AN ECONOMIC ANALYSIS OF SCOTT COUNTY IN NORTHWEST ARKANSAS

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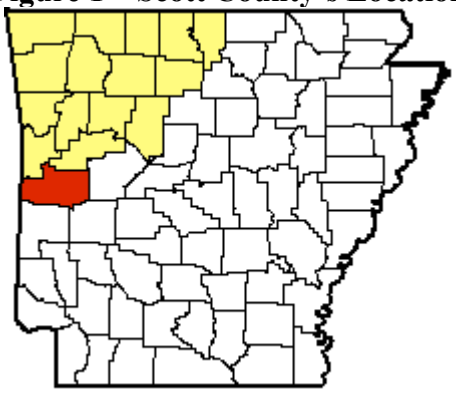
I. Geographic Description

Scott County is comprised of 894 square miles and is located centrally along the Oklahoma-Arkansas border in the physiographic regions of the Arkansas Valley in the northern portion of the county and the Fourche Mountains in the southern portion of the county. Figure 1 highlights the counties that comprise the Northwest Arkansas region, as defined by the Arkansas Department of Economic Development. Scott County is shown in red; all other counties in the region are shown in yellow.

Figure 1 – Scott County's Location



The Ouachita National Forest is located in most parts of the county. The Poteau River flows west from Waldron into Le Flore County, Oklahoma; the Fourche La Fave River flows east from Boles into Yell County into Nimrod Lake and eventually into the Arkansas River.

Sources:
United States Census Bureau. State and County QuickFacts.
http://quickfacts.census.gov/qfd/states/05/05127.html
Chart 2-5: Physiographic Regions. Arkansas Statistical Abstract – 2000. April 2000.
Census State Data Center, University of Arkansas at Little Rock. Page 72.
The Rand McNally Road Atlas, 2002 Edition. Page 10.

II. Demographic Characteristics

Population

In 1980, the population of Scott County was 9,685 persons. The county ranked 68th in terms of population among Arkansas' 75 counties and 14th among the 16 counties in Northwest Arkansas. By 1990, the population of the county had increased 5.4 percent to 10,205 to rank 61st among Arkansas' counties and 14th among the counties in Northwest Arkansas. From 1980 to 1990, the population of the state of Arkansas increased 2.8 percent from 2,286,435 to 2,350,725; from 1990 to 2000, the state's population increased 13.7 percent to 2,673,400 persons. In 2000, the population of Scott County stood at

10,996, an increase of 7.8 percent from 1990. The county was the 63rd most populous county in Arkansas and the 14th most populous county in Northwest Arkansas in 2000. The two most populous cities in Scott County in the year 2000 were Waldron (3,508) and Mansfield (391 of the 1,097 residents of Mansfield lived in Scott County); the city is also the county seat for Scott County.

DRI-WEFA, an economic analysis consulting firm, projects the population of Scott County will increase by 5.7 percent to 11,620 people in the year 2010. If the projections are realized, Scott County will be the 61st most populous county in Arkansas and the 14th most populous county in Northwest Arkansas.

The gender makeup of Scott County is relatively more male than for the state on the whole. In the year 2000, the proportions of males and females in the county were 50.5 percent and 49.5 percent, respectively, compared to 48.8 percent and 51.2 percent, respectively, for the state.

In the year 2000, Scott County had the 36th youngest median age, the 17th highest proportion of residents under age 18, and the 33rd lowest proportion of residents age 65 and older among all Arkansas counties. In the year 2000, the median age of residents in Scott County was 37.3 years, compared to 36.0 years for the state. From 1990 to 2000, the proportion of the county's population that was under 18 years of age increased from 25.5 percent to 26.5 percent; for the same period, the proportion of Arkansans under 18 years of age decreased from 26.4 percent to 25.4 percent. From 1990 to 2000, the proportion of the county's population that was 65 years of age or older decreased from 16.8 percent to 14.7 percent; for the same period, the proportion of Arkansans age 65 or older decreased from 14.9 percent in 1990 to 14.0 percent in 2000.

The racial composition of Scott County is decidedly more Caucasian than the population for the state on the whole. In 2000, the proportions of Scott County's population comprised of Caucasians, African Americans, American Indians and Native Alaskans, and Asians were 93.5 percent, 0.2 percent, 1.4 percent, and 1.0 percent, respectively. For the state, in 2000, the proportions of Caucasians, African Americans, American Indians and Native Alaskans, and Asians were 80.0 percent, 15.7 percent, 0.7 percent, and 0.8 percent, respectively. In 2000, the proportion of residents in Scott County who were Hispanic was 5.7 percent, compared to the state's proportion of 3.2 percent.

Sources:

United States Census Bureau, Population of Counties by Decennial Census: 1900 to 1990. http://www.census.gov/population/cencounts/ar190090.txt

United States Census Bureau, Census 2000, Redistricting Data (Public Law 94-171) Summary File. http://factfinder.census.gov/servlet/BasicFactsTable?_lang=en&_vt_name=DEC_2000_PL_U_GCTPL_ST7&_geo_id=04000US05

The Rand McNally Road Atlas, 2002 Edition. Page 10.

DRI-WEFA, U.S. Regional Analysis. Data supplied by the Institute for Economic Advancement, University of Arkansas-Little Rock.

United States Census Bureau, Census 2000, Table DP-1. Profile of General Demographic Characteristics: 2000. http://censtats.census.gov/data/AR/04005.pdf
United States Census Bureau, 1990 Census, Table DP-1. Profile of General Demographic Characteristics: 1990. http://factfinder.census.gov/servlet/BasicFactsTable?_lang=en&_vt_name=DEC_1990_STF1_DP1&_geo_id=04000US05
United States Census Bureau, Census 2000, Table DP-1. Profile of General Demographic Characteristics: 2000. http://censtats.census.gov/data/AR/05005127.pdf
United States Census Bureau, 1990 Census, Table DP-1. General Population and Housing Characteristics: 1990. http://factfinder.census.gov/servlet/BasicFactsTable?_lang=en&_vt_name=DEC_1990_STF1_DP1&_geo_id=05000US05127

Income

Table 1 presents median household income and median family income for the year 1999 and per capita personal income for the year 2000 for Scott County. The table also ranks Scott County in terms of these income statistics among the 75 counties in Arkansas and the 16 counties in Northwest Arkansas.

