2014

Comparison of County Revenues & Expenditures

Riley County & Peers
2008-2012

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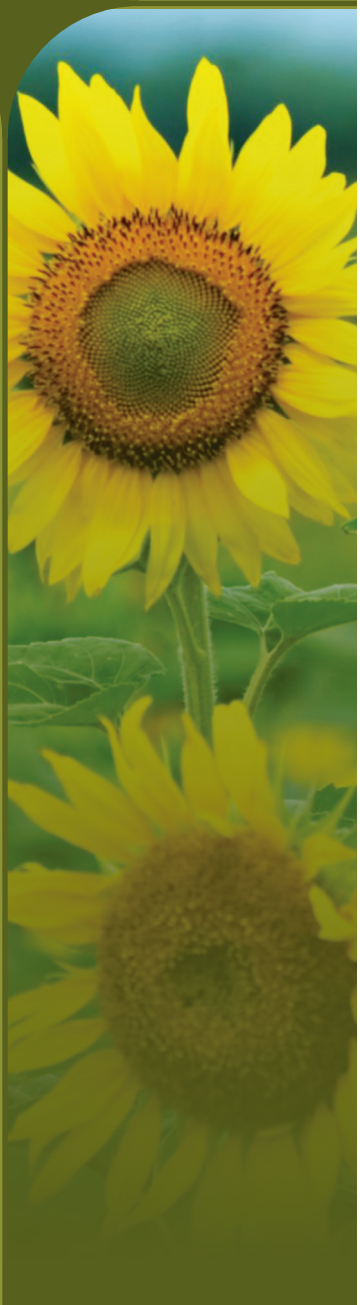

office of Local Government
K-State Research and Extension

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Introduction

This comparison of expenditures and revenues in Riley County and a group of similar counties uses information from the *Kansas Fiscal Database*. The database was developed by the Office of Local Government, a unit of K-State Research and Extension, and contains detailed financial information from 1989 to 2012 for all Kansas counties. This information was drawn from county budgets on file at the Kansas Department of Administration's Division of Accounts and Reports. Expenditures in the database are sorted by function (e.g., general, road and bridge, law enforcement), and revenues by source (e.g., property taxes, sales taxes, special highway). The database contains actual, rather than budgeted, numbers from 1989 to 2012. For more information on the database and a complete listing of the expenditure and revenue categories included, refer to the Riley County Fiscal Conditions & Trends report found on the internet at www.ksu-olg.info or contact the Office of Local Government. The Office of Local Government welcomes comments, suggestions, or questions about this report or any of our other services. Contact us by mail (10E Umberger Hall, Manhattan, KS 66506), phone (785-532-2643), or e-mail (jleather@ksu.edu).

Making Comparisons Across Counties

The intent of this study is to allow Riley County officials to compare their expenditures and revenues with those of other counties. To do so, we identified a group of counties that are reasonably similar to Riley County in terms of population. These counties are: Butler, Crawford, Douglas, Geary, Leavenworth, Reno, Saline, Sedgwick, and Shawnee.

While the selection of comparison counties was based primarily on population, the counties are also roughly similar to Riley County in terms of assessed valuation, personal income, and the overall size of the county budget (as measured by total county expenditures and revenues) as shown in Table 1. Counties are ranked by population size in the table. We included 6 counties smaller than Riley County and 3 larger. As we might expect, based on population, Riley County ranks somewhere near the top in terms of personal income (4th). Other measurements for Riley County were lower than might otherwise be expected: total expenditures (7th), total revenues (7th), and tangible assessed valuation (7th). Still, the counties selected are roughly equivalent, although Sedgwick County has considerably larger total expenditures and revenues.

Though the 10 counties are similar in terms of population, we present per capita or per person values throughout the report to account for the differences that exist. Per capita values are calculated by dividing a county's expenditures or revenues by its population. This makes for a more fair comparison of expenditures and revenues across counties.

In addition to providing data on expenditures and revenues for each of the counties individually, a 10-county average is presented to provide a more comprehensive view of expenditures and revenues in this subset of similarly-sized counties. The 10-county average is calculated by dividing total expenditures or revenues for the group of counties by the number of counties (10). Readers should recognize that the 10-county average might mask important variations between counties. Further, when some counties do not fund a particular activity or use a particular revenue source, or their accounting practices do not allow us to clearly track their activity, the 10-county average will be low.

Table 1. General Characteristics of Counties in Order of Ascending Population, 2012

County[1]	Extension Area[2]	Population[3]	2012 Personal Income[4]	Assessed Valuation[5]	Total Revenues	Total Expenditures
Geary	Northeast	38,013	1,581,468,000	220,812,773	25,522,387	24,559,755
Crawford	Southeast (D)	39,361	1,261,119,000	232,189,823	20,527,539	20,050,757
Saline	Northeast (D)	55,988	2,299,408,000	531,616,779	30,446,573	29,859,352
Reno	Northeast	62,569	2,282,018,000	493,856,946	45,584,854	43,248,983
Butler	Southeast	64,475	2,671,982,000	611,752,841	45,019,725	42,950,883
Leavenworth	Northeast	73,151	2,874,672,000	575,120,816	38,134,481	37,205,866
Riley	**Northeast**	**75,508**	**3,299,132,000**	**510,835,450**	**34,754,514**	**35,352,898**
Douglas	Northeast	112,864	4,100,447,000	1,139,929,895	64,407,025	63,389,163
Shawnee	Northeast	178,310	7,391,512,000	1,491,665,020	134,452,099	132,015,708
Sedgwick	Southeast	503,641	20,671,720,000	4,302,212,481	376,640,837	346,470,764
10-County Average		120,388	4,843,347,800	1,010,999,282	81,549,003	77,510,413
Kansas County Average		26,110	1,146,751,702	277,345,114	22,302,565	21,985,902

[1] Counties represent those most similar in population to Riley County.
[2] K-State Research and Extension divides counties into six geographic areas: Northwest, North Central, Northeast, Southwest, South Central, and Southeast. If a county is part of an extension district it is noted with a (D) next to its geographic designation.
[3] Population data are Census Bureau estimates for 2012. For counties with a federal or state correctional facility, values are adjusted downward by the corresponding annual inmate population.
[4] Personal income data is from the Bureau of Economic Analysis' Regional Economic Information System.
[5] Assessed valuations are from county budget documents.

