State of Delaware
Office of Auditor of Accounts

Delaware Volunteer Fire Service
2015 Annual Report

Released in conjunction with the Delaware Volunteer Firefighter’s Association Annual Conference
September 2015

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
September 14, 2015

Mr. Anthony Guzzo  Ms. Karen Majewski
President  President
Delaware Volunteer Firefighter’s Association  Ladies Auxiliary Association
122 South Bradford Street  Delaware Volunteer Firefighter’s Association
P.O. Box 1849  122 South Bradford Street
Dover, DE 19903  P.O. Box 1849

Dear Mr. Guzzo and Ms. Majewski:

It is with great honor that I present the Delaware Volunteer Fire Service Annual Report during the Delaware Volunteer Firefighter’s Association Annual Conference.

Each year, over 7,000 volunteers throughout our small state generously donate their time to protect the citizens of Delaware and support the firefighters working in emergency situations. They sacrifice time with their families and friends to perform their duties, maintain their equipment, provide education to the public, and obtain training to keep us and our property safe. I am exceedingly appreciative of all of the hard work and time that goes into being volunteer firefighters and auxiliary members.

This year’s report estimates that the volunteer fire service saved the State more than $193,000,000 for the State fiscal year ending June 30, 2015. Once again, the analysis demonstrates that continued support of the fire service and its volunteers is extremely important.

I look forward to spending time with your members and expressing my gratitude in person during the conference.

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 $193,482,656 to replace Delaware’s Volunteer Fire Service with an Employed Statewide Fire Service:

Projected Costs of Employed Statewide Fire Service:

- Salary and Fringe Benefits $183,746,475
- Equipment Purchases and Maintenance $21,627,214
- Building Purchases and Maintenance $15,358,646
- Fuel and Utilities $6,233,754
- Insurance Premiums $3,621,856
- Employee Apparatus $3,184,312

Total Projected Cost $233,775,270

Less Current Revenue Sources:
- Grant-in-Aid (5,672,661)
- Insurance Tax (26,257,160)
- County Subsidies (8,362,793)

Subtotal (40,292,614)

Total Cost Avoidance $193,482,656

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3 See page 5 for details
4 See page 6 for details
5 Obtained from the Fiscal Year 2015 Grant-in-Aid Bill
6 Obtained from the Office of the State Treasurer
7 Obtained from the Fiscal Year 2015 Budgets for each County
Property Tax would increase by $8.83 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>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary and Fringe Benefits</td>
<td>$ 8.38</td>
</tr>
<tr>
<td>Equipment Purchases and Maintenance</td>
<td>0.99</td>
</tr>
<tr>
<td>Buildings Purchases and Maintenance</td>
<td>0.70</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>10.67</strong></td>
</tr>
</tbody>
</table>

Less Current Revenue Sources:

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant-in-Aid</td>
<td>$(0.26)</td>
</tr>
<tr>
<td>Insurance Tax</td>
<td>$(1.20)</td>
</tr>
<tr>
<td>County Subsidies</td>
<td>$(0.38)</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>(1.84)</strong></td>
</tr>
</tbody>
</table>

**Net Increase in Property Tax**  

<table>
<thead>
<tr>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 8.83</td>
</tr>
</tbody>
</table>
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\(^8\) \(71,817\)
Current number of Wilmington Fire Stations\(^9\) \(7\)
Population served per Station \(10,260\)
(Wilmington Population/Fire Stations) \(177\)
Current number of paid firefighters\(^10\) \(177\)
Estimated employees per Station \(25\)
(8 employees per shift * 3 shifts per day) \(90,739\)
Average salary and fringe benefits for current WFD employees\(^11\) \(90,739\)

State Demographics

State population\(^12\) (excluding Wilmington) \(863,797\)
Assessed property value\(^13\) (excluding Wilmington) \(21,921,707,830\)
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, 90,739, by the total employees needed, 2,025. The total estimate is $183,746,475.

Equipment

Equipment purchases were calculated using the following:

<table>
<thead>
<tr>
<th>Equipment Type</th>
<th>Estimated Cost (Equipment 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><strong>Equipment Total</strong></td>
<td>15,145,000</td>
<td></td>
<td></td>
<td>15,145,000</td>
</tr>
<tr>
<td><strong>Plus Maintenance</strong></td>
<td>6,482,214</td>
<td></td>
<td></td>
<td>6,482,214</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td></td>
<td></td>
<td></td>
<td>$ 21,627,214</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.

\(^8\) Obtained from the Delaware Economic Development Office
\(^9\) Obtained from the Fiscal Year 2015 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 $15,361,178 per year. Buildings were estimated to have a life expectancy of 20 years.

Fuel and Utilities
Fuel and Utilities were estimated at $6,233,754 per year. The fuel and utilities were estimated based on annual reports submitted by the fire companies.

Insurance Premiums
Insurance Premiums were estimated at $3,621,856 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. 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 2015, the Delaware State Fire School trained 8,316 students in Fire and Rescue and 11,781 in Emergency Medical Services.

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.