

TRANSPORTATION TAX FUND

FUNCTION: Transportation Tax Fund
DEPARTMENT:
DIVISION OR ACTIVITY:

Budget Comments:

The City Council established the Commercial Property Tax/Transportation Fund (renamed “Transportation Tax Fund”) as part of the FY 2010 Adopted Budget, which levied an additional 8 cents per \$100 of assessed value on all commercial and industrial properties, located in the City of Fairfax. As part of the FY 2011 Adopted Budget, this levy was reduced from 8 cents to 5.5 cents per \$100 of assessed value. For the FY 2016 Budget, the rate was increased to 7.5 cents. One penny on the commercial property tax rate is equivalent to approximately \$186,880, and the FY 2017 Adopted rate of 9.5 cents per \$100 of assessed value generates approximately \$1,775,000 annually. All residential properties including apartment buildings are excluded from this tax.

By approving HB 3202 and HB 2479 the General Assembly authorized Northern Virginia Transportation Authority (NVTA) members to raise revenue, by enacting a local ordinance imposing the additional commercial tax. This fund also accounts for “30%” monies received from NVTA pursuant to HB2331. In order to maximize the amount of 30% monies in both FY 2016 and FY 2017, the budget proposes to transfer a portion of the excess proceeds, from the sale of the City’s Water Utility assets, into the Transportation Tax Fund. The revenue collected from these sources is to be used solely for transportation and transit purposes, as follows:

- New road construction and associated planning, design, and right-of-way acquisition, including new additions to, expansions, or extensions of existing roads that add new capacity, service, or access;
- New public transit construction and associated planning, design, and right-of-way acquisition, including new additions to, expansions, or extensions of existing public transit projects that add new capacity, service, or access;
- Other capital costs related to new transportation projects that add new capacity, service, or access and the operating costs directly related to the foregoing;
- The issuance costs and debt service on bonds that may be issued to support the capital costs permitted in any of the above bullets.

FY 2017 Adopted Budget - City of Fairfax, Virginia

**City of Fairfax, Virginia
FY 2017 Transportation Tax Fund
Budget Summary**

	FY 2015 <u>Actual</u>	FY 2016 <u>Budget</u>	FY 2016 <u>Estimate</u>	FY 2017 <u>Adopted</u>	Variance to <u>Budget \$</u>	Variance to <u>Budget %</u>
Fund Balance - Beginning	\$4,733,923	\$ 6,638,067	\$ 4,470,104	\$ 4,065,695		
Revenues						
NVTA 30% Revenue	\$ 1,832,518	\$ 2,395,000	\$ 2,395,000	\$ 2,403,400	\$ 8,400	0.35%
Other State Revenue	220,086	-	-	-	-	0.00%
Transfer from General Fund	1,126,257	1,350,389	1,545,343	1,775,364	424,975	31.47%
Transfer from Water Fund	1,279,814	900,000	900,000	365,807	(534,193)	-59.35%
Total Revenues	\$ 4,458,675	\$ 4,645,389	\$ 4,840,343	\$ 4,544,571	\$ (100,818)	-2.17%
Expenses						
Capital Projects	932,453	3,495,000	3,495,000	4,898,052	1,403,052	40.14%
Transfer to Capital Projects Fund	60,000	-	-	-	-	0.00%
Transfer to Old Town Service District Fund	49,817	-	-	-	-	0.00%
Transfer to Transit Fund	1,590,000	1,749,752	1,749,752	1,945,920	196,168	11.21%
Total Expenses	\$ 2,632,270	\$ 5,244,752	\$ 5,244,752	\$ 6,843,972	\$ 1,599,220	30.49%
Less: Committed Fund Balance	(2,090,224)	-	-	-		
Cash Balance - Ending	\$ 4,470,104	\$ 6,038,704	\$ 4,065,695	\$ 1,766,294		

PAGE INTENTIONALLY LEFT BLANK