We also include a Kansas county average to allow some comparison of expenditures and revenues in Riley County to those in the state as a whole. The Kansas county average is the average of all 104 Kansas counties (this number excludes the Unified Government of Wyandotte County, Kansas City, Kansas).

Though we attempt in this report to compare Riley County with a group of similar counties, readers should still use caution when making one-to-one county comparisons. There are often reasonable explanations for differences in expenditures or revenues across counties.

Expenditures and revenues may differ across counties for a number of reasons. Counties may differ in the types and level of services they provide. These differences may reflect differing citizen needs or expectations across places or the varying abilities of governments to generate revenues. Services may also be organized differently across counties. In some cases, regional facilities or other organizations are available to provide certain services. Where possible, we have attempted to point out these differences but encourage the reader to investigate more fully before drawing firm conclusions.

One additional explanation for differences across counties is our ability to accurately classify expenditures and revenues from county budget documents. For some counties, budget documents present activity in detail. In other cases, consolidated funds make it difficult to account for activities as completely as we would like.

Making Comparisons Over Time

While our primary objective is to provide a comparison of expenditures and revenues in Riley County and a group of similar counties, looking at how finances have changed over time is also informative. Thus, we present expenditure and revenue data from both 2008 and 2012 as well as the change over the period for each of the 10 counties, the 10-county average, and the Kansas county average.

Data are inflation-adjusted to allow fair comparisons over time. The value of a dollar declines over time due to inflation. Inflation, then, distorts trends because a dollar today does not have as much purchasing power as a dollar one year or five years ago. To make fair comparisons, the data must be adjusted to a single year's value using an inflation index. Here, values are adjusted to 2012 dollars (2012$) using the Personal Consumption Expenditures (PCE) chain price index. Actual and real amounts are equal in the base year (2012). By removing the effects of inflation, the focus shifts to the "real" forces affecting budget trends – economic conditions, changing wants and needs, and mandates.

While changes over time often indicate shifting county needs and priorities, in some cases they reflect the accounting conventions used in the construction of the database. For example, in the database we group capital expenditures with the function they were intended to support. For example, jail construction costs are placed in the "jail" category, while installing an elevator in the courthouse is assigned to "general government." As they are often large and occur only once in a great while, capital expenditures can cause deviations from a normal trend line. Additionally, they may distort the percent change over time when present in one period (2008 or 2012) but not the other. Grants, bond issues, and special assessments can similarly impact the percent change in revenues over time.

General Conditions

Here we will present more detailed data on the general conditions in each county. This data is meant to be a starting point for those wishing to understand the social and economic conditions under which different counties make resource allocation decisions. These general conditions will influence both the demand for public services and county government's ability to provide desired services.

The size of the local population and changes over time greatly affect economic and social conditions in a county. Population growth implies that an area is an attractive place to live and work and is often associated with business growth, a larger tax base, and greater economic well-being. While population growth typically results in increased county revenues, the larger population may also place increased demands on local government. Population decline suggests reduced demand for the goods and services provided by local businesses and reduced government revenue to provide public services.

As shown in Table 2, Geary County was the smallest of the 10 counties in 2012 with a population of 38,013, and Sedgwick County was the largest with a population of 503,641. Riley County had a population of 75,508. The 10-county average was higher (due to Sedgwick County) at 120, 388, while the Kansas county average was considerably smaller, 26,110.

Population growth from 2008 to 2012 ranged from a decline of 1.6 percent in Douglas County to an increase of 21.9 percent in Geary County. Riley County's population grew 6.2 percent which was higher than the 10-county average of 3.7 percent and the Kansas county average of 3.0 percent.

Table 2. Population[1], 2008 and 2012

County	2008	2012	Percent Change
Butler	62,289	64,475	3.5%
Crawford	38,868	39,361	1.3%
Douglas	114,748	112,864	-1.6%
Geary	31,171	38,013	21.9%
Leavenworth	69,747	73,151	4.9%
Reno	61,707	62,569	1.4%
Riley	**71,069**	**75,508**	**6.2%**
Saline	54,657	55,988	2.4%
Sedgwick	482,621	503,641	4.4%
Shawnee	174,142	178,310	2.4%
10-County Average	116,102	120,388	3.7%
Kansas County Average	25,357	26,110	3.0%

[1] The U.S. Census Bureau's county population estimates are the source of population data for both 2008 and 2012. Values are adjusted downward by the number of inmates for counties with a state or federal correctional facility.

Income allows individuals to buy goods and services and serves as a broad measure of residents' economic or material well-being. Income also provides information about the prosperity of the local business community. As personal income increases, county revenues tend to increase. County expenditures may also increase, however, if residents demand more services.

Crawford County had the lowest per capita personal income of the 10 counties in the study area for 2012, $32,040, as shown in Table 3. Riley County had the highest, $43,692. Per capita incomes averaged $39,445 for the 10 counties and $41,533 for all Kansas counties.

Incomes may differ across counties for a variety of reasons. These include differences in the proportion of the population working, the types of jobs people have or industries they are working in, the amount of inherited or other types of wealth, and the local cost of living. Also, it is important to recognize that income may be distributed very differently in counties with the same level of per capita personal income. For example, one county may have a few extremely wealthy citizens and large number of individuals with low income levels while another may have a relatively equitable distribution of income.

Per capita personal income grew in 8 of the 10 counties in the study period from 2008 to 2012. Douglas County had the largest increase, 9.1 percent. Riley County saw a similar increase, 8.4 percent. Of the 2 counties that experienced a decrease, Geary County decreased the most at 5.3 percent. On average, per capita personal income in the 10 counties grew 3.5 percent and 7.1 percent in the state.

