Overview and Trends of Van Buren County Finances 1999-2017
How can Van Buren 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 Van Buren County increased slightly (2%), from 16,100 in 1999 to 16,500 in 2018.

From 2019 to 2031, the county's population is projected to increase an additional 3% to 17,100.

**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 Van Buren County increased from 5,800 in 1999 to 6,400 in 2017 or 10%.

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

Van Buren County
Van Buren County
Total Revenue & Expenditures, 1999-2017

- Total revenue received by Van Buren County increased 124% between 1999 and 2017, from $5.8 million to $13 million.
- Expenditures increased from $6.2 million in 1999 to $13.8 million in 2017, a total change of about 123%.
- Spending spiked to $21.4 million in 2003 and $22.7 million in 2012.

*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.
Van Buren County
Per Capita Revenue & Expenditures, 1999-2017

- 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 $785 in 2017, $51 less than per capita expenditures ($836).

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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
Revenue

Van Buren County
Van Buren County Revenue Sources as a Percent of Total Revenue, 1999 and 2017

- The share of total revenue from intergovernmental transfers decreased from 33% in 1999 to 24% in 2017.
- Van Buren County property tax revenue as a share of total revenue was 13% in 1999 and considerably more in 2017 (23%).
- The share of total revenue from sales tax grew from 18% to 26%.

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
The share of total revenue from sales tax in the county (26%) was slightly higher than the statewide average (25%).

The share of total revenue from property tax was 23% in the county in 2017, less than the statewide average of 24%.

The share of total revenue from intergovernmental transfers in the county was 24% in 2017, 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 Van Buren County increased 209% between 1999 and 2017, from $1.1 million to $3.4 million, and spiked to a high of $6.8 million in 2008.

Property tax revenue grew 293%, from $758,800 in 1999 to $3 million in 2017, peaking at a high of $4.2 million in 2014.

Van Buren County’s total intergovernmental revenue fluctuated but increased 63%, from $1.9 million in 1999 to $3.1 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 growth caused the per capita measures to increase at a slower rate or decrease at a faster rate than the overall measures.

Sales tax revenue per capita was $204 in Van Buren County in 2017, more than intergovernmental ($190) and property tax ($181) 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
Van Buren County
Minor Sources of Revenue, 1999-2017

- Officers, Jail and 911 Fees increased greatly in Van Buren County (79%), from $397,400 in 1999 to $709,500 in 2017, and spiked to a high of $4.7 million in 2011.
- Commissions and taxes apportioned grew significantly, from $503,500 to $916,000 or 82%.
- Fines, forfeitures and franchise taxes increased 31%, from $363,700 in 1999 to $475,000 in 2017.
- Other revenue was $788,400 in 1999 and $1.4 million in 2017, an increase of 75%.

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.

Other revenue per capita in Van Buren County was $84 in 2017, more than commissions & taxes apportioned ($55), officers, jail & 911 fees ($43), and fines, forfeitures and franchise taxes ($29).
Expenditures

Van Buren County
Law enforcement & public safety was the largest share of Van Buren County government spending in 1999 and 2017, but decreased during the study period, from 29% to 26%.

The share of total spending for highways & streets grew slightly from 21% in 1999 to 22% in 2017.

The share of total spending for general & other expenditures decreased slightly from 23% in 1999 to 22% 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
Van Buren County’s share of expenditures for law enforcement and public safety (26%) was far less than the statewide share (38%) in 2017.

The share of total county expenditures for highways and streets was 22%, a little below the statewide average (23%).

The share of total county expenditures for general and other expenditures was 22%, 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
Van Buren County
Major Category Expenditures, 1999-2017

- Law enforcement and public safety expenditures in Van Buren County increased 100%, from $1.8 million in 1999 to $3.6 million in 2017.
- Highways and streets spending increased 138%, from $1.3 million in 1999 to $3.1 million in 2017, spiking to a high of $6.8 million in 2011.
- General and other spending fluctuated but grew 114% overall, from $1.4 million in 1999 to $3 million in 2017.

Data Sources: Revenue and Expenditure Statements, Arkansas Legislative Audit; South Urban CPI, Bureau of Labor Statistics
Van Buren County Per Capita Major Category Expenditures 1999-2017

- 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 Van Buren County was $216 in 2017, more than highways & streets ($186) and general & other ($180) 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 Van Buren County were more than the statewide average in 9 of 19 years between 1999 and 2017.

During the same period, road expenditures per county road mile increased 127% in the county compared to growth of 45% statewide.

In 2017, road expenditures per county road mile in the county were $3,400, about $350 less than the statewide average ($3,750).

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

- Health & social services expenditures in Van Buren County increased 96%, from $186,400 in 1999 to $365,700 in 2017, and spiked to a high of $8 million in 2012.
- Recreation & culture spending in the county increased significantly (115%), from $179,900 to $385,800.
- Capital outlay expenditures decreased from a high of $11.7 million in 2003 to $0 in 2005.
- Debt service spending in Van Buren County increased 403%, from $683,700 in 1999 to $3.4 million 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 Van Buren County caused the per capita measure to grow at a slower rate or decrease at a faster rate than the overall measures.

Debt service per capita expenditures were $209 in 2017, more than recreation & culture ($23), health & social services ($22), 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

Van Buren County
Van Buren County
Total Property Assessments, 1999-2017

- Property assessments in Van Buren County increased 144%, from $166 million in 1999 to $405.2 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 exceeded the statewide average in 10 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 $24,600 in 2017, about $8,300 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 Van Buren County increased 188%, from $58.4 million in 1972 to $168.4 million in 2012.
• Retail sales reached a high of $169.4 million 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 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 growth caused the per capita measure to increase at a slower rate than the overall measure.

Per capita retail sales in the county were $9,800 in 2012, about $2,700 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

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 Van Buren 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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