

County Government
Financial Trends Report
for
Kay County

Requested by

Kay County Officers

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County Government Financial Trends Report for Kay County

Introduction

The financial trends of Kay County government are reviewed in this report.¹ The review covers fiscal years 1992-2004. General Fund total revenues and expenditures are presented in nominal (actual) and real (inflation adjusted²) dollars. General Fund expenditure accounts are delineated. General Fund expenditures are also reported per capita to give an estimate of the average cost of county services for each citizen. Assessed values of real, personal, and public service property classes are presented, as well as, other sources of General Fund revenues.

Total Road Cash Fund revenues and expenditures are presented in actual and inflation adjusted dollars. Trends in the primary revenue sources are analyzed. Road expenditures per mile of road are reported in order to aid analysis of the cost of providing and maintaining county roads.

Summary and Conclusions

- **General Fund revenues** rose 67.70% between fiscal years 1992 and 2004. At the same time, prices (inflation) increased 24.93% (as measured by the GDP implicit price deflator).
- **General Fund expenditures** rose 53.51% overall.

General Fund property tax revenues rose 28.84% over the period. Ad valorem revenues made up 57% of General Fund revenues in fiscal year 2004. General Fund revenues from “all other sources” increased 189.26% over the study period, primarily due to accounting practices with regard to FEMA, court clerk, and workers compensation funds.

- **Road Funds revenues** grew 98.32% between fiscal years 1992 and 2004.
- **Road Funds expenditures** grew 79.04% from 1992 to 2004. This is more than the 24.93% inflation. Expenditures per mile of road rose by 81.98%.

Road Funds revenues from gasoline, diesel, motor vehicle, and gross production fees rose faster than inflation.

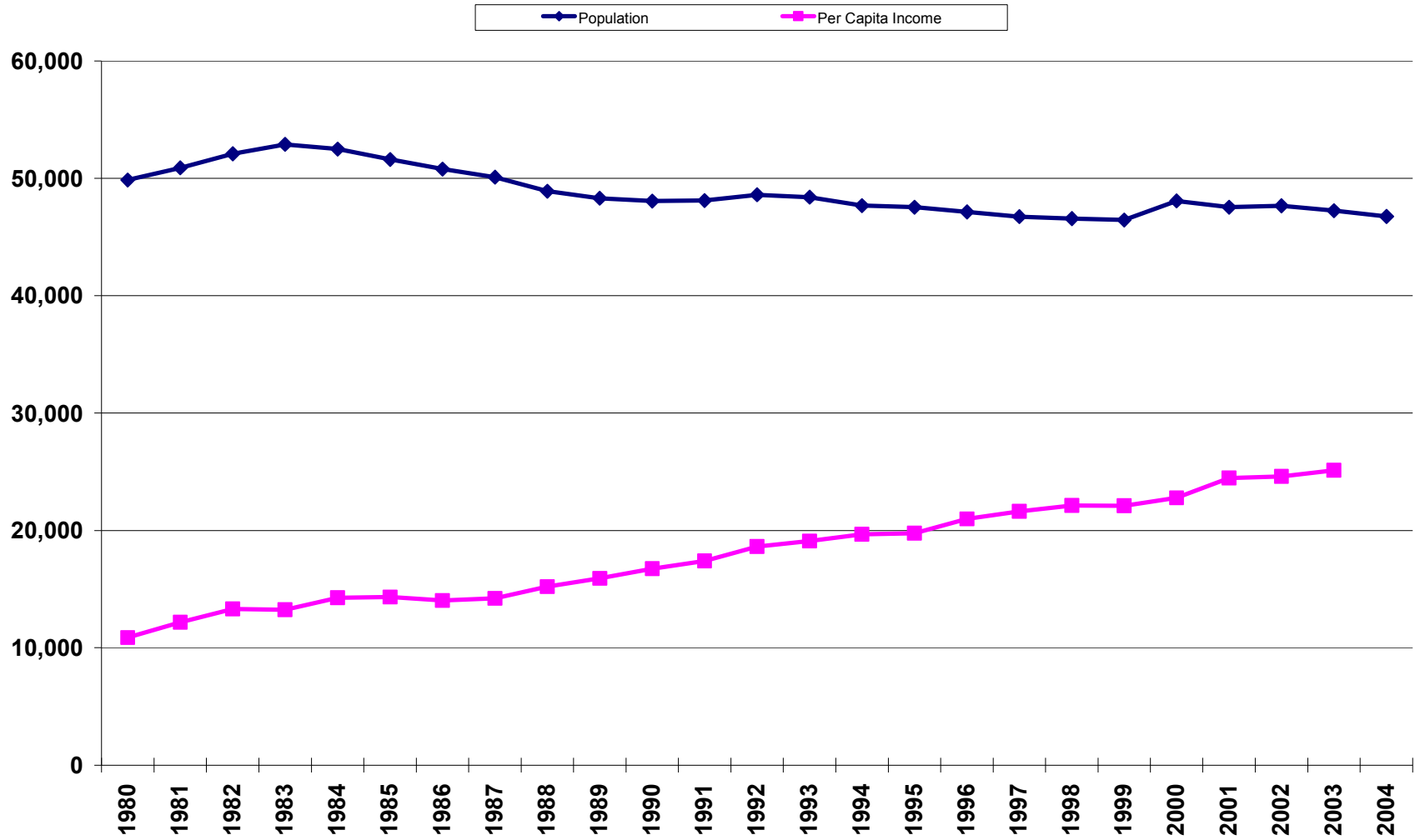
Road Fund revenues from gasoline and motor vehicle fees composed 59% of total road revenue in 2004.

- The Kay County **population** is estimated to have decreased 3.78% from 1992 to 2004.
- **Per capita personal income** is estimated to have grown 34.89% from 1992 to 2003. This average growth is more than the 31.0% inflation (from consumer price index) from 1992- 2003.
- In conclusion, both County General Fund and Highway Fund revenues exceeded the pace of rising prices over the period spanning fiscal years 1992 through 2004. Unfunded mandates and county government specific expenses, such as jail expenses, may impose demands on county revenue not addressed in this report.

¹ All sources of information are listed on page 18.

² The index used to adjust all dollar figures to 1992 dollars is the gross national product implicit price deflator. It considers a broad range of goods and services (broader than the consumer price index). The index is published by the U.S. Dept. of Commerce. The index numbers are provided in the Appendix.