Table 3. Real Per Capita Personal Income[1], 2008 and 2012

County	2008 (2012$)	2012	Percent Change
Butler	39,753	41,442	4.2%
Crawford	29,927	32,040	7.1%
Douglas	33,313	36,331	9.1%
Geary	43,951	41,603	-5.3%
Leavenworth	37,415	39,298	5.0%
Reno	34,266	36,472	6.4%
Riley	**40,309**	**43,692**	**8.4%**
Saline	40,588	41,070	1.2%
Sedgwick	42,188	41,045	-2.7%
Shawnee	39,223	41,453	5.7%
10-County Average	38,093	39,445	3.5%
Kansas County Average	38,777	41,533	7.1%

[1] Personal income data is from the Bureau of Economic Analysis' Regional Economic Information System.

The property tax remains the major source of tax revenue for most Kansas counties. Thus, trends in the assessed valuation of property can significantly impact local government's ability to raise revenues and, therefore, their ability to provide public services. Declining property values push tax rates up and force counties to either find alternate revenue sources or cut spending. Changes in population, local economic conditions, and state mandated assessment procedures may affect local property values.

As shown in Table 4, Douglas County had the highest per capita assessed valuation in 2012, $10,100. Geary County had the lowest, $5,809. Of the 10 counties in the study, Riley County ranked 8th among the 10 counties in terms of per capita assessed valuation in 2012, $6,765. The 10-county average of $8,022 per capita was more than $6,000 less than the Kansas county average, $14,668.

None of the 10 counties experienced an increase in the valuation per capita from 2008 to 2012. Sedgwick County declined the least at 3.1 percent and Crawford County experienced the largest decline at 9.7 percent. Riley County experienced a decrease in valuation of 4.5 percent. On average, the valuation per capita in the 10 counties fell 6.1 percent and the Kansas county average fell 6.8 percent from 2008 to 2012.

Table 4. Real Per Capita Assessed Valuation[1], 2008 and 2012

County	2008 (2012$)	2012	Percent Change
Butler	9,991	9,488	-5.0%
Crawford	6,532	5,899	-9.7%
Douglas	10,463	10,100	-3.5%
Geary	6,378	5,809	-8.9%
Leavenworth	8,511	7,862	-7.6%
Reno	8,355	7,893	-5.5%
Riley	**7,087**	**6,765**	**-4.5%**
Saline	10,055	9,495	-5.6%
Sedgwick	8,817	8,542	-3.1%
Shawnee	9,206	8,366	-9.1%
10-County Average	8,540	8,022	-6.1%
Kansas County Average	15,739	14,668	-6.8%

[1] Assessed valuations are from county budget documents.

Total Expenditures

Total county expenditures provide an indication of the overall extent of county operations. Recall that expenditures may differ across counties because of differences in the level or mix of services provided and available wealth. There may also be economies of scale involved in the provision of some public services. For example, it may cost the same amount for both a sparsely and heavily populated county to maintain its roads and bridges though the sparsely populated county has fewer people over which to spread the expense. Changes in total expenditures over time may reflect legislative changes, one-time capital investments, or changes in local accounting procedures.

Table 5 presents total expenditures per capita in 2008 and 2012 for each of the 10 counties. Expenditures ranged from $468 per capita in Riley County to $740 in Shawnee County for 2012. Total expenditures averaged $601 per capita for the 10 counties. The Kansas county average was significantly higher, $1,497.

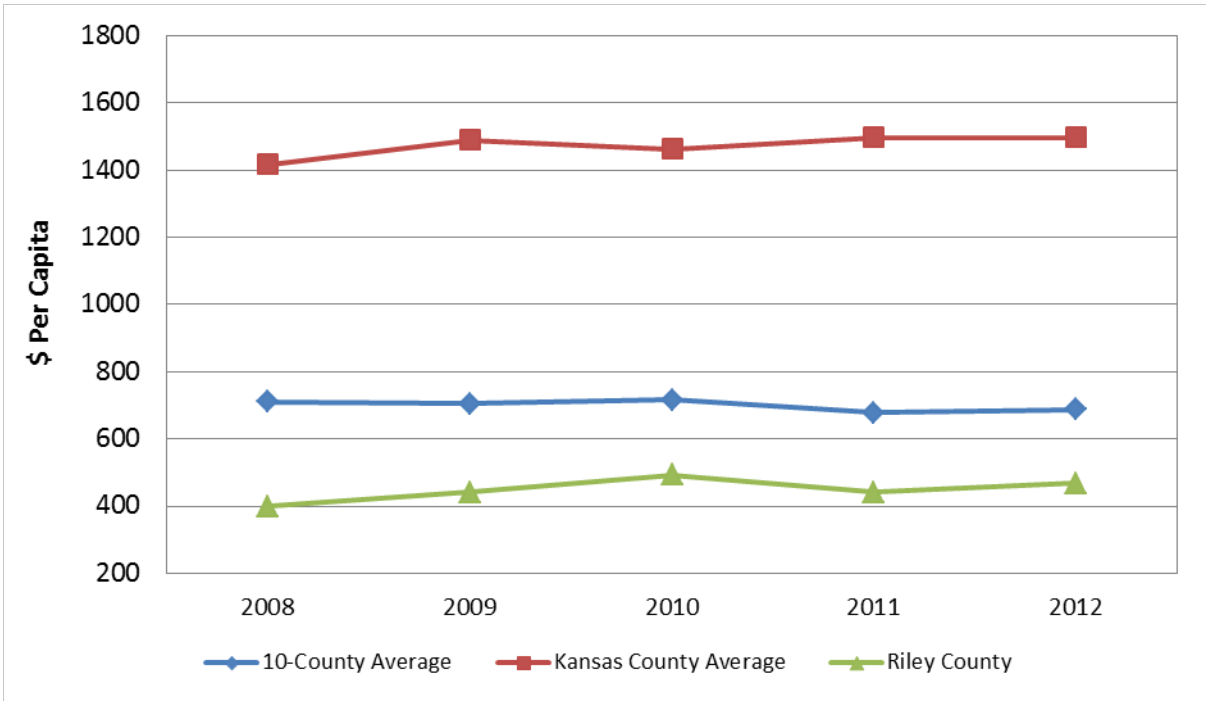
Total expenditures per capita grew in 3 of the 10 counties, with Riley County experiencing the greatest increase, 17.4 percent, between 2008 and 2012. Sedgwick County experienced the greatest decline, 18.6 percent. On average, real total expenditures per capita in the 10 counties fell 4.6 percent. This is in contrast to the Kansas County Average, an increase of 5.7 percent.

