			
Indian River Fire Company - 11/1/13	\$ 300,000.00			
Total Loans Awarded		\$ (450,000.00)		✓
Available Balance November 2013			\$ 915,855.96	✓
Loan Payments Received				
Selbyville Fire Company -11/26/13	34,060.12			
Townsend Fire Company - 12/3/13 (paid in full)	74,626.19			
Felton Fire Company - 12/4/13	5,270.40			
Hockessin Fire Company - 12/4/13	5,032.01			
Harrington Fire Company #2 - 12/4/13	9,486.71			
Harrington Fire Company #3 - 12/4/13	18,446.37			
Total Loan Payments Received December 2013		\$ 146,921.80		✓
Available Balance December 2013			\$ 1,062,777.76	✓
Loans Awarded				
Claymont Fire Company #1	273,211.00			
Claymont Fire Company #2	236,644.00			
Total Loans Awarded (September 2014)		\$ (509,855.00)		
Available Balance after Loan Award			\$ 552,922.76	✓
Loan Payments Received				
Five Points Fire Company - 5/1/2014	16,816.89			
Five Points Fire Company - 5/1/2014 *	19,175.35			

**Delaware Volunteer Fire Revolving Loan Fund
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		Available Funding
Frederica Fire Company - 5/20/2014	15,863.43	
Hockessin Fire Company -5/20/2014	5,032.01	
Harrington Fire Company #2- 6/3/2014	9,486.71	
Harrington Fire Company #3- 6/3/2014 *	18,446.47	
Felton Community Fire Company - 6/4/2014	5,270.40	
Total Loan Payments Received June 2014		90,091.26
Available Balance June 2014		\$ 643,014.02 ✓
Loan Payments Received		
Frederica Volunteer Fire Company - 12/1/2014*	67,500.00	
Selbyville Volunteer Fire Company - 12/1/2014	34,060.12	
Hockessin Fire Company - 12/1/2014	5,032.01	
Indian River Volunteer Fire Company, Inc - 12/1/2014	33,452.50	
Felton Community Fire Company - 12/1/2014	5,270.40	
Harrington Fire Company # 2 - 12/5/2014	9,486.71	
Harrington Fire Company # 3 - 12/5/2014	18,446.37	
Total Loan Payments Received December 2014		173,248.11
Available Balance December 2014		\$ 816,262.13
Loans Awarded		
Felton Fire Company #3 - 1/1/2015	25,000.00	
Felton Fire Company #2 - 4/1/2015	67,956.50	
Total Loans Awarded		\$ (92,956.50)
Available Balance after Loan Award		\$ 723,305.63
Loan Payments Received		
Felton Community Fire Company #2 - 5/11/15	7,295.00	
Felton Community Fire Company #3 - 5/12/15	2,631.00	
Felton Community Fire Company - 5/12/15	5,270.40	
Hockessin Fire Company - 5/28/15	5,032.01	
Claymont Fire Company - 5/28/15	28,318.40	
Five Points Fire Company - 5/28/15	16,816.89	
Five Points Fire Company - 5/28/15 **	19,173.94	
Harrington Fire Company - 5/28/15	18,446.37	
Harrington Fire Company - 5/28/15	9,486.71	
Frederica Fire Company - 6/8/15	5,270.40	
Frederica Fire Company - 6/15/15	10,593.03	
Claymont Fire Company - 6/09/15	30.96	
Total Payments Received June 2015		128,365.11
Available Balance June 2015		\$ 851,670.74 ✓
Loan Payments Received		
Felton Community Fire Company - 11/23/15	5,270.40	
Felton Community Fire Company - #2	7,295.00	
Felton Community Fire Company - #3	2,631.00	
Selbyville Volunteer Fire Company - 11/30/15	34,060.12	
Claymont Fire Company -#1 - 11/30/15	15,191.36	
Claymont Fire Company -#2	13,158.00	
Frederica Volunteer Fire Company - 12/7/15	15,863.43	
Hockessin Fire Company	5,032.01	