Figure 1. Population and Per Capita Income, FY 1980-2004



Kay County Demographics

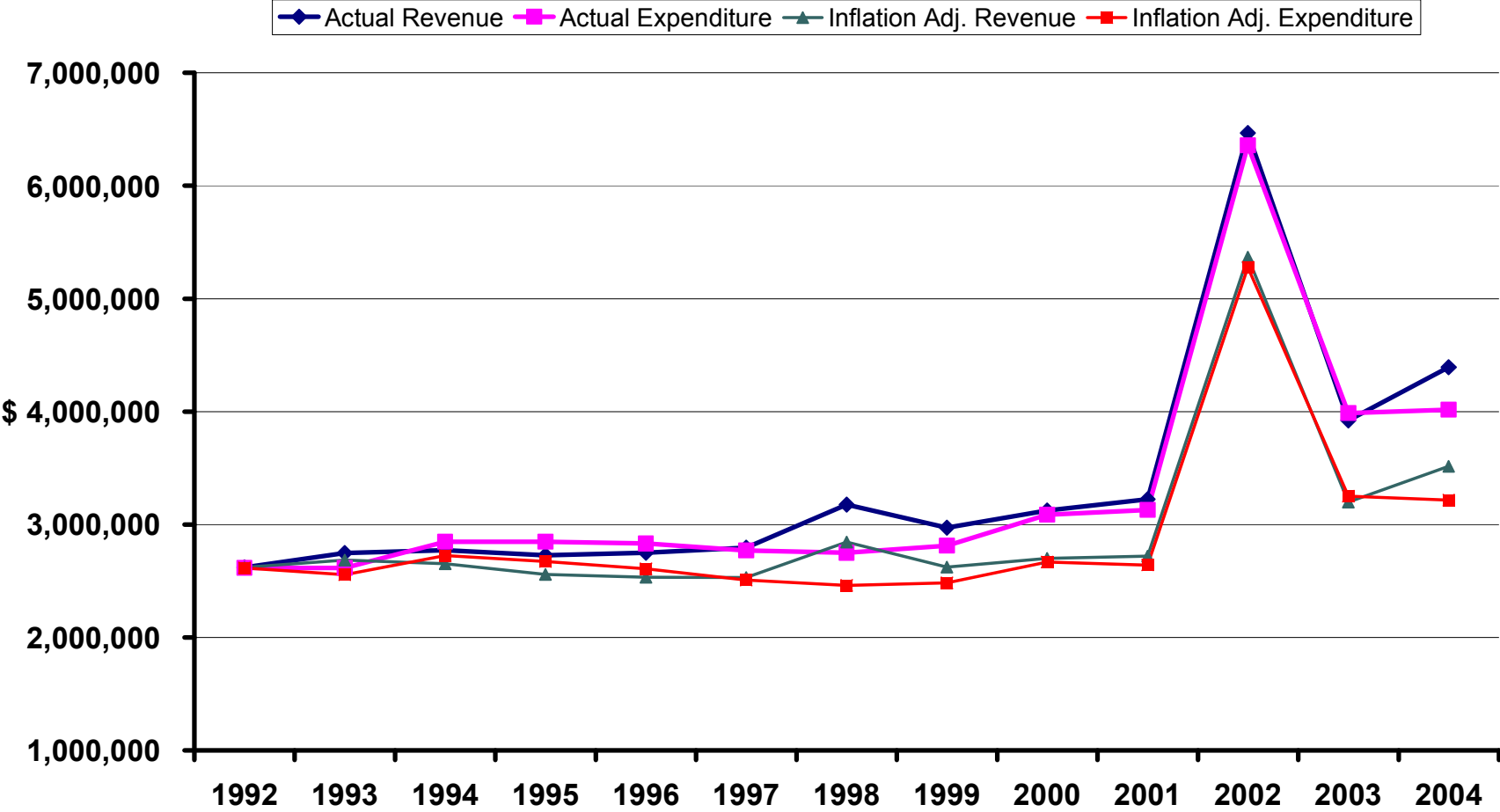
The Kay County population increased in the early 1980's, declined in the latter 80's, and, after a brief recovery in the early 90's, continued to decline. (Figure 1). Thus, the population decreased about 3.78% from 1992 to 2004 (Table 1), 0.32% per year. Per capita income rose 34.89%. Prices of goods and services increased 35.21% (CPI) due to inflation during that period (Appendix A).

Table 1. County Population and Personal Income, 1980 - 2004

Year	Population		Total Personal		Per Capita	
		% Change	Income	% Change	Income	% Change
1980	49,852		541,501,000		10,862	
1981	50,900	2.1%	619,462,000	14.4%	12,170	12.0%
1982	52,100	2.4%	692,828,000	11.8%	13,298	9.3%
1983	52,900	1.5%	700,883,000	1.2%	13,249	-0.4%
1984	52,500	-0.8%	748,381,000	6.8%	14,255	7.6%
1985	51,600	-1.7%	738,574,000	-1.3%	14,313	0.4%
1986	50,800	-1.6%	712,521,000	-3.5%	14,026	-2.0%
1987	50,100	-1.4%	711,735,000	-0.1%	14,206	1.3%
1988	48,900	-2.4%	743,585,000	4.5%	15,206	7.0%
1989	48,300	-1.2%	768,609,000	3.4%	15,913	4.6%
1990	48,056	-0.5%	804,683,000	4.7%	16,745	5.2%
1991	48,100	0.1%	837,117,000	4.0%	17,404	3.9%
1992	48,600	1.0%	905,295,000	8.1%	18,627	7.0%
1993	48,400	-0.4%	923,595,000	2.0%	19,083	2.4%
1994	47,682	-1.5%	938,274,000	1.6%	19,678	3.1%
1995	47,535	-0.3%	939,595,000	0.1%	19,766	0.5%
1996	47,137	-0.8%	988,579,000	5.2%	20,972	6.1%
1997	46,745	-0.8%	1,010,698,000	2.2%	21,622	3.1%
1998	46,572	-0.4%	1,030,228,000	1.9%	22,121	2.3%
1999	46,448	-0.3%	1,026,063,000	-0.4%	22,091	-0.1%
2000	48,080	3.5%	1,095,200,000	6.7%	22,779	3.1%
2001	47,541	-1.1%	1,163,179,000	6.2%	24,467	7.4%
2002	47,656	0.2%	1,172,525,000	0.8%	24,604	0.6%
2003	47,254	-0.8%	1,187,326,000	1.3%	25,126	2.1%
2004	46,761	-1.0%				
% Change						
'92 - '04	-3.78%		31.15%		34.89%	
Annual Rate		'92 - '03		'92 - '03		
of Change		-0.32%		2.50%		2.76%

* Source: Bureau of Economic Analysis and U.S. Dept. of Commerce
Bureau of the Census.

Figure 2. General Fund Revenues & Expenditures, Actual & Inflation Adjusted, FY 1992 - 2004



General fund revenues increased 67.70% from fiscal 1992 to fiscal 2004 while expenditures increased 53.51%. Accounting for inflation, revenues increased 34.24% (Table 2). Ad valorem revenues constitute 57% of general fund revenues and increased 28.84% from 1992 to 2004. "Other Revenues" increased 189.26%. FEMA grants for ice storm repairs plus Workers Compensation and Court Fund accounting changes caused the extraordinary increases in '02-'04.

