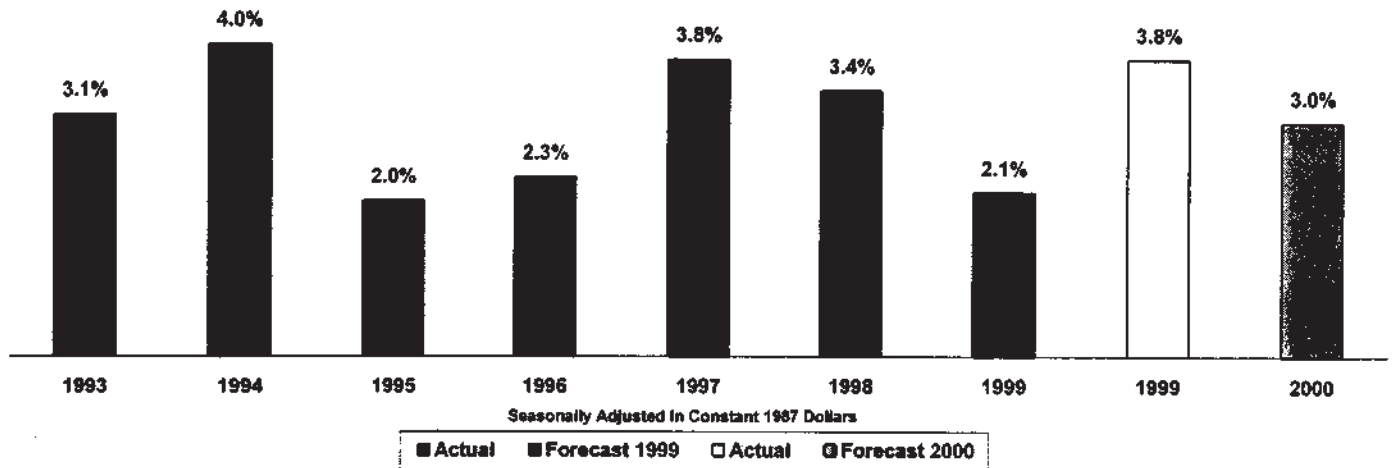


1999 ECONOMIC REPORT
AND
2000 FORECAST
FOR
CONWAY AND FAULKNER

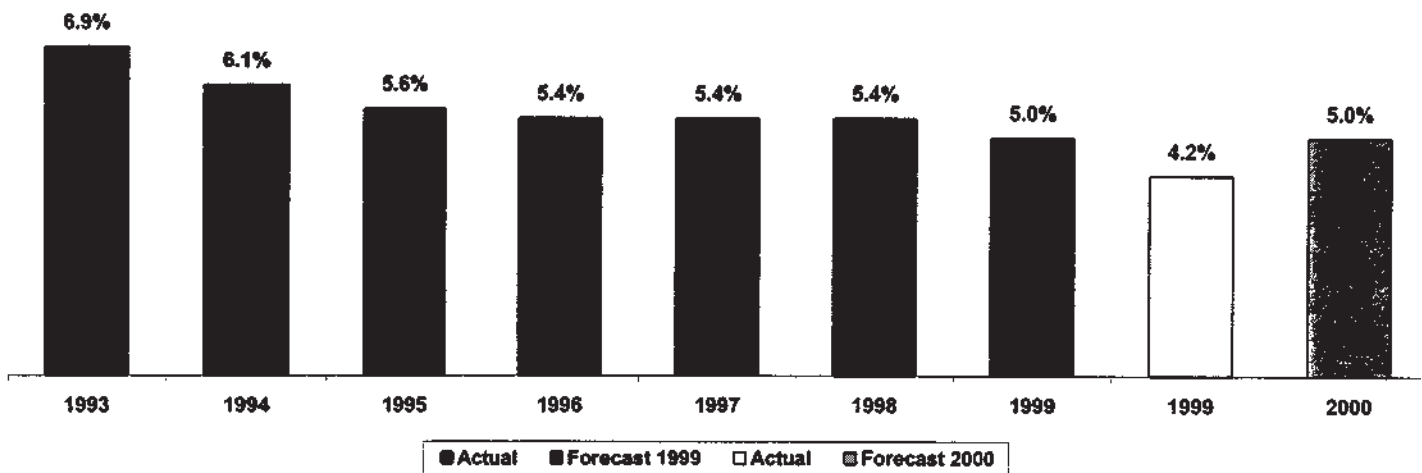
Prepared for
The Conway Noon Rotary Club
By
Roger D. Lewis, Ph.D.
Director of Institutional Research
University of Central Arkansas

