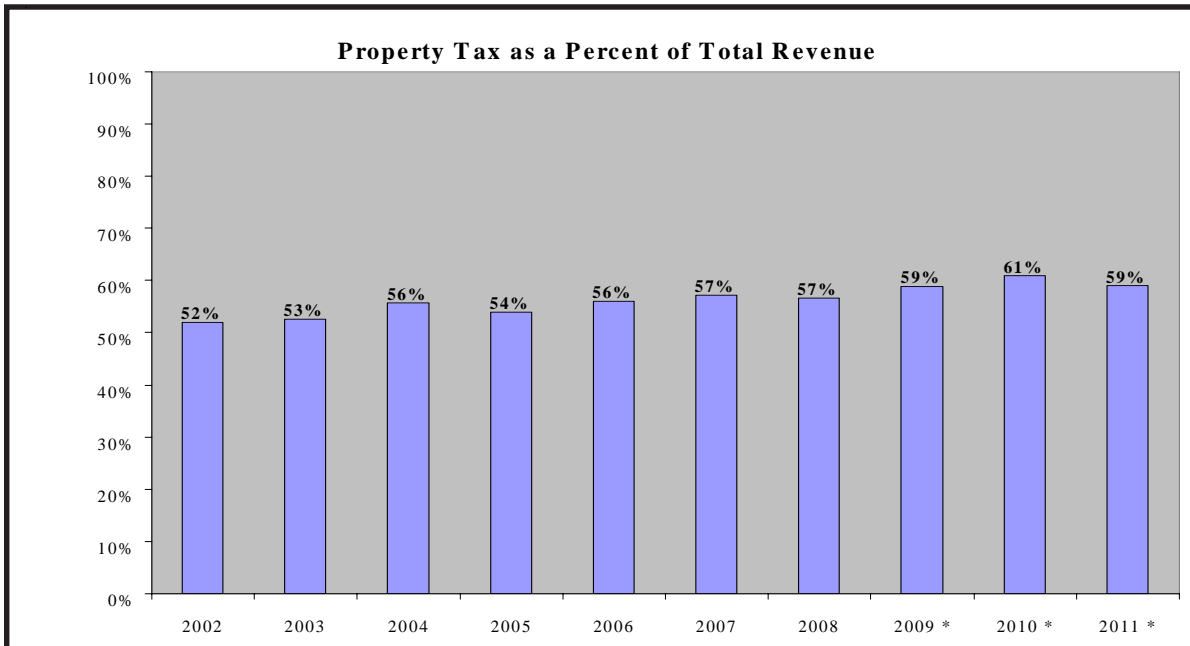


FINANCIAL TRENDS

PROPERTY TAX AS A PERCENT OF TOTAL REVENUE



Source: City CAFR

* = Estimated / Projected

Indicator Description:

Property taxes have traditionally been a significant source of revenue for local governments. This indicator compares property tax revenue as a percent of total governmental operating revenues, which are revenues from General Governmental Funds (General Fund, Special Revenue Funds, Debt Service, and Capital Project Funds). Operating revenues are available for general governmental functions, such as police & fire protection, infrastructure maintenance, elections, parks & recreation, and general administration. This graph highlights the degree of dependence such services have upon property taxes for funding.

Trend Analysis:

The City of Rochester Hills continues to strive for diversification of its revenue sources, which are composed of Property Taxes, Licenses & Permits, State-Shared Revenue, Charges for Service, Interest & Dividend Earnings, and Miscellaneous Revenues. As illustrated above, property taxes are still a vital revenue source to fund services. For the ten-year period property taxes represent, on average, 56% of total governmental operating revenues.