



VFSB ATL Policy

Aid to Localities (ATL)

**A mandatory Annual Allocation disbursed to
Jurisdictions from the Commonwealth's
FIRE PROGRAMS FUND**

Commonwealth of Virginia

Virginia Department of Fire Programs

and the

Virginia Fire Services Board

**Commonwealth of Virginia
Department of Fire Programs
Attn: ATL Administration
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A) PURPOSE

In accordance with §38.2-401 of the Code of Virginia this policy provides direction for the administration and expenditure of entitlements allocated from the Fire Program Fund. Each qualifying jurisdiction within the Commonwealth is entitled to an annual allocation based on their population but subject to certain minimum levels. This allocation may only be used for 'fire service purposes' and 'may not supplant or replace locally appropriated funds.

B) GENERAL OVERVIEW

The *CODE* provides for the collection of an annual levy each fiscal period from the insurance industry. Such levy is collected by the STATE CORPORATION COMMISSION (SCC) as of March 1st of the next immediate fiscal period. The amounts so collected are thereafter reconciled and that reconciled principal is transferred into the FIRE PROGRAMS FUND (FUND) usually during the latter half of June of that same year nominally not earlier than two (2) weeks prior to the start of the next fiscal period.

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Consistent with the *CODE*, the ATL total amount for any fiscal period is comprised of two (2) components. The first component represents 75% of that principal amount initially transferred each year by the SCC as thereafter adjusted. The second component is the total amount of all irrevocable forfeitures by jurisdictions of allocations uncollected by them in a prior fiscal period.

Before any calculation for that 75% of the transferred principal is made, several types of reduction from that principal may first need to be accounted for and set-aside. Reductions may include:

- Any amount so specified in the **present Appropriations Act** as a payment, transfer, or other conveyance from the FIRE PROGRAMS FUND. (In the absence of an Appropriations Act for a given fiscal period, such may then pertain to any active appropriations authorization in place consistent with *CONSTITUTION OF THE COMMONWEALTH OF VIRGINIA*.)
- Any amount specified by **other applicable "Acts of Assembly"** as a payment, transfer, or other conveyance from the FIRE PROGRAMS FUND and not theretofore satisfied.
- Any amount specified by the **CODE** itself as a payment, transfer, or other conveyance from the FIRE PROGRAMS FUND. (i.e., Monies to be set aside for the "Dry Hydrant" Program or "Fire Service Grant Program.")

Once these amounts have been deducted from that initial principal, 75% of the remaining transfer amount is then set-aside for allocation to jurisdictions as ATL.

In order for jurisdictions to collect their ATL, the *Code* requires that they satisfactorily complete and submit timely two (2) documents:

- They must report to the Agency on the prior year's ATL usage
- They must file with the Agency a usage agreement for those monies they are presently allocated to receive.

The *CODE* contains a "sunset provision", a statute of limitations on the collection of allocations. Jurisdictions that fail to collect their allocation in a timely fashion irrevocably forfeit that amount and any such amount is added to a subsequent fiscal period's total ATL for re-distribution to localities.

C) CODE OF VIRGINIA CITATION

§38.2-401 of the *Code of Virginia* as amended – "Fire Programs Fund," is incorporated by reference; herein also referred to as *COV* or *CODE*.

D) PRECEDENTS OF LAW & DISCLAIMER

Nothing contained within this document shall or be construed to supercede the applicable laws and regulations of the COMMONWEALTH OF VIRGINIA. In the event of a conflict the applicable law shall supercede the conflicting provision of this policy statement.

E) DEFINITION OF TERMS

Fiscal Period – The Commonwealth's fiscal periods are inclusive 12-months, from July 1st through and including June 30th of the next calendar year.

Aid to Localities (ATL) – This terminology itself is not actually specified in the language of the *Code*. The concept is however one that is both common within the public sector and in widespread use particularly for 'fund accounting.' Such term as herein used...

- **Refers exclusively to the annual allocation specified – §38.2-401 [B] (1) COV**, as further addressed by this Policy, inclusive of...
- That allocation's disbursement to jurisdictions statewide, and...
- Any forfeiture and subsequent general re-allocation as ATL.

Eligible Jurisdiction – Refers exclusively to each Independent CITY, COUNTY, and TOWN incorporated within the counties, as listed by the SECRETARY OF THE COMMONWEALTH in the Annual Report. -This expression is sometimes used interchangeably within this document with “Locality.”

F) STATEMENT OF POLICY DISBURSEMENT OF FIRE FUND

1. ALL Jurisdictions are Eligible for ATL – The Code requires – §38.2-401 [B] (1) COV that allocations shall be made from the FUND to jurisdictions “providing fire service operations...” The Board holds that that if a fire occurs anywhere within the borders of the Commonwealth that ‘someone’ comes from ‘somewhere’ to bring it under control and ultimately provides for its extinguishment. It therefore follows that all of the Eligible jurisdictions within the Commonwealth - are qualified to receive ATL to provide for their fire protection and allied fire service needs; however, such eligibility is restricted exclusively to those jurisdictions within the STATE. Fire Departments or fire service organizations are **not eligible** to receive ATL directly from the Agency.
2. ATL Allocation period Defined – Monies received each June from SCC are used for ATL in the very next fiscal period:

The annual transfer of ‘principal’ as collected by the SCC for the FIRE PROGRAMS FUND ostensibly each June – just prior to the conclusion of a fiscal period, shall be the basis for computing and thereafter allocating to jurisdictions ATL for the fiscal period commencing that immediate next July 1st.