National Economy

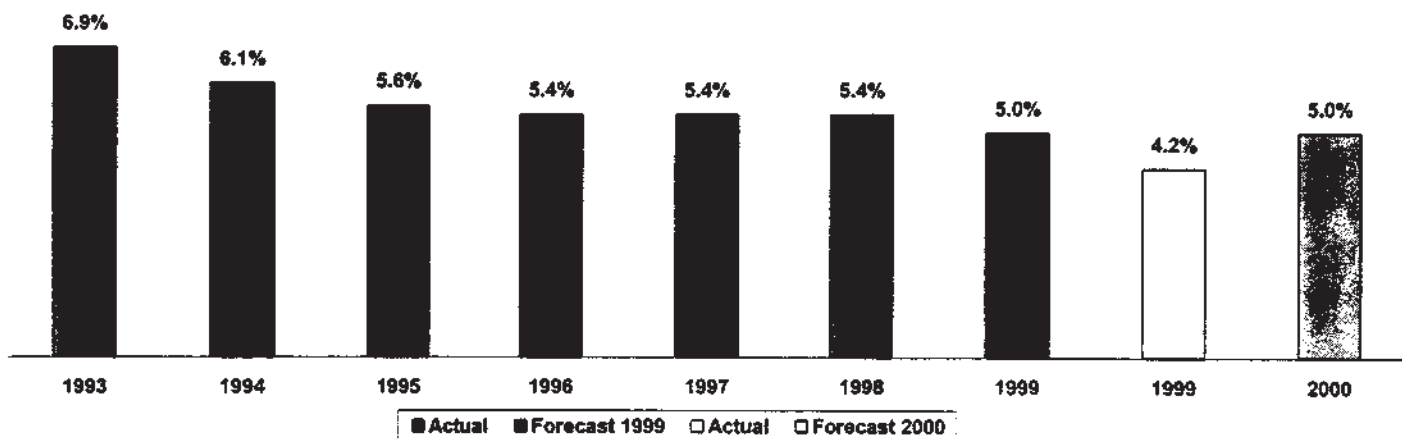
Gross Domestic Production



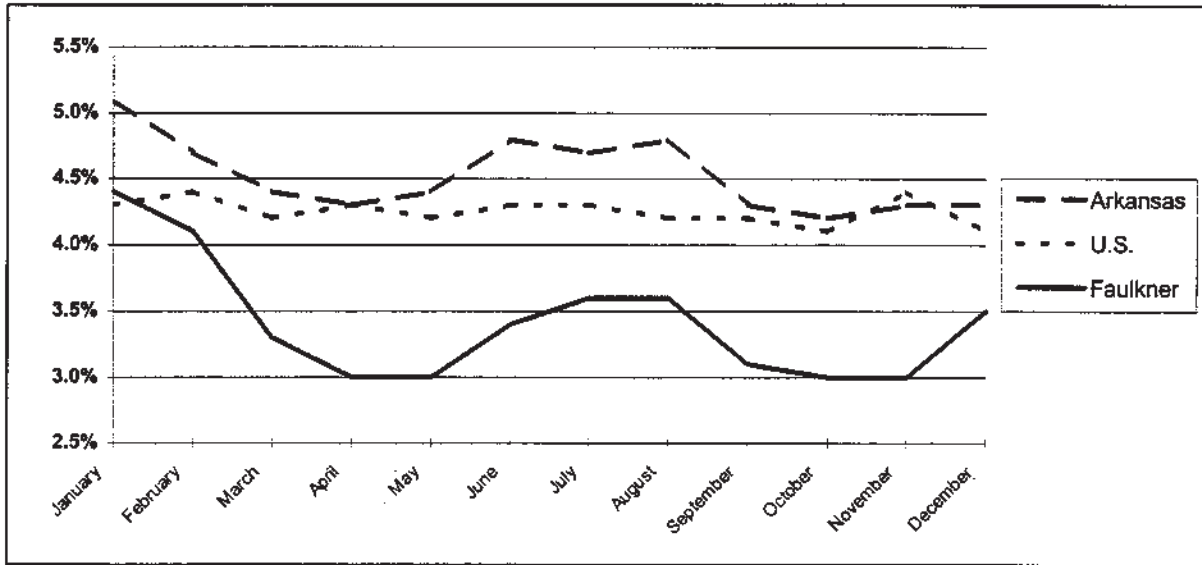
Unemployment Rate



Consumer Price Index



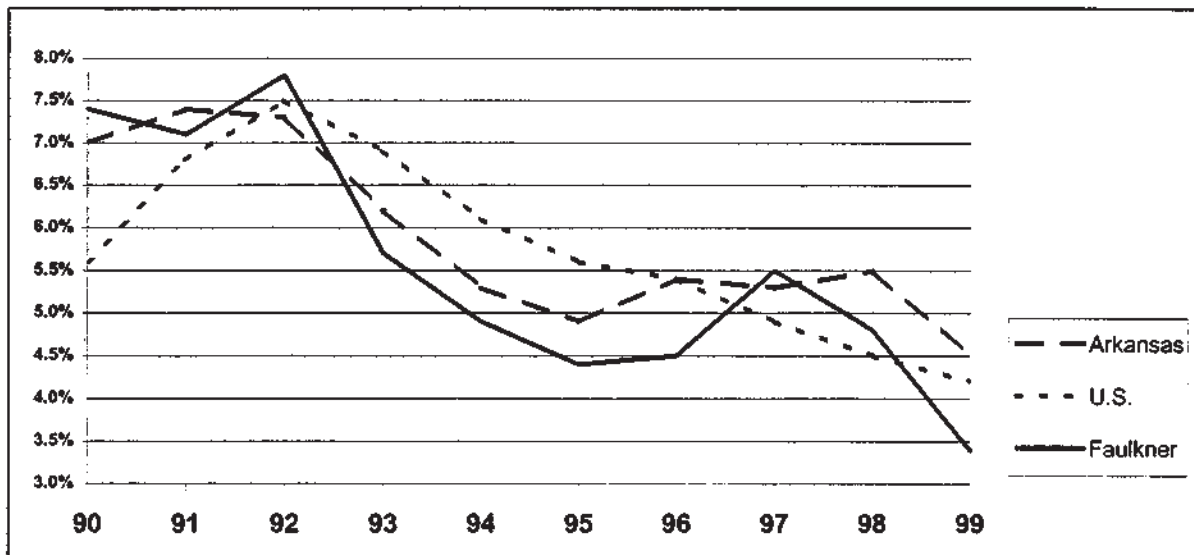
Arkansas Economy 1999 Unemployment Rates*



