



State of Illinois
JB Pritzker, Governor

AMBULANCE REVOLVING LOAN PROGRAM

A program jointly administered by



Office of the Illinois State Fire Marshal
Dale Simpson, Acting State Fire Marshal



Illinois Finance Authority
Christopher B. Meister, Executive Director

APPLICATION DEADLINE: OCTOBER 31, 2022

AMBULANCE REVOLVING LOAN PROGRAM

A fillable application is provided for you online at <https://www2.illinois.gov/sites/sfm/lam/FireDepartment/Grants-and-Loans/Pages/default.aspx>. You **must** utilize this electronic application when filling out the form. Completed applications and all required attachments can be electronically submitted to Roger.D.Branson@illinois.gov. Mailed copies should be submitted to:

Office of the Illinois State Fire Marshal
Ambulance Revolving Loan Program
1035 Stevenson Drive
Springfield, Illinois 62703

Applications must be electronically submitted or postmarked no later than October 31, 2022.

Questions about the program or the loan application should be directed to the Office of the Illinois State Fire Marshal, Division of Special Projects, at (217) 785-4717 or to Roger Branson at Roger.D.Branson@illinois.gov.

Program Overview

The Illinois Ambulance Revolving Loan Program was created in the Rural Bond Bank Act in 2003 by Public Act 95-35 (30 ILCS 360/3-27). The program was re-enacted in 2004 as part of the Illinois Finance Authority Act by Public Act 93-205 (20 ILCS 3501/825-80). The purpose of the program is to provide interest-free and low-interest loans for the purchase of ambulances to units of local government (city, town, village, township, fire department, fire protection district) and not-for profit ambulance service providers.

You may view the statutory authority, as well as the administrative rules governing the program by clicking on the links below.

- Statutory authority - [20 ILCS 3501/825-85](#)
- Administrative rules - [Title 41, Part 292](#) and [Title 74, Part 1100, Subpart I](#)

Funding

Approximately \$2.7 million will be available for loans this application period.

Eligibility

Eligible Applicants

Units of local government¹ (city, town, village, township, fire department, fire protection district) that provides ambulance services and not-for profit ambulance service providers are eligible to apply for a loan.

Applicants should note the following:

- If the applicant is required to file reports through the National Fire Incident Reporting System (NFIRS), the applicant must have filed all reports for a minimum of 24 months prior to application for a loan. Failure to be in compliance with NFIRS requirements will result in an automatic denial of a loan. The two year required reporting period will be from August 2020 through August 2022. Fire departments are required to report all incidents responded to, including ambulance calls.
- Applicants that have prior outstanding loans through the Ambulance Revolving Loan Program will not be considered until applicants without prior loans have been considered. Having a prior outstanding loan does not preclude an applicant from applying for a loan.

Not Eligible

Fire departments or ambulance service providers that are for-profit entities and units of local government (city, town, village, township, fire department, fire protection district) that do not provide ambulance services (e.g., a municipality that contracts for emergency medical services from another municipality or fire district) are not eligible to apply.

Application Fee

There is no initial fee to apply for a loan. If an applicant is awarded a loan, a \$500 processing fee will be deducted from the proceeds of the loan for costs associated with servicing the loan.

¹As defined by Article VII, Section 1 of the Illinois Constitution of 1970 and in state law at 5 ILCS 70/1.28

Loan Amount and Interest Rate

The maximum loan provided under this program for ambulances is \$200,000. The term of the loan may not exceed 10 years. Although the primary goal of the program is to provide 0% interest loans, applicants with investment grade credit ratings² will be charged interest on the loans. The rate will be 50% of the mean of the Bond Buyer's 20-Bond General Obligation Index for the twelve month period ending as of October 1st of the applicable loan application year. The interest rate for this application period is 1.10%.

Evaluation of Applications

Loan applications will be evaluated by a committee using a blind review process. The review committee is headed by the State Fire Marshal (or his designee), who serves as the chairman. Members of the committee include three fire chiefs (one from a volunteer fire department and one from a combination department, one from a career/municipal fire department), one representative from the Associated Firefighters of Illinois, one representative from the Illinois Association of Fire Protection Districts, one member of a volunteer fire department, and two representatives from the banking community (one from the Community Bankers Association of Illinois and one from the Illinois Bankers Association). Additionally, a representative of the Illinois Finance Authority sits on the committee as a non-voting member.

In its evaluation, the committee looks at equipment need, financial need and if the applicant has received prior loans under this program. The committee will also determine if it believes an applicant has sufficient resources to repay the loan. The committee will rank applications and, based on available funding, will forward the highest ranking applications to the Illinois Finance Authority who will conduct a final review of the applicant's creditworthiness. Applicants that rank the highest and are deemed to be creditworthy will be offered loans.

Applicants that are denied loans may request that their loan application be reconsidered. Requests for reconsideration must be filed within 30 days of the postmark on the letter of denial and should be submitted to:

Office of the Illinois State Fire Marshal
Ambulance Revolving Loan Program
1035 Stevenson Drive
Springfield, Illinois 62703

² Investment grade is a rating at or higher than Baa3, BBB- or the equivalent from any nationally recognized municipal credit rating agency

Application Documentation

In addition to the application several supplemental documents are required as part of the application evaluation process. Those documents include:

- Copies of the ordinance or resolution that identifies the revenue source or sources to be used to repay the loan
- If using a tax levy to repay the loan, copies of the tax levy or a signed letter confirming the timing of the proposed levy (a final copy of the levy must be provided when passed)
- Current year operating budget and interim financial statements for the most recent month available
- Comparison of budget versus actual financial results for the most recent 3 years Most recent bank statement
- Copies of the most recent 3 years of annual financial reports
- Copies of the most recent 3 annual reports (if applicable)
- Copies of mutual aid agreements with other entities (if applicable)

If the applicant is awarded a loan the applicant must provide the following documents after the ambulance is purchased:

- Vehicle Identification Number (VIN)
- Title to the ambulance
- Copies of existing liens on the ambulance being purchased (if applicable)
- Photographs of the ambulance being purchased

Use of Loan Funds

Loan funds may only be used for the purchase of equipment outlined in the loan application or to pay off a loan that was obtained no more than one year prior to the receipt of a loan under the program (loan payoff must be for the equipment purchase approved in the loan application).

Recipient Responsibilities After Loan Award

- Equipment purchased through this program may not be given to, loaned to, transferred to, leased to, or sold to any person or entity that is not eligible to participate in the loan program as an applicant.
- Ambulances purchased with proceeds from this program are to be insured for the life of the loan, with the State of Illinois Ambulance Revolving Loan Program listed as the loss payee.

- Established procurement processes must be followed when purchasing ambulances with loan funds. If you do not have established processes you should obtain at least 2 quotes or bids and document the process in your loan files.
- Loan files and supporting documentation must be kept for the term of the loan and retained for 3 years after the final payment is made on the loan.
- Information must continue to be provided through the National Fire Incident Reporting System (NFIRS) (if applicable)
- Loan proceeds must be returned if any other funding is received for the same purchase, unless the funds are being used to supplement the purchase being made with loan funds. The amount of reimbursement should be equal to the amount of other funding received for the same purchase.
- If you default on your loan, the program's loan agreement stipulates that the state will intercept funds from other state sources that are due to you in order to satisfy your loan payments.