

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¢ 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¢ to 5.5¢ per \$100 of assessed value. For the FY 2017 Budget, the rate was increased to 9.5¢, to 10.5¢ for the FY 2018 Adopted Budget, to 11.5¢ for the FY 2019 Adopted Budget and to 12.5¢ (maximum allowed by state) for the FY 2020 Adopted Budget. One penny on the commercial property tax rate is equivalent to approximately \$184,324, and the FY 2022 adopted rate of 12.5¢ per \$100 of assessed value will generate approximately \$2,312,992. 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. 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 2022 Adopted Budget - City of Fairfax, Virginia

**City of Fairfax, Virginia
FY 2022 Transportation Tax Fund
Budget Summary**

	FY 2020	FY 2021	FY 2021	FY 2022	Variance to	Variance to
	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Adopted</u>	<u>Budget \$</u>	<u>Budget %</u>
Fund Balance - Beginning	\$3,719,287	\$ 5,537,784	\$ 5,362,819	\$ 5,555,684		
Revenues						
NVTA 30% Revenue	2,272,001	\$ 1,717,612	\$ 2,559,938	2,519,532	801,920	46.69%
Other State Revenue	37,097	-	-	-	-	0.00%
Transfer from General Fund (C & I Tax)	2,373,857	2,435,254	2,443,254	2,312,992	(122,262)	-5.02%
Total Revenues	\$ 4,682,955	\$ 4,152,866	\$ 5,003,192	\$ 4,832,524	\$ 679,658	16.37%
Expenses						
Capital Projects (C&I)	258,140	739,382	739,382	1,795,427	1,056,045	142.83%
Transfer to Capital Projects Fund	633,008	1,611,695	1,611,695	1,055,880	(555,815)	-34.49%
Transfer to Other Funds	-	-	-	-	-	0.00%
Transfer to Transit Fund	2,148,275	2,459,250	2,459,250	2,982,890	523,640	21.29%
Total Expenses	\$ 3,039,423	\$ 4,810,327	\$ 4,810,327	\$ 5,834,197	\$ 1,023,870	21.28%
Cash Balance - Ending	5,362,819	\$ 4,880,323	\$ 5,555,684	\$ 4,554,010		

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