Table 1 – Scott County Income Statistics

Income Statistic	Scott County	Percent of State	Arkansas			Northwest Arkansas		
			Rank	Range		Rank	Range	
				Low	High		Low	High
1999 Median Household Income	$26,412	82.1%	57	$20,510	$42,569	14	$21,397	$40,281
1999 Median Family Income	$30,311	78.4%	64	$25,846	$48,717	14	$27,580	$45,235
2000 Per Capita Personal Income	$18,219	82.8%	46	$14,303	$30,447	9	$14,303	$25,358

Table 2 presents poverty statistics for different resident groups in Scott County and for the State of Arkansas in 1999. The table ranks the county among the 75 counties in Arkansas and among the 16 counties in Northwest Arkansas in terms of the three poverty rates presented. For example, the county ranked 30th among the counties in Arkansas and 4th among the counties in Northwest Arkansas in terms of the poverty rate for individuals in 1999.[1]

[1] Note: Rankings are from highest poverty rate to lowest. Hence, a ranking of one indicates relatively high levels of poverty, and a ranking of 75 indicates relatively low levels of poverty.

Table 2 – Scott County Poverty Rates, 1999

Poverty Statistic	County Rate	Arkansas Rate	Arkansas			Northwest Arkansas		
				Range			Range	
			Rank	Low	High	Rank	Low	High
Individuals	18.2%	15.8%	30	7.2%	32.7%	4	10.1%	23.8%
Families with Related Children	20.1%	18.1%	31	7.8%	40.8%	5	11.2%	26.4%
Individuals 65 and Older	14.1%	13.8%	50	7.3%	27.6%	8	8.6%	26.6%

Table 3 presents average weekly earnings for covered employment in Scott County in the year 2001. The table also displays average weekly earnings as a proportion of the state's figure and ranks Scott County in terms of average weekly earnings relative to the counties in Arkansas and Northwest Arkansas for which data were available. For example, in terms of average weekly earnings in the manufacturing sector, Scott County ranked 56th among the 71 counties in Arkansas for which data were available and 12th among the 15 counties in Northwest Arkansas for which data were available.

Table 3 – Scott County Average Weekly Earnings, by Sector, Calendar Year 2001

Sector	Average Weekly Earnings	Percent of State	Arkansas			Northwest Arkansas		
				Range			Range	
			Rank	Low	High	Rank	Low	High
Manufacturing	$409.83	71.3%	56 / 71	$260.75	$894.22	12 / 15	$312.98	$587.60
Wholesale Trade	$373.54	52.1%	60 / 68	$214.77	$995.14	10 / 14	$214.77	$995.14
Retail Trade	$258.35	76.0%	66 / 73	$215.61	$439.32	13 / 15	$244.32	$358.05
Information	$436.92	64.7%	50 / 56	$306.77	$869.54	11 / 12	$348.10	$832.62
Financial Activities	$332.76	52.6%	72 / 73	$282.76	$829.55	13 / 14	$282.76	$622.20
Professional and Business Services	$256.91	41.1%	67 / 68	$218.14	$955.05	15 / 15	$256.91	$955.05
Education and Health Services	$351.34	64.8%	52 / 74	$231.49	$668.35	11 / 16	$231.49	$649.85
All Sectors	$367.02	70.8%	66 / 75	$316.63	$681.93	14 / 16	$316.63	$631.34

Table 4 presents the share of personal income in Scott County in 2000 attributable to different sectors of the economy. The table displays how this share compares to the proportion for the state in aggregate and ranks Scott County in terms of the share of personal income attributed to the sectors relative to the counties in Arkansas and Northwest Arkansas for which data were available. For example, in terms of the share of personal income attributed to the manufacturing sector, Scott County ranked 16th among the 73 counties in Arkansas for which data were available and 3rd among the 15 counties in Northwest Arkansas for which data were available.

Table 4 – Disposition of Personal Income in Scott County, by Sector, Year 2000

Sector	Share of Personal Income	Greater or Less than State	Arkansas			Northwest Arkansas		
				Range			Range	
			Rank	Low	High	Rank	Low	High
Farm Earnings	15.9%	13.3%	1 / 75	0.1%	15.9%	1 / 16	0.4%	15.9%
Manufacturing	19.2%	4.9%	16 / 73	1.3%	77.9%	3 / 15	3.4%	27.1%
Transportation and Utilities	2.9%	-2.8%	54 / 71	1.3%	14.5%	11 / 15	1.8%	14.5%
Wholesale Trade	1.3%	-2.2%	47 / 67	0.2%	11.4%	7 / 15	0.4%	5.9%
Retail Trade	3.5%	-4.3%	65 / 75	1.4%	24.4%	14 / 16	2.4%	24.4%
Finance, Insurance, and Real Estate	1.1%	-2.3%	70 / 71	0.8%	8.0%	15 / 15	1.1%	3.5%
Services	5.4%	-9.5%	63 / 75	3.3%	29.0%	15 / 16	4.8%	29.0%
Business Services	N/A	N/A	N/A	0.1%	10.5%	N/A	0.2%	5.5%
Health Services	2.8%	-3.4%	47 / 72	0.5%	14.4%	10 / 16	0.5%	14.4%
Hotel and Lodging	N/A	N/A	N/A	0.04%	1.9%	N/A	0.05%	1.9%
Amusement and Recreation Services	N/A	N/A	N/A	0.03%	1.0%	N/A	0.03%	1.0%

The sale of livestock accounted for 99.7 percent of Scott County's cash receipts from farm marketings in the year 2000. Livestock cash receipts and total cash receipts for Scott County in the year 2000 were $96.0 million and $96.3 million, respectively; the county ranked 12th in terms of the former and 18th in terms of the latter among Arkansas' counties. Cash receipts for crops and government payments for Scott County in the year 2000 totaled $303,000 and $270,000, respectively; the county ranked 68th in terms of the former and 62nd in terms of the latter among Arkansas' counties. The county ranked 37th among Arkansas' counties in terms of total production expenses in the year 2000, $67.8 million. As of January 1, 2002, Scott County had a total of 28,000 cattle and calves and 15,000 beef cows; the county ranked 30th both in terms of the number of cattle and calves and in terms of the number of beef cows among the counties in Arkansas.

