

office of
Local Government
K-State Research and Extension

and



Provided as a service of the Riley County Extension Office

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 2008 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 2008. 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, Finney, Leavenworth, Lyon, Reno, Saline, 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 7 counties smaller than Riley County and 2 larger. As we might expect, based on population, Riley County ranks somewhere near the top in terms of personal income (3rd). Other measurements for Riley County were lower than might otherwise be expected: total expenditures (8th), total revenues (7th), and tangible assessed valuation (7th). Still, the counties selected are roughly equivalent, although Shawnee 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, 2008

County¹	Geographic Area	Population²	2007 Personal Income (2008\$)³	Assessed Valuation⁴	Total Revenues	Total Expenditures
Shawnee	Northeast	174,142	6,280,010,740	1,513,306,931	129,370,672	122,552,256
Douglas	Northeast	114,748	3,558,626,868	1,133,222,409	54,117,214	54,487,252
Riley	Northeast	71,069	2,479,203,226	475,399,576	28,532,939	26,748,243
Leavenworth	Northeast	69,747	2,362,303,541	560,310,770	36,978,742	40,234,190
Butler	Southeast	62,289	2,257,404,272	587,449,977	37,487,257	35,867,816
Reno	South Central	61,707	1,882,830,463	486,661,796	41,966,524	42,221,852
Saline	North Central	54,657	1,948,038,033	518,758,928	27,644,542	28,902,320
Finney	Southwest	40,998	1,015,272,258	475,127,875	35,380,665	33,745,703
Crawford	Southeast	38,868	1,065,746,970	239,635,065	21,472,761	21,854,505
Lyon	Southeast	35,562	937,448,335	233,295,959	21,311,780	22,685,159
10-County Average		72,379	2,378,688,471	622,316,929	43,426,310	42,929,930
Kansas County Average		25,357	968,421,814	275,613,823	21,247,084	20,833,330

¹ Counties represent those most similar in population to Riley County.

² Population data are Census Bureau estimates for 2008. For counties with a federal or state correctional facility, values are adjusted downward by the corresponding annual inmate population.

³ Personal income data is from the Bureau of Economic Analysis' Regional Economic Information System.

⁴ 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 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 2004 and 2008 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 2008 dollars (2008\$) using the Personal Consumption Expenditures (PCE) chain price index. Actual and real amounts are equal in the base year (2008). 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 (2004 or 2008) 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, Lyon County was the smallest of the 10 counties in 2008 with a population of 35,562, and Shawnee County was the largest with a population of 174,142. Riley County had a population of 71,069. The 10-county average was similar at 72,379, while the Kansas county average was considerably smaller, 25,357.

Population growth from 2004 to 2008 ranged from a decline of 0.4 percent in Lyon County to an increase of 12.7 percent in Riley County. This was considerably greater than both the 10-county average growth of 3.9 percent and the Kansas county average decrease of 3.3 percent.

Table 2. Population¹, 2004 and 2008

County	2004	2008	Percent Change
Shawnee	171,045	174,142	1.8%
Douglas	102,786	114,748	11.6%
Riley	63,069	71,069	12.7%
Leavenworth	67,797	69,747	2.9%
Butler	60,536	62,289	2.9%
Reno	61,832	61,707	-0.2%
Saline	53,943	54,657	1.3%
Finney	39,271	40,998	4.4%
Crawford	38,060	38,868	2.1%
Lyon	35,717	35,562	-0.4%
10-County Average	69,406	72,379	3.9%
Kansas County Average	24,689	25,357	-3.3%

¹ The U.S. Census Bureau's county population estimates are the source of population data for both 2004 and 2008. 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.

Finney County had the lowest per capita personal income of the 10 counties in the study area for 2007, \$24,895, as shown in Table 3. Shawnee County had the highest, \$36,249. Riley County had a per capita income of \$35,786. Per capita incomes averaged \$31,563 for the 10 counties and \$31,938 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 all of the 10 counties in the study period from 2004 to 2007. Riley County had the largest increase, 21.3 percent. On average, per capita personal income in the 10 counties grew 7.0 percent and 11.6 percent in the state.

Table 3. Real Per Capita Personal Income¹, 2004 and 2007

County	2004 (2008\$)	2007 (2008\$)	Percent Change
Shawnee	34,290	36,249	5.7%
Butler	32,955	35,901	8.9%
Riley	29,509	35,786	21.3%
Saline	32,811	35,769	9.0%
Leavenworth	31,018	32,137	3.6%
Douglas	29,708	31,381	5.6%
Reno	28,708	29,844	4.0%
Crawford	26,052	27,516	5.6%
Lyon	25,823	26,152	1.3%
Finney	23,717	24,895	5.0%
10-County Average	29,459	31,563	7.0%
Kansas County Average	28,711	31,938	11.6%

¹ Personal income data is from the Bureau of Economic Analysis' Regional Economic Information System. Data for 2008 is not yet available.

