Overview and Trends of Poinsett County Finances 1999-2017
How can Poinsett 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 Poinsett County decreased slightly (5%), from 25,500 in 1999 to 24,200 in 2018.

From 2019 to 2031, the county's population is projected to decrease an additional 1% to 23,800.

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 Poinsett County decreased from 9,800 in 1999 to 8,600 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

Poinsett County
Total revenue received by Poinsett County decreased 4% between 1999 and 2017, from $7.6 million to $7.3 million.

Expenditures decreased from $7.5 million in 1999 to $7.2 million in 2017, a total change of about -4%.

*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 total revenue and spending each decreased, population decline in Poinsett County led to growth in per capita revenue and spending between 1999 and 2017.

Per capita revenue was $303 in 2017, $3 more than per capita expenditures ($300).

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

**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

Poinsett County
The share of total revenue from intergovernmental transfers increased significantly, from 25% in 1999 to 35% in 2017.

Poinsett County property tax revenue as a share of total revenue was 12% in 1999 and more in 2017 (18%).

The share of total revenue from sales tax shrank from 34% to 19%.

*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 Poinsett County in 2017 was 19%, lower than the statewide average (25%).

The share of total revenue from property tax was 18% in the county in 2017, less than the statewide average of 24%.

The share of total revenue from intergovernmental transfers in the county was 35% in 2017, far 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 Poinsett County decreased 46% between 1999 and 2017, from $2.6 million to $1.4 million.
• Property tax revenue grew 42%, from $909,400 in 1999 to $1.3 million in 2017.
• Poinsett County's total intergovernmental revenue increased significantly, from $1.9 million in 1999 to $2.5 million in 2017, or 32%.

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 $105 in Poinsett County in 2017, more than sales tax ($59) and property tax ($54) revenue per capita.
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
Poinsett County
Minor Sources of Revenue, 1999-2017

- Officers, Jail and 911 Fees decreased greatly in Poinsett County (27%), from $793,300 in 1999 to $581,300 in 2017.
- Commissions and taxes apportioned grew from $578,900 to $627,800 or 8%.
- Fines, forfeitures and franchise taxes increased 17%, from $522,000 in 1999 to $611,300 in 2017.
- Other revenue was $288,100 in 1999 and $244,600 in 2017, a decline of 15%.

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 Poinsett County were $26 in 2017, more than fines, forfeitures and franchise taxes ($25), officers, jail & 911 fees ($24) and other revenue ($10).

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

Poinsett County
Poinsett County Expenditures for Services Provided 1999 and 2017

- Law enforcement & public safety was the largest share of Poinsett County government spending in 1999 and 2017, and increased during the study period, from 35% to 45%.
- The share of total spending for highways & streets grew from 21% in 1999 to 28% in 2017.
- The share of total spending for general & other expenditures rose slightly from 19% in 1999 to 21% 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
Poinsett County's share of expenditures for law enforcement and public safety (45%) was more than the statewide share (38%) in 2017.

The share of total county expenditures for highways and streets was 28%, greater than the statewide average (23%).

The share of total county expenditures for general and other expenditures was 21%, less than the statewide average (26%).

*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
Law enforcement and public safety expenditures in Poinsett County increased 22%, from $2.7 million in 1999 to $3.3 million in 2017.

Highways and streets spending increased 25%, from $1.6 million in 1999 to $2 million in 2017.

General and other spending grew from $1.4 million in 1999 to $1.5 million in 2017 or 7%.

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 Poinsett County was $136 in 2017, more than highways & streets ($83) and general & other ($63) 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 Poinsett County were less than the statewide average every year between 1999 and 2017.

During the same period, road expenditures per county road mile increased 31% in the county compared to growth of 45% statewide.

In 2017, road expenditures per county road mile in the county were $1,700, about $2,050 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 Poinsett County decreased 20%, from $157,400 in 1999 to $126,600 in 2017.

Recreation & culture spending in the county fluctuated between a high of $321,500 and a low of $232,400.

Capital outlay expenditures decreased from a high of $251,100 in 2000 to $0 in 2001.

Debt service spending in Poinsett County decreased 97%, from $1.2 million in 1999 to $40,500 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 Poinsett 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 $10 in 2017, more than health & social service ($5), debt service ($2), 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

Poinsett County
Property assessments in Poinsett County increased 7%, from $276.5 million in 1999 to $297.2 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 $12,300 in 2017, about $4,000 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 Poinsett County decreased 21%, from $226.5 million in 1972 to $178 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 measure to decrease at a slower rate than the overall measure.

Per capita retail sales in the county were $7,300 in 2012, about $5,200 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
Options for Providing Services to Poinsett 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:

Craig Allen, CEA - Staff Chair
302 N Main St.
Harrisburg, AR 72432
Tel: 870-578-4490, Fax: 870-578-4491

Visit Our Website:
https://uaex.edu/localgov