Sources:

United States Census Bureau, Census 2000, Table DP-3. Profile of Selected Economic Characteristics: 2000. http://censtats.census.gov/data/AR/04005.pdf

United States Census Bureau, Census 2000, Table DP-3. Profile of Selected Economic Characteristics: 2000. http://censtats.census.gov/data/AR/05005127.pdf

U.S. Commerce Department, Bureau of Economic Analysis, Regional Accounts Data, Local Area Personal Income, Table CA1-3: Personal Income Summary Estimates. http://www.bea.gov/bea/regional/reis/

Arkansas Employment Security Department, Covered Employment and Earnings, Annual 2001. Table 6: County Summary Employment and Earnings, by Industry, Calendar Year 2001. http://www.accessarkansas.org/esd/01antb6.htm

Arkansas Employment Security Department, Covered Employment and Earnings, Annual 2001. Table 1: Average Covered Employment and Average Weekly Earnings, by Industry, 2001. http://www.accessarkansas.org/esd/01antb1.htm

U.S. Commerce Department, Bureau of Economic Analysis. Regional Accounts Data, Local Area Personal Income. Table CA05 – Personal Income by Major Source and Earnings by Industry. http://www.bea.gov/bea/regional/reis/
Arkansas Agricultural Statistics Service, National Agricultural Statistics Service, United States Department of Agriculture, 2001 County Profiles. http://www.nass.usda.gov/ar/scott.PDF

Education

Scott County contains the Waldron School District; enrollment, as of October 1, 2000, was 1,665. Table 5 displays the average ACT composite score for high school seniors (which ranges from 1 to 36, with 36 being the best), the attendance rate, the dropout rate (percentage of students dropping out of school in Grades 7-12 from October of one school year to October of the next school year), the graduation rate (percentage of students enrolled in Grade 9 and completing Grade 12), and the college remediation rate (percentage of freshmen entering an *Arkansas* college or university who are required to take at least one remedial class) for the above school districts and for the state in aggregate.

Table 5 – Educational Statistics for Scott County Schools, 2000-2001 School Year

School District	ACT Composite Score	Attendance Rate	Dropout Rate	Graduation Rate	College Remediation Rate
Waldron	18.8	91.3%	1.6%	89.4%	64.0%
State Average	**20.1**	**93.2%**	**3.0%**	**84.3%**	**41.0%**

Among the 301 school districts in Arkansas for which data were available, the ACT composite score for the Waldron School District tied for 208th; because of ties, the rankings ranged from one through 299. Among the 72 school districts in Northwest Arkansas, the ACT composite score for the Waldron School District tied for 61st. District-wide average ACT composite scores for the 301 school districts in Arkansas for which data were available ranged from 24.0 to 14.0; for the school districts in Northwest Arkansas, the district-wide average ACT composite scores ranged from 24.0 to 15.8.

Among the 307 school districts in Arkansas for which data were available, the dropout rate for the Waldron School District tied for 187th; because of 27 districts' being tied for last place with a 0.0 percent dropout rate, the rankings ranged from 1 through 285.[2] Among the 72 school districts in Northwest Arkansas, the dropout rate for the Waldron School District tied for 42nd; because of four districts' being tied for last place with a 0.0 percent dropout rate, the rankings ranged from 1 through 69. For the state, dropout rates ranged from 15.4 percent to 0.0 percent; for the districts in Northwest Arkansas, dropout rates ranged from 12.5 percent to 0.0 percent.

[2] Note: Rankings are from highest dropout rate to lowest. Hence, a ranking of one indicates a relatively high dropout rate, and a ranking of 285 indicates a relatively low dropout rate.

Among the 307 school districts in Arkansas for which data were available, the graduation rate for the Waldron School District tied for 113th. Among the 72 school districts in Northwest Arkansas, the graduation rate for the Waldron School District tied for 34th. For the state, graduation rates ranged from 100.0 percent to 23.6 percent; for the districts in Northwest Arkansas, graduation rates ranged from 100.0 percent to 63.2 percent.

Among the 307 school districts in Arkansas for which there were data available, the college remediation rate for the Waldron School District tied for 59th; because of 31 districts' being tied for last place with a 0.0 percent college remediation rate, the rankings ranged from one through 281.[3] Among the 72 school districts in Northwest Arkansas, the college remediation rate for the Waldron School District ranked ninth; because of three districts' being tied for last place with a 0.0 percent college remediation rate, the rankings ranged from 1 through 70. For the state, college remediation rates ranged from 100.0 percent to 0.0 percent; for the districts in Northwest Arkansas, college remediation rates ranged from 80.0 percent to 0.0 percent.

In the Waldron School District, all three of the district's schools are accredited by the North Central Association of Secondary Schools and Colleges (NCASSC).

Table 6 displays the proportion of persons 25 years of age or older in Scott County with various levels of education in the year 2000. The table also presents the proportions for the state in aggregate and ranks the county among the 75 counties in Arkansas and among the 16 counties in Northwest Arkansas in terms of the four levels of education presented. For example, Scott County ranked 67th among Arkansas' counties and 15th among the counties in Northwest Arkansas in terms of the proportion of the persons 25 years of age or older with a bachelor's degree in 2000.

Table 6 – Educational Attainment in Scott County, 2000

			Arkansas			Northwest Arkansas		
				Range			Range	
Level of Education	County	Arkansas	Rank	Low	High	Rank	Low	High
Bachelor's Degree	5.5%	11.0%	67	4.2%	18.0%	15	5.4%	14.8%
Graduate or Professional Degree	3.0%	5.7%	57	1.8%	10.1%	14	2.8%	9.8%
Bachelor's Degree or Higher	8.4%	16.7%	67	6.3%	28.1%	15	8.4%	24.5%
High School Diploma or Higher	65.4%	75.3%	60	56.2%	84.4%	16	65.4%	80.4%

There are nine Arkansas colleges and universities within 100 miles of Waldron, Arkansas. The institutions, the number and type of degree programs offered at the institutions, and their enrollment statistics are presented below.

Arkansas Tech University (ATU), located in Russellville, Arkansas in Pope County, is a four-year public university. The Arkansas Higher Education Coordinating Board

[3] Note: Rankings are from highest remediation rate to lowest. Hence, a ranking of one indicates a relatively high dropout rate, and a ranking of 281 indicates a relatively low remediation rate.

(AHECB) of the Arkansas Department of Higher Education has approved the dissemination of the following academic degrees and certificate programs at ATU: technical certificates in 3 program areas, associate degrees in 10 program areas, baccalaureate degrees in 54 program areas, master's degrees in 20 program areas, and a specialist degree in educational leadership. Opening fall enrollment for ATU was 5,576 in 2001, 7.8 percent greater than fall 2000. Opening fall enrollment for the four-year public universities in Arkansas stood at 65,704 in 2001, 2.4 percent greater than fall 2000. The school ranked fifth among the ten four-year public universities in terms of fall enrollment in 2001. Since 1997, fall enrollment at ATU has increased 31.6 percent, compared to a 4.8 percent increase for four-year public universities in Arkansas.

Cossatot Community College of the University of Arkansas, located in De Queen, Arkansas in Sevier County, is a two-year public college. The AHECB has approved the dissemination of the following academic degrees and certificate programs at CCCUA: certificates of proficiency in 19 program areas, technical certificates in 14 program areas, and associate degrees in 11 program areas. Opening fall enrolment at CCCUA was 890 persons in 2001, 9.3 percent greater than fall 2000. Opening fall enrollment for the two-year public institutions in Arkansas stood at 43,387 in 2001, 6.3 percent greater than fall 2000. The school ranked 21st among the 23 two-year public colleges in Arkansas in terms of fall enrollment in 2001. Since 1997, fall enrollment at CCCUA has increased 29.5 percent, compared to a 16.6 percent increase for two-year public institutions in Arkansas.