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, Finney County had the highest per capita assessed valuation in 2008, \$11,589. Crawford County had the lowest, \$6,165. Of the 10 counties in the study, Riley County had the 3rd smallest per capita assessed valuation in 2008, \$6,689. The 10-county average of \$8,411 per capita was more than \$6,000 less than the Kansas county average, \$14,856.

Each of the 10 counties experienced an increase in the valuation per capita from 2004 to 2008. Butler County experienced the greatest growth at 30.4 percent and Reno County experienced the smallest growth at 0.1 percent. Riley County experienced a growth in real per capita assessed valuation of 18.3 percent. On average, the valuation per capita in the 10 counties grew 9.1 percent from 2004 to 2008. Meanwhile, the average Kansas county experienced growth of 15.5 percent.

Table 4. Real Per Capita Assessed Valuation¹, 2004 and 2008

County	2004 (2008\$)	2008	Percent Change
Finney	10,543	11,589	9.9%
Douglas	9,790	9,876	0.9%
Saline	9,022	9,491	5.2%
Butler	7,234	9,431	30.4%
Shawnee	8,508	8,690	2.1%
Leavenworth	6,874	8,033	16.9%
Reno	7,879	7,887	0.1%
Riley	5,656	6,689	18.3%
Lyon	6,329	6,560	3.7%
Crawford	5,942	6,165	3.8%
10-County Average	7,778	8,441	9.1%
Kansas County Average	12,486	14,856	15.5%

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 2004 and 2008 for each of the 10 counties. Expenditures ranged from \$823.11 per capita in Finney County to \$376.37 in Riley County for 2008. Total expenditures averaged \$594.40 per capita for the 10 counties. The Kansas county average was significantly higher, \$1,338.14.

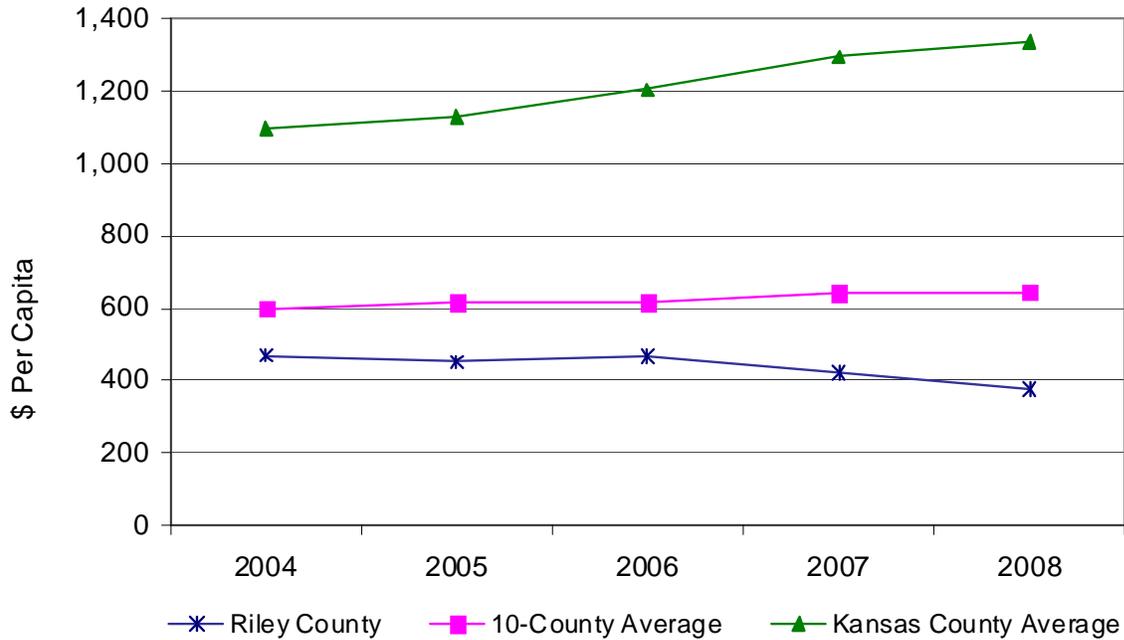
Total expenditures per capita grew in 9 of the 10 counties. Riley County was the only county to experience a decrease in per capita total expenditures (20.0%). The decrease in expenditures is likely due to the end of the law enforcement center project. Reno County experienced the greatest increase, 24.1 percent. This is largely due to an increase in solid waste expenditures. On average, real total expenditures per capita in the 10 counties grew 6.7 percent. This compared to growth of 20.5 percent in the average Kansas county.