Table 5. Real Per Capita Total Expenditures, 2008 and 2012

County	2008 (2012$)	2012	Percent Change
Butler	610	666	9.2%
Crawford	596	509	-14.5%
Douglas	503	562	11.6%
Geary	711	646	-9.1%
Leavenworth	611	509	-16.8%
Reno	725	691	-4.6%
Riley	**399**	**468**	**17.4%**
Saline	560	533	-4.8%
Sedgwick	845	688	-18.6%
Shawnee	746	740	-0.7%
10-County Average	631	601	-4.6%
Kansas County Average	1,416	1,497	5.7%

In general, counties have experienced growth in expenditures over time due to changes in economic conditions, state and federal mandates, and local needs and preferences. We can see in Figure 1 that expenditures have remained fairly steady from 2008 to 2012 for Riley County, the 10-county average and the Kansas county average.

Figure 1. Real Per Capita Total Expenditures, 2008-2012



We will focus our attention on four expenditure areas that are significant for the majority of Kansas counties: road and bridge, public safety, employee benefits, and general. Road and bridge consists of expenditures in both the road and bridge fund and special road and bridge accounts. Public safety expenditures include those for the district court, emergency 911 services, jail, juvenile justice, and law enforcement. Each of the components of public safety is a separate category in the database. We combine them here to account for differences in service provision and budgeting across counties. For example, Shawnee County did not report juvenile justice expenditures. While Shawnee County does have a Juvenile Detention Center, they are budgeting for it differently, combining it with the Department of Corrections. Employee benefits include contributions to social security, unemployment, and worker's compensation programs; employee health insurance; retirement plans; and other benefits. General expenditures include those to support the county commission, clerk, treasurer, attorney, register of deeds, coroner, and facilities. Expenditures that do not fit into the other functional categories in the database are also placed in the general category.

These four types of expenditures accounted for 61.8 percent of Riley County's total expenditures in 2012. They ranged from 85.1 percent of total expenditures in Saline County to 51.8 percent in Shawnee County and averaged 67.1 percent of total expenditures for the 10 counties.

Road and bridge expenditures represented 15.3 percent of Riley County's spending in 2012 as shown in Table 6. This was slightly higher than the proportion spent on roads and bridges by the other 10 counties considered, as the 10-county average was 14.3 percent. Road and bridge expenditures varied as a proportion of total expenditures across the 10 counties, representing as little as 5.7 percent of total spending in Shawnee County and as much as 25.1 percent in Saline County in 2012.

Table 6. Major Expenditure Categories as a Proportion of Total Expenditures, 2012

	Percentage of Total Expenditures			
County	Road & Bridge	Public Safety	Employee Benefits	General
Butler	23.7%	22.5%	11.0%	13.6%
Crawford	15.4%	21.2%	7.1%	13.0%
Douglas	6.7%	21.8%	16.2%	30.3%
Geary	11.4%	28.9%	11.8%	18.0%
Leavenworth	18.7%	18.6%	11.6%	24.7%
Reno	14.3%	23.9%	15.5%	11.7%
Riley	**15.3%**	**14.5%**	**10.4%**	**21.5%**
Saline	25.1%	29.5%	14.0%	16.5%
Sedgwick	6.9%	26.5%	8.9%	18.7%
Shawnee	5.7%	29.3%	7.5%	9.3%
10-County Average	14.3%	23.7%	11.4%	17.7%
Kansas County Average	14.5%	21.7%	11.3%	19.3%

In 2012, spending on public safety accounted for 14.5 percent of total spending in Riley County, the lowest proportion of total expenditures among the 10 counties included in the study. Public safety represented the highest proportion of total expenditures in Saline County, 29.5 percent. The 10-county average was 23.7 percent and the Kansas county average was slightly lower at 21.7 percent. Public safety expenditures may differ across counties because they offer a different range or level of public safety related services.

Employee benefits represented 10.4 percent of Riley County's total expenditures in 2012. Employee benefits accounted for the lowest proportion of total spending in Crawford County, 7.1 percent, and the highest in Douglas County, 16.2 percent. The 10-county average was 11.4 percent. The lower proportion spent on employee benefits in certain counties may indicate that the county has fewer employees than its peers or offers either fewer or a different mix of benefits. It could also reflect the tenure of county employees or county accounting practices wherein employee benefits are incorporated into the functional category.

General expenditures accounted for 21.5 percent of total spending in Riley County in 2012. This represents the 3rd highest proportion of total expenditures spent on general expenditures in the 10 counties. The highest among the 10 counties was Douglas at 30.3 percent whereas the lowest among the 10 counties was Shawnee, with 9.3 percent of total expenditures being spent on general expenditures. The 10-county average was 17.7 percent, and the Kansas county average was slightly higher at 19.3 percent. The proportion of general expenditures may vary across counties for a number of reasons. As with other types of expenditures, capital improvements can have a significant impact. It could also be the case that counties where general expenditures represent a smaller proportion of total expenditures are simply providing more detail in their budget document allowing us to do a better job of dividing expenditures into functional categories.

