

# Fund 124

## County and Regional Transportation Projects

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### **Focus**

New opportunities to improve transportation and pedestrian access are supported by the creation of a new fund, Fund 124, County and Regional Transportation Projects. The FY 2009 budget includes newly authorized annual funding realized through an increase in the commercial real estate tax rate. These funds will support roadway, pedestrian and transit projects and will provide the opportunity for the County to accelerate the implementation of projects on its long term transportation plan and address transportation requirements that have been long unaddressed due to funding constraints. This new annual funding is authorized under the Transportation Funding and Reform Act of 2007 (HB 3202), approved by the Virginia Assembly on April 4, 2007.

HB 3202 authorized both a County increase in the commercial real estate tax of up to 25 cents, as well new regional taxes and fees to be imposed by the Northern Virginia Transportation Authority (NVTA). NVTA was established by the General Assembly in April 2002 and is responsible for long-range planning and prioritizing regional transportation projects in northern Virginia, including roadways and mass transit. The Authority includes the Counties of Arlington, Fairfax, Loudoun and Prince William, and the Cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park. The regional taxes and fees would have raised approximately \$300 million annually for transportation funding in northern Virginia. In February 2008 the Virginia Supreme Court ruled the taxing authority of the NVTA was unconstitutional, invalidating a significant source of this revenue. However, the County's authority to implement an increase in the commercial real estate tax was not affected by the Supreme Court decision.

As part of its deliberations on the FY 2009 budget, the Board of Supervisors approved a commercial real estate tax for transportation rate of 11 cent/\$100 assessed value. This increase will provide approximately \$52 million in new transportation dollars for capital and transit projects in FY 2009. A small portion of those revenues is anticipated to support debt service on a planned \$50 million transportation revenue bond through the Economic Development Authority (EDA). Discussions will continue at the State level on how best to replace the lost NVTA regional funding to meet the transportation challenges of Northern Virginia. Budget adjustments will be made at a future quarterly review to reflect State action to restore or not to restore that funding. At this time, all project funds are held in a Capital Project Reserve for priority projects endorsed by the Board of Supervisors on May 5, 2008.

In FY 2009, the County will improve its capacity to manage an expanded project workload resulting from new transportation funding through the addition of 19/19.0 SYE new staff positions in Fund 124, as approved by the Board of Supervisors in its deliberations on the FY 2009 budget. New staff funding is fully supported by the commercial real estate tax rate and will be phased in over a two year period according to workload requirements. In addition, the Fairfax County Department of Transportation (FCDOT) will streamline the management of transportation projects through staff consolidation. The FCDOT General Fund budget, presented in Volume 1, will now include 75 existing FCDOT staff positions, 13 grant positions, as well as 18 DPWES positions who currently support planning and design for roadway improvements. FCDOT will manage existing General Fund staff and the new Fund 124 staff as a single co-located workforce. This central collocation will enable the County to effectively prioritize, plan, manage and spend current and new transportation funds in order to improve traffic flow, transit and general mobility of Fairfax County residents. In addition, a redesign of the transportation capital projects management function will include the institution of a General Engineering Contract to provide a balance of outside experience and in-house knowledge to swiftly advance the completion of planned projects and provide the necessary coordination with the Virginia Department of Transportation, regional transportation agencies, and local affected communities.

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It is noted that, as part of the FY 2009 Adopted Budget Plan, Spot Improvements of \$1.0 million (previously funded in Fund 304, Transportation Improvements), \$100,000 for the Road Viewers and Road Maintenance Programs (previously funded in Fund 303, County Construction) and \$100,000 for critical maintenance of existing walkways (previously funded in Fund 307, Pedestrian Walkway Improvements), will be supported by this new fund from within the Capital Reserve Project balances.

Department of Transportation initiatives and accomplishments can be found in the Department of Transportation General Fund budget, Volume 1. Additional initiatives will be added in future fiscal years to reflect progress on an expanded number of roadway, pedestrian and transit projects.

# Fund 124

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### FUND STATEMENT

Fund Type G10, Special Revenue Funds

Fund 124, County and Regional  
Transportation Projects

	FY 2007 Actual	FY 2008 Adopted Budget Plan	FY 2008 Revised Budget Plan	FY 2009 Advertised Budget Plan	FY 2009 Adopted Budget Plan
<b>Beginning Balance</b>	\$0	\$0	\$0	\$0	\$0
Revenue:					
Fairfax County Share of New Regional Transp. Funds <sup>1</sup>	\$0	\$0	\$0	\$60,000,000	\$60,000,000
Commercial Real Estate Tax for Transportation <sup>2</sup>	0	0	0	52,800,000	51,700,000
Miscellaneous Revenue <sup>3</sup>	0	0	0	89,079	0
<b>Total Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$112,889,079</b>	<b>\$111,700,000</b>
<b>Total Available</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$112,889,079</b>	<b>\$111,700,000</b>
Expenditures:					
Personnel Services <sup>3</sup>	\$0	\$0	\$0	\$11,201,922	\$1,204,386
Operating Expenses	0	0	0	6,487,157	0
Capital Equipment	0	0	0	0	0
Capital Projects <sup>4</sup>	0	0	0	95,200,000	110,495,614
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$112,889,079</b>	<b>\$111,700,000</b>
<b>Total Disbursements</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$112,889,079</b>	<b>\$111,700,000</b>
<b>Ending Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<sup>1</sup> Fairfax County's receipt of new regional transportation dollars is contingent on General Assembly action to restore anticipated transportation funding that was eliminated by the February 2008 Supreme Court decision that the new regional taxing authority granted by the General Assembly to the Northern Virginia Transportation Authority was unconstitutional. Appropriate adjustments will be made at a future quarterly review.

<sup>2</sup> As part of its action on the FY 2009 Budget Plan, the Board of Supervisors approved a rate of 11 cents/\$100 assessed value to the commercial real estate tax for transportation. The value of a penny increase is approximately \$4.7 million dollars. This amount is a decrease from the previous FY 2009 Advertised Budget Plan estimate of a 12 cent increase based on an estimated penny value of \$4.4 million.

<sup>3</sup> The FY 2009 Advertised Budget Plan for Fund 124 had included funding for existing staff, and revenue associated with existing programs that had previously been budgeted within the General Fund Department of Transportation. Revenue included the Seniors on the Go Program, TaxiAccess Program, and parking decals. Based on Board of Supervisor budget actions, funding for existing staff and revenue estimates associated with existing programs have been returned to the General Fund.

<sup>4</sup> Capital Projects include roadway, pedestrian and transit funding held in within a Capital Projects Reserve. Adjustments to reflect project funding under individual capital projects will be made at a future quarterly review. Within the total amount available for Capital Projects, funding support is included for Spot Improvements, the Road Viewers Program, the Road Maintenance Program, and critical walkway improvements.