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.dvfasn.com.

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

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](image)

**Projected Costs and Savings**

*Horse rescued from a swimming pool in Felton, February 14, 2014*

Photo Courtesy of Robin Andino

**Projected Costs of Employed Statewide Fire Service:**

<table>
<thead>
<tr>
<th>Cost Category</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary and Fringe Benefits</td>
<td>$173,672,100</td>
</tr>
<tr>
<td>Equipment Purchases and Maintenance</td>
<td>$20,849,802</td>
</tr>
<tr>
<td>Building Purchases and Maintenance</td>
<td>$15,356,937</td>
</tr>
<tr>
<td>Fuel and Utilities</td>
<td>$6,067,131</td>
</tr>
<tr>
<td>Insurance Premiums</td>
<td>$3,588,439</td>
</tr>
<tr>
<td>Employee Apparatus</td>
<td>$3,184,312</td>
</tr>
<tr>
<td><strong>Total Projected Cost</strong></td>
<td><strong>$222,718,721</strong></td>
</tr>
</tbody>
</table>

**Less Current Revenue Sources:**

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant-in-Aid</td>
<td>$(5,928,255)</td>
</tr>
<tr>
<td>Insurance Tax</td>
<td>$(24,134,660)</td>
</tr>
<tr>
<td>County Subsidies</td>
<td>$(7,787,528)</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$(37,850,443)</strong></td>
</tr>
</tbody>
</table>

**Total Cost Avoidance**

| Total Cost Avoidance          | **$184,868,278** |

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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:

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

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary and Fringe Benefits</td>
<td>$8.01</td>
</tr>
<tr>
<td>Equipment Purchases and Maintenance</td>
<td>$0.96</td>
</tr>
<tr>
<td>Buildings Purchases and Maintenance</td>
<td>$0.71</td>
</tr>
<tr>
<td>Fuel and Utilities</td>
<td>$0.28</td>
</tr>
<tr>
<td>Insurance Premiums</td>
<td>$0.17</td>
</tr>
<tr>
<td>Employee Apparatus</td>
<td>$0.15</td>
</tr>
<tr>
<td><strong>Total Projected Cost</strong></td>
<td><strong>$10.28</strong></td>
</tr>
</tbody>
</table>

Less Current Revenue Sources:

- Grant-in-Aid $ (0.27)
- Insurance Tax (1.11)
- County Subsidies (0.36)
- **Subtotal (1.74)**

**Net Increase in Property Tax**

- $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 10,218
  - (Wilmington Population/Fire Stations)
- Current number of paid firefighters\(^10\) 177
- Estimated employees per Station 25
  - (8 employees per shift * 3 shifts per day)
- 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:

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

* Averages were truncated to whole numbers.
** Aerial trucks, tankers, and pumper tankers are required by approximately half of the companies for specialized needs.

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\(^8\) 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
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.\textsuperscript{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.\textsuperscript{15}

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.

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

\textsuperscript{14} Obtained from http://statefireschool.delaware.gov/fromdirector.shtml, Letter from the Director, Robert Newman
\textsuperscript{15} Obtained From the Delaware State Fire School.