Table 5. Real Per Capita Total Expenditures, 2004 and 2008

County	2004 (2008\$)	2008	Percent Change
Finney	754.55	823.11	9.1%
Shawnee	606.70	703.75	16.0%
Reno	551.43	684.23	24.1%
Lyon	625.75	637.90	1.9%
Leavenworth	558.57	576.86	3.3%
Butler	492.23	575.83	17.0%
Crawford	547.94	562.28	2.6%
Saline	497.42	528.79	6.3%
Douglas	445.75	474.84	6.5%
Riley	470.22	376.37	-20.0%
10-County Average	555.06	594.40	6.7%
Kansas County Average	1,096.92	1,338.14	20.5%

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 decreased between 2004 and 2008 for Riley County. The 10-county average has shown a slight growth and the Kansas county average grew consistently during the time period.

Figure 1. Real Per Capita Total Expenditures, 2004-2008



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 Kansas Fiscal 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 63.8 percent of Riley County's total expenditures in 2008. They ranged from 84.2 percent of total expenditures in Saline County to 57.6 percent in Shawnee County and averaged 68.2 percent of total expenditures for the 10 counties.

Road and bridge expenditures represented 18.6 percent of Riley County's spending in 2008 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 16.1 percent. Road and bridge expenditures varied as a proportion of total expenditures across the 10 counties, representing as little as 5.9 percent of total spending in Shawnee County and as much as 27.5 percent in Saline County in 2008.

Table 6. Major Expenditure Categories as a Proportion of Total Expenditures, 2008

County	% of Total Expenditures			
	Road & Bridge	Public Safety	Employee Benefits	General
Butler	16.3%	22.9%	11.3%	16.3%
Crawford	14.7%	20.2%	12.5%	11.5%
Douglas	9.2%	26.6%	15.5%	27.4%
Finney	11.2%	26.2%	12.0%	13.0%
Leavenworth	16.3%	19.3%	10.8%	26.3%
Lyon	26.8%	27.1%	0.0%	20.4%
Reno	14.0%	24.4%	12.2%	11.5%
Riley	18.6%	13.9%	8.2%	23.1%
Saline	27.5%	28.0%	12.3%	16.5%
Shawnee	5.9%	30.7%	6.7%	14.3%
10-County Average	16.1%	23.9%	10.2%	18.0%
Kansas County Average	25.3%	15.4%	12.3%	16.9%

In 2008, spending on public safety accounted for 13.9 percent of total spending in Riley County; this is the lowest proportion of total expenditures among the 10 counties included. The low percentage of total expenditures is due to Riley County and the city of Manhattan sharing the expense of local law enforcement. Public safety represented the highest proportion of total expenditures in Shawnee County, 30.7 percent. The 10-county average was 23.9 percent and the Kansas county average was lower at 15.4 percent. Public safety expenditures may differ across counties because they offer a different range or level of public safety related services.

Employee benefits represented 8.2 percent of Riley County's total expenditures in 2008. Employee benefits accounted for the lowest proportion of total spending in Lyon County, 0.0 percent, and the highest in Douglas County, 15.5 percent. The 10-county average was 10.2 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.

General expenditures accounted for 23.1 percent of total spending in Riley County in 2008. The highest proportion of total expenditures spent on general expenditures in the 10 counties was Douglas County, 27.4 percent. The lowest among the 10 counties was Crawford, with 11.5 percent of total expenditures being spent on general expenditures. The 10-county average was 18.0 percent, and the Kansas county average was slightly lower at 16.9 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. For example, in 2008 Douglas County made a large capital improvement expenditure, which helps explain why general expenditures accounted for such a large proportion of their total expenditures. 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 \$70.04 per capita in Riley County for 2008 as Table 7 shows. This represented the 3rd lowest level of per capita spending in the 10 counties considered. Lyon County had the highest level of per capita road and bridge spending in 2008, \$171.02, and Shawnee County the lowest, \$41.31. The 10-county average was \$93.04. The Kansas county average was considerably higher at \$340.25. Differences in the amount of spending across counties may reflect differences in the miles of roads the county is responsible for maintaining.

Per capita road and bridge spending rose in 8 of the 10 counties between 2004 and 2008. Riley County grew 18.0 percent. Per capita spending increased the most in Lyon County, 31.6 percent. The cause of this increase is an increase in commodity expenditures within the road and bridge fund. Finney County experienced the greatest decrease in per capita road and bridge expenditures, 19.8 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, 2004 and 2008

County	2004 (2008\$)	2008	Percent Change
Lyon	129.93	171.02	31.6%
Saline	134.91	145.27	7.7%
Reno	99.16	96.05	-3.1%
Leavenworth	83.07	94.12	13.3%
Butler	86.09	93.87	9.0%
Finney	114.92	92.11	-19.8%
Crawford	74.89	82.73	10.5%
Riley	59.38	70.04	18.0%
Douglas	38.54	43.83	13.7%
Shawnee	41.07	41.31	0.6%
10-County Average	86.19	93.04	8.1%
Kansas County Average	270.79	340.25	24.3%

Public Safety Expenditures

As shown in Table 8, Riley County spent \$52.25 per capita on public safety in 2008. This was the lowest level of per capita spending among the 10 counties and represented a 17.4 percent decrease in spending from 2004. It is important to remember that Riley County shares the expense for law enforcement with the city of Manhattan which could be a reason for the low expenditure.

