Overview and Trends of Pike County Finances 1999-2017
How can Pike 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 Pike County decreased slightly (4%), from 11,200 in 1999 to 10,700 in 2018.

From 2019 to 2031, the county's population is projected to decrease an additional 1% to 10,600.

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

Community & Economic Development
Strengthening Arkansas Communities
Employment in Pike County decreased from 4,700 in 1999 to 4,300 in 2017 or 8%.

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

Pike County
Total revenue received by Pike County increased 45% between 1999 and 2017, from $4 million to $5.8 million.

Expenditures increased from $4.1 million in 1999 to $5.2 million in 2017, a total change of about 27%.

Spending spiked to a high of $7.2 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 $544 in 2017, $61 more than per capita expenditures ($483).

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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
The share of total revenue from intergovernmental transfers decreased from 42% in 1999 to 33% in 2017.

Pike County property tax revenue as a share of total revenue was 9% in 1999 and slightly less in 2017 (7%).

The share of total revenue from sales tax grew from 18% to 33%.

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
The share of total revenue from sales tax in Pike County in 2017 was 33%, higher than the statewide average (25%).

The share of total revenue from property tax was 7% in the county in 2017, considerably less than the statewide average of 24%.

The share of total revenue from intergovernmental transfers in the county was 33% in 2017, far more than the statewide average (22%).

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
Sales tax revenue in Pike County increased 168% between 1999 and 2017, from $708,900 to $1.9 million.

Property tax revenue grew 2%, from $371,900 in 1999 to $380,800 in 2017.

Pike County's total intergovernmental revenue fluctuated but grew 12% overall, from $1.7 million in 1999 to $1.9 million in 2017.

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.

Intergovernmental revenue per capita was $182 in Pike County in 2017, more than sales tax ($177) and property tax ($36) 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
Officers, Jail and 911 Fees fluctuated but increased 123% in Pike County, from $207,200 in 1999 to $461,200 in 2017.

Commissions and taxes apportioned grew significantly, from $406,000 to $552,100 or 36%.

Fines, forfeitures and franchise taxes declined 14%, from $284,100 in 1999 to $244,700 in 2017.

Despite wide fluctuations, other revenue declined 8%, from $377,700 in 1999 to $345,700 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 Pike County were $51 in 2017, more than officers, jail & 911 fees ($43), other revenue ($32), and fines, forfeitures and franchise taxes ($23).
Expenditures

Pike County
Pike County Expenditures for Services Provided 1999 and 2017

- The share of total spending for law enforcement and public safety in Pike County increased significantly from 23% in 1999 to 34% in 2017.
- The share of total spending for highways & streets grew from 26% in 1999 to 29% in 2017.
- The share of total spending for general & other expenditures decreased slightly from 36% in 1999 to 34% 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
Pike County Expenditure Shares Compared to State Expenditure Shares 2017

• Pike 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 29%, greater than the statewide average (23%).
• The share of total county expenditures for general and other expenditures was 34%, 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 Pike County increased 88%, from $937,700 in 1999 to $1.8 million in 2017.

Highways and streets spending increased 36%, from $1.1 million in 1999 to $1.5 million in 2017, and spiked to a high of $4.3 million in 2001.

General and other spending grew considerably, from $1.4 million in 1999 to $1.8 million in 2017 or 29%, spiking to a high of $3.4 million in 2009.
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 Pike County was $164 in 2017, the same general & other ($164) but more than highways & streets ($141) 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 Pike 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 increased 48% in the county compared to growth of 45% statewide.

In 2017, road expenditures per county road mile in the county were $3,100, about $650 less than the statewide average ($3,750).

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

- Health & social services expenditures in Pike County increased 361%, from $22,100 in 1999 to $102,000 in 2017, spiking to a high of $611,500 in 2010.
- Recreation & culture spending in the county increased significantly (39%), from $35,400 to $49,200.
- Capital outlay expenditures decreased from a high of $661,600 in 2001 to $0 in 2003.
- Debt service spending in Pike County decreased 100%, from $98,000 in 1999 to $0 in 2017, while reaching a peak of $533,200 in 2010.

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 Pike 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 $10 in 2017, more than recreation & culture ($5) 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

Pike County
Property assessments in Pike County increased 14%, from $123.4 million in 1999 to $140.5 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 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 $13,100 in 2017, about $3,200 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 Pike County decreased 26%, from $95.1 million in 1972 to $70 million in 2012.

Retail sales reached a high of $103.4 million prior to the Great Recession in 1997.

*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 measure to increase at a quicker rate or decrease at a slower rate than the overall measure.

Per capita retail sales in the county were $6,200 in 2012, about $6,300 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.
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.
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 Pike 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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100 Court St., Suite A (P.O. Box 297)
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