Garland County Community College (GCCC), located in Hot Springs, Arkansas is a two-year public college. The AHECB has approved the dissemination of the following academic degrees and certificate programs at GCCC: technical certificates in 11 program areas and associate degrees in 9 program areas. Opening fall enrollment for GCCC was 2,422 persons in 2001, 9.1 percent greater than fall 2000. The school ranked fifth among the 23 two-year public institutions in Arkansas in terms of fall enrollment in 2001. Since 1997, fall enrollment at GCCC has increased 24.8 percent, compared to 16.6 percent for two-year public institutions in Arkansas.

Ouachita Technical College (OTC), located in Malvern, Arkansas in Hot Spring County, is a two-year public college. The AHECB has approved the dissemination of the following academic degrees and certificate programs at the OTC: certificates of proficiency in 15 program areas, technical certificates in 16 program areas, and associate degrees in 9 program areas. Opening fall enrollment at OTC was 968 persons in 2001, 16.8 percent greater than fall 2000. The school ranked 19th among the 23 two-year public institutions in Arkansas in terms of fall enrollment in 2001. Since 1997, fall enrollment at OTC has increased 41.9 percent.

Rich Mountain Community College (RMCC), located in Mena, Arkansas in Polk County, is a two-year public college. The AHECB has approved the dissemination of the following academic degrees and certificate programs at the RMCC: certificates of proficiency in 5 program areas, technical certificates in 10 program areas, and associate degrees in 17 program areas. Opening fall enrollment for RMCC was 1,003 in 2001, 4.0

percent greater than fall 2000. The school ranked 17th among the 23 two-year public institutions in Arkansas in terms of fall enrollment in 2001. Since 1997, fall enrollment at RMCC has increased 29.8 percent.

The University of Arkansas (UA), located in Fayetteville, Arkansas in Washington County, is the flagship institution of the University of Arkansas system. The AHECB has approved the dissemination of the following academic degrees and certificate programs at the UA: associate degrees in 2 program areas, baccalaureate degrees in 123 program areas, post-baccalaureate certificates in 2 program areas, master's degrees in 101 program areas, specialist degrees in 8 program areas, doctoral degrees in 42 program areas, and a professional degree in law. Opening fall enrollment for the UA was 15,752 in 2001, 2.6 percent greater than fall 2000. The school ranked first among the ten four-year public institutions in Arkansas in terms of fall enrollment in 2001. Since 1997, fall enrollment at the UA has increased 7.5 percent.

In January 2002, Westark College, located in Fort Smith, Arkansas in Sebastian County, joined the University of Arkansas system, changed its name to the University of Arkansas at Fort Smith (UAFS), and became a four-year institution. The AHECB has approved the dissemination of the following academic degrees and certificate programs at UAFS: certificates of proficiency in 28 program areas, technical certificates in 17 program areas, associate degrees in 34 program areas, an advanced certificate in industrial automation, and baccalaureate degrees in 8 program areas. Opening fall enrollment at UAFS was 5,673 in 2001, 8.3 percent greater than fall 2000. Since 1997, fall enrollment at UAFS has increased 0.7 percent.

The University of Arkansas Community College at Morrilton (UACCM), located in Morrilton, Arkansas in Conway County, is a two-year public college in the University of Arkansas system. The AHECB has approved the dissemination of the following academic degrees and certificate programs at the UACCM: certificates of proficiency in 3 program areas, technical certificates in 17 program areas, and associate degrees in 17 program areas. Opening fall enrollment for UACCM was 1,290 in 2001, 10.1 percent greater than fall 2000. The school ranked 12th among the 23 two-year public colleges in Arkansas in terms of fall enrollment in 2001. Since 1997, fall enrollment at UACCM has increased 43.8 percent.

The University of the Ozarks, located in Clarksville, Arkansas in Johnson County, is a four-year private liberal arts university and offers baccalaureate degrees in 25 program areas. Opening fall enrollment for the University of the Ozarks was 654 persons in 2001, 5.1 percent greater than fall 2000. Since 1997, fall enrollment at the University of the Ozarks has increased 22.5 percent.

Sources:

Arkansas Department of Education, Arkansas School Information Site, Performance Report, 2001. http://www.as-is.org/reportcard/rc2001/

North Central Association Commission on Accreditation and School Improvement. http://www.ncacasi.org/

United States Census Bureau, Census 2000, Table DP-2. Profile of Selected Social Characteristics: 2000. http://censtats.census.gov/data/AR/05005127.pdf
United States Census Bureau, Census 2000, Table DP-2. Profile of Selected Social Characteristics: 2000. http://censtats.census.gov/data/AR/04005.pdf
Arkansas Department of Higher Education, Arkansas State Colleges and Universities. http://www.arkansashighered.com/colleges.html
Arkansas Department of Higher Education, Approved Academic Degree and Certificate Programs. http://www.arkansashighered.com/pdfs/RP/degrees_2003.pdf
Arkansas Department of Higher Education, Opening Fall Enrollment at Public Colleges and Universities. October 29,2001. http://www.arkansashighered.com/Research/Enrollment/Actual%20Enroll%20Fall%202001.xls
University of the Ozarks. http://www.ozarks.edu/academics/programs.html

III. Infrastructure

Ports

There are no navigable waterways in Scott County.

Source:
Arkansas Waterways Commission. http://www.waterways.dina.org/waterways.html

Highways

Figure 2 displays the major cities, highways, lakes, and rivers found in Scott County.

Figure 2 – Scott County Cities, Highways, Lakes, and Rivers

Sources:

Arkansas State Highway and Transportation Department. Statewide Transportation Improvement Program 2003-2005 Preliminary. http://www.ahtd.state.ar.us/contract/progcon/stip/stip%20by%20ffy%202003%2D2005%20prelim.xls

MapQuest.com, Inc. http://www.mapquest.com

Utilities

Table 7 displays the surplus water capacity, the surplus wastewater capacity, the electricity provider, and the natural gas provider for the City of Waldron and the City of Mansfield in Scott County.[4]

Table 7 – Utilities for the Five Most Populous Cities in Scott County

City	Water Surplus Capacity	Waste Water Surplus Capacity	Electricity Provider	Natural Gas Provider
Waldron	N/A	N/A	Arkansas Electric Power (AEP)/ Southwestern Electric Power Company (SWEPCO)/ Arkansas Valley Electric Cooperative (AVEC)	Arkansas Oklahoma Gas (AOG)
Mansfield	0.75 million GPD	At Capacity	AEP / SWEPCO /AVEC	AOG

The City of Mansfield is planning on increasing its wastewater treatment capacity from 250,000 gallons per day to 750,000 gallons per day by 2005.