Table 2. General Fund Revenues and Expenditures, FY 1992 - 2004

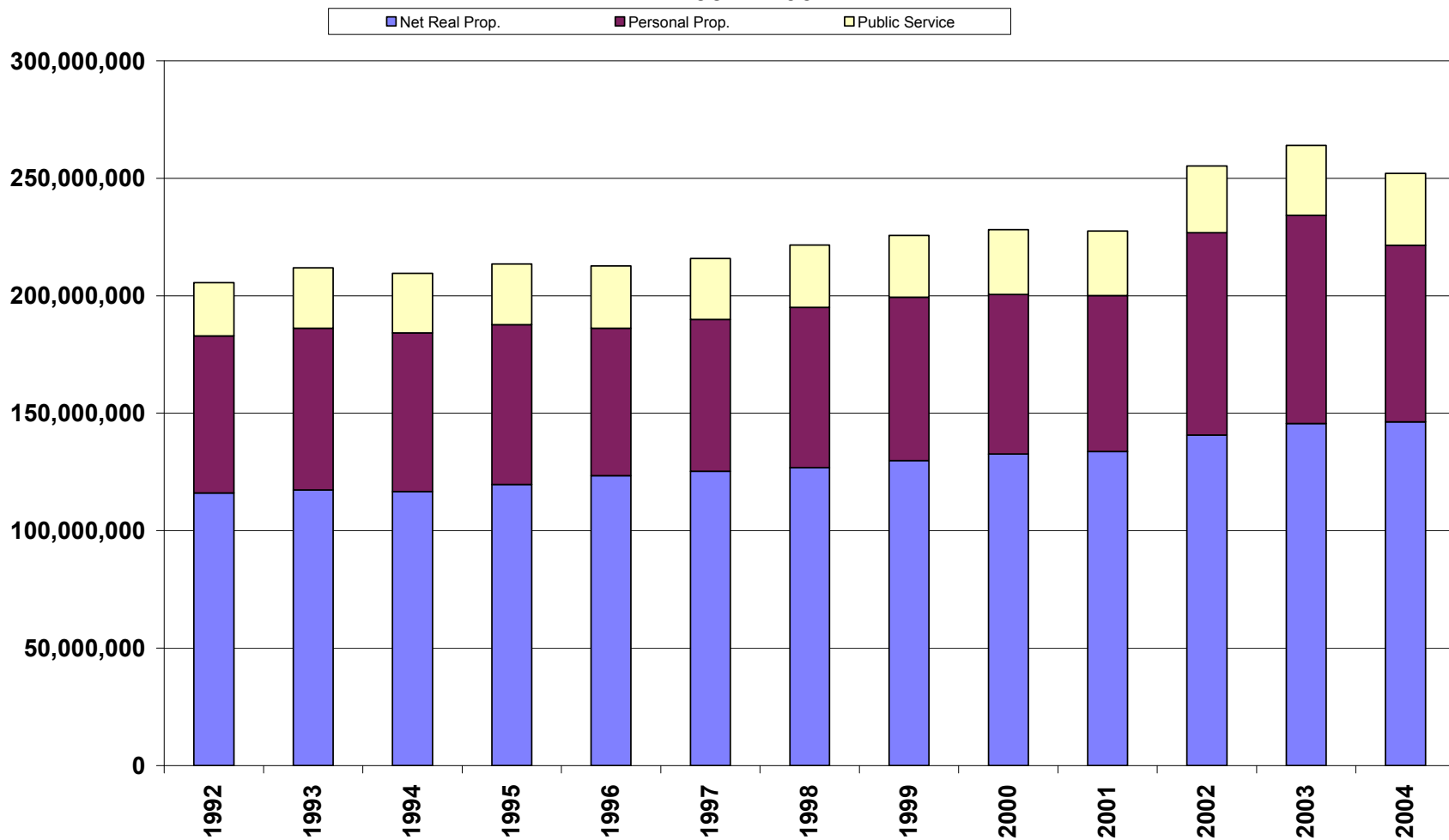
Year	Ad Valorem Revenues	Other Revenues*	Total Revenues**	Total Expenditures	Real Revenues	Real Expenditures
1992	1,950,552	631,020	2,619,208	2,616,721	2,619,208	2,616,721
1993	2,052,447	651,402	2,748,432	2,615,423	2,686,250	2,556,250
1994	2,097,120	645,884	2,771,934	2,847,851	2,652,216	2,724,854
1995	2,073,325	624,332	2,726,560	2,849,323	2,557,815	2,672,980
1996	2,107,496	615,311	2,748,628	2,830,661	2,531,785	2,607,347
1997	2,137,716	626,006	2,794,945	2,769,375	2,531,271	2,508,113
1998	2,182,302	685,411	3,176,900	2,748,973	2,844,395	2,461,257
1999	2,213,853	721,751	2,971,653	2,812,916	2,622,582	2,482,492
2000	2,262,307	815,883	3,124,676	3,087,074	2,699,720	2,667,232
2001	2,279,101	907,618	3,224,669	3,130,263	2,720,814	2,641,159
2002	2,280,181	4,124,290	6,467,913	6,358,484	5,368,181	5,277,359
2003	2,429,116	1,447,877	3,923,371	3,988,888	3,197,917	3,251,320
2004	2,513,096	1,825,275	4,392,428	4,017,008	3,515,896	3,215,393
% Change						
'92 - '2004	28.84%	189.26%	67.70%	53.51%	34.24%	22.88%
Annual Rate of Change						
	2.13%	9.25%	4.40%	3.64%	2.48%	1.73%
per capita						
1992	40.13	12.98	53.89	53.84	53.89	53.84
1993	42.41	13.46	56.79	54.04	55.50	52.82
1994	43.98	13.55	58.13	59.73	55.62	57.15
1995	43.62	13.13	57.36	59.94	53.81	56.23
1996	44.71	13.05	58.31	60.05	53.71	55.31
1997	45.73	13.39	59.79	59.24	54.15	53.66
1998	46.86	14.72	68.21	59.03	61.08	52.85
1999	47.66	15.54	63.98	60.56	56.46	53.45
2000	47.05	16.97	64.99	64.21	56.15	55.47
2001	47.94	19.09	67.83	65.84	57.23	55.56
2002	47.85	86.54	135.72	133.42	112.64	110.74
2003	51.41	30.64	83.03	84.41	67.68	68.81
2004	53.18	38.63	92.95	85.01	74.40	68.04
% Change						
'92 - '2004	32.51%	197.50%	72.48%	57.89%	38.06%	26.38%
Annual Rate of Change						
	2.37%	9.51%	4.65%	3.88%	2.72%	1.97%

* Other Revenue in 2002 is extraordinarily large due to \$3,128,625.78 from FEMA.

Other Revenue in 2003 and 2004 includes FEMA, Court Funds, and Workers Comp Funds.

** Total revenue is not necessarily equal to total collected since it doesn't include adjustments.

**Figure 3. Real, Personal, and Public Service Property Assessed Values,
FY 1992 - 2004**



General Fund Sources of Revenue

These revenue and expenditure trends can be evaluated further by looking at the sources of revenue. The primary source of county General Fund revenue in most counties is the ad valorem tax. Figure 3 shows the change in taxable value by property class from 1992 through 2004. Note that real property constitutes the largest portion of the tax base. Since the mill rate and assessment ratios change infrequently, appreciable change in general fund revenue results from a change in taxable value. (In recent years, many counties have chosen to adopt a county sales tax when stagnant real estate values have resulted in insufficient ad valorem revenues.)

Taxable value increased 22.64% between 1992 and 2004 (Table 3). Net real property value rose most followed by net personal property valuation. Public service property valuation increased least. On a per person basis, net real property value increased 31.14%. Total value per person rose 27.46%. Thus, for the average citizen, property value increased more than the estimated 24.93% inflation (IPD index) from 1992-2004.

In 1991, the State Equalization Board settled a lawsuit with public service companies when an agreement was reached to reduce the assessment ratio by 1% from 26.15% to 25.15%. As with any reduction in assessed value, this had a negative impact on county revenues. On June 23, 1992 it was announced that the assessment ratio for 1992 assessments would be 24.00%. This applied to all public service companies other than airlines and railroads. The assessment ratio for airlines and railroads was raised from 11.67% to 11.99%. In June of 1993, the public service ratio was reduced further to 22.85% and the airline and railroads ratio was set at 12.00%. July 1, 1994 the State Board of Equalization voted to set a 22.85% public service ratio and 12.08% airline and railroad ratio. Many public service companies lodged protests. In 1995, the Board set the assessment ratios at 22.85% and 11.84%, respectively.

November 5, 1996 Oklahoma voters approved State Question 675, an amendment to the Constitution that sets the public service assessment percentages at the levels in effect in January 1996. These were 22.85% for public service and 11.84% for airline and railroad centrally assessed properties. Local property assessment percentages were also restricted by the amendment. Beginning in 1997, real property must be assessed in the 11% - 13.5% range and personal property in the 10% - 15% range. Because the public service assessment percentage (22.85%) is almost double that of other properties, there is an incentive for companies, such as pipeline gathering systems, to seek classification as locally assessed property rather than centrally assessed.

June 16, 1997, the State Board of Equalization set the assessment percentage for railroad and airline carriers at 11.84% and for public service corporations at 22.85%. This is in keeping with the constitutional amendment described above. These same assessment percentages were set by the Board 1998 - 2004.

Table 3. Assessed Property Values by Property Class

Year	Net Real Property	Personal Property	Public Service	Total Value
1992	115,967,380	66,974,240	22,633,524	205,575,144
1993	117,292,475	68,830,545	25,763,601	211,886,621
1994	116,606,095	67,588,751	25,437,364	209,632,210
1995	119,624,840	68,004,203	25,921,823	213,550,866
1996	123,419,040	62,756,990	26,611,267	212,787,297
1997	125,247,070	64,604,973	26,050,551	215,902,594
1998	126,764,783	68,319,939	26,501,267	221,585,989
1999	129,803,989	69,525,599	26,313,753	225,643,341
2000	132,643,723	67,966,797	27,514,942	228,125,462
2001	133,726,724	66,428,249	27,339,519	227,494,492
2002	140,721,284	86,068,467	28,523,020	255,312,771
2003	145,622,277	88,652,674	29,717,028	263,991,979
2004	146,327,165	75,199,425	30,583,054	252,109,644
% of Total	58.04%	29.83%	12.13%	100.00%
% Change '92 - '2004	26.18%	12.28%	35.12%	22.64%
Annual Rate of Change	2.14%	1.06%	2.77%	1.87%
per capita				
Year	Net Real Property	Personal Property	Public Service	Total Value
1992	2,386	1,378	466	4,230
1993	2,423	1,422	532	4,378
1994	2,445	1,417	533	4,396
1995	2,517	1,431	545	4,492
1996	2,618	1,331	565	4,514
1997	2,679	1,382	557	4,619
1998	2,722	1,467	569	4,758
1999	2,795	1,497	567	4,858
2000	2,759	1,414	572	4,745
2001	2,813	1,397	575	4,785
2002	2,953	1,806	599	5,357
2003	3,082	1,876	629	5,587
2004	3,129	1,608	654	5,391
% Change '92 - '2004	31.14%	16.70%	40.44%	27.46%
Annual Rate of Change	2.28%	1.30%	2.87%	2.04%

Table 4 shows the magnitude of change over time in several non-ad valorem revenue sources. These figures include officer fees and various reimbursements. Among the sources of income listed in Table 4, Other Sources of Revenue has grown most (636.23% from 1992 to 2004 primarily due to FEMA funds). Interest on Investments decreased 20.33%.

