Overview and Trends of Ashley County Finances 1999-2017
How can Ashley County continue to provide services for its citizens?

• What factors and trends are impacting county services and funding sources?
• Which of these can the county control or influence – In the short-run? – In the long-run?
• What are anticipated changes that might affect the county’s fiscal health?
• What might the county do to eliminate or minimize the impact of anticipated changes?
The population of Ashley County decreased 16% from 24,300 in 1999 to 20,300 in 2018. From 2019 to 2031, the county's population is projected to decrease an additional 4% to 19,200.

Data Source: Population Estimates, U.S. Census Bureau; Population Projections, Woods & Poole
Population Change, 1999-2017

Data Source: Population Estimates, U.S. Census Bureau
Population Change, 2010-2017

Data Source: Population Estimates, U.S. Census Bureau
Employment in Ashley County decreased from 12,600 in 1999 to 9,200 in 2017 or 27%.

How will future employment levels impact the county's fiscal situation?

Data Source: Employment Estimates, Regional Economic Accounts, Bureau of Economic Analysis
Employment Change, 1999-2017

Data Source: Employment Estimates, Regional Economic Accounts, Bureau of Economic Analysis
Employment Change, 2010-2017

Data Source: Employment Estimates, Regional Economic Accounts, Bureau of Economic Analysis
Revenue & Expenditures

Ashley County
Total revenue received by Ashley County decreased 17% between 1999 and 2017, from $12.5 million to $10.4 million.

Expenditures decreased from $12.5 million in 1999 to $9.2 million in 2017, a total change of about -26%.

Spending spiked from 2005 to 2007, reaching a high of $17.5 million in 2006.

*Due to rounding, bars may appear slightly higher or lower than the values stated on this slide.*

**Data Sources:** Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Change in Total Revenue, 1999-2017

**Note**: 2017 data for Benton, Faulkner and Perry counties was not available at the time of publication. For these counties, 2016 values were used in place of the missing data.

**Data Sources**: Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Change in Total Expenditures, 1999-2017

Note: 2017 data for Benton, Faulkner and Perry counties was not available at the time of publication. For these counties, 2016 values were used in place of the missing data.

Data Sources: Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Although trends in per capita total revenue and spending were similar to trends in the total numbers, total revenue per capita decreased at a slower rate than previously discussed.

Per capita revenue was $512 in 2017, $59 more than per capita expenditures ($453).

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**Data Sources:** Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Per Capita Total Revenue, 2017

Note: 2017 data for Benton, Faulkner and Perry counties was not available at the time of publication. For these counties, 2016 values were used in place of the missing data.

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit
Note: 2017 data for Benton, Faulkner and Perry counties was not available at the time of publication. For these counties, 2016 values were used in place of the missing data.

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit.
Revenue

Ashley County
The share of total revenue from intergovernmental transfers increased from 16% in 1999 to 23% in 2017.

Ashley County property tax revenue as a share of total revenue was 18% in 1999 and more in 2017 (21%).

The share of total revenue from sales tax shrank from 40% to 25%.

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**Data Source:** Revenue and Expenditure Statements, Arkansas Legislative Audit
The share of total revenue from sales tax revenue was about 25% in the county and statewide in 2017.
The share of total revenue from property tax was 21% in the county in 2017, less than the statewide average of 24%.
The share of total revenue from intergovernmental transfers in the county was 23% in 2017, more than the statewide average (22%).

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
Sales tax revenue in Ashley County decreased 30% between 1999 and 2017, from $5 million to $2.6 million, but was less than $2 million from 2001 to 2004.

Property tax revenue declined 9%, from $2.3 million in 1999 to $2.1 million in 2017.

Ashley County's total intergovernmental revenue increased significantly, from $2 million in 1999 to $2.4 million in 2017, or 20%.

**Data Sources:** Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Trends in per capita major revenue sources were similar to the overall trends discussed in the previous slide. However, population decline caused the per capita measures to increase more quickly or decrease more slowly than the overall measures.

Sales tax revenue per capita was $129 in Ashley County in 2017, more than intergovernmental ($120) and property tax ($106) revenue per capita.

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Per Capita Intergovernmental Revenue, 2017

Note: 2017 data for Benton, Faulkner and Perry counties was not available at the time of publication. For these counties, 2016 values were used in place of the missing data.