Sources:
City of Waldron Water and Sewer Department.
Glen Hurt, City of Mansfield Water and Sewer Department.

Railroads

The Arkansas & Missouri Railroad junctions with the Kansas City Southern Railroad in Fort Smith in Sebastian County north of Scott County, with the Union Pacific Railroad in Van Buren, Arkansas in Crawford County north of Scott County, and with the Burlington Northern Santa Fe Railroad in Monette, Missouri.

The Fort Smith Railroad Company runs 22 miles from Fort Smith to Fort Chaffee, is the handling line carrier for the Union Pacific Railroad, and junctions with the Union Pacific Railroad and Kansas City Southern Railroad in Fort Smith.

The Kansas City Southern Railroad has a line beginning just east of Fort Smith that runs west and joins with the mainline of the railroad in Sallisaw, Oklahoma.

The Union Pacific Railroad has a line running from its hub in Little Rock along the Arkansas River through Russellville, Clarksville, Ozark, Van Buren, and Fort Smith to a mainline junction in Muskogee, Oklahoma.

Sources:
Arkansas & Missouri Railroad. http://www.arkansasmissouri-rr.com/map.html

[4] GPD = Gallons Per Day

Pioneer Railcorp. Fort Smith Railroad Company. http://www.pioneer-railcorp.com/Subsidiaries/fsr/fsr.html
Kansas City Southern Railroad Company. http://www.kcsi.com/system_map.pdf
Union Pacific Railroad. http://www.uprr.com/aboutup/usguide/usa-ar.shtml

Airports

The Waldron Municipal Airport is the only airport serving Scott County. The airport, located two miles southwest of Waldron, has two asphalt runways, each 4,000 feet in length, that can accommodate a 4,000-pound single-wheel aircraft. There is no control tower at this airport. Services offered at the Waldron Municipal Airport include aircraft parking (tie-downs) and flight instruction.

The four major airports closest to Scott County are the Northwest Arkansas Regional Airport in Bentonville, Arkansas (roughly 130 miles north of Waldron), Adams Field Airport in Little Rock, Arkansas (roughly 140 miles southeast of Waldron), Tulsa International Airport in Tulsa, Oklahoma (roughly 160 miles northwest of Waldron), and Will Rogers World Airport in Oklahoma City, Oklahoma (roughly 230 miles west of Waldron).

Source:
AirNav, LLC. Waldron Municipal Airport: Waldron, Arkansas. http://www.airnav.com/airport/M27

IV. Labor Force

A breakdown of covered employment for Scott County in 2001 is provided in Table 8 below.

Table 8 – Covered Employment for Scott County, 2001 Annual Averages

North American Industry Classification System Industry Group	Average Employing Units	Average Covered Employment
Natural Resources & Mining	17	189
Construction	13	45
Manufacturing	18	1,387
Trade, Transportation & Utilities	62	536
Wholesale Trade	10	85
Retail Trade	38	355
Transportation, Warehousing & Utilities	14	95
Information	4	15
Financial Activities	15	71
Professional & Business Services	9	19
Education & Health Services	22	277
Leisure & Hospitality	18	173
Other Services	9	27
Local Government	5	328
State Government	9	62
Scott County - Total	**200**	**3,128**

The manufacturing sector accounted for 44.3 percent of total covered employment in Scott County in 2001, compared to the state's figure of 20.5 percent. In terms of the proportion of covered employment attributed to the manufacturing sector, the county ranked 4th among the 71 counties in Arkansas for which data were available and 2nd behind Marion County among the 15 counties in Northwest Arkansas for which data were available. For the state, the proportions ranged from 62.4 percent (Calhoun County) to 5.1 percent (Perry County); for Northwest Arkansas, the proportions ranged from Marion County's 48.2 percent to Newton County's 8.3 percent.

The wholesale trade sector accounted for 2.7 percent of total covered employment in Scott County in 2001, compared to the state's figure of 4.1 percent. In terms of the proportion of covered employment attributed to the wholesale trade sector, the county ranked 39th among the 68 counties in Arkansas for which data were available and 7th among the 14 counties in Northwest Arkansas for which data were available. For the state, the proportions ranged from 23.0 percent (Woodruff County) to 0.3 percent

(Marion County); for Northwest Arkansas, the proportions ranged from Boone County's 7.5 percent to Marion County's 0.3 percent.

The retail trade sector accounted for 11.3 percent of total covered employment in Scott County in 2001, compared to the state's figures of 11.9 percent. In terms of the proportion of covered employment attributed to the retail trade sector, the county ranked 47th among the 74 counties in Arkansas for which data were available and 11th among the 15 counties in Northwest Arkansas for which data were available. For the state, the proportions ranged from 18.9 percent (Saline County) to 2.7 percent (Calhoun County); for Northwest Arkansas, the proportions ranged from Baxter County's 14.5 percent to Benton County's 8.6 percent.

The transportation, warehousing, and utilities sectors accounted for 3.0 percent of total covered employment in Scott County in 2001, compared to the state's figure of 5.5 percent. In terms of the proportion of covered employment attributed to the transportation, warehousing, and utilities sectors, the county ranked 43rd among the 69 counties in Arkansas for which data were available and 9th among the 14 counties in Northwest Arkansas for which data were available. For the state, the proportions ranged from 18.4 percent (Little River County) to 0.8 percent (Marion County); for Northwest Arkansas, the proportions ranged from Crawford County's 17.7 percent to Marion County's 0.8 percent.

The information sector accounted for 0.5 percent of total covered employment in Scott County in 2001, compared to the state's figure of 1.9 percent. In terms of the proportion of covered employment attributed to the information sector, the county ranked 52nd among the 56 counties in Arkansas for which data were available and 11th ahead of Johnson County among the 12 counties in Northwest Arkansas for which data were available. For the state, the proportions ranged from 3.6 percent (Pulaski County) to 0.3 percent (Little River County); for Northwest Arkansas, the proportions ranged from Boone County's 3.2 percent to Johnson County's 0.4 percent.

The financial activities sector accounted for 2.3 percent of total covered employment in Scott County in 2001, compared to the state's figure of 4.3 percent. In terms of the proportion of covered employment attributed to the financial activities sector, the county ranked 71st ahead of Nevada County and Howard County among the 73 counties in Arkansas for which data were available and last among the 14 counties in Northwest Arkansas for which data were available. For the state, the proportions ranged from 7.5 percent (Pike County) to 1.9 percent (Nevada County); for Northwest Arkansas, the proportions ranged from Marion County's 5.0 percent to Scott County's 2.3 percent.