Road and Bridge Expenditures

Road and bridge spending totaled $72 per capita in Riley County for 2012 as shown in Table 7. This represented the 7th highest level of per capita spending in the 10 counties considered. Butler County had the highest level of per capita road and bridge spending in 2012, $158, and Douglas County the lowest, $38. The 10-county average was $84 and the Kansas county average was considerably higher at $371. Differences in the amount of spending across counties may reflect differences in the miles of roads the county is responsible for maintaining and the total population of the county.

Per capita road and bridge spending rose in only 1 of the 10 counties between 2008 and 2012. The per capita spending increase was seen in Butler County, 58.7 percent. Geary County experienced the largest decline over the period, 19.3 percent. Riley County saw a decline of 3.2 percent. In general, it is fairly common for counties to reduce and defer road and bridge maintenance expenditures in times of tight financial conditions.

Table 7. Real Per Capita Road & Bridge Expenditures, 2008 and 2012

County	2008 (2012$)	2012	Percent Change
Butler	99	158	58.7%
Crawford	88	79	-10.2%
Douglas	46	38	-18.6%
Geary	92	74	-19.3%
Leavenworth	100	95	-4.4%
Reno	102	99	-2.7%
Riley	**74**	**72**	**-3.2%**
Saline	154	134	-13.0%
Sedgwick	51	47	-6.9%
Shawnee	44	42	-3.2%
10-County Average	85	84	-1.3%
Kansas County Average	360	371	2.8%

Public Safety Expenditures

As shown in Table 8, Riley County spent $68 per capita on public safety in 2012. This was the lowest level of per capita spending among the 10 counties but represented the greatest increase in spending from 2008, 22.5 percent. Riley County shares the expense for law enforcement with the City of Manhattan which could be a reason for the low expenditure.

In 2012, per capita public safety expenditures were highest in Shawnee County, $217; averaged $145 for the 10 counties; and averaged $189 in the state. A higher level of expenditure may suggest a county offers more, higher quality, or a greater range of public safety services. It could also indicate the county is building a new jail or completing another public safety-related capital improvement. Public safety-related expenditures have been among the most rapidly growing expenditure categories among most counties in recent years. This is often due to increased demand for services as well as new requirements for offender processing and care.

From 2008 to 2012, per capita public safety expenditures grew in 3 of the 10 counties considered with Riley County experiencing the largest increase, 22.5 percent, whereas Leavenworth County experienced the largest decline, 19.6 percent. The 10-county average also declined, 5.1 percent, whereas the average Kansas County grew 5.0 percent.

Table 8. Real Per Capita Public Safety Expenditures, 2008 and 2012

County	2008 (2012$)	2012	Percent Change
Butler	140	150	7.4%
Crawford	120	108	-10.1%
Douglas	133	123	-8.2%
Geary	204	187	-8.5%
Leavenworth	117	94	-19.6%
Reno	177	165	-6.5%
Riley	**55**	**68**	**22.5%**
Saline	157	157	0.2%
Sedgwick	196	182	-7.1%
Shawnee	229	217	-5.3%
10-County Average	153	145	-5.1%
Kansas County Average	180	189	5.0%

Employee Benefits Expenditures

Riley County spent $49 per capita on employee benefits in 2012 as shown in Table 9. This placed the county 9th and was below the 10-county average of $68. Spending in the 10 counties ranged from $36 per capita in Crawford County to $107 in Reno County. Differences in employee benefits expenditures across counties may be partially explained by differences in the number of public employees. Other factors such as accounting procedures and the quality of health insurance provided may also explain these differences.

Changes in state statutes have greatly affected how local governments account for employee benefits. Previously, laws governing local government expenditures provided incentives to account for employee benefits as a separate category. Currently, counties have greater discretion and may group employee benefits into their various functional categories.

Per capita spending for employee benefits grew 49.7 percent in Riley County from 2008 to 2012, the highest among the 10 counties. Only 2 of the 10 counties considered (Crawford and Leavenworth) had declines in per capita employee benefits spending over the period. Crawford County experienced the largest decline, 51.6 percent.

Table 9. Real Per Capita Employee Benefits, 2008 and 2012

County	2008 (2012$)	2012	Percent Change
Butler	69	73	6.0%
Crawford	75	36	-51.6%
Douglas	78	91	16.6%
Geary	74	76	2.5%
Leavenworth	66	59	-10.9%
Reno	88	107	21.1%
Riley	**33**	**49**	**49.7%**
Saline	69	75	8.4%
Sedgwick	52	61	17.7%
Shawnee	50	56	11.5%
10-County Average	65	68	4.4%
Kansas County Average	173	208	20.0%

General Expenditures

Riley County's general expenditures were $101 per capita in 2012 as shown in Table 10. This placed the county 5th among the 10 considered. General expenditures ranged from $66 per capita in Crawford County to $170 in Douglas County. General spending per capita averaged $104 for the 10 counties and $242 for all Kansas counties.

In real terms, per capita general expenditures in Riley County grew 9.3 percent from 2008 to 2012. Of the 10 counties considered, only Douglas County saw a larger increase, 23.2 percent. Sedgwick County's per capita general expenditures fell the most, 43.7 percent. Again, changes in local accounting procedures and capital improvement projects largely explain major shifts over time.

Table 10. Real Per Capita General Expenditures, 2008 and 2012

County	2008 (2012$)	2012	Percent Change
Butler	100	91	-8.9%
Crawford	69	66	-3.3%
Douglas	138	170	23.2%
Geary	130	116	-10.7%
Leavenworth	161	125	-22.3%
Reno	84	81	-3.7%
Riley	**92**	**101**	**9.3%**
Saline	92	88	-4.6%
Sedgwick	229	129	-43.7%
Shawnee	107	69	-35.8%
10-County Average	120	104	-13.8%
Kansas County Average	256	242	-5.7%

Total Revenues

As with total expenditures, total county revenues provide an indication of the extent of county operations. Revenues may vary across counties for a variety of reasons. These include differences in the level or mix of services offered and the ability of county government to generate revenue.