Illustrative Example: For FY01 the SCC collects from the insurance industry the proscribed levy by March 1st of FY02. These collections are reconciled and the resulting principal amount is typically transferred into the FIRE PROGRAMS FUND sometime after June 15th of FY02. A substantial part of this principal shall then become the majority component of the total ATL amount for FY03.

3. Minimum Allocations – The Code specifies minimum allocations for “Towns” and also for “Counties” & “Cities.” Should the calculation of a jurisdiction’s population-based allocation fall below the appropriate minimum, then that jurisdiction’s allocation is raised to the appropriate minimum for the fiscal period in question. The BOARD may elect different minimums so long as such minimums are **not less** than those specified by the Code.

The Board will inform the Agency not more than 90-days nor less than 30-days before the start of a fiscal period the minimums to be so applied;

should the BOARD not so notify the Agency/not elect to change the minimums, the then existing minimums shall remain in effect for the forthcoming fiscal period. (See Exhibit [A])

4. Authorized Use of ATL - Compensation of personnel used to provide fire service training. Instructors may be employed permanently, temporarily part-time or by contract.

Costs associated with classes offered by accredited colleges and or universities for degree programs that are directly related to the achieving the performance standards promoted by the BOARD.

Reimbursement of expenses associated with attendance and participation at fire related educational conferences, seminars, workshop, and classes held within and outside Virginia.

Cost of construction, improvement and/or expansion of regional or local fire service training facilities. This includes burn and smoke buildings, flammable liquid pits, SCBA mazes, props for hazardous materials and heavy technical rescue, bathroom/shower facilities, classrooms and administrative space. All construction must be done in accordance with applicable laws, ordinances, policies and procedures governing the zoning of land and construction of buildings.

Purchase of personal protective firefighting and EMS equipment, breathing apparatus, tools and vehicles used to provide fire suppression, hazardous materials mitigation, or heavy technical rescue capabilities. NFPA standards shall provide guidance to the appropriateness of the equipment.

Equipment and supplies used to support and expand fire inspection activities and investigations.

Cost of personnel to provide public fire safety education programs. Educators may be employed permanently, temporarily part-time or by contract. Equipment and supplies used to educate the public in fire safety and prevention.

5. Non-Authorized Use - ATL **shall not** supplant or replace locally appropriated funds.

ATL **shall not** provide compensation for lost wages due to class attendance or participation.

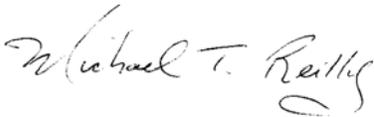
6. Allowed “carry-forward” of ATL by Jurisdictions – Jurisdictions may conditionally ‘carry-forward’ ATL.

The applicable *CODE* language and corresponding process-flow – see also “PURPOSE & GENERAL OVERVIEW” above, is predicated upon successive 12-month periods coincident with the Commonwealth’s fiscal periods. The *CODE* specifically provides – §38.2-401 [A] (5) COV, that unexpended monies shall not revert and thereby shall remain in the FUND in perpetuity.

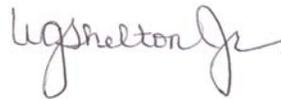
The carry-over by jurisdictions of ATL held by them from one fiscal (Reporting) period to the next shall not generally be abridged. Any such balances carried-forward shall be accounted for by jurisdictions in their *CODE* mandated annual reports to the Agency. DFP shall monitor such balances and shall advise the BOARD of any irregularity, suspected abuse, or other concerns, so that BOARD may review this provision and make adjustments as they may thereafter deem necessary.

CERTIFICATION:

We the undersigned as Chairman of the VIRGINIA FIRE SERVICES BOARD and Executive Director of the VIRGINIA DEPARTMENT OF FIRE PROGRAMS jointly adopt the foregoing policy as such supersedes all prior policies/policy statements effective this 15th day of August 2009.



Michael T. Reilly
Chairman
Virginia Fire Services Board



W. G. Shelton, Jr.
Executive Director
Virginia Department of Fire Programs

History of Applicable ATL Minimums
Exhibit [A]

Effective	Cities & Counties	Towns	Initial Fiscal Period...
Origin	\$8,000	\$3,000	FY-1984
July 1997 – VGA Action	\$10,000	\$4,000	FY-1997
April 2001 -- BOARD Action	\$12,000	\$6,000	FY-2001
June 2006 - BOARD Action	\$16,000	\$8,000	FY-2007

