

State of Delaware Office of Auditor of Accounts



Delaware Volunteer Fire Service 2014 Annual Report

Released in conjunction with the Delaware Volunteer Firefighter's Association Annual Conference
September 2014

For more information on the Delaware Volunteer Firefighter's Association, go to www.dvfassn.com.

R. Thomas Wagner, Jr., CFE, CGFM, CICA
Auditor of Accounts





STATE OF DELAWARE
OFFICE OF AUDITOR OF ACCOUNTS

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September 8, 2014

Mr. Richard Toulson
President
Delaware Volunteer Firefighter's Association
122 South Bradford Street
P.O. Box 1849
Dover, DE 19903

Ms. Saralee Stevens
President
Ladies Auxiliary Association
Delaware Volunteer Firefighter's Association
122 South Bradford Street
P.O. Box 1849
Dover, DE 19903

Dear Mr. Toulson and Ms. Stevens:

The volunteer fire service in Delaware is a unique program that not only benefits the State, but also the communities it protects. The men and women of the fire service selflessly give their time, not only to protect the lives and property of the citizens of Delaware, but also to attend trainings, teach our children about fire prevention and safety, keep the equipment and stations running properly, and many other tasks that often go unnoticed – all without pay and while still juggling the responsibilities of family, work, and school.

It is with great pleasure that I present the Delaware Volunteer Fire Service Annual Report. This report reflects just how much of an asset the program is to all Delawareans. Our office estimates that the volunteer fire service saved the State more than \$184,000,000 for the State fiscal year ending June 30, 2014. This figure is a reflection of why it is so important to continue to support our volunteers.

I would like to again express my sincere appreciation for the men and women providing these services to their respective communities.

Sincerely yours,

R. Thomas Wagner, Jr., CFE, CGFM, CICA
Auditor of Accounts

Background

The State of Delaware has 60 volunteer fire companies and 21 substations comprising approximately of 7,000 volunteers serving as firefighters, Emergency Medical Technicians (EMT), or support members (e.g. life, auxiliary, juniors, cadets, and social).¹

The State of Delaware offers a variety of benefits to recognize volunteer firefighters, ladies auxiliary members, and EMTs for the sacrifices they make through their volunteer services. The benefits include:

- a \$400 tax credit on State personal income taxes each year;
- membership in the Delaware Blood Bank;
- participation in a pension plan²;
- worker’s compensation for disabilities received in the line of duty;
- a special “Delaware Volunteer Firefighter’s License Plate” for personal vehicles; and
- membership in the Delaware Federal Credit Union.

In the unfortunate event that a service member suffers a death in the line of duty, further benefits include:

- reimbursement for funeral expenses, up to \$7,000;
- life insurance payments of \$150,000 for deaths in the line of duty; and
- reimbursement for college tuition expenses for dependent children.



House fire in Middletown, July 5, 2014
Photo courtesy of Volunteer Hose Company of Middletown

¹ Obtained from the Delaware Volunteer Firefighter Association, Executive Manager

² To receive a pension, the individual must have reached age 60 and have a minimum of ten years in the pension plan.

It would cost \$184,868,278 to replace Delaware’s Volunteer Fire Service with an Employed Statewide Fire Service:



Horse rescued from a swimming pool in Felton, February 14, 2014
Photo Courtesy of Robin Andino

Projected Costs of Employed Statewide Fire Service:

Salary and Fringe Benefits ³	\$	173,672,100
Equipment Purchases and Maintenance ³		20,849,802
Building Purchases and Maintenance ⁴		15,356,937
Fuel and Utilities ⁴		6,067,131
Insurance Premiums ⁴		3,588,439
Employee Apparatus ⁴		3,184,312
 Total Projected Cost		222,718,721
 Less Current Revenue Sources:		
Grant-in-Aid ⁵	\$ (5,928,255)	
Insurance Tax ⁶	(24,134,660)	
County Subsidies ⁷	(7,787,528)	
Subtotal		(37,850,443)
 Total Cost Avoidance	\$	184,868,278

³ See page 5 for details

⁴ See page 6 for details

⁵ Obtained from the Fiscal Year 2014 Grant-in-Aid Bill

⁶ Obtained from the Office of the State Treasurer

⁷ Obtained from the Fiscal Year 2014 Budgets for each County

Property Tax would increase by \$8.54 per \$1,000 of assessed property value for each household for an Employed Statewide Fire Service:



House fire in Lewes, June 2, 2014
Photo Courtesy of Rehoboth Beach Fire Company

Projected Costs of Employed Statewide Fire Service per \$1,000 of assessed property value:

Salary and Fringe Benefits		\$	8.01
Equipment Purchases and Maintenance			0.96
Buildings Purchases and Maintenance			0.71
Fuel and Utilities			0.28
Insurance Premiums			0.17
Employee Apparatus			0.15
			<hr/>
Total Projected Cost			10.28
Less Current Revenue Sources:			
Grant-in-Aid	\$	(0.27)	
Insurance Tax		(1.11)	
County Subsidies		(0.36)	
Subtotal			<hr/>
			(1.74)
Net Increase in Property Tax		\$	<hr/>
			8.54

Detailed Cost Savings Calculations

Cost for a Non-Volunteer Fire Department

The basis for this analysis is the paid City of Wilmington Fire Department (WFD). The following statistics were used in the analysis:

Population of the City of Wilmington ⁸	71,525
Current number of Wilmington Fire Stations ⁹	7
Population served per Station (Wilmington Population/Fire Stations)	10,218
Current number of paid firefighters ¹⁰	177
Estimated employees per Station (8 employees per shift * 3 shifts per day)	25
Average salary and fringe benefits for current WFD employees ¹¹	\$ 85,764

State Demographics

State population ¹² (excluding Wilmington)	854,224
Assessed property value ¹³ (excluding Wilmington)	\$ 21,676,936,034
Number of volunteer stations	81
Total employees needed (25 per station)	2,025

Salary and Fringe Benefits

Salary and fringe benefits were calculated by multiplying the average salary and fringe benefits for current WFD employees, \$85,764, by the total employees needed, 2,025. The total estimate is \$173,672,100.

Equipment

Equipment purchases were calculated using the following:

Equipment Type	Estimated Cost Equipment Type	Est. Life (Years)	Replacement Per Year*	Annual Replacement Cost
Fire Engine	600,000	15	5	3,000,000
Ambulance	200,000	6	13	2,600,000
Brush Truck	90,000	10	8	720,000
Rescue Truck	700,000	15	5	3,500,000
Aerial Truck	1,000,000	18	4	2,000,000 **
Tanker	400,000	15	5	1,000,000 **
Utility Vehicle	70,000	8	10	700,000
Pumper Tanker	650,000	15	5	1,625,000 **
Equipment Total				15,145,000
Plus Maintenance				5,704,802
Grand Total				\$ 20,849,802

*Averages were truncated to whole numbers.

**Aerial trucks, tankers, and pumper tankers are required by approximately half of the companies for specialized needs.

⁸ Obtained from the Delaware Economic Development Office

⁹ Obtained from the Fiscal Year 2014 Grant-in-Aid Bill

¹⁰ Obtained from the Senior Analyst/Systems Manager at the City of Wilmington, this figure includes five civilian positions

¹¹ Total Salary and Fringe Benefit information provided by the Senior Analyst/Systems Manager at the City of Wilmington

¹² Obtained from DEDO

¹³ Obtained from the State Department of Education



Tractor trailer rollover with entrapment, Smyrna, March 19, 2014
Photo Courtesy of Citizens' Hose Company No. 1 of Smyrna

Buildings and Maintenance

Building purchases and annual maintenance were estimated at \$15,356,937 per year. Buildings were estimated to have a life expectancy of 20 years.

Fuel and Utilities

Fuel and Utilities were estimated at \$6,067,131 per year. The fuel and utilities were estimated based on annual reports submitted by the fire companies.

Insurance Premiums

Insurance Premiums were estimated at \$3,588,439, based on annual reports submitted by the fire companies.

Employee Apparatus

Employee apparatus was estimated to be \$15,725 per firefighter, with an estimated life expectancy of 10 years. The statewide equivalent for 2,025 firefighters is \$3,184,312 annually.

Volunteer Fire Service and Ambulance Training

The Delaware State Fire School, under the guidance of the State Fire Prevention Commission, provides fire, rescue, emergency medical training, and public fire safety education to the fire and rescue service, as well as to industry and citizens of our State.¹⁴ Instructors conduct training sessions in both classroom settings and simulated facilities using actual conditions at three regional training centers, one located in each county.

During 2014, the Delaware State Fire School trained 10,255 students in Fire and Rescue and 11,642 in Emergency Medical Services.¹⁵



Front-end loader fire at Dover Downs, April 11, 2014
Photo Courtesy of Robin Andino

Thankfully, no firefighters were lost in the line of duty in the last year. This is a direct reflection on the quality of training provided to firefighters and other fire service volunteers.

**Report Fraud, Waste, and Abuse
in Delaware State Government
1-800-55-FRAUD**

¹⁴ Obtained from <http://statefireschool.delaware.gov/fromdirector.shtml>, Letter from the Director, Robert Newman

¹⁵ Obtained From the Delaware State Fire School.