Overview and Trends of Saline County Finances 1999-2017
How can Saline 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 Saline County increased 45% from 82,100 in 1999 to 119,300 in 2018. From 2019 to 2031, the county's population is projected to increase an additional 16% to 141,500.

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 Saline County increased from 23,700 in 1999 to 38,400 in 2017 or 62%.

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

Community & Economic Development
Strengthening Arkansas Communities
Revenue & Expenditures

Saline County
Saline County
Total Revenue & Expenditures, 1999-2017

- Total revenue received by Saline County increased 68% between 1999 and 2017, from $19.1 million to $32.1 million.
- Expenditures increased from $16.9 million in 1999 to $30.9 million in 2017, a total change of about 83%.

*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 slower rate than previously discussed.

Per capita revenue was $269 in 2017, $10 more than per capita expenditures ($259).

*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

Saline County
The share of total revenue from intergovernmental transfers increased from 19% in 1999 to 27% in 2017.

Saline County property tax revenue as a share of total revenue was 42% in 1999 and slightly more in 2017 (43%).

The share of total revenue from sales tax shrank from 10% to 0%.

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
Statewide, the share of total county government revenue from sales tax was 25%, more than any other revenue category in 2017. However, with no sales tax, Saline County's share of revenue from the category was 0%.

The share of total revenue from property tax was 43% in the county in 2017, considerably more than the statewide average of 24%.

The share of total revenue from intergovernmental transfers in the county was 27% in 2017, more than the statewide average (22%).

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
Sales tax revenue in Saline County decreased 100% between 1999 and 2017, from $1.8 million to $6,600.

Property tax revenue grew 73%, from $8 million in 1999 to $13.8 million in 2017.

Saline County's total intergovernmental revenue increased 142%, from $3.6 million in 1999 to $8.7 million in 2017, while spiking to $11.1 million in 2001 and $11.8 million in 2014.

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 $116 in Saline County in 2017, more than per capita intergovernmental ($73) and sales tax ($0) revenue.

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
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 Saline County (218%), from $1.1 million in 1999 to $3.5 million in 2017.

Commissions and taxes apportioned grew significantly, from $1.2 million to $2.5 million or 108%.

Fines, forfeitures and franchise taxes declined 22%, from $1.8 million in 1999 to $1.4 million in 2017.

Other revenue was $1.7 million in 1999 and $2.1 million in 2017, an increase of 24%, and peaked at a high of $5.8 million in 2008.

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 at a slower rate or decreased at a faster rate than the overall measures.

Officers, jail & 911 fees per capita in Saline County were $30 in 2017, more than commissions & taxes apportioned ($21), other revenue ($18), and fines, forfeitures and franchise taxes ($12).
Expenditures

Saline County
Law enforcement & public safety was the largest share of Saline County government spending in 1999 and 2017, and increased during the study period, from 31% to 36%.

The share of total spending for highways & streets grew from 21% in 1999 to 24% in 2017.

The share of total spending for general & other expenditures rose from 21% in 1999 to 28% in 2017.

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
Saline County's share of expenditures for law enforcement and public safety (36%) was less than the statewide share (38%) in 2017.

The share of total county expenditures for highways and streets was 24%, greater than the statewide average (23%).

The share of total county expenditures for general and other expenditures was 28%, slightly 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 Saline County fluctuated and increased 112%, from $5.2 million in 1999 to $11 million in 2017.

Highways and streets spending increased 114%, from $3.5 million in 1999 to $7.5 million in 2017, peaking at a high of $10.4 million in 2014.

General and other spending grew considerably, from $3.6 million in 1999 to $8.7 million in 2017 or 142%, spiking to $9.2 million in 2001.

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 Saline County was $92 in 2017, more than general & other ($73) and highways & streets ($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
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 Saline 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 117% in the county compared to growth of 45% statewide.

In 2017, road expenditures per county road mile in the county were $6,300, about $2,550 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 Saline County increased 374%, from $67,900 in 1999 to $321,900 in 2017.

Recreation & culture spending fluctuated between a low of $0 and a high of $6.5 million, and grew 154% overall to $3.2 million in 2017.

Capital outlay expenditures decreased from a high of $2.3 million in 2001 to $0 in 2005.

Debt service spending in Saline County decreased 86%, from $1.8 million in 1999 to $259,600 in 2017, while reaching a high of $5.4 million in 2006.

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 Saline County caused the per capita measure to grow at a slower rate or decrease at a faster rate than the overall measures.

Recreation & culture per capita expenditures were $26 in 2017, more than health & social service ($3), 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

Saline County
Property assessments in Saline County increased 83%, from $1 billion in 1999 to $1.8 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 in 2 of 19 years 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 $15,400 in 2017, about $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 Saline County increased 348%, from $313.4 million in 1972 to $1.4 billion 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 exceeded the statewide average in 3 of 9 years 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 than the overall measure.

Per capita retail sales in the county were $12,600 in 2012, about $100 more 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
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 Saline 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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Benton, AR 72015
Tel: 501-303-5672, Fax: 501-303-5639

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