Month	U.S.	Arkansas	Faulkner
January	4.3	5.1	4.4
February	4.4	4.7	4.1
March	4.2	4.4	3.3
April	4.3	4.3	3.0
May	4.2	4.4	3.0
June	4.3	4.8	3.4
July	4.3	4.7	3.6
August	4.2	4.8	3.6
September	4.2	4.3	3.1
October	4.1	4.2	3.0
November	4.1	4.3	3.3
December	4.1	4.3	3.5
Average	4.2	4.5	3.4

* Percentage of the work force unemployed, seasonally adjusted except for Faulkner County

Average Employment Rates By Year 1990 Through 1999



December Year-To-Date General Revenues
(July 1 to December 30)

	1994		1995		1996		1997		1998		1999		Five Year	
	Amount	% Incr.	Amount	% Incr.	Amount	% Incr.	Amount	% Incr.	Amount	% Incr.	Amount	% Incr.	Amount	% Incr.
Individual	\$523,876,818		\$569,305,413	8.67	\$602,248,485	5.78	\$650,102,882	7.95	\$709,172,019	9.09	\$720,824,850	1.64	\$720,824,850	37.59
Corporate Income	73,545,697	12.23	82,542,444	12.23	84,784,005	2.72	83,708,188	-1.27	88,160,535	5.32	92,178,991	4.56	92,178,991	25.34
Sales & Receipts Taxes	645,647,549	7.27	892,557,393	7.27	725,387,946	4.74	749,724,113	3.35	780,073,107	4.05	835,652,091	7.12	835,652,091	29.43
All Other	133,753,129	-18.89	108,490,655	-18.89	100,664,135	-7.21	98,727,452	-1.92	95,587,218	-3.18	94,631,696	-1.00	94,631,696	-29.25
Gross Revenues	\$1,376,823,193	5.53	\$1,452,895,905	5.53	\$1,513,084,571	4.14	\$1,582,262,635	4.57	\$1,672,992,879	5.73	\$1,743,287,628	4.20	\$1,743,287,628	26.62

Amount of Increase Over The Previous Year:

