

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





STATE OF DELAWARE
OFFICE OF AUDITOR OF ACCOUNTS

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September 14, 2015

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

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

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.



House fire in Dover, March 22, 2015
Photo courtesy of Kenneth Campbell

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:



Trailer Fire in Clayton, June 8, 2015
Photo Courtesy of Jerry Hull

Projected Costs of Employed Statewide Fire Service:

Salary and Fringe Benefits ³	\$	183,746,475
Equipment Purchases and Maintenance ³		21,627,214
Building Purchases and Maintenance ⁴		15,358,646
Fuel and Utilities ⁴		6,233,754
Insurance Premiums ⁴		3,621,856
Employee Apparatus ⁴		3,184,312
 Total Projected Cost		 233,775,270
 Less Current Revenue Sources:		
Grant-in-Aid ⁵	\$	(5,672,661)
Insurance Tax ⁶		(26,257,160)
County Subsidies ⁷		(8,362,793)
Subtotal		(40,292,614)
 Total Cost Avoidance	 \$	 193,482,656

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:



Christiana Car and Townhouse Fire, December 14, 2014
Photo Courtesy of Christiana Fire Company

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

Salary and Fringe Benefits		\$	8.38
Equipment Purchases and Maintenance			0.99
Buildings Purchases and Maintenance			0.70
Fuel and Utilities			0.28
Insurance Premiums			0.17
Employee Apparatus			0.15
			<hr/>
Total Projected Cost			10.67
Less Current Revenue Sources:			
Grant-in-Aid	\$	(0.26)	
Insurance Tax		(1.20)	
County Subsidies		(0.38)	
Subtotal			<hr/> (1.84)
Net Increase in Property Tax		\$	<hr/> <hr/> 8.83

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 (Wilmington Population/Fire Stations)	10,260
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	\$ 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:

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				6,482,214
Grand Total				<u>\$ 21,627,214</u>

*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



Greenwood Motor Vehicle Crash, November 13, 2014
Photo Courtesy of Greenwood Volunteer Fire Company

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.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 2015, the Delaware State Fire School trained 8,316 students in Fire and Rescue and 11,781 in Emergency Medical Services.¹⁵



Vehicle Fire on the Beach May 30, 2015
Photo Courtesy of Bethany Beach Volunteer Fire Company

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.