Overview and Trends of Randolph County Finances 1999-2017
How can Randolph 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 Randolph County decreased slightly (3%), from 18,200 in 1999 to 17,600 in 2018.
• From 2019 to 2031 the county's population is projected to remain relatively flat, increasing only 0.2% to 17,600.

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
Employment in Randolph County decreased slightly, from 8,400 in 1999 to 8,200 in 2017, or 2%.

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

Randolph County
Total revenue received by Randolph County increased 34% between 1999 and 2017, from $6.2 million to $8.3 million.

Expenditures decreased from $7.6 million in 1999 to $7.4 million in 2017, a total change of about -3%.

*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 were similar to trends in the total numbers, total revenue per capita increased at a faster rate than previously discussed.
• While total spending decreased, population decline in Randolph County led to growth in per capita spending between 1999 and 2017.
• Per capita revenue was $470 in 2017, $49 more than per capita expenditures ($421).

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 increased slightly, from 37% in 1999 to 39% in 2017.

Randolph County property tax revenue as a share of total revenue was 9% in 1999 and more in 2017 (12%).

The share of total revenue from sales tax declined from 26% to 20%.

*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 Randolph County in 2017 was 20%, lower than the statewide average (25%).

The share of total revenue from property tax was 12% 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 39% 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 Randolph County fluctuated between 1999 and 2017, but was about $1.6 million in both years.

Property tax revenue grew 71%, from $567,600 in 1999 to $972,200 in 2017.

Randolph County's total intergovernmental revenue fluctuated significantly, growing from $2.3 million in 1999 to $3.2 million in 2017, or 39%.

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 $183 in Randolph County in 2017, more than sales tax ($94) and property tax ($55) 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
Randolph County Minor Sources of Revenue, 1999-2017

- Officers, Jail and 911 Fees increased greatly in Randolph County (73%), from $344,400 in 1999 to $597,200 in 2017.
- Commissions and taxes apportioned grew slightly, from $550,300 to $563,200 or 2%.
- Fines, forfeitures and franchise taxes increased 45%, from $257,000 in 1999 to $371,500 in 2017.
- Other revenue fluctuated from year-to-year while growing 61% from $562,000 in 1999 and $902,500 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.

• Other revenue per capita in Randolph County was $51 in 2017, more than officers, jail & 911 fees ($34), commissions & taxes apportioned ($32), and fines, forfeitures and franchise taxes ($21).
Expenditures

Randolph County
The share of total spending for law enforcement and public safety in Randolph County increased significantly from 20% in 1999 to 35% in 2017.

The share of total spending for highways & streets grew from 22% in 1999 to 28% in 2017.

The share of total spending for general & other expenditures rose from 21% in 1999 to 29% in 2017.

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
Randolph County's share of expenditures for law enforcement and public safety (35%) was less 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 29%, greater than the statewide average (26%).

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
Randolph County
Major Category Expenditures, 1999-2017

- Law enforcement and public safety expenditures in Randolph County increased 73%, from $1.5 million in 1999 to $2.6 million in 2017.
- Highways and streets spending increased 24%, from $1.7 million in 1999 to $2.1 million in 2017.
- General and other spending grew considerably, from $1.6 million in 1999 to $2.2 million in 2017 or 38%, peaking at a high of $3.8 million in 2016.

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 Randolph County was $148 in 2017, more than general & other ($123) and highways & streets ($117) expenditures.

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 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 Randolph County were less than the statewide average every year between 1999 and 2017.

During the same period, road expenditures per county road mile increased 22% in the county compared to growth of 45% statewide.

In 2017, road expenditures per county road mile in the county were $2,200, about $1,550 less than the statewide average ($3,750).

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

- Health & social services expenditures in Randolph County increased 162%, from $40,200 in 1999 to $105,500 in 2017.
- Recreation & culture spending in the county increased (14%), from $256,735 to $293,100.
- Capital outlay expenditures decreased from a high of $2.3 million in 1999 to $0 in 2001.
- Debt service spending in Randolph County increased 69%, from $107,300 in 1999 to $181,900 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 Randolph 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 $17 in 2017, more than debt service ($10), health & social service ($6), 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

Randolph County
Property assessments in Randolph County increased 43%, from $164.7 million in 1999 to $236.1 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 $13,400 in 2017, about $2,900 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 Randolph County increased 67%, from $102 million in 1972 to $170.7 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 increase at a quicker rate than the overall measure.

Per capita retail sales in the county were $9,600 in 2012, about $2,900 less 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
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 Randolph 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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