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit.
Change in per Capita Intergovernmental Revenue, 1999-2017

Note: 2017 data for Benton, Faulkner and Perry counties was not available at the time of publication. For these counties, 2016 values were used in place of the missing data.

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Per Capita Property Tax Revenue, 2017

Note: 2017 data for Benton, Faulkner and Perry counties was not available at the time of publication. For these counties, 2016 values were used in place of the missing data.

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit
Change in per Capita Property Tax Revenue, 1999-2017

Note: 2017 data for Benton, Faulkner and Perry counties was not available at the time of publication. For these counties, 2016 values were used in place of the missing data.

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Per Capita Sales Tax Revenue, 2017

Note: 2017 data for Benton, Faulkner and Perry counties was not available at the time of publication. For these counties, 2016 values were used in place of the missing data.

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit
Change in per Capita Sales Tax Revenue, 1999-2017

Note: Crawford County had sales tax revenue in only the 4th quarter of 1999, because this skews the percent change value for Crawford County is treated as 0 for this map.

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Ashley County
Minor Sources of Revenue, 1999-2017

- Officers, Jail and 911 Fees increased greatly in Ashley County (201%), from $319,800 in 1999 to $963,000 in 2015, then decreased to $645,500.
- Commissions and taxes apportioned grew significantly, from $437,400 to $631,900 or 44%.
- Fines, forfeitures and franchise taxes declined 1%, from $326,500 in 1999 to $322,400 in 2015.
- Other revenue was $2 million in 1999 and $1.5 million in 2017, a decline of 26%.

Data Sources: Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Trends in per capita minor revenue sources were similar to the overall trends discussed on the previous slide. However, as a result of population decline, the per capita measures increased at a faster rate or decreased at a slower rate than the overall measures.

Other revenue per capita in Ashley County was $76 in 2017, more than commissions & taxes apportioned ($36), officers, jail & 911 fees ($32), and fines, forfeitures and franchise taxes ($13).

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Expenditures

Ashley County
The share of total spending for law enforcement and public safety in Ashley County increased significantly, from 13% in 1999 to 34% in 2017.

The share of total spending for highways & streets grew from 22% in 1999 to 30% in 2017.

The share of total spending for general & other expenditures rose slightly, from 26% in 1999 to 28% in 2017.

Debt service spending as a share of total decreased from 33% in 1999 to 5% in 2017.

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
Ashley County's share of expenditures for law enforcement and public safety (34%) was less than the statewide share (38%) in 2017.

The share of total county expenditures for highways and streets was 30%, greater than the statewide average (23%).

The share of total county expenditures for general and other expenditures was 28%, slightly greater than the statewide average (26%).

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
Law enforcement and public safety expenditures in Ashley County increased 94%, from $1.6 million in 1999 to $3.1 million in 2017, spiking to a high of $6.8 million in 2006.

Highways and streets spending decreased 4%, from $2.8 million in 1999 to $2.7 million in 2017.

General and other spending declined from $3.2 million in 1999 to $2.5 million in 2017 or 22%.

Data Sources: Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Trends in per capita major category expenditures were similar to the overall trends discussed on the previous slide. However, population decline caused the per capita measures to grow at a faster rate or decrease at a slower rate than the overall measures.

Law enforcement & public safety per capita spending in Ashley County was $153 in 2017, more than highways & streets ($134) and general & other ($125) expenditures.

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Note: 2017 data for Benton, Faulkner and Perry counties was not available at the time of publication. For these counties, 2016 values were used in place of the missing data.

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit
Change in per Capita Public Safety Expenditures, 1999-2017

Note: 2017 data for Benton, Faulkner and Perry counties was not available at the time of publication. For these counties, 2016 values were used in place of the missing data.

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Per Capita Road Expenditures, 2017

Note: 2017 data for Benton, Faulkner and Perry counties was not available at the time of publication. For these counties, 2016 values were used in place of the missing data.

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit
Change in per Capita Road Expenditures, 1999-2017

Note: 2017 data for Benton, Faulkner and Perry counties was not available at the time of publication. For these counties, 2016 values were used in place of the missing data.

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Road expenditures per county road mile in Ashley County were less than the statewide average in 13 of 19 years between 1999 and 2017.

During the same period, road expenditures per county road mile decreased 3% in the county compared to growth of 45% statewide.

In 2017, road expenditures per county road mile in the county were $3,000, about $750 less than the statewide average ($3,750).