\$76,072,712

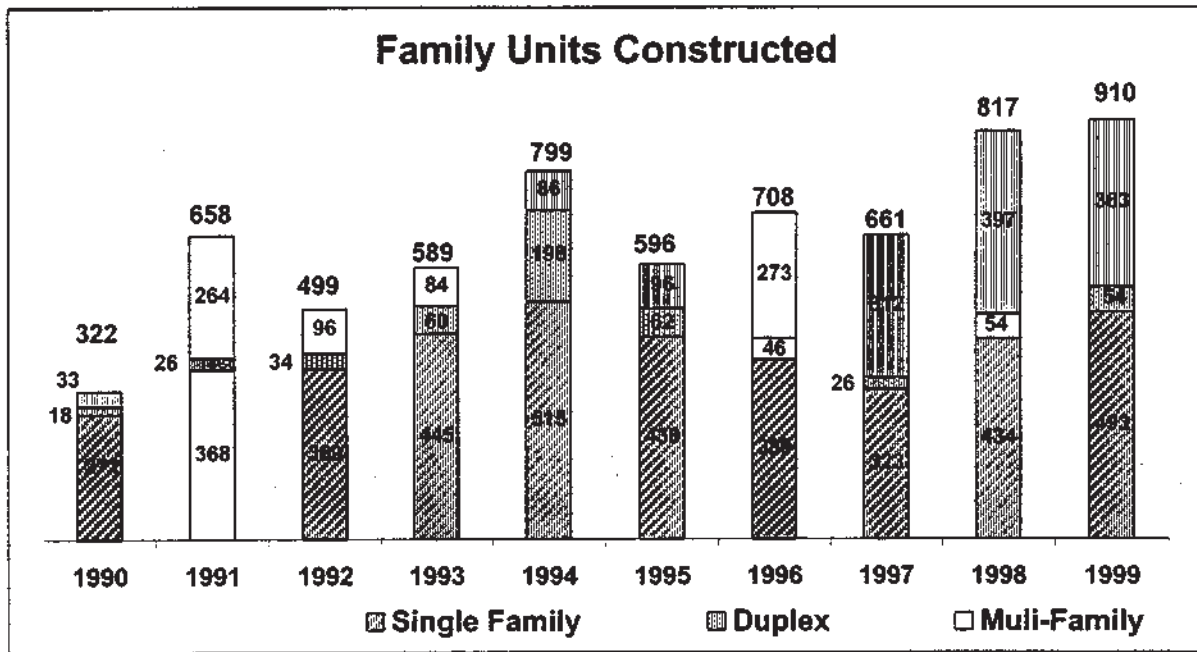
\$60,188,866

\$90,730,244

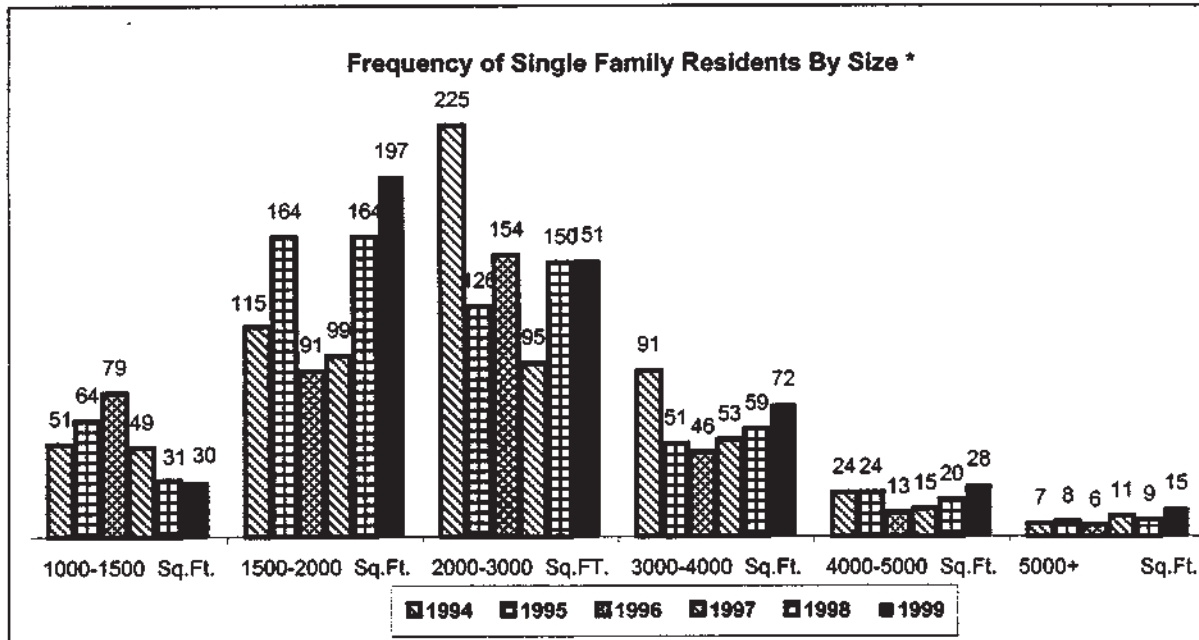
\$70,294,749

Fiscal Year Net Revenues Ending June 30:

Building Permits Issued and Family Units Constructed In Conway From 1990 to 1999



	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Single Family	271	368	369	445	515	438	389	323	434	493
Duplex	18	26	34	60	198	62	46	26	54	54
Multi-Family	33	264	96	84	86	96	273	312	397	363
Total Units	322	658	499	589	799	596	708	661	885	910

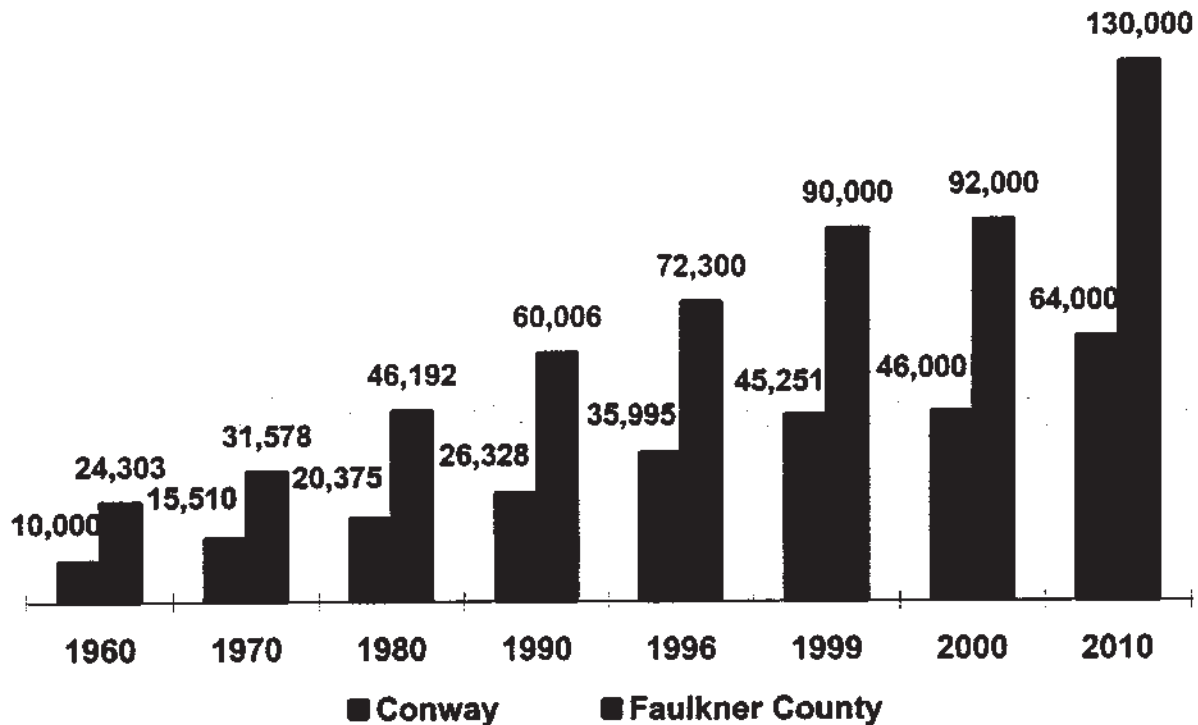


Averages for Single Family Residences	1994	1995	1996	1997	1998	1999
Square Square Feet Area*	2,501	2,290	2,299	2,447	2,385	2,460
Construction Cost Per Sq. Ft.	\$40.72	\$42.91	\$44.56	\$48.05	\$50.80	\$51.83
	\$101,833	\$98,276	\$102,443	\$117,576	\$121,384	\$127,525

* Includes everything Under Roof

Data Source: Conway Planning Department Year End Reports, Bill Polk Director.