In 2008, per capita public safety expenditures were highest in Shawnee County, \$216.15; averaged \$145.53 for the 10 counties and \$172.05 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 2004 to 2008, per capita public safety expenditures grew in 7 of the 10 counties considered with Riley County experiencing the largest decrease, 17.4 percent. This decrease is likely due to the decrease in expenditures spent on juvenile justice. The county that saw the largest increase in per capita public safety expenditures was Reno County, 29.9 percent. The increase is caused by the addition of several funds relating to jail and juvenile justice. Growth averaged 5.1 percent for the 10 counties and 28.2 percent for all Kansas counties.

Table 8. Real Per Capita Public Safety Expenditures, 2004 and 2008

County	2004 (2008\$)	2008	Percent Change
Shawnee	211.86	216.15	2.0%
Finney	218.86	216.06	-1.3%
Lyon	150.80	172.66	14.5%
Reno	128.50	166.86	29.9%
Saline	144.79	148.05	2.3%
Butler	119.23	132.03	10.7%
Douglas	124.25	126.27	1.6%
Crawford	118.91	113.71	-4.4%
Leavenworth	98.53	111.23	12.9%
Riley	63.22	52.25	-17.4%
10-County Average	137.89	145.53	5.1%
Kansas County Average	144.65	172.05	28.2%

Employee Benefits Expenditures

Riley County spent \$30.80 per capita on employee benefits in 2008 as shown in Table 9. This placed the county 9th and was considerably below the 10-county average, \$59.73. Spending in the 10 counties ranged from \$0.26 per capita in Lyon County to \$99.16 in Finney 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.

Per capita spending for employee benefits grew 6.5 percent in Riley County from 2004 to 2008. Only 2 of the 10 counties considered (Crawford and Lyon) had declines in per capita employee benefits spending over the period. Lyon County experienced the largest decline, 99.6 percent. This was likely caused by a change in accounting procedures that greatly reduced the expenditures from the General Fund. Saline County experienced the largest increase in employee benefits spending per capita from 2004 to 2008, 45.6 percent.

Table 9. Real Per Capita Employee Benefits, 2004 and 2008

County	2004 (2008\$)	2008	Percent Change
Finney	80.76	99.16	22.8%
Reno	72.69	83.51	14.9%
Douglas	66.30	73.43	10.7%
Crawford	76.81	70.41	-8.3%
Butler	56.38	65.27	15.8%
Saline	44.58	64.89	45.6%
Leavenworth	54.00	62.27	15.3%
Shawnee	0.00	47.30	
Riley	28.92	30.80	6.5%
Lyon	58.75	0.26	-99.6%
10-County Average	53.92	59.73	2.6%
Kansas County Average	138.13	162.70	18.0%

General Expenditures

Riley County's per capita general expenditures were \$87.02 per capita in 2008 as shown in Table 10. General expenditures ranged from \$151.97 per capita in Leavenworth County to \$64.86 in Crawford County. General spending per capita averaged \$103.20 for the 10 counties and \$242.37 for all Kansas counties.

In real terms, per capita general expenditures in Riley County rose 11.9 percent from 2004 to 2008. Of the 10 counties in this report, Douglas experienced the greatest increase, 66.0 percent. Capital improvements projects explain the increase in Douglas County per capita general expenditures. Finney County experienced the largest decrease, 8.4 percent. Again, changes in local accounting procedures and capital improvement projects largely explain major shifts over time.

Table 10. Real Per Capita General Expenditures, 2004 and 2008

County	2004 (2008\$)	2008	Percent Change
Leavenworth	125.59	151.97	21.0%
Douglas	78.40	130.15	66.0%
Lyon	141.80	129.89	-8.4%
Finney	117.27	107.38	-8.4%
Shawnee	88.46	100.85	14.0%
Butler	60.80	93.83	54.3%
Riley	77.76	87.02	11.9%
Saline	83.25	87.01	4.5%
Reno	60.48	79.02	30.6%
Crawford	64.06	64.86	1.2%
10-County Average	89.79	103.20	18.7%
Kansas County Average	173.79	242.37	37.6%

Total Revenues

As with per capita expenditures, per capita 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 2004 and 2008 for each of the 10 counties. In 2008, revenues ranged from \$862.99 in Finney County to \$401.48 in Riley County. Revenues per capita averaged \$594.86 in 2008 for the 10 counties and \$1,352.39 for all Kansas counties.

Riley County was one of the two counties to experience a decline in total revenues per capita over the period, 3.3 percent. On average, the 10 counties experienced a growth of 5.7 percent. Butler County had the most significant increase in revenues from 2004 to 2008, 20.9 percent.

