Overview and Trends of Pope County Finances 1999-2017
How can Pope 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 Pope County increased 18% from 54,300 in 1999 to 63,800 in 2018.
From 2019 to 2031, the county's population is projected to increase an additional 8% to 69,700.

Data Source: Population Estimates, U.S. Census Bureau; Population Projections, Woods & Poole
Population Change, 2010-2017

Data Source: Population Estimates, U.S. Census Bureau
Employment in Pope County increased from 31,400 in 1999 to 35,300 in 2017 or 12%.

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

Pope County
Total revenue received by Pope County increased 19% between 1999 and 2017, from $17.7 million to $21.1 million.

Expenditures increased from $17.6 million in 1999 to $20.6 million in 2017, a total change of about 17%.

*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
While total revenue and spending each increased, population growth in Pope County led to a decrease in the per capita measures between 1999 and 2017. Per capita revenue was $331 in 2017, $8 more than per capita expenditures ($323).

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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
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

Pope County
The share of total revenue from intergovernmental transfers increased from 17% in 1999 to 20% in 2017.

Pope County property tax revenue as a share of total revenue was 24% in 1999 and less in 2017 (21%).

The share of total revenue from sales tax declined slightly, from 21% to 20%.

Officers, jail & 911 fees were 22% of total spending in 1999 and 26% in 2017.

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
Pope County Revenue Sources Compared to State Revenue Sources, 2017

- The share of total revenue from sales tax in Pope County in 2017 was 20%, lower than the statewide average (25%).
- The share of total revenue from property tax was 21% in the county in 2017, less than the statewide average of 24%.
- The share of total revenue from intergovernmental transfers in the county was 20% in 2017, less than the statewide average (22%).

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
Sales tax revenue in Pope County increased 8% between 1999 and 2017, from $3.8 million to $4.1 million.

Property tax revenue grew 2%, from $4.2 million in 1999 to $4.3 million in 2017.

Pope County's total intergovernmental revenue fluctuated while growing 39%, from $3.1 million in 1999 to $4.3 million in 2017, peaking at $5 million in 2009.

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 or decrease at a faster rate than the overall measures.

Property revenue per capita was $68 in Pope County in 2017, more than per capita intergovernmental ($67) and sales tax ($65) revenue.
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
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
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 increased greatly in Pope County (38%), from $3.9 million in 1999 to $5.4 million in 2017.

Commissions and taxes apportioned grew significantly, from $838,500 to $1 million or 20%.

Fines, forfeitures and franchise taxes increased 36%, from $810,100 in 1999 to $1.1 million in 2017.

Other revenue was $1.1 million in 1999 and $871,200 in 2017, a decline of 21%.

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

- 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 at a slower rate or decreased at a faster rate than the overall measures.
- Officers, jail & 911 fees per capita in Pope County were $85 in 2017, more than fines, forfeitures and franchise taxes ($17), commissions & taxes apportioned ($16), and other revenue ($14).

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

Pope County
Law enforcement & public safety was the largest share of Pope County government spending in 1999 and 2017, and increased during the study period, from 38% to 41%.

The share of total spending for highways & streets grew from 21% in 1999 to 25% in 2017.

The share of total spending for general & other expenditures rose slightly from 13% in 1999 to 14% in 2017.

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**Data Source:** Revenue and Expenditure Statements, Arkansas Legislative Audit
Pope County's share of expenditures for law enforcement and public safety (41%) was slightly more 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 14%, far less 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 Pope County increased 25%, from $6.7 million in 1999 to $8.4 million in 2017, peaking at a high of $11.2 million in 2008.

Highways and streets spending increased 42%, from $3.6 million in 1999 to $5.1 million in 2017.

General and other spending grew considerably, from $2.3 million in 1999 to $2.8 million in 2017 or 22%.

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

Law enforcement & public safety per capita spending in Pope County was $131 in 2017, more than highways & streets ($79) and general & other ($44) 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 Pope County were more than the statewide average in 18 of 19 years between 1999 and 2017.

During the same period, road expenditures per county road mile increased 42% in the county compared to growth of 45% statewide.

In 2017, road expenditures per county road mile in the county were $4,400, about $650 more 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 Pope County fluctuated widely but increased overall, from $83,265 in 1999 to $2.7 million in 2017.

Recreation & culture spending in the county increased significantly (36%), from $1.1 million to $1.5 million.

Capital outlay expenditures decreased from a high of $5.4 million in 2000 to $0 in 2004.

Debt service spending in Pope County decreased 90%, from $787,500 in 1999 to $76,400 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 growth in Pope County caused the per capita measure to grow at a slower rate or decrease at a faster rate than the overall measures.

- Health & social service per capita expenditures were $43 in 2017, more than recreation & culture ($24), debt service ($1), 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

Pope County
Property assessments in Pope County increased 32%, from $932.9 million in 1999 to $1.2 billion 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 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 growth caused the per capita measures to increase at a slower rate or decrease at a faster rate than the overall measures.

Per capita property assessments in the county were $19,200 in 2017, about $2,900 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 Pope County increased 153%, from $343.4 million in 1972 to $869.4 million in 2012.

Retail sales reached a high of $1 billion prior to the Great Recession in 2007.

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

Per capita retail sales in the county were $13,900 in 2012, about $1,400 more than the statewide average ($12,500).

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**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.
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 Pope 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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