Population of Conway and Faulkner County *



* Estimated for Conway for 1998, 2000 and 2010, Faulkner County for 1996, 1998, 2000 and

	1960	1970	1980	1990	1996	1999	2000	2010
Conway	10,000	15,510	20,375	26,328	35,995	45,251	46,000	64,000
Faulkner County	24,303	31,578	46,192	60,006	72,300	90,000	92,000	130,000

Conway's population estimate for the year 2010 is based on 700 family units constructed per year with an average of 2.6 occupants per unit.

Utilities

Conway Corporation Revenues & Capital Expenditures

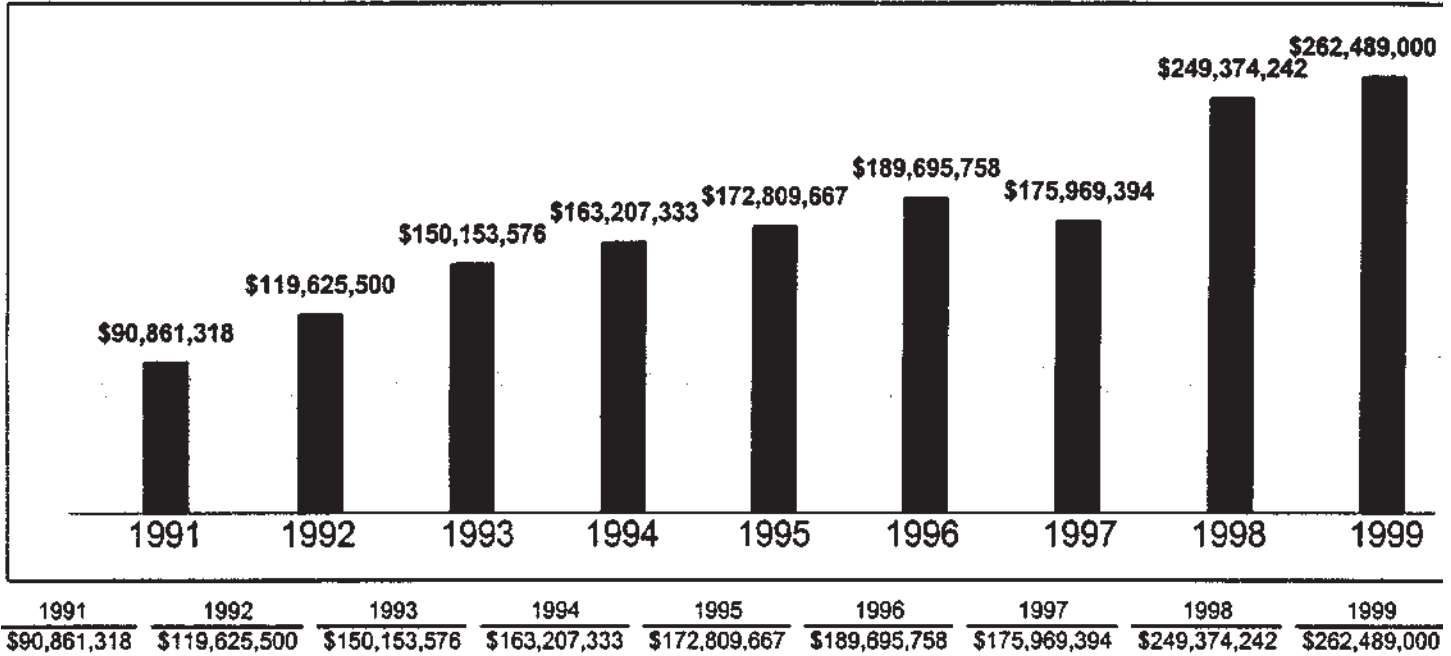
In Million dollars

	Revenue	Capital Expenditures	Residential Electric Customers	Total Electric Customers	Percent Increase
2000	48.3	6.1	19,977	20,286	4.1
1999	47.8	10.2	17,206	19,480	6.2
1998	46.2	5.8	16,411	18,349	5.9
1997	42.4	5.2	15,332	17,324	4.3
1996	40.3	6.2	14,674	16,606	5.6
1995	37.7	4.3	13,897	15,732	5.4
1994	33.6	3.4	13,168	14,921	

* Actual for 1994 through 1999, and for budgeted for 2000

In April of 1996 census the population was 35,995 and there were 13,694 residential electric meter or 2.63 residents per meter.

