Overview and Trends of Columbia County Finances 1999-2017
How can Columbia 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 Columbia County decreased 8% from 25,600 in 1999 to 23,600 in 2018.
From 2019 to 2031, the county's population is projected to decrease an additional 2% to 23,000.

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

Data Source: Population Estimates, U.S. Census Bureau

Community & Economic Development
Strengthening Arkansas Communities
Employment in Columbia County decreased from 13,200 in 1999 to 11,500 in 2017 or 13%.

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

Columbia County
Columbia County
Total Revenue & Expenditures, 1999-2017

- Total revenue received by Columbia County increased 10% between 1999 and 2017, from $11.4 million to $12.5 million.
- Expenditures increased from $11.3 million in 1999 to $13.6 million in 2017, a total change of about 20%.
- Spending spiked to a high of $34.6 million in 2001.

*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, the per capita measures increased at a faster rate than previously discussed.

Per capita revenue was $530 in 2017, $44 less than per capita expenditures ($574).

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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

Columbia County
The share of total revenue from intergovernmental transfers decreased from 27% in 1999 to 23% in 2017.

Columbia County property tax revenue as a share of total revenue was 11% in 1999 and considerably more in 2017 (22%).

The share of total revenue from sales tax declined from 42% to 36%.

*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*
The share of total revenue from sales tax in the county (36%) was much higher than the statewide average (25%).

The share of total revenue from property tax was 22% 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%).

*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
• Sales tax revenue in Columbia County decreased 6% between 1999 and 2017, from $4.8 million to $4.5 million.
• Property tax revenue grew 108%, from $1.3 million in 1999 to $2.7 million in 2017.
• Columbia County's total intergovernmental revenue decreased from $3.1 million in 1999 to $2.9 million in 2017, or 6%.

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 at a faster rate or decrease at a slower rate than the overall measures.

Sales tax revenue per capita was $191 in Columbia County in 2017, more than intergovernmental ($122) and property tax ($116) 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
Columbia County
Minor Sources of Revenue, 1999-2017

- Officers, Jail and 911 Fees increased greatly in Columbia County (42%), from $442,200 in 1999 to $628,800 in 2017.
- Commissions and taxes apportioned grew significantly, from $638,300 to $922,600 or 45%, and spiked to a high of $1.1 million in 2007.
- Fines, forfeitures and franchise taxes declined 9%, from $388,300 in 1999 to $354,600 in 2017.
- Other revenue fluctuated considerably but declined 39% overall, from $793,900 in 1999 to $480,500 in 2017.

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.

Commissions & taxes apportioned per capita in Columbia County were $39 in 2017, more than officers, jail & 911 fees ($27), other revenue ($20), and fines, forfeitures and franchise taxes ($15).

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

Columbia County
The share of total spending for law enforcement and public safety in Columbia County increased from 18% in 1999 to 27% in 2017.

The share of total spending for highways & streets grew from 19% in 1999 to 25% in 2017.

General & other expenditures were the largest share of county government spending in 1999 and 2017, but decreased slightly during the study period, from 46% to 44%.

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
Columbia County's share of expenditures for law enforcement and public safety (27%) was far less than the statewide share (38%) in 2017.

The share of total county expenditures for highways and streets was 25%, a little greater than the statewide average (23%).

The share of total county expenditures for general and other expenditures was 44%, far 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 Columbia County increased 76%, from $2.1 million in 1999 to $3.7 million in 2017.

Highways and streets spending increased 62%, from $2.1 million in 1999 to $3.4 million in 2017, while spiking to a high of $25.1 million in 2001.

General and other spending grew from $5.2 million in 1999 to $5.9 million in 2017 or 13%.

**Data Sources:** Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Columbia 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 Columbia County was $251 in 2017, more than law enforcement & public safety ($155) and highways & streets ($142) expenditures.

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Per Capita Public Safety 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 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 Columbia County were less than the statewide average in 16 of 19 years between 1999 and 2017.

During the same period, road expenditures per county road mile increased 64% in the county compared to growth of 45% statewide.

In 2017, road expenditures per county road mile in the county were $3,600, about $150 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 Columbia County decreased 9%, from $93,000 in 1999 to $84,300 in 2017.

Recreation & culture spending in the county decreased 20%, from $657,504 to $522,800, while reaching a high of $1.5 million in 2007.

Capital outlay expenditures decreased from a high of $4.3 million in 2000 to $0 in 2001.

Debt service spending in Columbia County decreased 100%, from $328,100 in 1999 to $0 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 Columbia County caused the per capita measure to grow at a faster rate or decrease at a slower rate than the overall measures.

Recreation & culture per capita expenditures were $22 in 2017, more than health & social service ($4) and debt service 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

Columbia County
Property assessments in Columbia County increased 10%, from $359.8 million in 1999 to $395.6 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 in 11 of 19 years 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 $16,700 in 2017, about $400 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 Columbia County decreased 14%, from $228.7 million in 1972 to $197 million in 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 $8,100 in 2012, about $4,400 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.
Sales Tax Capacity & Effort, 2012

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

Sales Tax Capacity & Effort, 2012

- Low Capacity & Low Effort (24)
- Low Capacity & High Effort (15)
- High Capacity & Low Effort (22)
- High Capacity & High Effort (14)
Options for Providing Services to Columbia 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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206 West Calhoun St.
Magnolia, AR 71753
Tel: 870-235-3720, Fax: 870-235-3722

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