Table 11 shows total revenues per capita in 2008 and 2012 for each of the 10 counties. In 2012, revenues ranged from $460 in Riley County to $754 in Shawnee County. Revenues per capita averaged $622 in 2012 for the 10 counties and $1,534 for all Kansas counties.

Riley County was one of five of the 10 counties considered to experience an increase in total revenues per capita over the period, 8.2 percent. Douglas County saw the greatest increase, 14.2 percent, whereas Geary County had the most significant decrease, 11.2 percent. On average, the 10 counties experienced a loss of 2.1 percent and the average Kansas county increased 7.0 percent.

Table 11. Real Per Capita Total Revenue, 2008 and 2012

County	2008 (2012$)	2012	Percent Change
Butler	638	698	9.5%
Crawford	585	522	-10.9%
Douglas	500	571	14.2%
Geary	756	671	-11.2%
Leavenworth	562	521	-7.2%
Reno	721	729	1.1%
Riley	**425**	**460**	**8.2%**
Saline	536	544	1.5%
Sedgwick	841	748	-11.1%
Shawnee	787	754	-4.2%
10-County Average	635	622	-2.1%
Kansas County Average	1,433	1,534	7.0%

As with expenditures, we will focus on four types of revenues that are of considerable importance to the majority of Kansas counties. They are the property tax, other revenues, demand transfers, and the local sales tax. Property taxes are based on the assessed valuation of real and tangible personal property. Certain types of property, such farm machinery and equipment, are exempt. Other revenues consist of all revenue in the county budget that does not fall into one of the other categories in the database. This includes bond proceeds and debt, grants, user fees, and miscellaneous revenues. Demand transfer revenues include three types of funds: Local Ad Valorem Tax Reduction (LAVTR), City and County Revenue Sharing, and Special Highway. LAVTR and City County Revenue Sharing funds had been allocated to counties using a formula that depends 65 percent on the county's population and 35 percent on its tangible assessed valuation for the preceding year. This report represents the time in which these two sources of revenue were being phased out. City and County Revenue Sharing was eliminated in 2004 and LAVTR was phased out by 2005. Special highway funds are transferred semiannually from the state treasury and depend on vehicle license fee collections, average daily vehicle

miles traveled, and the number of road miles in each county. Kansas counties may independently levy sales taxes up to a maximum of 2 percent, 1 percent of which may be used for general purposes. Property tax, sales tax, special highway, and other revenues accounted for 88.2 percent of total revenues in Riley County for 2012. They ranged from 83.2 percent in Butler County to 91.1 percent in Reno County and averaged 88.3 percent of total expenditures for the 10 counties.

As shown in Table 12, property taxes represented the largest proportion of Riley County's revenue in 2012, 49.7 percent. This is not particularly surprising as Kansas counties as a whole tend to remain highly dependent on the property tax. In fact, property taxes accounted for 55.6 percent of revenues in the average Kansas county in 2012. Increasing public dissatisfaction with the property tax has forced many counties to seek alternative revenue sources in recent years. Reductions in state shared revenues, however, have left many local governments with few alternatives to the property tax. In 2012, property taxes in the 10 counties ranged from 32.1 percent of revenues in Sedgwick County to 62.0 percent in Douglas County and averaged 47.9 percent among the 10 counties.

Other revenues represented 24.5 percent of Riley County's total revenue for the year 2012. This was slightly higher than the Kansas county average, 23.0 percent. Other revenues ranged from 13.3 percent of total revenues in Douglas County to 50.2 percent in Sedgwick County. The 10-county average was 27.7 percent. In many cases where other revenues represent a particularly large proportion of total revenues, bond proceeds are responsible.

In 2012, revenues from demand transfers represented 2.8 percent of total revenues in Riley County. For the 10 counties, the proportion ranged from 1.2 percent in Sedgwick County to 4.9 percent in Butler County. Demand transfers averaged 3.2 percent of total revenues for the 10 counties and 2.9 percent for all Kansas counties.

County sales tax revenues represented 11.2 percent of total revenues in Riley County in 2012. Among the 10 counties, the proportion ranged from 0.0 percent of total revenues in Butler County to 13.5 percent in Saline County and averaged 9.5 percent.

Table 12. Major Revenue Sources as a Proportion of Total Revenue, 2012

	Percentage of Total Revenue			
County	**Property Tax**	**Other Revenue**	**Demand Transfers**	**Sales Tax**
Butler	44.9%	33.5%	4.9%	0.0%
Crawford	52.6%	17.8%	4.5%	10.5%
Douglas	62.0%	13.3%	3.3%	9.0%
Geary	44.4%	24.7%	2.8%	13.1%
Leavenworth	51.7%	23.3%	3.7%	7.4%
Reno	40.3%	38.3%	3.3%	9.2%
Riley	**49.7%**	**24.5%**	**2.8%**	**11.2%**
Saline	55.1%	14.3%	4.1%	13.5%
Sedgwick	32.1%	50.2%	1.2%	6.8%
Shawnee	46.0%	37.0%	1.7%	5.2%
10-County Average	47.9%	27.7%	3.2%	9.5%
Kansas County Average	55.6%	23.0%	2.9%	8.6%

Property Tax Revenues

As shown in Table 13, Riley County received $229 per capita from property taxes in 2012. Of the 10 counties included in the report, this was the lowest. Douglas County had the highest property tax revenue at $354. Property taxes per capita may differ across counties because they have a different amount of property available to tax or because the rate at which they tax property varies. Riley County's low value is likely due to a combination of the two factors. It had the 3rd smallest per capita assessed valuation in 2012 and taxed property at a relatively low rate when compared to the other counties considered (see Table A1 in the Appendix for mill levy data.). Thus, it is not particularly surprising that the county placed 10th among the 10 counties in property taxes per capita for the year.