**Delaware Volunteer Fire Revolving Loan Fund
Activity Report
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		Available Funding	
Indian River Fire Company	33,452.50		
Harrington Fire Company 12/22/15	18,446.37		
Harrington Fire Company 12/22/15	9,486.71		
Total Payments Received December 2015		159,886.90	√
		\$ 1,011,557.64	
 Loans Awarded			
Harrington Fire Company - January 2016	250,000.00		
Citizen's Hose Company No.1 - February 2016	169,493.00		
Total Loans Awarded		\$ (419,493.00)	√
Available Balance after Loan Awards		\$ 592,064.64	√
 Loan Payments Received			
Felton Community Fire Company	7,295.00		
Felton Community Fire Company	5,270.40		
Felton Community Fire Company	2,631.00		
Claymont Fire Company	28,349.36		
Harrington Fire Company	9,486.71		
Harrington Fire Company	18,446.37		
Harrington Fire Company	13,767.60		
Frederica Volunteer Fire Company	15,863.43		
Citizen's Hose Company	9,376.49		
Hockessin Fire Company	5,032.01		
Five Points Fire Company	16,816.89	Paid in full	
Five Points Fire Company	19,173.93	Paid in full	
Total Payments Received June 2016		151,509.19	
		\$ 743,573.83	√
 Loan Awarded			
Rehoboth Beach Fire Company	175,000.00		
Total Loan Awarded		\$ (175,000.00)	
Available Balance June 2016		\$ 568,573.83	√
 Loan Payments Received			
Claymont Fire Company	15,191.36		
Claymont Fire Company	13,158.00		
Selbyville Fire Company	34,060.12		
Rehoboth Beach Fire Company	36,703.05		
Harrington Fire Company	9,486.71		
Harrington Fire Company	13,767.60		
Harrington Fire Company	18,446.37		
Felton Fire Company	5,270.40		
Felton Fire Company	7,295.00		
Felton Fire Company	2,631.00		
Frederica Fire Company	24,068.57	Paid in full	
Hockessin Fire Company	5,032.01		
Indian River Fire Company	33,452.50		
Citizens' Hose Fire Company	9,376.49		
Total Payments Received December 2016		227,939.18	
		\$ 796,513.01	√

**Delaware Volunteer Fire Revolving Loan Fund
Activity Report
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			Available Funding
Loans Awards			
Indian River Fire Company - 2/1/17	275,000.00		
Wilmington Manor Fire Company - 2/1/17	521,513.00		
Total Loans Awards December 2016		\$ (796,513.00)	
			\$ 0.01 √
Loan Payments Received			
Claymont Fire Company #1	15,191.36		
Claymont Fire Company #2	13,158.00		
Felton Fire Company	5,270.40		
Felton Fire Company #2	7,295.00		
Felton Fire Company #3	2,631.00		
Wilmington Manor Fire Company	53,507.25		
Citizen's Hose Company No. 1	9,376.49		
Harrington Fire Company	13,767.60		
Harrington Fire Company #2	9,486.68		
Harrington Fire Company #3	18,446.41		
Hockessin Fire Company	5,032.01		
Total Payments Received June 2017		153,162.20	
Available Balance June 2017			\$ 153,162.21 √
Loan Payments Expected December 1			
Citizen's Hose Company No. 1	\$ 9,376.49		
Claymont Fire Company #1	15,191.36		
Claymont Fire Company #2	13,158.00		
Felton Fire Company	5,270.32		
Felton Fire Company #2	7,295.00		
Felton Fire Company #3	2,631.00		
Harrington Fire Company #4	13,843.30		
Hockessin Fire Company	5,032.01		
Indian River Fire Company	33,452.50		
Indian River Fire Company	30,514.74		
Rehoboth Beach Fire Company	36,703.05		
Selbyville Fire Company	34,060.12		
Wilmington Manor Fire Company	53,507.25		
Payments Expected December 1		\$ 260,035.14	
Balance Expected December 1			\$ 413,197.35
Loans Commitments			
Felton Community Fire Company - 12/1/17	\$ 212,028.25		
Wilmington Manor Fire Company	41,457.10		
Total Loan Commitments		\$ (253,485.35)	
Balance Expected			\$ 159,712.00

√ reconciled against appropriation 21187

**Delaware Volunteer Fire Revolving Loan Fund
 Payment Schedule
 June 30, 2017**

	December 1, 2017	June 1, 2018	Annual Total
1 Citizen's Hose Company No. 1	9,376.49	9,376.49	
2 Claymont Fire Company #1	15,191.36	15,191.36	
3 Claymont Fire Company #2	13,158.00	13,158.00	
4 Felton Fire Company	5,270.32	-	
5 Felton Fire Company #2	7,295.00	7,295.00	
6 Felton Fire Company #3	2,631.00	2,631.00	
7 Harrington Fire Company #4	13,843.30	13,843.30	
8 Hockessin Fire Company	5,032.01	5,035.38	
9 Indian River Fire Company	33,452.50	-	
10 Indian River Fire Company	30,514.74	-	
11 Rehoboth Beach Fire Company	36,703.05	-	
12 Selbyville Fire Company	34,060.12	-	
13 Wilmington Manor Fire Company	<u>53,507.25</u>	<u>53,507.25</u>	
Sub-Total	<u>\$ 260,035.14</u>	<u>\$ 120,037.78</u>	<u>\$ 380,072.92</u>
Total Payments Expected			