Faulkner County Real Estate Sales *



Based on Revenue Tax Stamps Sold

Faulkner County Property Tax Assessment Values (as of June each Year)

Year	Real Estate			All Property *		
	Amount	Percent Increase		Amount	Percent Increase	
		Yearly	Since 92		Yearly	Since 92
1999	\$483,595,772	27.6	97.7	\$681,056,685	23.3	97.0
1998	379,129,163	3.7	55.0	552,296,656	2.8	59.8
1997	365,748,470	1.1	** 49.5	537,089,567	3.6	** 55.4
1996	361,653,000	17.6	** 47.9	518,255,000	17.4	** 49.9
1995	307,600,000	6.4	25.8	441,399,700	7.3	27.7
1994	289,063,000	8.1	18.2	411,318,000	12.6	19.0
1993	267,466,000	9.4	9.4	365,343,968	5.7	5.7
1992	244,585,000			345,683,719		

* Includes Personal Property, Utilities and Carriers

** Approximately 60% of the increase in 1996 is from reassessment and then in 1997 the reassessment was rolled back to previous levels.

Data Source: Faulkner County Assessors Office

Faulkner County Retail Sales ¹

Year	Sales Tax Collections	% Incr	Estimated Gross Sales	Percent Increase
1999 *	13,000,000	8.1	281,081,081	5.9
1998	12,028,467	-1.7	265,422,595	-1.0
1997	12,241,395	1.8	268,110,102	0.4
1996	12,020,116	-1.9	267,113,689	-1.9
1995	12,247,153		272,158,956	

* December is estimated for 1999

¹ Does not include sales or taxes that are collected and reported by companies that have consolidated tax reports such as Walmart, McDonalds, JC Penny and Payless Shoes. Also the rate increased from 4.5% to 4.625% in July of 1997.

Conway Net Sales Tax Revenues*

	Sales Tax Collections		Increase over Previous Yr.	Estimated Gross Sales **	Percent Increase
	@1%	@1/2%	@ 1% Rate		
1999	\$6,630,448	\$3,315,192	6.7	\$683,551,340	6.7
1998	6,212,823	3,096,188	4.8	640,497,216	4.8
1997	5,928,576	2,944,183	6.6	611,193,402	6.6
1996	5,563,496	2,779,524	6.8	573,556,289	6.8
1995	5,209,329	2,562,489	9.1	537,044,227	9.1
1994	4,772,788	2,186,410	12.8	492,040,000	12.8
1993 ***	4,232,954	3,705		436,387,010	

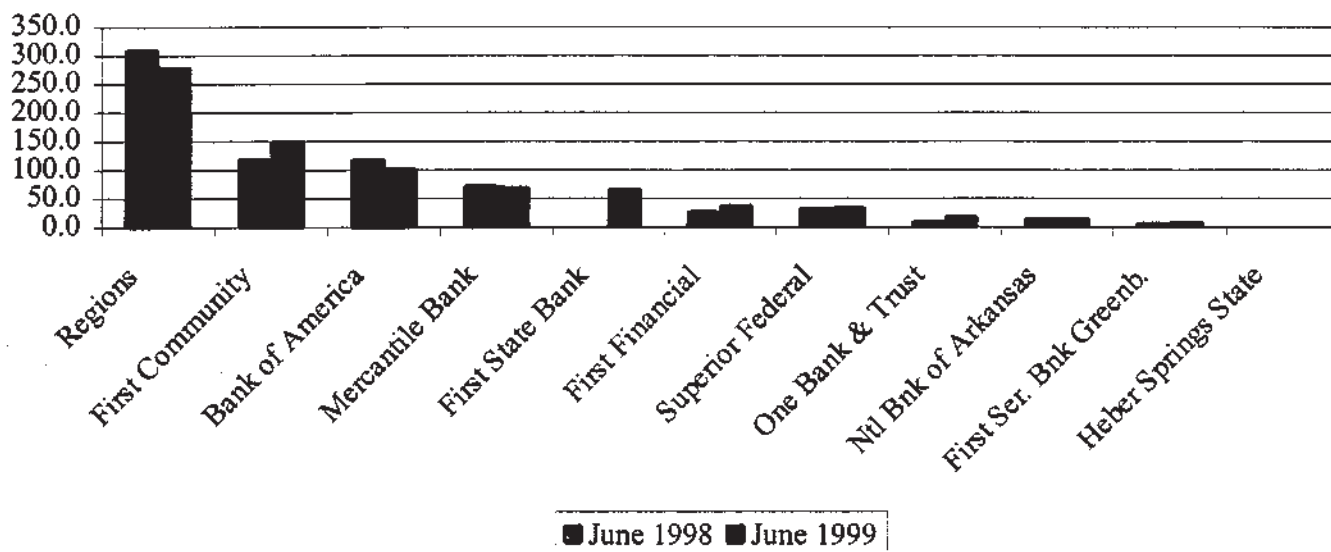
* The collection period reported for each year is December of the previous year through November and is the net amount the city receives after the state deducts administrative expenses for collection.

** Estimated Gross Sales is Understated in that only \$25.00 local sales tax is collected for each one percent of tax for purchases over \$2500. The estimate is based on the gross sales collected by the state before the approximate 3% for collection cost is deducted.