Property taxes per capita increased from 2008 to 2012 in 7 of the 10 counties considered. Douglas County had the largest increase, 14.7 percent, and Sedgwick the largest decrease, 9.8 percent. Riley County experienced a 5.9 percent increase in property tax collections per capita over the period. The increase in property taxes per capita averaged 4.0 percent increase for the 10 counties and a 8.7 percent increase for all Kansas counties.

Table 13. Real Per Capita Property Tax Revenue, 2008 and 2012

County	2008 (2012$)	2012	Percent Change
Butler	320	313	-2.2%
Crawford	273	274	0.4%
Douglas	309	354	14.7%
Geary	311	298	-3.9%
Leavenworth	235	270	14.6%
Reno	280	293	4.9%
Riley	**216**	**229**	**5.9%**
Saline	264	300	13.7%
Sedgwick	266	240	-9.8%
Shawnee	332	347	4.4%
10-County Average	281	292	4.0%
Kansas County Average	829	901	8.7%

Other Revenues

Other revenues generated $113 per capita in Riley County in 2012 as shown in Table 14. Of the 10 counties, Sedgwick County had the greatest other revenues per capita, $376. Douglas County received the least other revenues per capita, $76. On average, the 10 counties received $181 per capita in other revenues. The Kansas county average was significantly higher, $344.

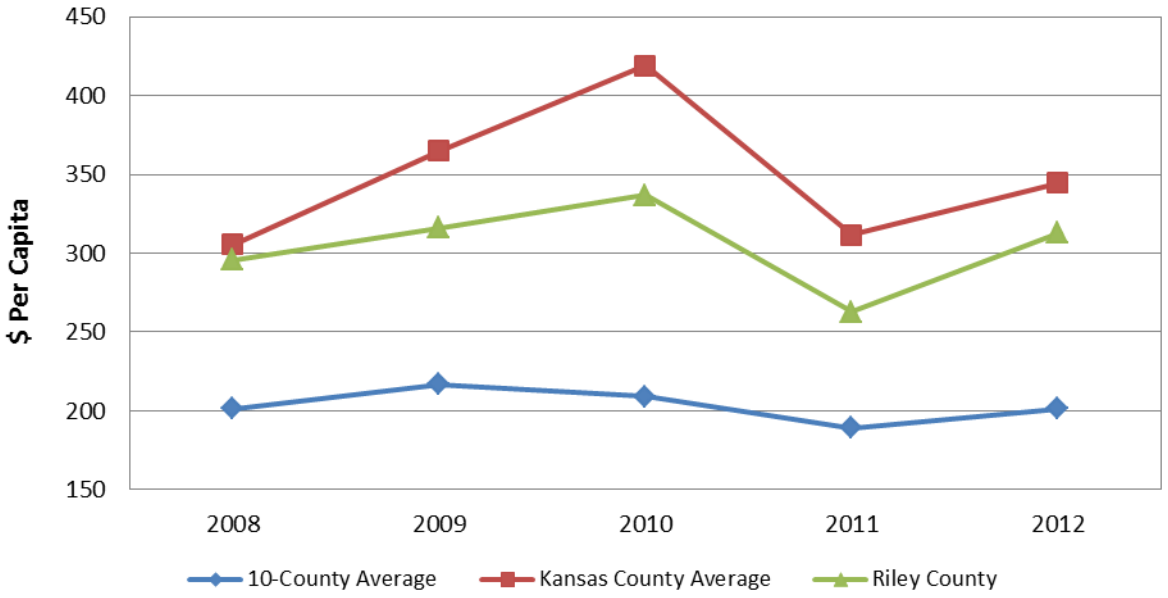
Other revenues per capita increased 41.5 percent in Riley County from 2008 to 2012. Of the 10 counties, Douglas County experienced the largest increase in other revenues per capita over the period, 67.2 percent. Other revenues per capita declined in 5 of the 10 counties from 2008 to 2012. Crawford County had the largest decline, 35.3 percent. Given the nature of the other revenues category, it is greatly affected by bonds, grants, and other one time or short-term revenue sources.

Table 14. Real Per Capita Other Revenue, 2008 and 2012

County	2008 (2012$)	2012	Percent Change
Butler	187	234	25.2%
Crawford	143	93	-35.3%
Douglas	45	76	67.2%
Geary	188	166	-11.8%
Leavenworth	180	122	-32.6%
Reno	238	279	17.2%
Riley	**80**	**113**	**41.5%**
Saline	84	78	-7.2%
Sedgwick	359	376	4.7%
Shawnee	295	279	-5.4%
10-County Average	180	181	0.8%
Kansas County Average	306	344	12.7%

To get a better sense of trends over time, Figure 2 presents other revenues per capita from 2008 through 2012 for Riley County as well as both the 10-county and Kansas county averages. The figure illustrates that over time other revenues are becoming a somewhat more important source of revenues for county governments in Kansas. As explained above, temporary note proceeds likely explain the fluctuations in Riley County.

Figure 2. Real Per Capita Other Revenues, 2008-2012



Demand Transfer Revenues

As shown in Table 15, Riley County received $13 per capita in demand transfers from the state in 2012. Of the 10 counties considered, demand transfers per capita ranged from $9 per capita in Sedgwick County to $34 in Butler County. Recall that a number of factors affect demand transfers including the county's population, tangible assessed valuation, number of road miles, average daily vehicle miles traveled, and vehicle license fee collections. As LAVTR and City and County Revenue Sharing have been eliminated, special highway funds wholly account for demand transfers in 2012.

Per capita demand transfers in Riley County fell 18 percent from 2008 to 2012. Sedgwick County experienced the greatest decrease, 23.2 percent. Butler County experienced the largest increase in per capita demand transfers, 36.8 percent. On average, the 10 counties experienced a decrease of 2.8 percent and the average Kansas County declined 13.2 percent.