The professional and business services sector accounted for 0.6 percent of total covered employment in Scott County in 2001, compared to the state's figure of 9.2 percent. In terms of the proportion of covered employment attributed to the professional and business services sector, the county ranked 66th ahead of Woodruff County and Lincoln County among the 68 counties in Arkansas for which data were available and last among the 15 counties in Northwest Arkansas for which data were available. For the state, the

proportions ranged from 23.3 percent (Benton County) to 0.5 percent (Woodruff County); for Northwest Arkansas, the proportions ranged from Benton County's 23.3 percent to Scott County's 0.6 percent.

The education and health services sector accounted for 8.9 percent of total covered employment in Scott County in 2001, compared to the state's figure of 11.3 percent. In terms of the proportion of covered employment attributed to the education and health services sector, the county ranked 52nd among the 74 counties in Arkansas for which data were available and 10th among the 16 counties in Northwest Arkansas. For the state, the proportions ranged from 19.9 percent (Baxter County) to 2.2 percent (Little River County); for Northwest Arkansas, the proportions ranged from Baxter County's 19.9 percent to Crawford County's 6.6 percent.

The leisure and hospitality sector accounted for 5.5 percent of total covered employment in Scott County in 2001, compared to the state's figure of 7.8 percent. In terms of the proportion of covered employment attributed to the leisure and hospitality sector, the county ranked 55th among the 73 counties in Arkansas for which data were available and 14th ahead of Madison County and Logan County among the 16 counties in Northwest Arkansas. For the state, the proportions ranged from 16.7 percent (Carroll County) to 1.9 percent (Woodruff County); for Northwest Arkansas, the proportions ranged from Carroll County's 16.7 percent to Madison County's 4.3 percent.

A summary of Scott County's largest employers is presented in Table 9 below.

Table 9 – Scott County's Largest Employers

Company Name	City	Product	Employees
Tyson Foods	Waldron	Poultry	E
Travis Lumber Company	Mansfield	Sawing and Planing Mill	B
Waldron Nursing Center	Waldron	Skilled Care	B
Wal-Mart	Waldron	Retail	A
Thermo Environmental Industries	Waldron	Emission Control Monitoring Instruments	A

Employee Codes – A: Less than 100; B: 100-250; E: 1,001-1,500

Figure 3 displays the annual unemployment rates for Scott County, the State of Arkansas, and the United States for the period 1995 through 2001. For the period, Scott County experienced unemployment rates below the state and national averages; the annual unemployment rate in Scott County was between 1.5 percent below and 2.2 percent below the annual unemployment rate for the state and between 1.0 percent below and 2.6 percent above the annual unemployment rate for the U.S. for the period. In 2001, the unemployment rate in Scott County was 3.5 percent, compared to the state and national figures of 5.1 percent and 4.8 percent, respectively. Scott County had the 7th lowest unemployment rate among Arkansas' 75 counties in 2001 and the 5th lowest unemployment rate among the 16 counties in Northwest Arkansas. Unemployment rates in Arkansas ranged from 2.2 percent in Benton County to 13.9 percent in Mississippi County; unemployment rates in Northwest Arkansas ranged from Benton County's 2.2 percent to Newton County's 6.7 percent.

Figure 3 – Historical Unemployment Rate Comparisons: 1995-2001

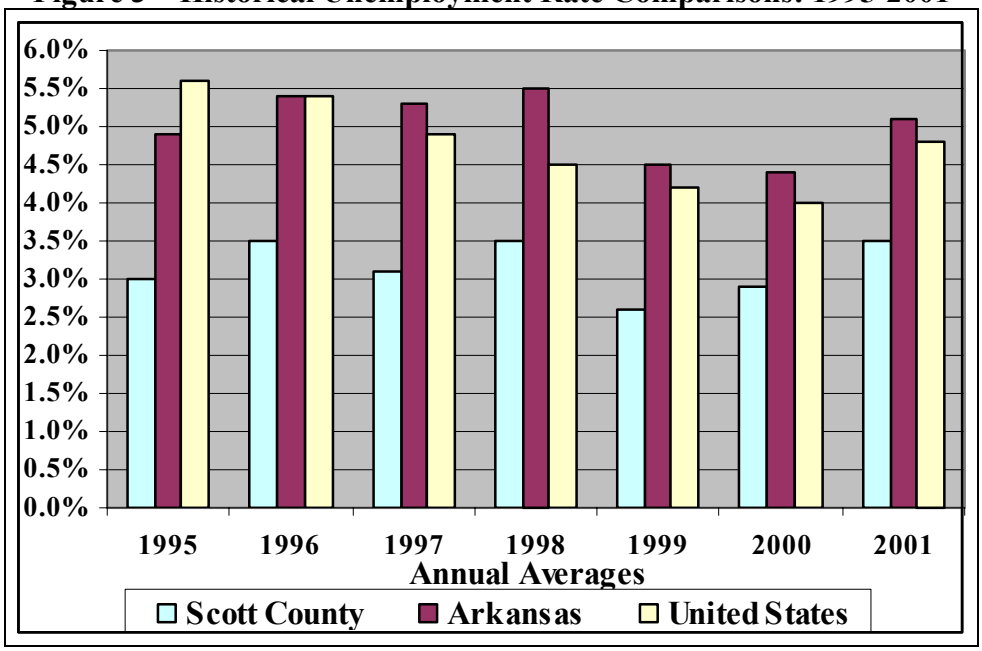
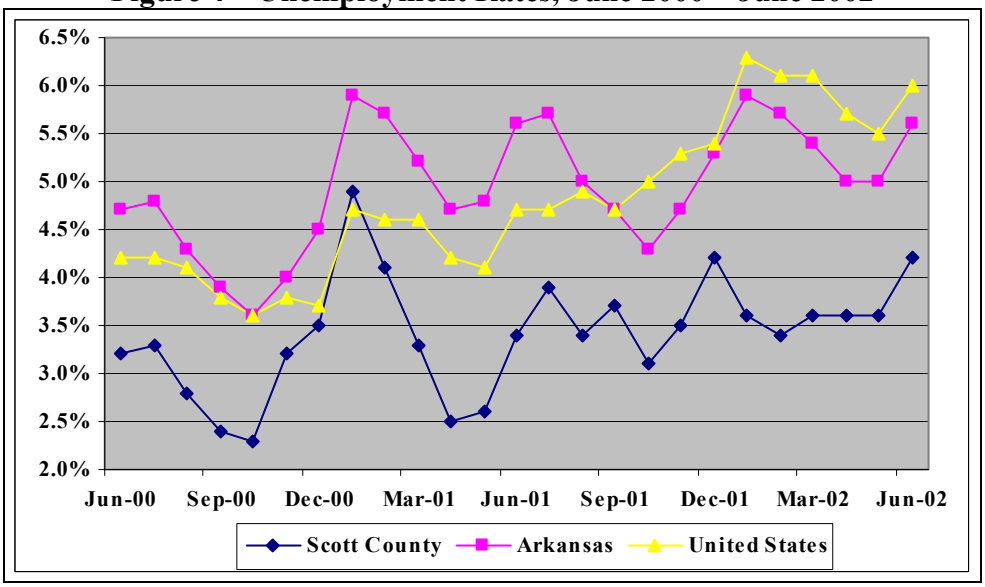