Table 4. General Fund Revenues Other Than Ad Valorem Taxes

Year	Co. Clerk Fees	Motor Veh. License	Interest on Investments	Revaluation Reimbursement	Other Sources of Revenue	Total
1992	187,484	47,211	76,924	143,178	176,223	631,020
1993	170,310	48,827	68,392	161,370	202,504	651,402
1994	186,648	54,072	76,812	147,198	181,154	645,884
1995	171,699	56,126	87,282	127,677	181,547	624,332
1996	162,378	59,183	76,619	145,264	171,868	615,311
1997	162,585	61,465	77,156	142,594	182,206	626,006
1998	194,588	63,922	98,955	153,924	174,022	685,411
1999	199,200	67,824	104,332	161,393	189,002	721,751
2000	184,238	73,338	115,651	184,851	257,804	815,883
2001	211,070	73,228	132,098	164,550	326,671	907,618
2002	193,309	73,719	100,933	186,938	3,569,391	4,124,290
2003	211,749	72,737	79,560	167,432	916,399	1,447,877
2004	219,831	72,737	61,284	174,017	1,297,406	1,825,275
% of Total	12.04%	3.98%	3.36%	9.53%	71.08%	100.00%
% Change '92 - 2004	17.25%	54.07%	-20.33%	21.54%	636.23%	189.26%
Annual Rate of Change	1.34%	3.67%	-1.88%	1.64%	18.10%	9.25%
per capita						
1992	3.86	0.97	1.58	2.95	3.63	12.98
1993	3.52	1.01	1.41	3.33	4.18	13.46
1994	3.91	1.13	1.61	3.09	3.80	13.55
1995	3.61	1.18	1.84	2.69	3.82	13.13
1996	3.44	1.26	1.63	3.08	3.65	13.05
1997	3.48	1.31	1.65	3.05	3.90	13.39
1998	4.18	1.37	2.12	3.31	3.74	14.72
1999	4.29	1.46	2.25	3.47	4.07	15.54
2000	3.83	1.53	2.41	3.84	5.36	16.97
2001	4.44	1.54	2.78	3.46	6.87	19.09
2002	4.06	1.55	2.12	3.92	74.90	86.54
2003	4.48	1.54	1.68	3.54	19.39	30.64
2004	4.65	1.54	1.30	3.68	27.46	38.63
% Change '92 - 2004	20.59%	58.46%	-18.06%	25.00%	657.20%	197.50%
Annual Rate of Change	1.57%	3.91%	-1.65%	1.88%	18.38%	9.51%

Source: S.A.I. No. 2631, County Estimate of Needs and Financial Statement

Figure 4. Proportionate Shares of the General Fund Allocated Among the Various County Government Services, FY 2004 Expenditures

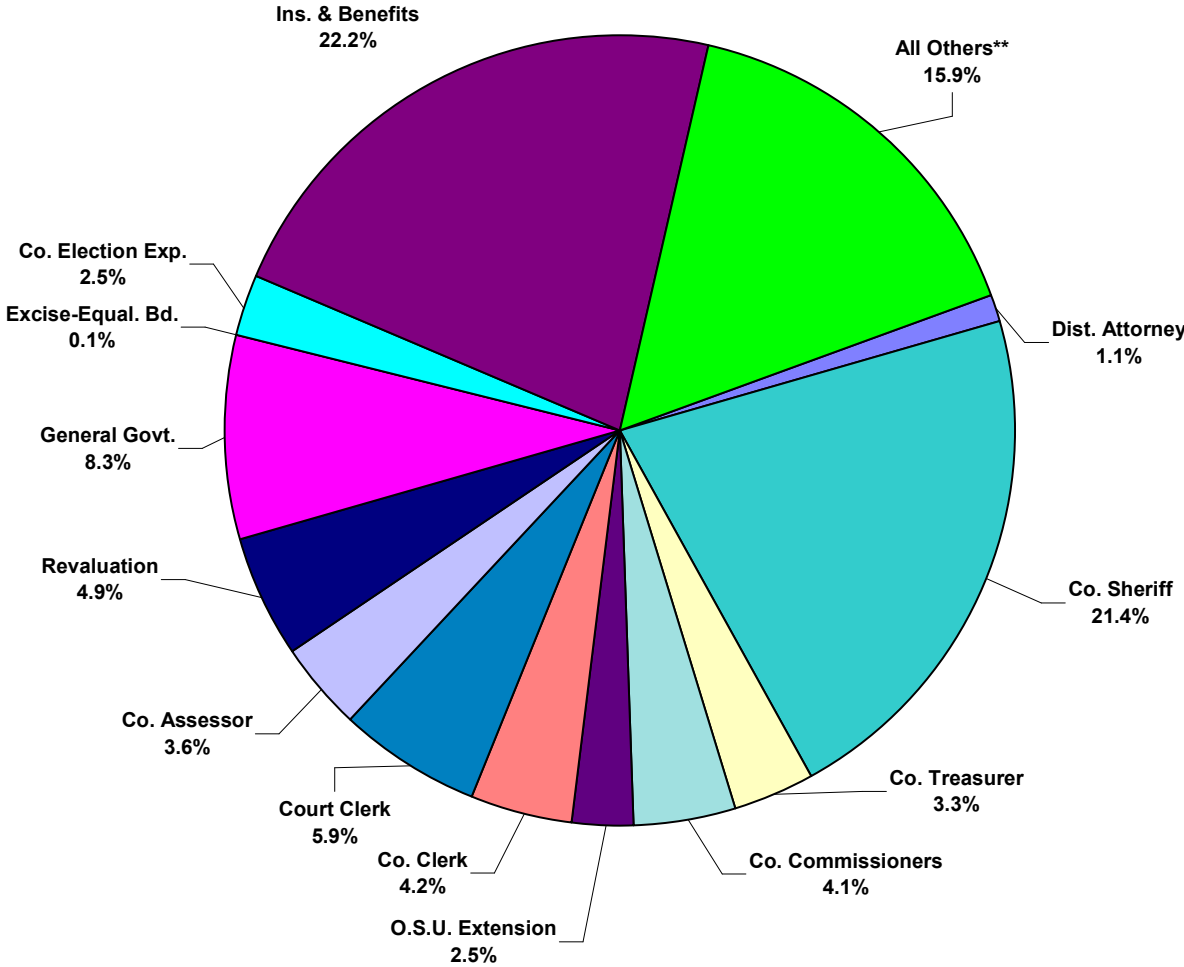


Figure 4 shows that "County Sheriff" and "Insurance and Benefits" are the largest expenditure accounts. Ten accounts show increased expenditures and three show a decrease. After adjusting for inflation, six accounts are shown to have decreased in expenditures (Table 5). ("All Others" is defined in the footnote.) Per capita expenditures are shown at the bottom of Table 5. County Sheriff and Ins. & Benefits. together cost \$37.07 per person in 2004, 44% of the total.

