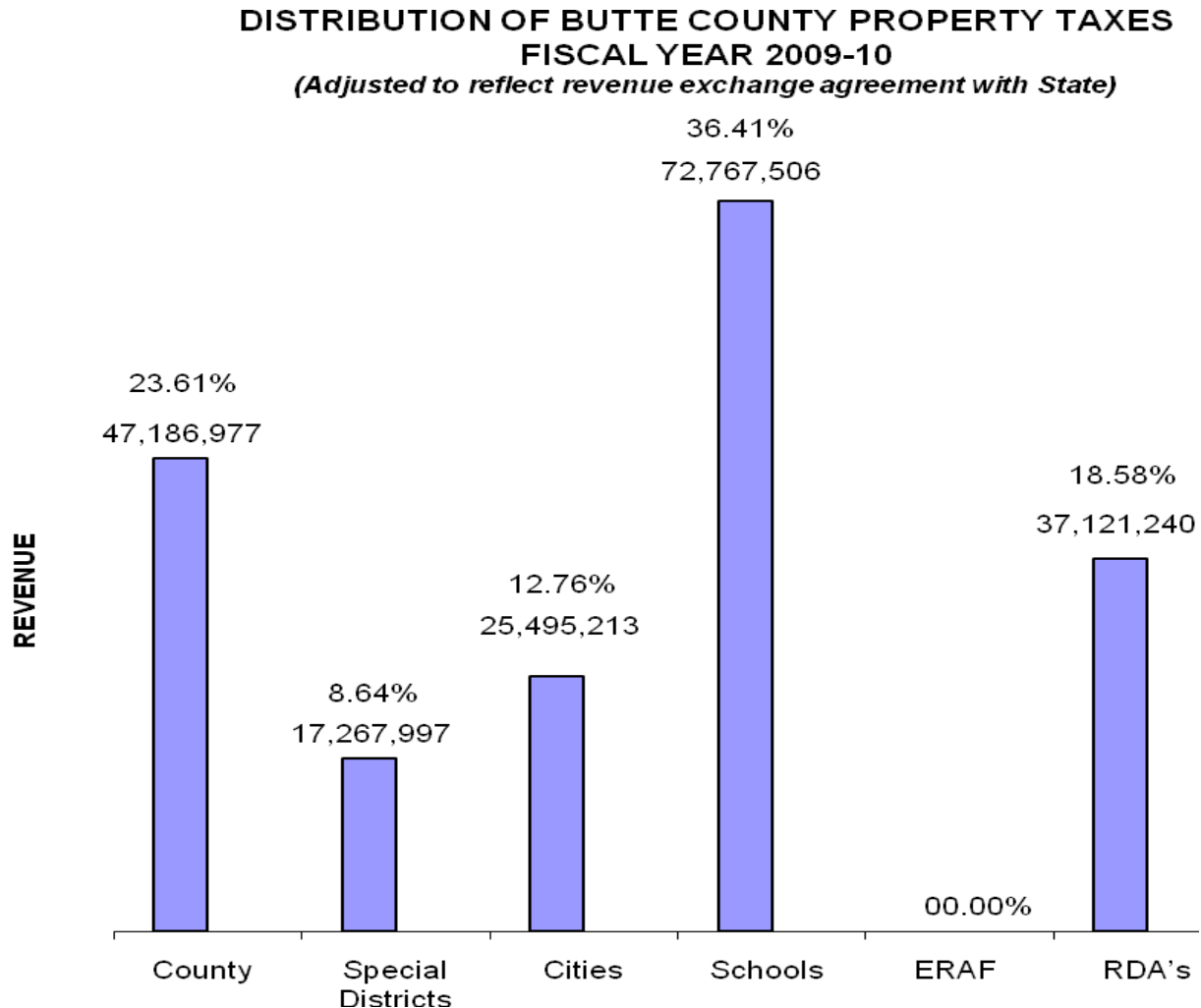


## Where Your Property Tax Dollars Go

Property taxes account for 61.29 percent of the general purpose revenue used to fund programs and services provided by nearly every Butte County department. Other local agencies, including schools, cities, special districts, and redevelopment agencies, also rely on property tax revenue to fund a portion of their operations.

The chart below illustrates the distribution of property taxes among the local agencies that share this source of revenue. Schools receive the largest percentage of property taxes followed by the County, redevelopment agencies (RDAs), cities, and special districts.



*\* The Educational Revenue Augmentation Fund (ERAF) is depicted as zero because the funding no longer comes directly from property tax revenue but from the State as part of a revenue exchange 2009/2010 Budget.*

Historically, the County retained only 13 percent of the property tax revenue it collected. However, a combination of propositions, approved by voters in 2004, ushered in a new revenue exchange agreement with the State that doubled the County's share of property taxes. In exchange for more property tax revenue, the County gave up two of its traditional funding sources, vehicle license fees and a portion of sales tax revenue. Overall, it is a good deal for the County because property tax revenue generally provides a more stable source of funding for local government.