*** One-half percent implemented in November of 1993.

Bank Deposits

In Million Dollars



Market Share Report

Deposits of all FDIC-Insured Institutions

Operating in Faulkner County

(dollars in thousands)

Name ¹	June 30, 1998			June 30, 1999		
	Number of Offices	Deposites	Market Share	Number of Offices	Deposites	Market Share
1 Regions Bank	7	\$309,409	43.61	7	\$278,816	35.80
2 First Community Bank	4	119,186	16.80	6	149,900	19.25
3 Bank of America	3	118,036	16.64	3	101,293	13.01
4 Mercantile Bank	2	72,145	10.17	2	69,185	8.88
5 First State Bank	0	0	0.00	3	66,340	8.52
6 First Financial Bank	1	27,147	3.83	2	37,833	4.86
7 Superior Federal Bank	2	32,756	4.62	2	33,933	4.36
8 One Bank & Trust	1	9,926	1.40	2	18,761	2.41
9 National Bank of Arkansas	1	14,079	1.98	1	14,503	1.86
10 First Service Bank of Greenbrier	1	6,855	0.97	1	7,903	1.01
11 Heber Springs State Bank				1	245	0.03
	22	\$709,539	100.00	30	\$778,712	100.00
Average deposits per office		\$32,252			\$25,957	

1. Name as chartered in 1999 and ranked ordered as deposits in 1999

Data Source, Federal Deposit Insurance Corporation web site

Vehicles Sold By Authorized New Car Dealers *

New Vehicles:	1994 <hr/> 1980	1995 <hr/> 1696	1996 ** <hr/> 1862	1997 ** <hr/> 2022	1998 <hr/> 2099	1999 <hr/> 2066	% <hr/> Increase
Autos							-0.3
Trucks	1192	1224	1433	1556	1693	1811	1.2
Total (New)	3172	2920	3295	3578	3792	3877	0.9
Used Vehicles:							
Autos	2716	1988	1999	1892	1613	1927	3.1
Trucks	1057	988	1238	1094	937	1146	2.1
Total (Used)	3773	2976	3237	2986	2550	3073	5.2
Grand Total	6945	5896	6532	6564	6342	6950	6.1

* Self reported by survey - the 1994 and 1995 data may have included used vehicles that were wholesaled.

** There is one new dealership reported in 1996 and another new one in 1997

Sales Taxes Collected in Faulkner County on Automobile Purchases

	Collection	Sales
1997	\$5,239,204	\$114,495,692
1996	5,051,936	112,265,244

The rate increased from 4.5% to 4.625% in July of 1997

Motor Vehicle Registration

Year	Passenger	Trucks	Cycles	Total	Increase	% Increase
1998	40,736	19,836	688	61,260	6,349	11.6
1997	36,007	18,434	470	54,911	1,918	3.6
1996	34,400	18,148	445	52,993	1,877	3.7
1995	32,683	17,998	435	51,116	3,509	7.4
1994	30,898	16,333	376	47,607	3,188	7.2
1993	28,785	15,271	363	44,419	2,150	5.1
1992	27,323	14,607	339	42,269	1,642	4.0
1991	26,261	14,033	333	40,627	1,626	4.2
1990	25,173	13,500	328	39,001		

*There appears to be an error in the 1998 data, the Department of Motor Vehicles believe that the total registration is correct for 1998 and may be in error in 1997 and 1996.

Agriculture Production In Faulkner County

Crop								Percent Increase
	1993	1994	1995	1996	1997	1998	1999	1998-99
Beef*	\$21,250,000	\$17,500,000	\$10,500,000	\$12,000,000	\$16,000,000	\$15,200,000	\$18,500,000	21.71 %
Greenhouses	NA	800,000	800,000	850,000	1,000,000	2,000,000	4,000,000	100.00
Dairy	4,537,500	4,870,840	4,719,000	4,900,000	4,637,500	4,004,000	3,733,800	-6.75
Hay	1,300,000	2,340,000	2,200,000	2,400,000	3,750,000	3,125,000	3,000,000	-4.00
Forestry	500,000	600,000	600,000	700,000	800,000	900,000	1,500,000	66.67
Rice	468,750	1,232,500	750,000	1,280,000	1,211,250	1,316,250	1,290,900	-1.93
Soybeans	1,965,600	2,310,000	1,875,000	2,126,250	2,318,400	990,000	957,000	-3.33
Fruits & Vegetables	620,000	550,000	550,000	200,000	350,000	600,000	750,000	25.00
Wheat	600,000	633,600	695,600	710,400	770,000	560,000	614,800	9.79
Silage	500,000	700,000	350,000	500,000	250,000	200,000	300,000	50.00
Hogs	20,800	117,000	117,000	95,000	107,000	78,000	82,500	5.77
Corn	36,000	36,000	63,000	75,000	119,700	81,000	33,000	-59.26
Grain Sorghum	24,000	36,000	12,750	9,500	12,000	4,500	6,000	33.33
Oats	10,000	20,000	14,000	1,000			n	
Total	\$31,832,650	\$31,745,940	\$23,246,350	\$25,847,150	\$31,325,850	\$29,058,750	\$34,768,000	19.65
Percent Change		-0.27%	-26.77%	11.19%	21.20%	-7.24%	19.65%	

* Fourth in the state for beef cattle production

	Number of Acres In Production		Total Yield		Yield			Percent Increase In Yield
	1998	1999	1998	1999	1998	1999		1998-99
Rice	2,500	3,000	325,000	390,000 BU	130.0	130.0	Busheis/Acre	0.00
Soybeans	12,000	10,500	180,000	199,500 BU	15.0	19.0	Busheis/Acre	26.67
Corn	400	150	81,000	15,000 BU	202.5	100.0	Busheis/Acre	-50.62
Hay	7,600	7,600	1,250,000	1,350,000 Bales	164.5	177.6	Bales/Acre	8.00
Wheat	4,000	4,000	224,000	232,000 BU	56.0	58.0	Busheis/Acre	3.57
Beef	58,000	65,000	54,000	54,000 Head	0.9	0.8	Head Sold/Acre	-10.77
Hogs	150	150	1,500	1,500 Head	10.0	10.0	Head Sold/Acre	0.00
Dairy # Head	2,800	2,800	36,400,000	36,400,000 Lbs	13,000	12,700	lbs. per cow	-2.31

