

LARRY HOGAN GOVERNOR COMMANDER-IN-CHIEF

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

TIMOTHY E. GOWEN MAJOR GENERAL THE ADJUTANT GENERAL

November 8, 2021

The Honorable Guy J. Guzzone, Chairman Senate Budget and Taxation Committee Miller Senate Office Building, 3 West Wing 11 Bladen St. Annapolis, MD 21401

Re: Annual Report of Loans & Grants Issued from VCAF

Dear Chairman Guzzone:

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 FY 2020 grants and loans.

In FY 2020, MMD settled four loans and zero grants, totaling \$1,020,702.00 from the VCAF fund. The attached schedules report 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,

GOWEN.TIMOTHY Digitally signed by .EDWARD.1039259 GOWEN.TIMOTHY.EDWARD.10 39259415
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TIMOTHY E. GOWEN Major General, MDARNG The Adjutant General

Attachment



LARRY HOGAN GOVERNOR COMMANDER-IN-CHIEF

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

TIMOTHY E. GOWEN MAJOR GENERAL THE ADJUTANT GENERAL

November 8, 2021

The Honorable Maggie McIntosh Chairwoman House Appropriations Committee 121 Taylor House Office Building 6 Bladen St. Annapolis, MD 21401

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Sincerely,

GOWEN.TIMOTH Digitally signed by GOWEN.TIMOTHY.EDWARD.1 039259415 Date: 2021.11.10 11:52:15 -05'00'

TIMOTHY E. GOWEN Major General, MDARNG The Adjutant General

Attachment

## **VCAF LOANS/GRANTS SETTLED IN FY2020**

| FY   | Purpose | Company  | County             | Loan/Grant | Date Settled | Amount       | Term | Rate  | Payment per Annum | Payment     | Total<br>Purchase<br>Price | Balance as of 6/30/2020 |
|------|---------|--|--------------------|------------|--------------|--------------|------|-------|-------------------|-------------|----------------------------|-------------------------|
| 2020 | Engine  | The Water Witch Fire Co,<br>Inc.               | Cecil              | Loan       | 10/11/2019   | \$228,000.00 | 20   | 1.00% | 1                 | \$12,645.00 | \$653,507.00               | \$228,000.00            |
| 2020 | Tanker  | Fairmount Volunteer Fire Company, Inc.         | Somerset           | Loan       | 9/24/2019    | \$187,764.00 | 15   | 1.00% | 1                 | \$13,547.00 | \$254,059.00               | \$166,094.00            |
| 2020 | Engine  | Kentland Volunteer Fire Department Inc.        | Prince<br>George's | Loan       | 1/3/2020     | \$205,401.00 | 20   | 1.00% | 1                 | \$11,382.00 | \$705,401.00               | \$205,401.00            |
| 2020 | Tanker  | Fallston Volunteer Fire and Ambulance Co. Inc. | Harford            | Loan       | 3/9/2020     | \$399,537.00 | 15   | 1.00% | 1                 | \$28,838.00 | \$532,717.00               | \$399,537.00            |