Data Sources: Revenue and Expenditure Statements, Arkansas Legislative Audit; Road & Street Report, Arkansas Highway and Transportation Department
Health & social services expenditures in Ashley County decreased 42%, from $217,300 in 1999 to $126,200 in 2017.

Recreation & culture spending in the county increased 20%, from $187,554 to $225,600.

Capital outlay expenditures decreased from a high of $628,500 in 2000 to $0 in 2001.

Debt service spending in Ashley County fluctuated widely but decreased 88%, from $4.1 million in 1999 to $488,400 in 2017.

Data Sources: Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Ashley County
Per Capita Minor Category Expenditures 1999-

Trends in minor expenditures per capita were similar to the overall trends on the previous slide. However, population decline in Ashley County caused the per capita measure to grow at a faster rate or decrease at a slower rate than the overall measures.

Debt service per capita expenditures were $24 in 2017, more than recreation & culture ($11), health & social service ($6), and capital outlays ($0).

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Tax Base

Ashley County
Property assessments in Ashley County decreased 2%, from $382.1 million in 1999 to $375.5 million in 2017.

Data Sources: Assessed Values, Arkansas Assessment Coordination Department; South Urban CPI, Bureau of Labor Statistics
Per capita property assessments in the county exceeded the statewide average every year between 1999 and 2017. Trends in per capita property assessments were similar to the overall trends discussed on the previous slide, but population decline caused the per capita measures to increase at a faster rate or decrease at a slower rate than the overall measures. Per capita property assessments in the county were $18,500 in 2017, about $2,200 more than the statewide average ($16,300).

Data Sources: Assessed Values, Arkansas Assessment Coordination Department; South Urban CPI, Bureau of Labor Statistics; Population Estimates, U.S. Census Bureau
Retail sales in Ashley County decreased 17%, from $222.9 million in 1972 to $185.2 million in 2012.

*Due to rounding, bars may appear slightly higher or lower than the values stated on this slide.

**Data Sources:** Census of Retail Sales, U.S. Census Bureau; South Urban CPI, Bureau of Labor Statistics
Per capita retail sales in the county were below the statewide average every year between 1972 and 2012. Trends in per capita retail sales were similar to the overall trends discussed on the previous slide, but population decline caused the per capita measures to increase at a quicker rate/decrease at a slower rate than the overall measures. Per capita retail sales in the county were $8,600 in 2012, about $3,900 less than the statewide average ($12,500).

*Due to rounding, bars may appear slightly higher or lower than the values stated on this slide.

Data Sources: Census of Retail Sales, U.S. Census Bureau; South Urban CPI, Bureau of Labor Statistics; Population Estimates, U.S. Census Bureau
Capacity and Effort

Capacity:
– The maximum amount that can be produced when all the resources in an economy are employed as fully as possible.
– Capacity constraints can be caused by lack of investment and skills shortages.
– Spare capacity can be caused by lack of demand.

Effort:
– The amount to which a county utilizes its ability to generate revenue through taxation.
Property Tax Capacity and Effort

Capacity:
• High capacity = County’s per capita property assessments were above the state average.
• Low capacity = County’s per capita property assessments were below the state average.

Effort:
• High effort = County’s millage rate was above the average of Arkansas counties.
• Low effort = County’s millage rate was below the average of Arkansas counties.
Property Tax Capacity & Effort, 2017

Data Sources: Population Estimates, U.S. Census Bureau; Property Assessments and Millage Rates, the Arkansas Assessment Coordination Department
Sales Tax Capacity and Effort

Capacity:
• High capacity = County’s per capita retail sales were above the state average.
• Low capacity = County’s per capita retail sales were below the state average.

Effort:
• High effort = County’s sales tax rate was above the average of Arkansas counties.
• Low effort = County’s sales tax rate was below the average of Arkansas counties.
Data Sources: Census of Retail Sales and Population Estimates, U.S. Census Bureau; South Urban CPI, Bureau of Labor Statistics; Sales Tax Rates, Arkansas Department of Finance and Administration
Options for Providing Services to Ashley County Residents

- Increase cost effectiveness
  - Improve management and productivity
  - Explore possibility of privatizing services
  - Consider intergovernmental agreements to offer shared services

- Increase revenue
  - Alternative (new) revenue sources
    - User charges,
    - Shift tax burden to non-residents
  - Expand the tax base
  - Increase tax rates

- Reduce Services
Contact

For more information and assistance on county government finance options, contact:

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