Overview and Trends of Chicot County Finances 1999-2017
How can Chicot 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 Chicot County decreased 25% from 14,300 in 1999 to 10,600 in 2018.
• From 2019 to 2031, the county's population is projected to decrease an additional 11% to 9,300.

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 Chicot County decreased from 6,100 in 1999 to 4,800 in 2017 or 21%.

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

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

Chicot County
Total revenue received by Chicot County increased 27% between 1999 and 2017, from $5.2 million to $6.6 million.

Expenditures increased from $4.6 million in 1999 to $5.7 million in 2017, a total change of about 24%.

Spending spiked $11 million in 2004 and $12.8 million in 2005.

*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
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
Chicot County
Per Capita Revenue & Expenditures, 1999-2017

- Although trends in per capita total revenue and spending were similar to trends in the total numbers, the per capita measures increased at a faster rate than previously discussed.
- Per capita revenue was $621 in 2017, $87 more than per capita expenditures ($534).

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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
Per Capita Total 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
Revenue

Chicot County
The share of total revenue from intergovernmental transfers decreased from 31% in 1999 to 28% in 2017.

Chicot County property tax revenue as a share of total revenue was 26% in 1999 and less in 2017 (19%).

The share of total revenue from sales tax grew from 8% to 21%.

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
The share of total revenue from sales tax in Chicot County in 2017 was 21%, lower than the statewide average (25%).
- The share of total revenue from property tax was 19% in the county in 2017, less than the statewide average of 24%.
- The share of total revenue from intergovernmental transfers in the county was 28% in 2017, more than the statewide average (22%).

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
Chicot County
Major Sources of Revenue, 1999-2017

Sales tax revenue in Chicot County increased 213% between 1999 and 2017, from $443,300 to $1.4 million, while rising as high as $2.8 million in 2012.

Despite fluctuating, property tax revenue was about $1.3 million in 1999 and 2017.

Chicot County's total intergovernmental revenue increased 13%, from $1.6 million in 1999 to $1.8 million in 2017, and spiked to $3 million in 2001 and $3.7 million in 2014.

Data Sources: Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Chicot County
Per Capita Major Sources of Revenue, 1999-2017

- 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 at a faster rate or decrease at a slower rate than the overall measures.
- Intergovernmental revenue per capita was $174 in Chicot County in 2017, more than sales tax ($130) and property tax ($119) 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.
Chicot County
Minor Sources of Revenue, 1999-2017

- Officers, Jail and 911 Fees increased greatly in Chicot County (101%), from $216,200 in 1999 to $435,200 in 2017.
- Commissions and taxes apportioned grew significantly, from $393,800 to $532,600 or 35%.
- Fines, forfeitures and franchise taxes declined 32%, from $319,000 in 1999 to $215,600 in 2017.
- Other revenue was $893,800 in 1999 and $918,800 in 2017, an increase of 3%.

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 Chicot County was $86 in 2017, more than commissions & taxes apportioned ($50), officers, jail & 911 fees ($41), and fines, forfeitures and franchise taxes ($20).

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

Chicot County
Chicot County Expenditures for Services Provided 1999 and 2017

- The share of total spending for law enforcement and public safety in Chicot County increased slightly from 19% in 1999 to 21% in 2017.
- The share of total spending for highways & streets declined from 31% in 1999 to 24% in 2017.
- The share of total spending for general & other expenditures rose from 30% in 1999 to 35% in 2017.

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

Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
Chicot County's share of expenditures for law enforcement and public safety (21%) was far less than the statewide share (38%) in 2017.

The share of total county expenditures for highways and streets was 24%, greater than the statewide average (23%).

The share of total county expenditures for general and other expenditures was 35%, 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 Chicot County increased 38%, from $873,100 in 1999 to $1.2 million in 2017.
• Highways and streets expenditures in the county fluctuated from a low of $1.3 million and a high of $2.4 million during the same period, but remained unchanged overall.
• General and other spending grew considerably, from $1.4 million in 1999 to $2 million in 2017 or 43%.

Data Sources: Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Chicot County Per Capita Major Category Expenditures 1999-2017

- 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.
- General & other per capita spending in Chicot County was $190 in 2017, more than highways & streets ($128) and law enforcement & public safety ($113) 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
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 Chicot County were less than the statewide average every year between 1999 and 2017.

During the same period, road expenditures per county road mile decreased 5% in the county compared to growth of 45% statewide.

In 2017, road expenditures per county road mile in the county were $1,900, about $1,850 less than the statewide average ($3,750).

Data Sources: Revenue and Expenditure Statements, Arkansas Legislative Audit; Road & Street Report, Arkansas Highway and Transportation Department
Chicot County
Minor Category Expenditures, 1999-2017

- Health & social services expenditures in Chicot County increased 265%, from $205,400 in 1999 to $750,000 in 2017, spiking to a high of $6.9 in 2005.
- Recreation & culture spending in the county decreased 29%, from $324,400 to $229,400.
- Capital outlay expenditures decreased from a high of $760,100 in 2000 to $0 in 2001.
- Debt service spending in Chicot County decreased 49%, from $241,800 in 1999 to $124,000 in 2017.

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

- Health & social service per capita expenditures were $71 in 2017, more than recreation & culture ($22), debt service ($12), 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

Chicot County
Property assessments in Chicot County decreased 5%, from $157.5 million in 1999 to $150 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 were below 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 $14,100 in 2017, about $2,200 less 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 Chicot County decreased 48%, from $144.6 million in 1972 to $75.9 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
Chicot County
Per Capita Retail Sales, 1972-2012

- 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 $6,600 in 2012, about $5,900 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

Community & Economic Development
Strengthening Arkansas Communities
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.
Options for Providing Services to Chicot 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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