

**FY 2021-2022 Virginia Beach Budget
Response to Council Questions**

Question Number: 24

Question: On page 31 of the Executive Summary in the Table entitled FT 2021-FY2022 Operating Budget Total Estimated Revenues the sum of the estimated revenues from property tax equals \$643,611,158 that would come to a penny of real estate tax rate equals \$6.436 million that is far cry from \$6.2. How is it we are using one number in the budget document another number in the Executive Summary that is represented as a summary of revenue? If we can use the total property tax revenues on page 31 to communicate to the City Council and to the public then we should be able to use that figure in our revenue offset calculations. The real estate revenue number of \$643,611,158 referenced earlier on page 28 is repeated again on page 58.

Date Requested: 3/28/21

Requested By: Councilmember Moss

Department: Budget

Response: Total real estate tax revenue estimated for FY 2021-22 is \$643,611,158. This includes general real estate revenue (less disabled veterans tax relief), prior year collection estimates, public service real estate, revenue from the TIF, and the ten SSDs.

The per penny generated by the \$1.0075 tax rate is \$6.2 million. The \$643,611,158 reflected in the budget document represents Real Estate taxes in total for all Special Service Districts, the Town Center TIF, real estate tax penalties (\$1.3 million) and real estate tax penalty interest (\$1 million). SSDs are generated from a rate above the proposed base rate of \$1.0075 so they are omitted from the per penny. Penalties and Interest are not generated from assessed values on the land book so those are omitted from the per penny calculation.