Table 11. Real Per Capita Total Revenue, 2004 and 2008

County	2004 (2008\$)	2008	Percent Change
Finney	781.85	862.99	10.4%
Shawnee	628.92	742.90	18.1%
Reno	581.76	680.09	16.9%
Butler	497.94	601.83	20.9%
Lyon	573.56	599.29	4.5%
Crawford	543.10	552.45	1.7%
Leavenworth	605.01	530.18	-12.4%
Saline	505.35	505.78	0.1%
Douglas	471.43	471.62	0.0%
Riley	415.37	401.48	-3.3%
10-County Average	560.43	594.86	5.7%
Kansas County Average	1,113.27	1,352.39	19.4%

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 as farm machinery and equipment, are exempt. Other revenues consist of all revenues in the county budget that do not fall into one of the other categories in the database. This includes bond proceeds and debt, grants, user fees, and miscellaneous revenues. Previously, demand transfer revenues included three types of funds: Local Ad Valorem Tax Reduction (LAVTR), City and County Revenue Sharing, and Special Highway. LAVTR and City and County Revenue Sharing funds were allocated to counties using a formula that depended 65 percent on the county's population and 35 percent on its tangible assessed valuation for the preceding year. This report represents the time immediately following the phase out of these two revenue sources. 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 86.0 percent of total revenues in Riley County for 2008. They ranged from 91.0 percent in Finney County to 84.0 percent in Leavenworth County and averaged 85.9 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 2008, 50.8 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 54.6 percent of revenues in the average Kansas county in 2008. Increasing public dissatisfaction with the property tax has forced many counties to reduce reliance on it in recent years, however. In 2008, property taxes in the 10 counties ranged from 61.8 percent of revenues in Douglas County to 38.8 percent in Reno County.

Other revenues represented 19.9 percent of Riley County's total revenue for the year 2008. This was slightly lower than the Kansas county average, 21.9 percent. Other revenues ranged from 38.2 percent of total revenues in Shawnee County to 10.2 percent in Douglas County. The 10-county average was 24.7 percent. In many cases where other revenues represent a particularly large proportion of total revenues, bond proceeds are responsible.

In 2008, revenues from demand transfers represented 3.7 percent of total revenues in Riley County. For the 10 counties, the proportion ranged from 5.0 percent in Saline County to 1.3 percent in Shawnee County. Demand transfers averaged 3.6 percent of total revenues for the 10 counties and 4.7 percent for all Kansas counties.

County sales tax revenues represented 11.6 percent of total revenues in Riley County in 2008. Butler County was the only county in this report that did not have a county sales tax in place in 2008. Of comparison counties with a local sales tax, sales tax revenues ranged from 14.2 percent of total revenues in Saline County to 5.6 percent in Shawnee County with a 9-County average of 10.1 percent.

Table 12. Major Revenue Sources as a Proportion of Total Revenue, 2008

County	% of Total Revenue			
	Property Tax	Other Revenue	Demand Transfers	Sales Tax
Butler	50.2%	30.8%	3.9%	0.0%
Crawford	46.6%	24.5%	4.6%	9.9%
Douglas	61.8%	10.2%	3.1%	9.8%
Finney	47.5%	27.6%	3.3%	12.7%
Leavenworth	41.9%	32.1%	3.3%	6.6%
Lyon	55.8%	15.1%	3.9%	10.9%
Reno	38.8%	33.0%	3.8%	9.9%
Riley	50.8%	19.9%	3.7%	11.6%
Saline	49.2%	15.6%	5.0%	14.2%
Shawnee	42.2%	38.2%	1.3%	5.6%
10-County Average	48.5%	24.7%	3.6%	10.1%
Kansas County Average	54.6%	21.9%	4.7%	8.4%

Property Tax Revenues

As shown in Table 13, Riley County received \$203.99 per capita from property taxes in 2008. Of the 10 counties included in the report, this was the lowest. Finney County had the highest per capita property tax revenue at \$409.51. 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. Finney County's high per capita value, for example, is due to the large amount of property it has to tax, as evidenced by its large assessed valuation. 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 2008 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.

Riley County experienced a 6.8 percent increase in property tax collections per capita over the period. Property taxes per capita increased from 2004 to 2008 in 7 of the 10 counties considered. Butler County had the largest increase, 22.5 percent, and Leavenworth had the largest decrease, 19.5 percent. The change in Butler County is likely caused by a 34 percent increase in total assessed valuation. Leavenworth County decreased its mill levy in the time represented in this report, causing the change. The change in property taxes per capita averaged a 5.0 percent increase for the 10 counties and a 14.1 percent increase for all Kansas counties.

