Overview and Trends of Perry County Finances 1999-2015
How can Perry 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 Perry County increased slightly (0.3%), from 10,100 in 1999 to 10,100 in 2016.

Data Source: Population Estimates, U.S. Census Bureau
Population Change, 1999-2016

Data Source: Population Estimates, U.S. Census Bureau
Population Change, 2010-2016

Data Source: Population Estimates, U.S. Census Bureau
Employment in Perry County increased from 2,700 in 1999 to 2,900 in 2016 or 7%.

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

Data Source: Employment Estimates, Regional Economic Accounts, Bureau of Economic Analysis
Employment Change, 1999-2016

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

Perry County
Total revenue received by Perry County increased 21% between 1999 and 2015, from $4.3 million to $5.2 million.

Expenditures increased from $3.8 million in 1999 to $4.7 million in 2015, a total change of about 24%.

County revenue exceeded expenditures in 12 of 17 years.

Data Sources: Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Change in Total Revenue, 1999-2015

Data Sources: Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Change in Total Expenditures, 1999-2015

Data Sources: Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
While per capita revenue and expenditures followed similar trends to the overall measures discussed previously, the per person measures increased at a slower rate than the overall measures.

Per capita revenue was $514 in 2015, $57 more than per capita expenditures ($457).

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, 2015

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit
Per Capita Total Expenditures, 2015

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

Perry County
The share of total revenue from intergovernmental transfers decreased from 47% in 1999 to 41% in 2015.

Perry County property tax revenue as a share of total revenue was 10% in 1999, and more in 2015 (14%).

The share of total revenue from sales tax grew from 18% to 24%.

Minor sources of revenue accounted for 24% of total revenue in 1999 and 22% in 2015.

Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
The share of total revenue from sales tax in Perry County was 24% in 1999 and 2015.
The share of total revenue from property tax was 14% in the county in 2015, less than the statewide average of 23%.
The share of total revenue from intergovernmental transfers in the county was 41% in 2015, far more than the statewide average (22%).

Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
Sales tax revenue in Perry County increased 62%, from $779,900 in 1999 to $1.3 million in 2015.
Property tax revenue grew 61%, from $444,900 in 1999 to $715,900 in 2015.
Perry County's total intergovernmental revenue fluctuated considerably but increased 5% overall, from $2 million in 1999 to $2.1 million in 2015.

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 growth caused the per capita measures to increase at a slower rate/decrease at a faster rate than the overall measures.

Intergovernmental revenue per capita was $208 in Perry County in 2015, more than sales tax ($124) and property tax ($70) 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 Total Intergovernmental Revenue, 2015

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit
Change in per Capita Total Intergovernmental Revenue, 1999-2015

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, 2015

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit
Change in per Capita Property Tax Revenue, 1999-2015

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, 2015

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit
Change in per Capita Sales Tax Revenue, 1999-2015

Data Sources: Population Estimates, U.S. Census Bureau; Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
## Perry County
### Minor Sources of Revenue, 1999-2015

- **Officers, Jail and 911 Fees** fluctuated between a high of $365,500 and a low of $186,000.
- **Commissions and taxes apportioned** grew significantly, from $250,500 to $423,200 or 69%, dropping to a low of $53,300 in 2001 and spiking to a high of $584,300 in 2002.
- **Fines, forfeitures and franchise taxes** increased 33%, from $149,400 in 1999 to $199,100 in 2015.
- **Other revenue** declined 30%, from $359,800 in 1999 and $252,200 in 2015, while reaching a high of $753,100 in 2010.

**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 growth, the per capita measures increased more slowly/decreased more rapidly than the overall measures.

Commissions & taxes apportioned per capita in Perry County were $42 in 2015, more than officers, jail & 911 fees ($25), other revenue ($25), 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

Perry County
The share of total spending for law enforcement and public safety in Perry County increased significantly, from 20% in 1999 to 31% in 2015.

Highways & streets was the largest share of county government spending in 1999 and 2015, and grew slightly during the study period, from 36% to 37%.

The share of total spending for general & other expenditures decreased slightly, from 25% in 1999 to 24% in 2015.

Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
*Due to rounding, bars may appear slightly higher or lower than the values stated on this slide.

- Perry County's share of expenditures from law enforcement and public safety (31%) was less than the statewide share (39%) in 2015.
- The share of total county expenditures for highways and streets was 37%, significantly greater than the statewide average (24%).
- The share of total county expenditures for general and other expenditures was 24%, slightly less than the statewide average (26%).

**Data Source:** Revenue and Expenditure Statements, Arkansas Legislative Audit
Law enforcement and public safety expenditures in Perry County increased 90%, from $751,500 in 1999 to $1.4 million in 2015, and spiked to a high of $2.2 million in 2009.

Highways and streets spending increased 21%, from $1.4 million in 1999 to $1.7 million in 2015.

General and other spending grew from $945,700 in 1999 to $1.1 million in 2015 or 18%.
Trends in per capita major category expenditures were similar to the overall trends discussed on the previous slide. However, population growth caused the per capita measures to decrease at a slower rate/increase at a faster rate than the overall measures.

Highways & streets per capita spending in Perry County was $167 in 2015, more than law enforcement & public safety ($140) and general & other ($109) 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, 2015

Data Sources:
- Population Estimates, U.S. Census Bureau
- Revenue and Expenditure Statements, Arkansas Legislative Audit
Change in per Capita Public Safety Expenditures, 1999-2015

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, 2015

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

Road Expenditures per Capita, 2015

- $33 to $76
- $76 to $132
- $136 to $226
- $226 to $474
Change in per Capita Road Expenditures, 1999-2015

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 Perry County were less than the statewide average every year between 1999 and 2015.

During the same period, road expenditures per county road mile increased 25% in the county compared to growth of 52% statewide.

In 2015, road expenditures per county road mile in the county were $2,000, about $1,800 less than the statewide average ($3,800).

Data Sources: Revenue and Expenditure Statements, Arkansas Legislative Audit; Road & Street Report, Arkansas Highway and Transportation Department
Health & social services expenditures in Perry County increased 96%, from $40,600 in 1999 to $79,600 in 2015.

Recreation & culture spending in the county fluctuated between a low of $67,400 and a high of $493,400.

Capital outlay expenditures decreased from a high of $569,400 in 1999 to $0 in 2001.

Debt service spending in Perry County increased 151%, from $72,800 in 1999 to $182,800 in 2015.

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 growth in Perry County cause the per capita measure to grow at a slower rate/decrease at a faster rate than the overall measures.

Debt service per capita expenditures were $18 in 2015, more than recreation & culture ($15), health & social service ($8), 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

Perry County
Property assessments in Perry County increased 23%, from $84.8 million in 1999 to $104.6 million in 2015.

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 2015. Trends in per capita property assessments were similar to the overall trends discussed on the previous slide, but population growth caused the per capita measures to increase at a slower rate/decrease at a quicker rate than the overall measures. Per capita property assessments in the county were $10,300 in 2015, about $5,600 less than the statewide average ($15,900).

Data Sources: Assessed Values, Arkansas Assessment Coordination Department; South Urban CPI, Bureau of Labor Statistics; Population Estimates, U.S. Census Bureau
Retail sales in Perry County increased 61%, from $18.9 million in 1972 to $30.5 million in 2012.

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 growth caused the per capita measures to increase at a slower rate/decrease at a quicker rate than the overall measures.
- Per capita retail sales in the county were $2,900 in 2012, about $9,600 less than the statewide average ($12,500).

**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, 2015

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
Options for Providing Services to Perry 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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