Figure 4 displays the monthly unemployment rates for Scott County, the State of Arkansas, and the United States from June 2000 to June 2002.[5]

Figure 4 – Unemployment Rates, June 2000 – June 2002



Sources:

Arkansas Employment Security Department, Covered Employment and Earnings, Annual 2001. Table 6: County Summary Employment and Earnings, by Industry, Calendar Year 2001. http://www.accessarkansas.org/esd/01antb6.htm

[5] Note: Data are not seasonally adjusted.

Arkansas Employment Security Department, Covered Employment and Earnings, Annual 2001. Table 1: Average Covered Employment and Weekly Earnings, by Industry, 2001. http://www.accessarkansas.org/esd/01antb1.htm

Largest Employers by County data from Arkansas Department of Economic Development.

Arkansas Economic Security Department, Arkansas Revised Labor Force Statistics, Annual Average, 2001. http://www.accessarkansas.org/esd/lmiaa01.htm

Arkansas Employment Security Department, Arkansas Labor Force Statistics. http://www.accessarkansas.org/esd/lmilaborforcestats.htm

V. Available Industrial Sites and Buildings

There are no available industrial sites or industrial buildings in Scott County.

Source:

Available Building and Site Database for Arkansas Communities, Arkansas Department of Economic Development. http://www.1800arkansas.com/Buildings_Sites/

VI. Economic Goals

Scott County faces challenges and opportunities for economic development. With low per capita personal income and high poverty levels and a high dependence on agriculture and manufacturing, Scott County must diversify its industrial base in order to take advantage of the best of the new economy. The relative lack of service industries and professional and business jobs make those sectors obvious ones to attempt to attract. As service and professional industries generally make use of and attract a more highly educated, affluent workforce, Scott County should take steps to provide the kind of environment that will retain such individuals.

Scott County must invest in quality education for its young people if it is to attain the kind of growth that will keep the community viable. With nine higher education institutions within a hundred miles, the citizens of Scott County have a tremendous opportunity to acquire the skills that will be necessary to compete in a knowledge-based economy.

VII. Opportunities for Future Business Development

Poultry

The domestic market for the U.S. agribusiness industry is relatively mature, with consistent but modest growth likely in the future. Demand for protein-rich foods is growing more rapidly in developing countries than in the United States, because of their higher population growth, rapid industrialization, and rising disposable income. Furthermore, agricultural output in such countries is growing less rapidly than consumption. Consequently, the U.S. agribusiness industry is strongly positioned to take advantage of future increases in worldwide food demand.

With the world's gross domestic product expected to rise to nearly $10.1 trillion in 2009 (a 34 percent increase over the preceding 10 years), there is ample reason to expect ever-growing demands on the world's agriculture. Whenever incomes begin to rise, one of the first things people do is to upgrade their diets. With increasing prosperity, people consume more food grains, meat, sweeteners, and vegetable oils. Since 1990, worldwide consumption of beef, pork, and poultry has surged approximately 29 percent.

Another trend in the U.S agribusiness industry is the number of market participants, ranging from farmers to processors, has steadily declined, as agriculture has moved toward vertical integration and consolidation. According to the Center for Rural Affairs, a private nonprofit group focused on rural development and agricultural policy, as of 2000, an estimated 80 percent of the U.S. beef market was controlled by 4 firms: Tyson Foods, ConAgra, Excel Corp., and Farmland National Beef Inc. These same firms, plus Smithfield Foods, controlled approximately 58 percent of the U.S. pork market. In 1999-2000, 24 percent of pork producers went out of business. Today, 35 producers account for 95 percent of the pork slaughter capacity, although they operate only about 5 percent of the estimated 800 pork slaughterhouses in the United States. According to the National Chicken Council, during 2000, the top 8 chicken producers raised 64 percent of the broilers sold in the United States. Further consolidation in the poultry industry is expected to cut the number of broiler suppliers almost in half by 2010.

For the past three decades, much of the consolidation among meat processors occurred at the slaughter capacity level. Today, however, more and more companies are focusing on acquisitions that will expand their final offerings to include higher-margin processed and prepackaged meat that is ready for the consumer to heat and eat. These can include freshly cooked and frozen meats that have been marinated or seasoned. Advocates of consolidation believe that the process will lead agricultural producers toward more efficiency, less dependence on government assistance, and greater global competitiveness. Furthermore, as larger and more specialized producers realize lower production costs through economies of scale, these savings can be passed through to consumers in the form of lower commodity and processed food prices.

In the mean time, agribusiness is being transformed by modern technology. Technological developments have changed the way things are done on the farm, in assembly, in processing, and in distribution. An increasing number of farmers and ranchers are doing business over the Internet. According to the U.S. Department of Agriculture, 55 percent of all farms were using computers in 2001, up from 38 percent in 1997. In 2000, 24 percent of farms used the Internet as a management tool in their farming operations, including $665 million in online buying and selling. Use of this technology allows farmers to receive and manage timely information in rural locations. In addition, nearly all farms that used the Internet in 2000 to purchase inputs indicated that they are likely to maintain or increase purchases in the future. Thus, with decreasing costs of computers and Internet access, growth in Internet use is likely to continue.

In April 2000, the world's leading meat and poultry processors took the next step toward realizing "seamless" trade — the transacting of wholesale business without intermediaries, and the streamlining of the purchase and sales process to facilitate higher volumes. Tyson Foods Inc., Cargill, Smithfield Foods, Gold Kist Inc., and Farmland Industries Inc. launched an online marketplace, or portal, for meat and poultry products called Provision X; the venture is headquartered in Chicago. Provision X agreed to be acquired by iTradeNetwork (ITN) in February 2002. ITN provides online e-business solutions for 38 percent of the U.S. retail grocery and food service industries, including seven of the top 15 food retailers in the nation.

