



MARTIN O'MALLEY  
GOVERNOR  
COMMANDER-IN-CHIEF

STATE OF MARYLAND  
MILITARY DEPARTMENT  
FIFTH REGIMENT ARMORY  
BALTIMORE, MARYLAND 21201-2288

JAMES A. ADKINS  
MAJOR GENERAL  
THE ADJUTANT GENERAL

1 October 2014

The Honorable Edward J. Kasemeyer, Chairman  
Senate Budget and Taxation Committee  
3 West Miller Senate Building  
Annapolis, MD 21401

The Honorable Norman H. Conway, Chairman  
House Appropriations Committee  
Room 121, House Office Building  
Annapolis, MD 21401

Re: Annual Report of Loans & Grants Issued from VCAF

Dear Chairman Kasemeyer and Chairman Conway:

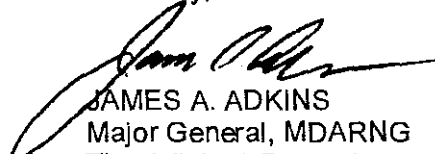
Section 8-206 of the Public Safety Article, Annotated Code of Maryland requires the Maryland Military Department (MMD) to review the annual documentation submitted by the Maryland State Firemen's Association (MSFA). The purpose of this review is to determine if each grant or loan was spent in accordance with both the Volunteer Company Assistance Fund (VCAF) statute and the request approved by the Board of Public Works (BPW).

In addition Section 8-206 requires MMD to report its findings to the Senate Budget and Taxation Committee and the House Appropriations Committee on an annual basis. This letter serves as a report on the status of FY2014 grants and loans.

In FY 2014, MMD settled three loans and two grants, totaling \$891,306 from the VCAF fund. The attached schedule reports the status of the required documentation that MMD received.

MMD continues to work with the MSFA to improve the VCAF loan process to ensure that adequate controls are in place as we jointly support the State's volunteer fire, rescue and ambulance community.

Sincerely,



JAMES A. ADKINS  
Major General, MDARNG  
The Adjutant General

Attachment

**SUMMARY OF THE MSFA 2014 ANNUAL REPORT OF THE VOLUNTEER COMPANY ASSISTANCE FUND BOARD  
VCAF LOANS SETTLED IN FY2014**

Department	County	Type	Settlement Date	Amount	Years	Rate	Payments per Annum	Payment	Use	Purchase Data ?	Total Purchase Price	Financial Information Provided
Hollywood RS	St. Mary's	Loan	10/2/2013	\$140,728.50	5	2.00%	12	\$2,466.66	Ambulance	Yes	\$194,438.00	Unaudited Financial Statements from FY2009 through FY2011. IRS 990 for FY2012 & FY2013
Ferndale VFC	Anne Arundel	Loan	1/17/2014	\$365,000.00	10	2.00%	1	\$40,634.18	Pumper	Yes	\$532,189.00	Unaudited Financial Statements from FY2011 through FY2012. IRS 990 for FY2012 & FY2013
Glen Burnie VFC	Anne Arundel	Grant	3/28/2014	\$5,300.00	NA	NA	NA	NA	Ambulance	Yes	\$182,662.76	Unaudited Financial Statements (Compilation) for FY2010 & FY2011. IRS 990 for CY2010 & 2011.
Glen Burnie VFC	Anne Arundel	Loan	3/28/2014	\$135,577.92	5	2.00%	12	\$2,376.38	Ambulance	Yes	\$182,662.76	Unaudited Financial Statements (Compilation) for FY2010 & FY2011. IRS 990 for CY2010 & 2011.
Baltimore Pike VFC	Allegany	Grant	5/29/2014	\$244,700.00	NA	NA	NA	NA	Addition to Facilities	Yes	\$489,400.00	Unaudited Financial Statements CY2011 & CY2012. IRS 990 CY2010, CY2011 & CY2012.
<b>Total Loans</b>	<b>3</b>			<b>\$891,306.42</b>								
<b>Total Grants</b>	<b>2</b>											

**Legend**  
VFD - Volunteer Fire Department  
VFC - Volunteer Fire Company  
FC - Fire Company  
RS - Rescue Squad  
AS - Ambulance Service