Table 5. General Fund Expenditures by Function

Account	1992	2004	% Change 1992-2004	Real Change 1992-2004	2004 Acct. % of Total
Dist. Attorney	81,187	42,956	-47.09%	-57.65%	1.07%
Co. Sheriff	624,265	860,825	37.89%	10.38%	21.43%
Co. Treasurer	130,554	132,999	1.87%	-18.46%	3.31%
Co. Commissioners	126,242	166,587	31.96%	5.63%	4.15%
O.S.U. Extension	55,676	99,401	78.53%	42.91%	2.47%
Co. Clerk	181,609	170,290	-6.23%	-24.94%	4.24%
Court Clerk	158,408	235,142	48.44%	18.82%	5.85%
Co. Assessor	122,550	145,191	18.48%	-5.17%	3.61%
Revaluation	165,245	196,729	19.05%	-4.71%	4.90%
General Govt.	211,689	332,539	57.09%	25.74%	8.28%
Excise-Equal. Bd.	4,425	4,350	-1.69%	-21.31%	0.11%
Co. Election Exp.	75,210	102,043	35.68%	8.60%	2.54%
Ins. & Benefits	478,545	890,909	86.17%	49.02%	22.18%
All Others**	201,115	637,048	216.76%	153.55%	15.86%
Total	2,616,721	4,017,008	53.51%	22.88%	100.00%

per capita Account	1992	2004	% Change 1992-2004	Real Change 1992-2004	2004 Acct. % of Total
Dist. Attorney	1.69	0.91	-46.14%	-56.89%	1.07%
Co. Sheriff	12.98	18.22	40.36%	12.35%	21.43%
Co. Treasurer	2.71	2.81	3.70%	-17.00%	3.31%
Co. Commissioners	2.62	3.53	34.32%	7.52%	4.15%
O.S.U. Extension	1.16	2.10	81.73%	45.47%	2.47%
Co. Clerk	3.78	3.60	-4.55%	-23.60%	4.24%
Court Clerk	3.29	4.98	51.10%	20.95%	5.85%
Co. Assessor	2.55	3.07	20.60%	-3.47%	3.61%
Revaluation	3.44	4.16	21.18%	-3.00%	4.90%
General Govt.	4.40	7.04	59.90%	27.99%	8.28%
Excise-Equal. Bd.	0.09	0.09	0.07%	-19.90%	0.11%
Co. Election Exp.	1.56	2.16	38.11%	10.55%	2.54%
Ins. & Benefits	9.95	18.85	89.50%	51.69%	22.18%
All Others**	4.18	13.48	222.43%	158.09%	15.86%
Total	54.40	85.01	56.26%	25.08%	100.00%

** "All Others" for 2004 is composed of Free Fair, Audit Budget, two FEMA accounts, Unappropriated Court, Charity, Data Processing, and Purchasing Agent.

Figure 5. Trends in the Five Largest General Fund Expenditure Accounts, FY 1992 - 2004

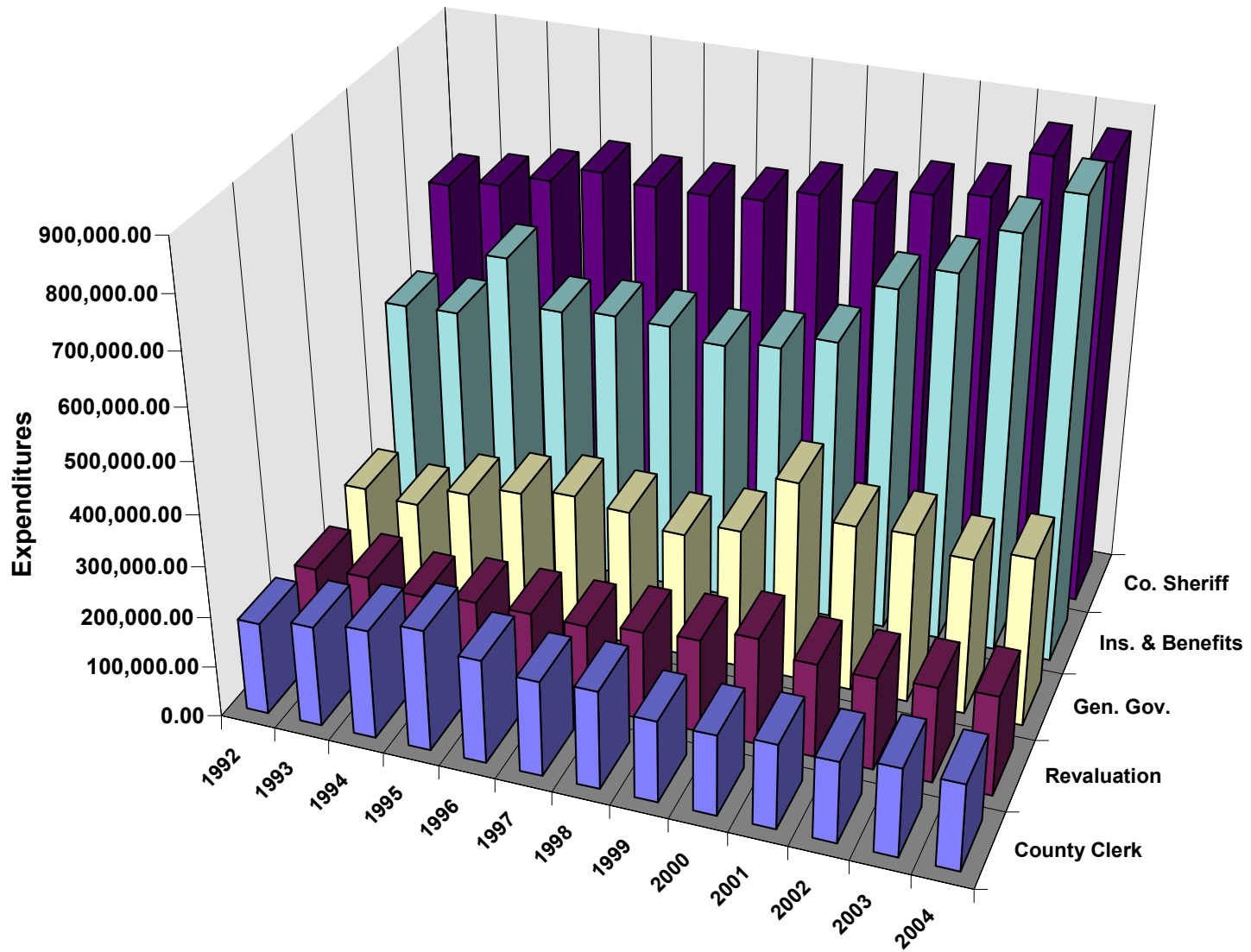
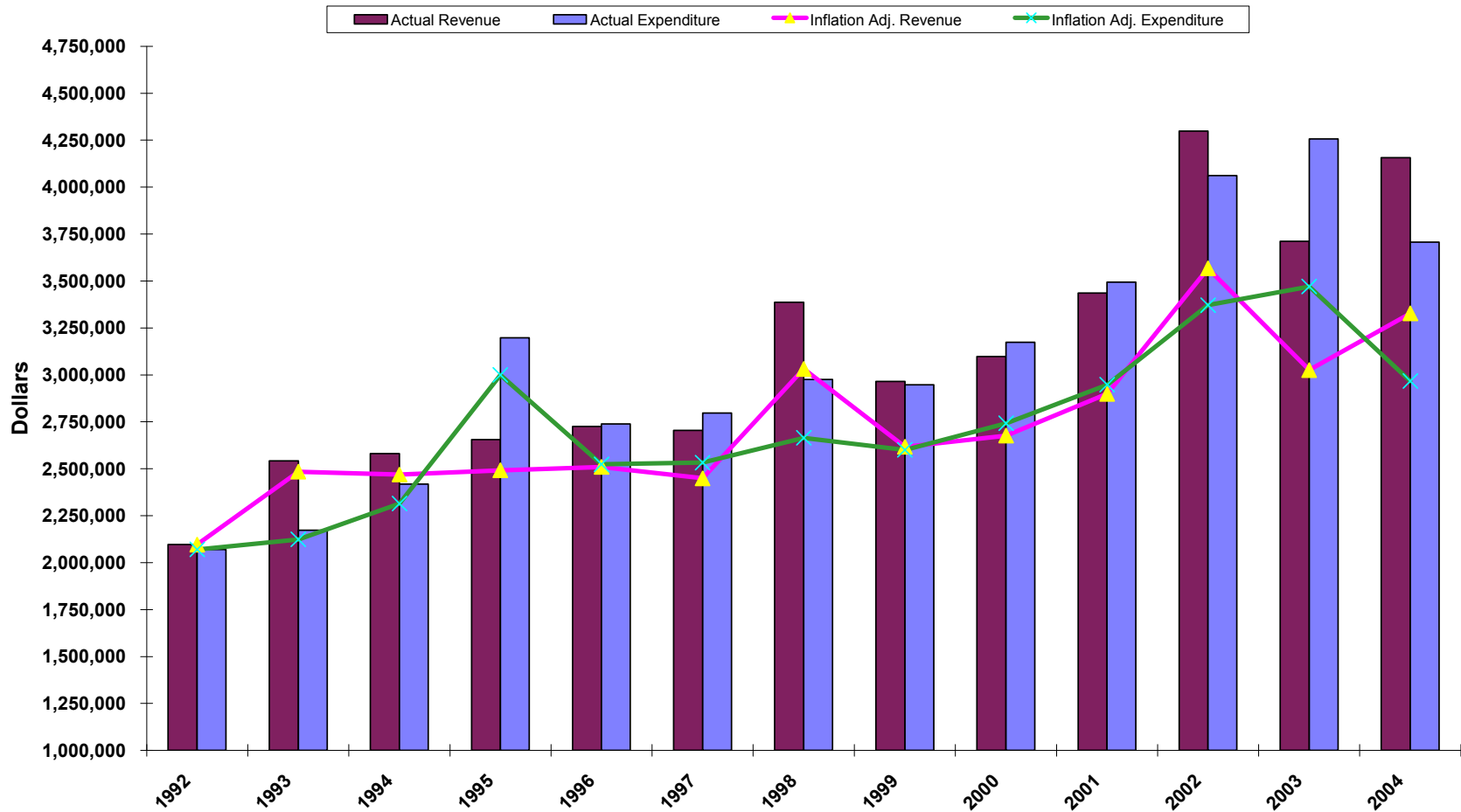