Table 13. Real Per Capita Property Tax Revenue, 2004 and 2008

County	2004 (2008\$)	2008	Percent Change
Finney	421.09	409.51	-2.8%
Lyon	297.54	334.59	12.5%
Shawnee	319.64	313.47	-1.9%
Butler	246.73	302.32	22.5%
Douglas	286.71	291.28	1.6%
Reno	234.52	264.09	12.6%
Crawford	222.25	257.57	15.9%
Saline	244.32	248.88	1.9%
Leavenworth	275.90	222.10	-19.5%
Riley	191.02	203.99	6.8%
10-County Average	273.97	284.78	5.0%
Kansas County Average	672.76	782.15	14.1%

Other Revenues

Other revenues generated \$79.77 per capita in Riley County in 2008 as shown in Table 14. Of the 10 counties, Shawnee County had the greatest other revenues per capita, \$283.52. Douglas County received the least other revenues per capita, \$48.33. On average, the 10 counties received \$153.48 per capita in other revenues. The Kansas county average was significantly higher, \$292.78.

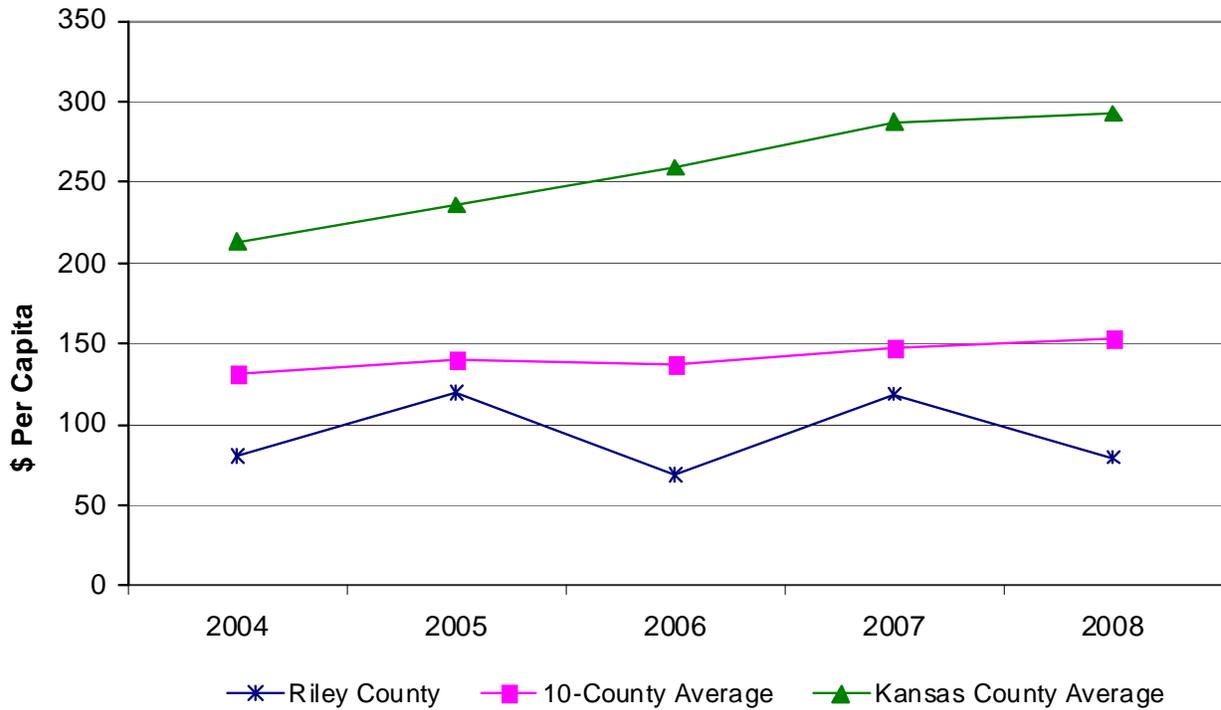
Other revenues per capita decreased 0.7 percent in Riley County from 2004 to 2008. Of the 10 counties, Shawnee County experienced the largest increase in other revenues per capita over the period, 46.0 percent. The addition of several funds relating to employee benefits lead to this increase. Other revenues per capita declined in 4 of the 10 counties from 2004 to 2008. Crawford County had the largest decline, 18.3 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, 2004 and 2008

County	2004 (2008\$)	2008	Percent Change
Shawnee	194.25	283.52	46.0%
Finney	171.02	238.49	39.5%
Reno	174.97	224.67	28.4%
Butler	137.93	185.14	34.2%
Leavenworth	159.77	170.26	6.6%
Crawford	165.35	135.16	-18.3%
Lyon	99.82	90.57	-9.3%
Riley	80.33	79.77	-0.7%
Saline	84.13	78.88	-6.2%
Douglas	45.96	48.33	5.2%
10-County Average	131.35	153.48	12.5%
Kansas County Average	213.12	292.78	45.2%

To get a better sense of trends over time, Figure 2 presents other revenues per capita from 2004 through 2008 for Riley County as well as both the 10- and Kansas county averages. The figure illustrates that over time other revenues are becoming a more important source of revenues for county governments in Kansas. Fluctuations in the Riley County data are due to bond proceeds and capital improvement projects.