Delaware Volunteer Fire Revolving Loan Fund
Loan Portfolio Summary
June 30, 2017

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 *	-
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 *	-
8/1/2008, 9/15/2008	Hockessin Fire Company	S	10	86,925.56	9,845.30
9/22/2008	Christiana Fire Company	S	10	86,925.56	-
10/4/2010	Citizens' Hose Company	S	5	31,214.00	-
11/1/2011	Five Points Fire Company	A	5	90,000.00	-
7/1/2012	Harrington Fire Company #2	S	5	90,000.00	-
7/1/2012	Harrington Fire Company #3	S	5	175,000.00	-
10/1/2012	Brandywine Hundred Fire Co.	S	5	275,000.00	-
1/1/2013	Felton Fire Company	S	5	50,000.00	5,218.14
2/1/2013	Selbyville Fire Company	A	10	306,951.00	190,785.37
11/1/2013	Indian River Fire Company	A	10	300,000.00	216,504.57
11/1/2013	Frederica Fire Company	S	5	150,000.00	-
10/1/2014	Claymont Fire Company #1	S	10	273,211.00	210,603.98
10/1/2014	Claymont Fire Company #2	S	10	236,644.00	182,417.04
1/1/2015	Felton Fire Company #2	S	5	67,956.50	33,739.69
1/4/2015	Felton Fire Company #3	S	5	25,000.00	12,767.79
1/1/2016	Harrington Fire Company #4	S	10	250,000.00	215,433.00
2/1/2016	Citizens' Hose Company	S	10	169,493.00	145,919.33
7/1/2016	Rehoboth Beach Fire Company	A	5	175,000.00	139,755.29
2/1/2017	Indian River Fire Company	A	10	275,000.00	275,000.00
2/1/2017	Wilmington Manor Fire Company	S	5	521,513.00	469,744.13
Pending	Felton Community Fire Company			212,028.25	-
Loans Originated				\$ 5,027,861.87	
Total Principal Due					\$ 2,107,733.63

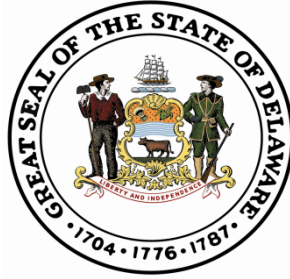
*Loans originated from the original \$1 million appropriation.

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
Felton Fire Company	Ambulance	50,000
Selbyville Volunteer Fire Company	Aerial Tower Truck	306,951
Frederica Volunteer Fire Company	Pumper Tanker	150,000
Indian River Fire Company	Pumper Tanker	300,000
Claymont Fire Company	Pumper Rescue	273,211
Claymont Fire Company	Pumper Tanker	236,644
Felton Fire Company	Light Duty Command Vehicle	25,000
Felton Fire Company	Brush Truck	67,956
Harrington Fire Company	Pumper and accessory equipment	250,000
Citizen's Hose Company No.1	Tanker/Trailer and accessory equipment	169,493

Applicant	Equipment Purchased	Loan Amount Awarded
Rehoboth Beach Volunteer Fire Co.	Ambulance	175,000
Indian River Fire Company	Rescue Pumper	275,000
Wilmington Manor Fire Company	Equipment	521,513
Felton Community Fire Company	Scott air packs	212,028
	TOTAL	\$5,027,862

Exhibit 1

Delaware Volunteer Fire Service Revolving Loan Fund Program
Application and Guidelines



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, Tankers	\$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 Breathing apparatus, SCBA's, radios, turnout gear	\$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 a copy of the confirmation letter that the most recent annual financial audit has been submitted to the Delaware State Fire Prevention Commission.

4.5 Each applicant must submit an accepted bid or signed agreement for the apparatus being purchased.

- 4.6 Each applicant must submit an inventory of equipment and fleet of vehicles.
- 4.7 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.

4.8 In addition to financial statements submitted with the application, applicants must agree to supply annual financial statements, as may be required.

4.9 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.

4.10 Applications are valid until December 31st of the year the application was submitted, unless otherwise determined by the Council.

4.11 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

___ Compilation Review and Audit Report, for two years preceding the year of application. *Include a copy of confirmation letter that most recent audit has been submitted to the State Fire Prevention Commission.*

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

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

13. ___ Inventory of applicant's assets

14. ___ Company's Resolution to Procure and Borrow for Requested Asset

15. ___ List of Company Officers

16. 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. _____

17. 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
 Accessory Equipment Communications Equipment Personal Protective Equipment

Accessory equipment: *any equipment used to support fire rescue and EMS; for example; hoses, saws and fans.* List the type of accessory, communications or personal 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.

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)



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)