Table 15. Real Per Capita Demand Transfers, 2008 and 2012

County	2008 (2012$)	2012	Percent Change
Butler	25	34	36.8%
Crawford	27	23	-13.2%
Douglas	16	19	20.0%
Geary	24	19	-21.1%
Leavenworth	19	19	4.4%
Reno	27	24	-10.9%
Riley	**16**	**13**	**-18.0%**
Saline	27	22	-16.3%
Sedgwick	11	9	-23.2%
Shawnee	10	13	27.1%
10-County Average	20	20	-2.8%
Kansas County Average	63	55	-13.2%

Sales Tax Revenues

Table 16 shows the real per capita sales tax revenues and tax rates. Of the 10 counties levying a sales tax, revenues ranged from $30 per capita in Butler County to $88 in Geary County. Riley County's per capita sales tax revenues were $51. The amount of sales taxes generated per capita also reflects the health of the county's retail sector and the extent to which it is a regional trade center. Sales tax revenues per capita averaged $54 for the 10 counties and $78 for the average Kansas county.

Per capita sales tax revenues increased 3.8 percent in Riley County from 2008 to 2012. Douglas County experienced the largest increase, 4.1 percent. Sedgwick County saw the largest decrease in its sales tax revenues 44.8 percent.

Table 16. Real Per Capita Sales Tax[1] and Sales Tax Rates, 2008 and 2012

	2008		2012		Percent
County	**(2012$)**	**Rate**		**Rate**	**Change**
Butler	0	0.00%	30	0.25%	-
Crawford	58	1.00%	55	1.00%	-5.6%
Douglas	49	1.00%	51	1.00%	4.1%
Geary	105	1.25%	88	1.25%	-16.2%
Leavenworth	37	1.00%	39	1.00%	3.5%
Reno	71	1.00%	67	1.00%	-5.3%
Riley	**49**	**1.00%**	**51**	**1.00%**	**3.8%**
Saline	76	1.00%	73	1.00%	-3.6%
Sedgwick	93	1.00%	51	1.00%	-44.8%
Shawnee	44	1.15%	39	1.15%	-11.0%
10-County Average	65		54		-15.9%
Kansas County Average	68		78		14.6%

[1] The sales tax collections reported above may be influenced by rate changes between the time periods in this study.

Summary

Of the 10 counties in this study, Riley County had the lowest per capita expenditures and revenues in 2012. In real per capita terms, both expenditures and revenues increased somewhat from 2008. Riley County spent slightly less than the 10-county average on road and bridge expenditures. The County spent the least among its peers on public safety due to the consolidation of the county and city law enforcement. Its employee benefits expenditures per capita were lower than the 10-county average. General fund expenditures were only slightly lower than the 10-county average, but considerably below the Kansas county average. Of the 10 counties, Riley County had the lowest property tax revenues per capita in 2012. Both the county's relatively low mill levy and assessed valuation likely explain this result. Of the 10 counties, Riley County ranked below the 10-county average in other revenues, demand transfers, and sales tax.

Again, there are a variety of reasons why expenditures and revenues may differ across counties. Examples include differences in the level or mix of services offered, organizational structures, accounting practices, and capital investments. While we pointed out differences we observed across counties throughout the report, readers should still use caution when making comparisons. Local officials must ultimately determine whether the county's revenue and expenditure patterns reflect the needs and priorities they have identified.

Conclusion

This report is provided as a service of the Office of Local Government and your county Extension program, and represents our commitment to develop information resources of use to local officials and the citizens of Kansas. The Office of Local Government provides information on public issues such as the financing and delivery of public services, but does not recommend or advocate any particular spending or financing priorities. The information presented is intended to serve as a starting point in helping policy makers and citizens discuss tax and public finance issues and make informed choices.

Appendix

Regional Classification[1]

Northwest	Northcentral	Northeast	Southwest	Southcentral	Southeast
Cheyenne	Cloud	Atchison	Clark	Barber	Allen
Decatur	Ellis	Brown	Finney	Barton	Anderson
Gove	Ellsworth	Clay	Ford	Comanche	Bourbon
Graham	Jewell	Dickinson	Grant	Edwards	Butler
Logan	Lincoln	Doniphan	Gray	Kingman	Chase
Norton	Mitchell	Douglas	Greeley	Kiowa	Chautauqua
Rawlins	Osborne	Franklin	Hamilton	Harper	Cherokee
Sheridan	Ottawa	Geary	Haskell	Harvey	Coffey
Sherman	Phillips	Jackson	Hodgeman	McPherson	Cowley
Thomas	Republic	Jefferson	Kearny	Pawnee	Crawford
Trego	Rooks	Johnson	Lane	Pratt	Elk
Wallace	Russell	Leavenworth	Meade	Reno	Greenwood
	Saline	Marshall	Morton	Rice	Labette
	Smith	Miami	Ness	Rush	Linn
		Morris	Scott	Sedgwick	Lyon
		Nemaha	Seward	Stafford	Marion
		Osage	Stanton	Sumner	Montgomery
		Pottawatomie	Stevens		Neosho
		Riley	Wichita		Wilson
		Shawnee			Woodson
		Wabaunsee			
		Washington			

[1] Source: K-State Research and Extension

Table A1. County Mill Levy[1] on Tangible Property Valuation[2], 2012

County	2012
Butler	35.273
Crawford	49.816
Douglas	35.769
Geary	52.205
Leavenworth	36.514
Reno	38.582
Riley	**35.401**
Saline	34.823
Sedgwick	29.447
Shawnee	44.196

[1] This is the average rate in dollars on each one-thousand dollars assessed valuation.
[2] Source: League of Kansas Municipalities

Table A2. Per Capita Demand Transfers by Component, 2012

County	LAVTR	City/County Revenue Sharing	Special Highway
Butler	0.00	0.00	34.19
Crawford	0.00	0.00	23.45
Douglas	0.00	0.00	18.76
Geary	0.00	0.00	18.91
Leavenworth	0.00	0.00	19.44
Reno	0.00	0.00	24.37
Riley	**0.00**	**0.00**	**12.93**
Saline	0.00	0.00	22.47
Sedgwick	0.00	0.00	8.82
Shawnee	0.00	0.00	12.55

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