Figure 2. Real Per Capita Other Revenues, 2004-2008



Demand Transfer Revenues

As shown in Table 15, Riley County received \$14.89 per capita in demand transfers from the state in 2008. Of the 10 counties considered, demand transfers per capita ranged from \$28.33 per capita in Finney County to \$9.32 in Shawnee 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 2008. See Table A2 in the Appendix for a breakdown of demand transfers by component.

Per capita demand transfers in Riley County fell 15.2 percent from 2004 to 2008, the greatest decrease of the 10 counties in the report. Finney County experienced the largest increase, 8.6 percent. This was caused by a decrease in Special Highway revenues in 2003 and 2004. By 2005, and through 2008, these revenues climbed back to the level expected based on pre-2003 data. On average, the 10 counties experienced a decrease of 5.5 percent.

Table 15. Real Per Capita Demand Transfers, 2004 and 2008

County	2004 (2008\$)	2008	Percent Change
Finney	26.09	28.33	8.6%
Reno	30.11	25.81	-14.3%
Crawford	27.92	25.51	-8.6%
Saline	29.05	25.34	-12.8%
Butler	25.12	23.59	-6.1%
Lyon	26.61	23.55	-11.5%
Leavenworth	17.10	17.58	2.8%
Riley	17.57	14.89	-15.2%
Douglas	15.10	14.75	-2.3%
Shawnee	8.96	9.32	3.9%
10-County Average	22.36	20.87	-5.5%
Kansas County Average	62.63	59.48	-5.6%

Sales Tax Revenues

Table 16 shows the real per capita sales tax revenues and tax rates. Riley County per capita sales tax revenues were \$46.72 in 2008. Recall that one of the counties (Butler) did not levy a local sales tax. Of the counties levying such a tax, revenues ranged from \$109.26 per capita in Finney County to \$35.16 in Leavenworth County. 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 \$59.81 for the 9 counties levying a local sales tax.

Per capita sales tax revenues declined 29.7 percent in Riley County from 2004 to 2008. While the sales tax rate did not change in the county, a change in accounting practices caused the decrease. Douglas, Leavenworth, Lyon, and Saline counties also experienced declines in per capita sales tax revenues over the period. The decline in Leavenworth County was the most significant among the counties considered, 34.4 percent. Shawnee County experienced the largest increase, 83.0 percent. This increase is primarily due to the county increasing its local sales tax rate from 0.90 percent to 1.15 percent at the start of 2005. A similar increase in Finney County, from 0.75 percent to 0.90 percent in 2008, may help explain its 37.8 percent increase.

Table 16. Real Per Capita Sales Tax and Sales Tax Rates, 2004 and 2008

County	2004		2008		Percent Change
	(2008\$)	Rate		Rate	
Finney	79.28	0.75%	109.26	0.90%	37.8%
Saline	72.02	1.00%	71.96	1.00%	-0.1%
Reno	63.13	1.00%	67.00	1.00%	6.1%
Lyon	66.02	0.50%	65.38	0.50%	-1.0%
Crawford	52.75	1.00%	54.72	1.00%	3.7%
Riley	66.46	1.00%	46.72	1.00%	-29.7%
Douglas	51.74	1.00%	46.43	1.00%	-10.3%
Shawnee	22.75	0.90%	41.62	1.15%	83.0%
Leavenworth	53.58	1.00%	35.16	1.00%	-34.4%
Butler	0.00	0.00%	0.00	0.00%	0.0%
10-County Average	58.64		59.81		6.1%
Kansas County Average	48.21		68.00		55.8%

Summary

Of the 10 counties in this study, Riley County had one of the largest populations. Recently, the County has experienced noticeable growth in the population. Also, Riley County had one of the highest personal income figures and per capita personal income figures.

Riley County had the lowest per capita expenditures of the group of peers in 2008. In real per capita terms, expenditures decreased significantly over the timeframe of this report. The County experienced a growth in per capita road and bridge expenditures, but the expenditures were still below the 10-county average. Of the 10 counties, Riley County spent the least on per capita public safety; its expenditures were only 36 percent of the 10-county average and 30 percent of the average Kansas county. This is due to the consolidation of county and city law enforcement. The per capita employee benefit expenditures for Riley County increased, but were still approximately half of the 10-county average expenditures. Per capita general expenditures also increased, but were still below the 10-county average.

In 2008, Riley County had the lowest per capita revenues of the 10 counties in this report. In real per capita terms, revenues decreased slightly. Of the 10 counties, Riley County had the lowest property tax revenues per capita in 2008. Both the county's relatively low mill levy and assessed valuation likely explain this result. Real per capita other revenues decreased slightly between 2004 and 2008. The revenue amount was just over half the 10-county average per capita revenues. Like almost all of the other counties in this report, Riley County's demand transfer revenues decreased. Riley County per capita demand transfer revenues were below the 10-county average. In real per capita terms, Riley County experienced a decrease in sales tax revenues, and was somewhat below the 10-county average.