Data Source: Bill Dodgen, Cooperative Extension Service-Faulkner County

1994 1995 1996 1997 1998 Increase Form 1994 Through 1998

	1994		1995		1996		1997		1998		Increase Form 1994 Through 1998	
	Firms	Earnings *	Firms	Earnings *	Firms	Earnings *	Firms	Earnings *	Firms	Earnings *	Firms	Earnings *
Manufacturing	83	\$183,426,575	85	\$172,531,099	85	\$185,079,840	85	\$195,556,918	81	\$207,325,424	-2	\$243,898,849
Nonmanufacturing:												
Construction	203	36,776,509	212	44,004,024	221	49,064,443	231	\$55,843,933	228	\$61,410,208	25	24,633,699
Transportation & Public Services	48	13,911,275	50	15,535,607	46	14,604,120	50	17,407,366	61	19,308,883	13	5,397,707
Wholesale & Retail Trade	409	82,690,871	432	68,936,523	462	79,829,862	491	87,544,389	517	92,744,328	106	30,053,932
Financial, Insurance & Real Estate	106	13,421,848	113	15,452,521	118	16,388,035	131	18,852,337	136	21,713,328	30	8,291,380
Services	403	109,355,585	436	133,997,522	476	150,952,950	483	172,406,627	511	212,615,057	108	103,259,472
Government	49	96,486,871	51	104,229,716	52	110,680,887	53	117,889,412	54	123,489,568	5	27,002,697
Other	23	1,695,267	23	2,460,614	29	2,777,004	30	3,095,315	30	3,344,458	7	1,659,191
Total Non Manufacturing	1241	\$334,328,327	1317	\$384,616,527	1409	\$424,497,081	1489	\$473,030,369	1537	\$534,626,405	296	\$200,298,078
Grand Total	1324	\$497,754,902	1402	\$557,147,626	1491	\$609,576,921	1554	\$668,586,307	1618	\$741,951,829	294	\$244,196,927

* Earnings Include Fringe Benefits

Impact Of Tourism On Arkansas and Faulkner County

Total Travel Expenditures

	1993	1994	1995	1996	1997	1998	Five Year Increase
State	\$2,748,657,000	\$2,929,740,000	\$3,067,406,000	\$3,153,293,000	\$3,219,512,000	\$3,418,800,000	24.38%
Faulkner County	\$39,352,000	\$41,160,000	\$41,813,703	\$42,460,276	\$43,688,519	\$47,415,807	20.49%

Visitors(Person Trips)*

	1993	1994	1995	1996	1997	1998	Five Year Increase
State	17,198,000	17,818,000	18,157,000	18,066,000	18,138,000	19,178,451	11.78%
Faulkner County	263,417	269,065	265,937	261,059	264,145	285,596	8.42%

Total Travel Expenditure Per Visitor

	1993	1994	1995	1996	1997	1998	Five Year Increase
State	\$160.20	\$164.43	\$168.94	\$174.54	\$177.50	\$178.26	11.28%
Faulkner County	\$149.39	\$152.97	\$157.23	\$162.62	\$165.40	\$166.02	11.13%

State Tax Receipts

	1993	1994	1995	1996	1997	1998	Five Year Increase
State	\$124,306,000	\$130,760,000	\$136,906,000	\$141,886,000	\$144,878,000	\$153,846,000	23.76%
Faulkner County	\$2,013,334	\$2,130,000	\$2,166,275	\$2,212,491	\$2,275,995	\$2,471,623	22.76%

* Includes Gasoline Tax, Sales Tax, Employee Taxes & Fees

Local Tax Receipts

	1993	1994	1995	1996	1997	1998	Five Year Increase
State	\$52,926,000	\$55,680,000	\$58,297,000	\$59,913,000	\$61,171,000	\$64,975,000	22.77%
Faulkner County	\$732,000	\$720,000	\$782,105	\$792,879	\$815,362	\$885,578	20.98%

Number Employed

	1993	1994	1995	1996	1997	1998	Five Year Increase
State	45,289	46,450	46,891	46,774	46,868	47,944	5.86%
Faulkner County	690	730	727	720	724	749	8.55%

Payroll of Employees Resulting From Tourism

	1993	1994	1995	1996	1997	1998	Five Year Increase
State	\$469,928,300	\$502,660,000	\$526,464,000	\$542,366,000	\$553,756,000	\$586,808,000	24.87%
Faulkner County	\$6,670,563	\$7,320,000	\$7,451,656	\$7,567,472	\$7,764,565	\$8,430,381	26.38%

Average Pay of Those Employed By Tourism

	1993	1994	1995	1996	1997	1998	Five Year Increase
State	\$10,376	\$10,826	\$11,226	\$11,565	\$11,815	\$12,239	17.96%
Faulkner County	\$9,668	\$10,027	\$10,250	\$10,510	\$10,752	\$11,256	16.43%

* A person trip is one person travelling 100 miles or more one way and/or spending one night away from his point of origin.

Source: Arkansas Department of Tourism & Travel