Figure 5 shows the relative magnitude of the five largest expenditure accounts. All five accounts grew with Ins. & Benefits growing most and County Clerk growing the least (Table 6). Table 6 shows the actual dollar amounts for each account and the per capita expenditures.

Table 6. The Five Largest General Fund Accounts in Fiscal 2004

Year	Co. Sheriff	Ins. & Benefits	Gen. Gov.	Revaluation	County Clerk
1992	626,912.38	478,545.24	211,688.55	165,245.46	181,608.54
1993	642,787.35	481,986.46	200,207.36	171,540.12	198,501.33
1994	667,525.65	607,519.08	241,821.62	155,279.09	214,722.70
1995	699,771.57	520,528.91	264,989.01	165,975.51	239,292.89
1996	687,469.05	530,275.86	281,162.39	166,617.87	204,877.57
1997	687,310.86	528,541.58	270,185.39	165,342.62	187,950.81
1998	693,678.70	509,272.01	246,789.46	176,322.06	193,920.34
1999	720,231.87	523,209.81	275,658.29	184,089.39	160,840.71
2000	721,933.65	553,173.02	392,211.42	211,608.74	159,017.81
2001	753,657.12	671,236.51	329,177.13	185,130.28	167,231.28
2002	765,587.26	718,227.10	334,090.27	181,753.23	160,053.62
2003	856,248.57	807,243.16	308,296.88	188,952.03	173,868.00
2004	860,824.53	890,908.84	332,539.29	196,728.93	170,289.66
% Change Annual Rate of Change					
	37.31%	68.56%	57.09%	19.05%	-6.23%
	2.68%	6.74%	3.84%	1.46%	-0.53%
per capita					
1992	12.90	9.85	4.36	3.40	3.74
1993	13.28	9.96	4.14	3.54	4.10
1994	14.00	12.74	5.07	3.26	4.50
1995	14.72	10.95	5.57	3.49	5.03
1996	14.58	11.25	5.96	3.53	4.35
1997	14.70	11.31	5.78	3.54	4.02
1998	14.89	10.94	5.30	3.79	4.16
1999	15.51	11.26	5.93	3.96	3.46
2000	15.02	11.51	8.16	4.40	3.31
2001	15.85	14.12	6.92	3.89	3.52
2002	16.06	15.07	7.01	3.81	3.36
2003	18.12	17.08	6.52	4.00	3.68
2004	18.22	18.85	7.04	4.16	3.60
% Change Annual Rate of Change					
	30.13%	66.74%	61.56%	22.44%	-3.56%
	2.92%	6.60%	4.08%	1.70%	-0.30%

Figure 6. Road Fund Revenues and Expenditures, Actual and Inflation Adjusted, FY 1992 - 2004



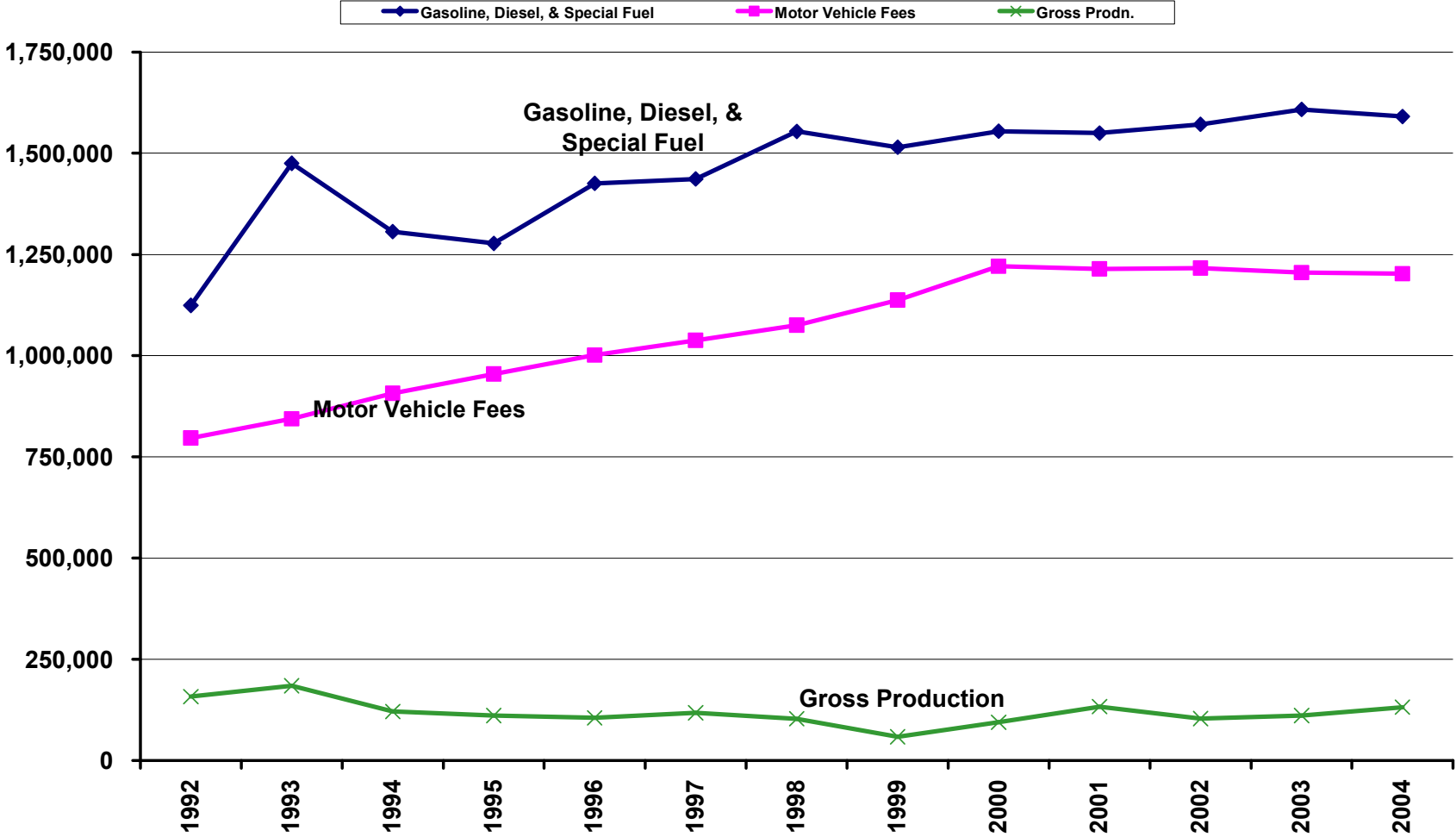
County Road Fund Revenue and Expenditures

Total county road revenues and expenditures, both in actual and inflation adjusted dollars, are depicted in Figure 6. These include both restricted and unrestricted county road dollars. Road revenues grew 98.32% from 1992 to 2004 (Table 7). Actual expenditures rose 79.04%. After adjusting for inflation, revenues increased 58.74%. Because the number of road miles in the county decreased between 1992 and 2004, the per mile changes are larger than the totals (Table 7). Inflation adjusted revenues/mile increased 101.57%. Accounting practices for BIA money may result in overstatement of expenditures in 2003 and others years.