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, efficiency in the delivery of services, 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

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 Levy¹ on
Tangible Property Valuation², 2008**

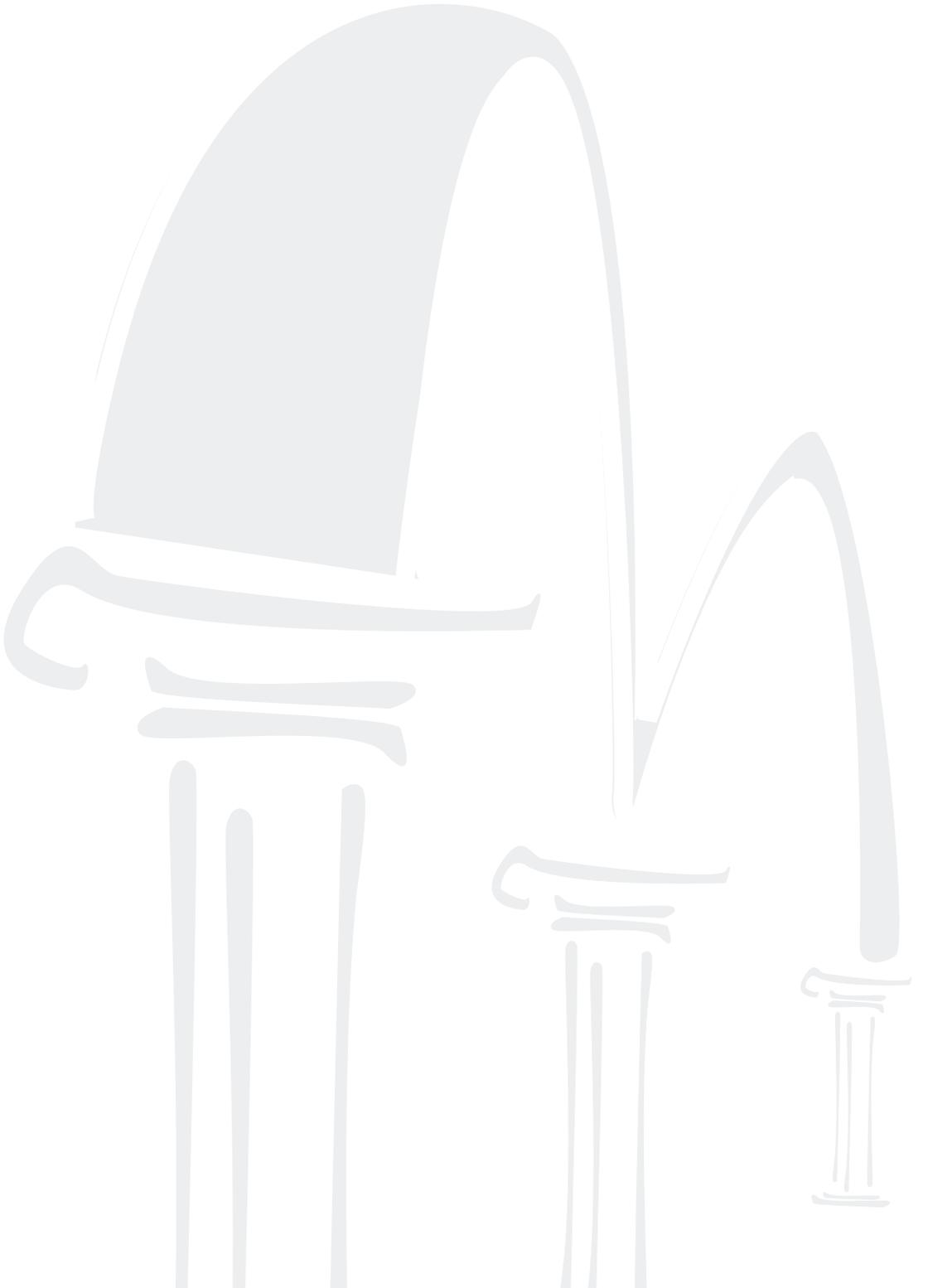
County	2008
Butler	36.434
Crawford	45.234
Douglas	32.820
Finney	36.326
Leavenworth	31.560
Lyon	46.437
Reno	37.193
Riley	30.030
Saline	29.347
Shawnee	40.117

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, 2008

County	LAVTR	City and County Revenue Sharing	Special Highway
Butler	0.00	0.00	23.59
Crawford	0.00	0.00	25.51
Douglas	0.00	0.00	14.75
Finney	0.00	0.00	28.33
Leavenworth	0.00	0.00	17.58
Lyon	0.00	0.00	23.55
Reno	0.00	0.00	25.81
Riley	0.00	0.00	14.89
Saline	0.00	0.00	25.34
Shawnee	0.00	0.00	9.32



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