Overview and Trends of Yell County Finances 1999-2017
How can Yell 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 Yell County increased slightly (3%), from 20,900 in 1999 to 21,500 in 2018.

From 2019 to 2031, the county's population is projected to increase an additional 2% to 22,000.

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 Yell County decreased slightly, from 9,900 in 1999 to 9,600 in 2017, or 3%.

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

Yell County
Total revenue received by Yell County increased 55% between 1999 and 2017, from $6.9 million to $10.7 million.

Expenditures increased from $6.1 million in 1999 to $10.7 million in 2017, a total change of about 75%.

Spending spiked to a high of $14.6 million in 2015.

*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 and expenditures were both about $500 in 2017.

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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

Yell County
The share of total revenue from intergovernmental transfers decreased from 36% in 1999 to 32% in 2017.

Yell County property tax revenue as a share of total revenue was 23% in 1999 and less in 2017 (16%).

The share of total revenue from sales tax grew from 0% to 26%.

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
The share of total revenue from sales tax in Yell County in 2017 was 26%, slightly higher than the statewide average (25%).

The share of total revenue from property tax was 16% in the county in 2017, less than the statewide average of 24%.

The share of total revenue from intergovernmental transfers in the county was 32% in 2017, more than the statewide average (22%).

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**Data Source:** Revenue and Expenditure Statements, Arkansas Legislative Audit
Yell County
Major Sources of Revenue, 1999-2017

- There was no sales tax revenue in Yell County in 1999 but sales tax revenue was $2.8 million in 2017.
- Property tax revenue grew 6%, from $1.6 million in 1999 to $1.7 million in 2017.
- Yell County's total intergovernmental revenue increased significantly, from $2.5 million in 1999 to $3.4 million in 2017, or 36%, and spiked to a high of $4.9 million in 2001.

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.

Intergovernmental revenue per capita was $159 in Yell County in 2017, more than sales tax ($129) and property tax ($80) 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
Officers, Jail and 911 Fees decreased slightly in Yell County (22%), from $1.2 million in 1999 to $895,000 in 2017, peaking at $1.5 million in 2010.

Commissions and taxes apportioned grew fluctuated but grew 27% overall, from $459,200 to $582,600.

Fines, forfeitures and franchise taxes increased 24%, from $302,100 in 1999 to $374,000 in 2017.

Other revenue was $878,500 in 1999 and $933,200 in 2017, an increase of 6%, and peaked at a high of $1.1 million in 2009.

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 Yell County was $43 in 2017, more than officers, jail & 911 fees ($42), commissions & taxes apportioned ($27), and fines, forfeitures and franchise taxes ($17).

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

Yell County
- Law enforcement & public safety was the largest share of Yell County government spending in 1999 and 2017, and increased during the study period, from 33% to 37%.
- The share of total spending for highways & streets declined from 32% in 1999 to 26% in 2017.
- The share of total spending for general & other expenditures rose slightly from 17% in 1999 to 18% in 2017.

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Data Source: Revenue and Expenditure Statements, Arkansas Legislative Audit
Yell County's share of expenditures for law enforcement and public safety (37%) was slightly less than the statewide share (38%) in 2017.

The share of total county expenditures for highways and streets was 26%, a little greater than the statewide average (23%).

The share of total county expenditures for general and other expenditures was 18%, less than the statewide average (26%).

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

- Law enforcement and public safety expenditures in Yell County increased 100%, from $2 million in 1999 to $4 million in 2017, and spiked to a high of $7.9 million in 2015.
- Highways and streets spending increased 35%, from $2 million in 1999 to $2.7 million in 2017, spiking to a high of $3.8 million in 2001.
- General and other spending grew considerably, from $1.1 million in 1999 to $1.9 million in 2017 or 73%.

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 Yell County was $186 in 2017, more than highways & streets ($127) and general & other ($89) 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 Yell County were less than the statewide average every year between 1999 and 2017.

During the same period, road expenditures per county road mile increased 44% in the county compared to growth of 45% statewide.

In 2017, road expenditures per county road mile in the county were $2,300, about $1,450 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 Yell County increased 153%, from $58,500 in 1999 to $148,000 in 2017, and spiked at a high of $845,200 in 2009.

Recreation & culture spending in the county increased significantly (48%), from $266,700 to $395,200, spiking at $822,400 in 2009.

Capital outlay expenditures decreased from a high of $493,300 in 2000 to $0 in 2002.

Debt service spending in Yell County increased 492%, from $249,500 in 1999 to $1.5 million in 2017, and peaked at $1.8 million in 2016.

**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 Yell 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 $69 in 2017, more than recreation & culture ($18), health & social service ($7), 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

Yell County
Property assessments in Yell County increased 37%, from $177.1 million in 1999 to $242.4 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 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 $11,300 in 2017, about $5,000 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 Yell County increased 4%, from $116.2 million in 1972 to $121.4 million in 2012.
Retail sales reached a high of $132.5 million prior to the Great Recession in 1997.

*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 and decrease at a quicker rate than the overall measure.

Per capita retail sales in the county were $5,600 in 2012, about $6,900 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 Yell 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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