Table 7. Road Fund Total Revenues and Expenditures, Actual and Inflation Adjusted

Year	Actual Revenues	Actual Expenditures	Inflation Adjusted Revenues (1992 \$)	Inflation Adjusted Expenditures (1992 \$)
1992	2,096,226	2,070,163	2,096,226	2,070,163
1993	2,541,457	2,172,995	2,483,958	2,123,832
1994	2,580,880	2,418,653	2,469,413	2,314,193
1995	2,656,000	3,197,098	2,491,622	2,999,232
1996	2,725,035	2,739,696	2,510,053	2,523,558
1997	2,704,427	2,796,843	2,449,292	2,532,990
1998	3,386,140	2,975,831	3,031,736	2,664,371
1999	2,965,515	2,947,098	2,617,165	2,600,912
2000	3,098,149	3,174,416	2,676,801	2,742,696
2001	3,436,002	3,493,962	2,899,127	2,948,031
2002	4,298,272	4,062,257	3,567,442	3,371,556
2003	3,711,519	4,257,342	3,025,238	3,470,136
2004	4,157,136	3,706,329	3,327,557	2,966,711
% Change '92 - 2004	98.32%	79.04%	58.74%	43.31%
Annual Rate of Change	5.87%	4.97%	3.93%	3.04%
per mile of road				
1992	1,387.68	1,370.42	1,387.68	1,370.42
1993	1,686.32	1,441.84	1,648.17	1,409.22
1994	1,712.48	1,604.84	1,638.52	1,535.53
1995	1,759.64	2,118.13	1,650.74	1,987.04
1996	1,802.99	1,812.69	1,660.75	1,669.68
1997	1,789.47	1,850.62	1,620.65	1,676.03
1998	2,240.61	1,969.11	2,006.10	1,763.01
1999	1,995.38	1,982.99	1,760.99	1,750.05
2000	2,084.63	2,135.94	1,801.12	1,845.45
2001	2,311.95	2,350.95	1,950.71	1,983.62
2002	2,892.14	2,733.34	2,400.39	2,268.59
2003	2,497.69	2,865.01	2,035.85	2,335.25
2004	2,797.18	2,493.85	2,238.98	1,996.19
% Change '92 - 2004	101.57%	81.98%	61.35%	45.66%
Annual Rate of Change	6.02%	5.12%	4.07%	3.18%

Figure 7. Trends in Gasoline, Diesel + Special Fuel+Motor Vehicle Fees, and Gross Production Revenues for County Roads



Road Fund Sources of Revenue

Analysis of the primary road fund revenue sources lends insight into the existing and potential limitations on funding. Three individual revenue streams are displayed in Figure 7: (1) gasoline, diesel, & special fuel (2) motor vehicle fees, and (3) gross production taxes. (Most counties have significant gross production tax revenues.) Gasoline, diesel tax, and motor vehicle fees revenues increased by 32.09%, 95.79%, and 50.92%, respectively, (Table 8).

Table 8. Principal Road Fund Revenues

Year	Gasoline Excise Tax	Special Fuel Tax	Diesel Excise Tax	Motor Vehicle Fees*	Gross Production Tax	Total from Principal Sources
1992	951,597	2,133.51	170,342	796,721	157,653	2,078,447
per mile	629.95	1.41	112.76	527.42	104.36	1,375.91
1993	1,295,535	1,851.73	177,987	843,881	184,737	2,503,992
per mile	859.62	1.23	118.10	559.94	122.58	1,661.46
1994	1,118,363	704.84	187,148	907,162	121,005	2,334,384
per mile	742.06	0.47	124.18	601.93	80.29	1,548.92
1995	1,053,413	610.77	223,308	954,752	110,904	2,342,988
per mile	697.90	0.40	147.94	632.54	73.48	1,552.26
1996	1,170,123	425.08	254,974	1,001,320	105,349	2,532,192
per mile	774.20	0.28	168.70	662.51	69.70	1,675.39
1997	1,172,348	420.08	263,687	1,037,609	117,618	2,591,682
per mile	775.72	0.28	174.48	686.57	77.83	1,714.87
1998	1,251,698	297.33	302,078	1,075,432	102,890	2,732,396
per mile	828.25	0.20	199.88	711.61	68.08	1,808.02
1999	1,205,479	264.23	308,992	1,137,661	58,434	2,710,830
per mile	811.12	0.18	207.91	765.49	39.32	1,824.01
2000	1,214,754	269.93	339,359	1,220,918	94,121	2,869,421
per mile	817.36	0.18	228.34	821.51	63.33	1,930.72
2001	1,214,800	172.24	335,020	1,214,304	132,876	2,897,171
per mile	817.39	0.12	225.42	817.06	89.41	1,949.39
2002	1,224,938	155.06	346,593	1,216,089	103,351	2,891,127
per mile	824.21	0.10	233.21	818.26	69.54	1,945.33
2003	1,283,119	639.32	324,396	1,205,152	110,797	2,924,103
per mile	863.48	0.43	218.30	811.02	74.56	1,967.79
2004	1,257,002	232.85	333,506	1,202,445	131,542	2,924,728
per mile	845.79	0.16	224.40	809.08	88.51	1,967.94
% change						
'92 - 2004	32.09%	-89.09%	95.79%	50.92%	-16.56%	40.72%
Annual Rate of Change	2.35%	-16.86%	5.76%	3.49%	-1.50%	2.89%

Sources of Data

1. "County Estimate of Needs and Financial Statement" (State Auditor and Inspector form no. 2631, otherwise known as the "county budget report") for each fiscal year.s
2. The Oklahoma Department of Transportation provided the certified number of miles of county roads.
3. "Economic Indicators" is a monthly U.S. Department of Commerce publication that contains consumer, producer, and implicit price deflator price indices.
4. Bureau of Economic Analysis data provided estimates of population, total county personal income, and per capita income.
5. Population information for 1980, 1990, and 2000 came from the U.S. Bureau of the Census.
6. "State Payments to Local Governments," published annually by the Oklahoma Tax Commission, provided some information on general fund and road fund revenues.

**Appendix A
Price Indices**

Year	CPI*		PPI**		IPD***	
	Index Value	% Change	Index Value	% Change	Index Value	% Change
1980	82.9		89.9		54.0	
1981	91.7	10.62%	98.0	9.01%	59.1	9.40%
1982	96.5	5.23%	100.0	2.04%	67.7	14.56%
1983	99.6	3.21%	101.6	1.60%	65.2	-3.74%
1984	103.9	4.32%	103.7	2.07%	67.6	3.68%
1985	107.6	3.56%	104.7	0.96%	69.7	3.11%
1986	109.6	1.86%	103.2	-1.43%	71.2	2.15%
1987	113.6	3.65%	105.4	2.13%	73.2	2.81%
1988	118.3	4.14%	108.0	2.47%	75.7	3.42%
1989	124.0	4.82%	113.6	5.19%	78.6	3.83%
1990	130.7	5.40%	119.2	4.93%	81.6	3.82%
1991	136.2	4.21%	121.7	2.10%	84.4	3.43%
1992	140.3	3.01%	123.2	1.23%	86.4	2.37%
1993	144.5	2.99%	124.7	1.22%	88.4	2.31%
1994	148.2	2.56%	125.5	0.64%	90.3	2.15%
1995	152.4	2.83%	127.9	1.91%	92.1	1.99%
1996	156.9	2.95%	131.3	2.66%	93.8	1.85%
1997	160.5	2.29%	131.8	0.38%	95.4	1.71%
1998	163.0	1.56%	130.7	-0.83%	96.5	1.15%
1999	166.6	2.21%	133.0	1.76%	97.9	1.45%
2000	172.2	3.36%	138.0	3.76%	100.0	2.15%
2001	176.8	2.69%	141.6	2.61%	102.4	2.40%
2002	180.9	2.30%	138.9	-1.91%	104.1	1.66%
2003	183.8	1.60%	143.3	3.17%	106.0	1.83%
2004	189.7	3.21%	148.4	3.56%	107.9	1.83%
% change						
1980 - 2004	128.83%		65.07%		99.74%	
Annual Rate						
of Change	3.51%		2.11%		2.92%	
% change						
1992 - 2004	35.21%		20.45%		24.93%	
Annual Rate						
of Change	2.55%		1.56%		1.87%	