Wood Products

As the wood industry faced a diminishing supply of old-growth timber, makers of lumber and plywood searched for alternative timber sources and manufacturing innovations. Because the southern United States offered less expensive labor and extensive private timberlands, the plywood industry moved rapidly to the South. Since 1964, more than 110 of the 140 panel-producing plants formerly located in the states of Oregon, California, and Washington have been closed.

The need for replacement wood sources has spurred the growth of engineered wood products, which include laminated veneer lumber, parallel strand lumber, I-beams, glued laminated timber, and oriented strand board (OSB). These engineered products are made from wood residue or small-diameter logs, which are readily available from forests not subject to severe environmental restrictions. On the demand side, engineered lumber has been gaining in popularity because of its ease of use.

OSB captured a growing proportion of the structural panel market over the past decade and is likely to gain more market share in upcoming years. By year-end 2001, it had captured close to 60 percent of the structural panel market. According to Resource Information Systems Inc., a private forecasting firm for the forest products industry, it should capture 65 percent of the structural panel market by 2006. Its popularity is further boosted by attractive pricing, as OSB is typically less expensive than plywood. The industry's growing concentration on OSB prompted the addition of a net total of 9.2 billion square feet of OSB capacity from 1996 through 2000, with just under 1.0 billion square feet of OSB capacity added in 2001. With OSB production costs typically falling well below those of plywood, which is more labor intensive, the industry has planned further major OSB increases in 2002 through 2004. According to the U.S. Department of Agriculture, five new plants had been slated to come on line from 2002 to 2004. The plants would add about 4.0 billion square feet of annual OSB capacity.

Other engineered wood products are gaining in market share and capturing new end uses. I-joists are typically used for roof truss applications, but are now capturing the flooring systems. At present, I-joists have captured 35 percent of the wood floor systems in the U.S. single-family housing market, and it is estimated that they can capture approximately 65 percent of the market in 10 years.

Skilled Care

As cost pressures throughout the healthcare industry have grown, nursing homes have converted segments of their facilities to provide sub-acute care, rehabilitation, or other higher-margin business lines. Many nursing home chains have developed expertise in skilled rehabilitation therapies, e.g., occupational, physical, speech, and respiratory. In addition, many now offer complex and intensive medical services to patients whose health problems are more serious than those of the typical nursing home resident. This sub-acute care market niche provides a cost-efficient alternative to general acute-care hospitals.

The growth of assisted-living facilities will be driven by change in U.S. demographics. Individuals aged 85 and older — a group representing the largest number of users of long-term healthcare services — is currently the fastest-growing segment of the U.S. population. At present, 3.6 million people are over the age of 85, and that number is expected to reach 5.7 million by 2010. Industry sources project that expenditures for senior living approximated $18 billion in 2000 and could reach $30 billion by 2005. Assisted-living services are provided largely to private-pay, long-term clients, but many states are developing regulatory structures to provide some reimbursement under Medicaid.

Beginning in the 1980s, the assisted-living industry emerged as an attractive housing alternative for frail and elderly persons who do not require intensive medical care. However, financial struggles have reduced the projected growth rate of this housing model over the past few years. Standard & Poor's believes that assisted living remains desirable for individuals able to pay for the bulk of their housing needs. However, the industry will continue to struggle unless additional state and/or federal payment reimbursements are instituted.

Retail

Retailing is a mature business, and growth opportunities are limited, given the large number of retail outlets spread across the country. Demographic trends primarily affect retail sales. As demographic trends influence consumers' preferences and shopping patterns, they are important to retailers' understanding of target markets. For example, the Baby Boom Generation, comprising individuals born between 1946 and 1964, constitutes some 78 million Americans - about 30 percent of the U.S. population. As the Baby Boomers entered adulthood and formed households, they fueled much of the boom in retail sales in the 1970s and 1980s. Today, having swollen the ranks of Americans in their 40s and 50s, their priorities have shifted from youthful spending to tuition payments for children and to saving for retirement.

Shopping trends also affect all aspects of retailing, from store layout to merchandise assortment. Current shopping trends in the U.S retail market can be summarized as Price + Quality = Value, "cross shopping," "precision shopping," and "going casual."

Although the American retail landscape is saturated with stores, sales can be increased by developing new markets overseas. Discount stores, like Wal-Mart, are expanding overseas more rapidly than other types of retailers, such as department stores. This is because discount stores offer low prices to attract customers; merchandising and cultural differences have made it unattractive for department stores, whose mainstay is apparel, to allocate the capital for overseas expansion.

Environmental Management

The two largest sub-segments of the air pollution control business are vehicle emissions control and industrial emissions control. The vehicle emissions segment's primary demand driver is the automotive business, which is forecast to grow at a long-term rate of about one to two percent. A switch to electric vehicles could be the next trend toward controlling vehicle emissions, although a meaningful shift seems a long ways off. Gas-electric hybrid vehicles run more like conventional autos and can be refueled at the gas station. However, significant sales of these vehicles are projected to be at least ten years away.

Restrictive emission control standards may increase demand for emission control monitoring instruments. Under new regulations aimed at reducing air pollutants emitted by diesel-powered vehicles, fuel producers would be required to reduce sulfur levels in diesel to only 15 parts per million (ppm) by 2007, from more than 500 ppm currently. In August 2000, the EPA finalized a rule that sets emission standards for diesel engines, to take effect in 2005. According to this rule, engines for vehicles weighing 8,500 to 10,000 pounds may not emit more than 0.28 grams per mile of hydrocarbons and 0.90 grams per mile of nitrogen oxide. For vehicles weighing 10,000 to 14,000 pounds, emissions will be limited to 0.33 grams per mile of hydrocarbons and 0.90 grams per mile of nitrogen oxide.

The industrial emissions control segment's primary market driver consists of proposed amendments to the federal Clean Air Act. However, the segment is seeing only weak demand growth, due to the EPA's difficulty in pushing through tough new clean-air standards that many private businesses have opposed, claiming excessive costs.

According to an air pollution market report published by Illinois-based McIlvane Company, global equipment sales may reach $255 billion by 2008, with U.S. firms spending $66 billion. Equipment that removes sulfur oxides is projected to generate $7.8 billion in global sales by 2008. During the next decade, China is expected to be the largest buyer of particulate control equipment and the second-largest purchaser of all air pollution equipment.

Meanwhile, some vendors of end-of-pipe pollution control systems are studying new ways to adapt their technologies for upstream uses and finding new applications for their core areas. Electric utilities remain the major purchasers of air pollution control systems, but other industries are likely to become customers as Title V permit applications submitted for approval over the past few years take effect. (A Title V permit is an

operating permit awarded under the Clean Air Act Amendments of 1990 to new plants that meet air quality regulations.)

Source: Standard and Poor's NetAdvantage.
http://0-www.netadvantage.standardpoor.com.library.uark.edu/