Source: Economic Indicators

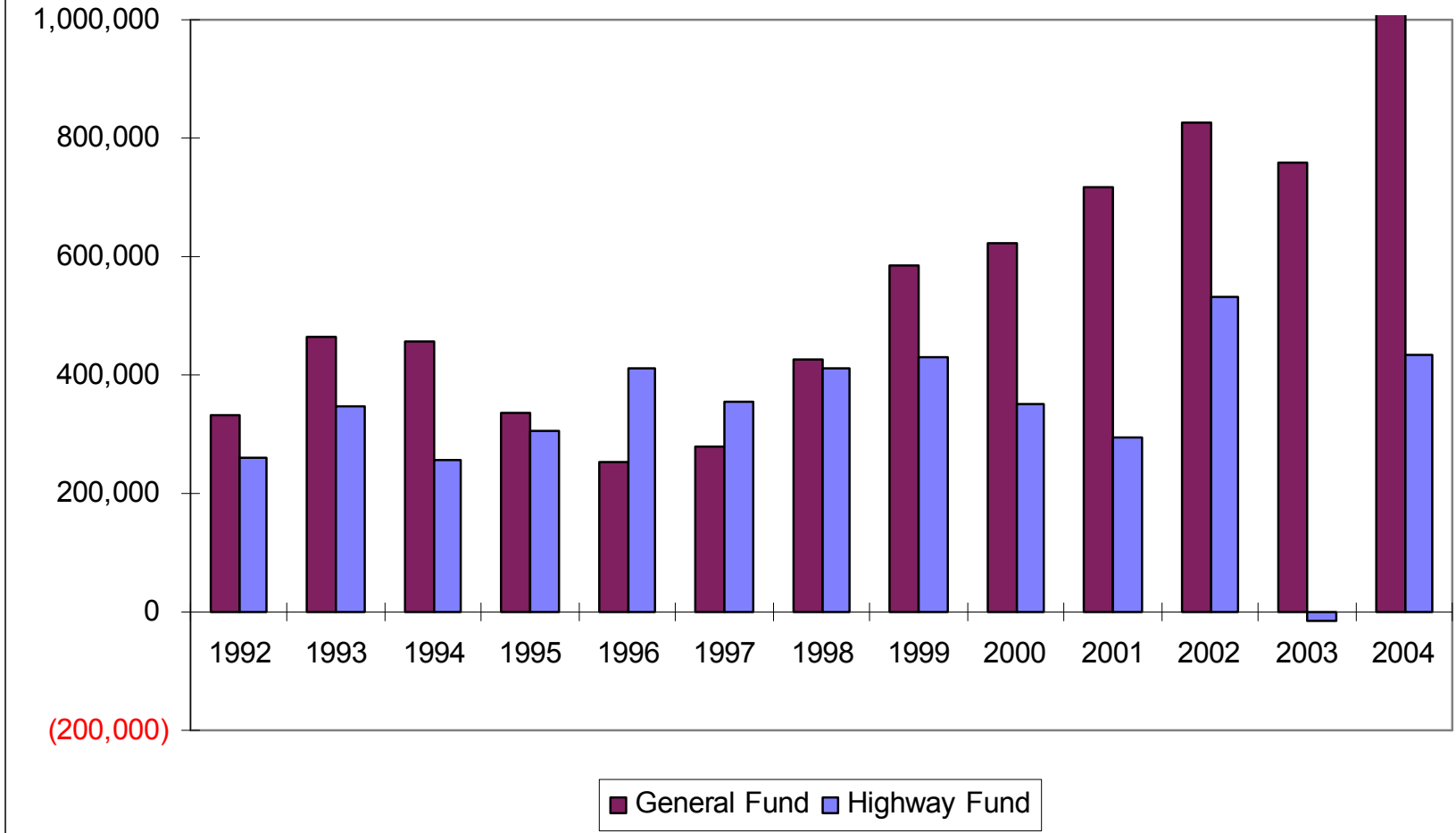
* Consumer Price Index

** Producer Price Index

*** Implicit Price Deflator, Gross Domestic Product

Appendix B

General & Highway Fund end of year Cash Balances



Appendix C

**KAY COUNTY, OKLAHOMA
TOP TEN TAXPAYERS
FOR THE YEAR ENDED JUNE 30, 2002
(UNAUDITED)**

<u>TAXPAYER</u>	<u>JANUARY 1, 2001 NET ASSESSED VALUATION</u>	<u>% OF TOTAL NET VALUATION</u>
1. CONOCO	\$ 42,885,047	18.85%
2. ALBERTSONS	12,301,593	5.41
3. OKLAHOMA GAS & ELECTRIC	7,175,185	3.15
4. SMITH INTERNATIONAL	5,726,172	2.52
5. SOUTHWESTERN BELL TELEPHONE	5,090,778	2.24
6. ITC CORP OF IBP FOODS	4,521,542	1.99
7. WILLIAMS GAS/PIPELINE/OIL	4,052,199	1.78
8. CONTINENTAL CARBON	3,578,220	1.57
9. MODERN SUPPLY COMPANY	2,424,244	1.07
10. OKLAHOMA NATURAL GAS CO.	2,031,514	.89
TOTAL	\$ 89,786,494	39.47 %

Source: State Auditor and Inspector financial audit report for 2002.

Appendix D

Table 2 revised. General Fund Revenues and Expenditures, FY 1992 - 2004, excluding FEMA, Unapprop Ct, & Workers Comp

Year	Ad Valorem Revenues	Other Revenues	Total Revenues**	Total Expenditures	Real Revenues	Real Expenditures
1992	1,950,552	631,020	2,619,208	2,616,721	2,619,208	2,616,721
1993	2,052,447	651,402	2,748,432	2,615,423	2,686,250	2,556,250
1994	2,097,120	645,884	2,771,934	2,847,851	2,652,216	2,724,854
1995	2,073,325	624,332	2,726,560	2,849,323	2,557,815	2,672,980
1996	2,107,496	615,311	2,748,628	2,830,661	2,531,785	2,607,347
1997	2,137,716	626,006	2,794,945	2,769,375	2,531,271	2,508,113
1998	2,182,302	685,411	3,176,900	2,748,973	2,844,395	2,461,257
1999	2,213,853	721,751	2,971,653	2,812,916	2,622,582	2,482,492
2000	2,262,307	815,883	3,124,676	3,087,074	2,699,720	2,667,232
2001	2,279,101	907,618	3,224,669	3,130,263	2,720,814	2,641,159
2002	2,280,181	975,665	3,319,287	3,209,858	2,754,912	2,664,090
2003	2,429,116	781,316	3,256,809	3,322,327	2,654,607	2,708,010
2004	2,513,096	790,708	3,357,861	2,982,442	2,687,782	2,387,279
% Change '92 - '2004 Annual Rate of Change	28.84%	25.31%	28.20%	13.98%	2.62%	-8.77%
per capita						
1992	40.13	12.98	53.89	53.84	53.89	53.84
1993	42.41	13.46	56.79	54.04	55.50	52.82
1994	43.98	13.55	58.13	59.73	55.62	57.15
1995	43.62	13.13	57.36	59.94	53.81	56.23
1996	44.71	13.05	58.31	60.05	53.71	55.31
1997	45.73	13.39	59.79	59.24	54.15	53.66
1998	46.86	14.72	68.21	59.03	61.08	52.85
1999	47.66	15.54	63.98	60.56	56.46	53.45
2000	47.05	16.97	64.99	64.21	56.15	55.47
2001	47.94	19.09	67.83	65.84	57.23	55.56
2002	47.85	20.47	69.65	67.35	57.81	55.90
2003	51.41	16.53	68.92	70.31	56.18	57.31
2004	53.74	16.91	71.81	63.78	57.48	51.05
% Change '92 - '2004 Annual Rate of Change	33.91%	30.23%	33.24%	18.46%	6.65%	-5.18%
of Change	2.46%	2.23%	2.42%	1.42%	0.54%	-0.44%

** Total revenue is not necessarily equal to total collected since it doesn't include adjustments.

General Fund Revenues & Expenditures, Actual & Inflation Adjusted, FY 1992-2004 excluding Extraordinary Items

■ Total Revenues
 ▲ Total Expenditures
 ● Real Revenues
 ▲ Real Expenditures

