

# ANALYSIS

## How Does Texas Compare, 1987

This ANALYSIS issue presents the latest interstate data available on state and local government finances (1987) from the U.S. Census Bureau. Although interesting and informative, interstate comparisons often are misleading -- particularly in the case of

state governments where one function may be handled at the local level in one state, but at the state level in another. The accompanying article and data begin on page 2.

### Texas 1975-1987 (Per Capita Dollar Amounts)

	1975	1980	1985	1986	1987
<b>Personal Income</b>	\$ 5,473	\$ 9,814	\$ 13,483	\$ 13,480	\$ 13,865
U.S. Average	\$ 5,842	\$ 9,914	\$ 13,867	\$ 14,641	\$ 15,467
% U.S. Average	93.68%	98.99%	97.23%	92.07%	89.64%
Texas Rank	29	21	21	27	33
<b>STATE &amp; LOCAL GOVERNMENT</b>					
<b>Tax Revenue</b>	\$ 502	\$ 801	\$ 1,267	\$ 1,292	\$ 1,329
U.S. Average	\$ 657	\$ 984	\$ 1,465	\$ 1,547	\$ 1,664
% U.S. Average	76.41%	81.40%	86.48%	83.52%	79.87%
Texas Rank	40	35	32	30	35
<b>Property Tax</b>	\$ 186	\$ 244	\$ 466	\$ 517	\$ 549
U.S. Average	\$ 239	\$ 299	\$ 435	\$ 463	\$ 498
% U.S. Average	77.82%	81.61%	107.13%	111.66%	110.24%
Texas Rank	30	28	21	20	20
<b>Federal Aid</b>	\$ 175	\$ 263	\$ 299	\$ 330	\$ 334
U.S. Average	\$ 218	\$ 366	\$ 445	\$ 469	\$ 472
% U.S. Average	80.28%	71.86%	67.19%	70.36%	70.76%
Texas Rank	46	49	49	48	49
<b>Total Expenditure</b>	\$ 816	\$ 1,353	\$ 2,384	\$ 2,626	\$ 2,816
U.S. Average	\$ 1,065	\$ 1,617	\$ 2,749	\$ 2,971	\$ 3,185
% U.S. Average	76.62%	83.67%	86.72%	88.39%	88.41%
Texas Rank	46	40	36	33	31
<b>Local Schools</b>	\$ 243	\$ 394	\$ 592	\$ 650	\$ 666
U.S. Average	\$ 285	\$ 409	\$ 553	\$ 602	\$ 644
% U.S. Average	85.26%	96.33%	107.05%	107.97%	103.42%
Texas Rank	39	27	14	12	16
<b>Higher Education</b>	\$ 100	\$ 169	\$ 256	\$ 260	\$ 257
U.S. Average	\$ 101	\$ 149	\$ 219	\$ 235	\$ 247
% U.S. Average	99.01%	113.42%	116.89%	110.64%	104.05%
Texas Rank	28	21	19	21	27
<b>Highways</b>	\$ 97	\$ 160	\$ 162	\$ 230	\$ 241
U.S. Average	\$ 105	\$ 147	\$ 189	\$ 205	\$ 214
% U.S. Average	92.38%	108.84%	85.71%	112.20%	112.62%
Texas Rank	38	30	40	26	26
<b>Public Welfare</b>	\$ 71	\$ 105	\$ 136	\$ 141	\$ 159
U.S. Average	\$ 126	\$ 201	\$ 291	\$ 310	\$ 329
% U.S. Average	56.35%	52.24%	46.74%	45.48%	48.33%
Texas Rank	42	46	50	50	49
<b>Health &amp; Hospitals</b>	\$ 67	\$ 124	\$ 189	\$ 190	\$ 188
U.S. Average	\$ 87	\$ 142	\$ 208	\$ 222	\$ 234
% U.S. Average	77.01%	87.32%	90.87%	85.59%	80.34%
Texas Rank	31	29	25	27	31
<b>Police Protection</b>	\$ 27	\$ 43	\$ 73	\$ 76	\$ 82
U.S. Average	\$ 39	\$ 59	\$ 88	\$ 94	\$ 101
% U.S. Average	69.23%	72.88%	82.95%	80.85%	81.19%
Texas Rank	29	33	27	28	27
<b>Gen. Debt Interest</b>	\$ 32	\$ 49	\$ 134	\$ 146	\$ 184
U.S. Average	\$ 41	\$ 65	\$ 136	\$ 154	\$ 172
% U.S. Average	78.05%	75.38%	98.53%	94.81%	106.98%
Texas Rank	23	31	26	26	22
<b>Other Expenditure</b>	\$ 179	\$ 309	\$ 843	\$ 933	\$ 1,040
U.S. Average	\$ 281	\$ 446	\$ 1,065	\$ 1,150	\$ 1,243
% U.S. Average	63.70%	69.28%	79.15%	81.13%	83.67%
Texas Rank	46	46	36	33	31
<b>Total Debt</b>	\$ 892	\$ 1,443	\$ 2,589	\$ 2,860	\$ 3,173
U.S. Average	\$ 1,027	\$ 1,477	\$ 2,393	\$ 2,733	\$ 2,952
% U.S. Average	86.85%	97.70%	108.19%	104.65%	107.49%
Texas Rank	23	24	23	23	22



# Texas Government Finance 1987 Trends

## Personal Income Up Some

The Texas economy began a slight up turn in 1987 as indicated by per capita personal income's 2.9% rise to \$13,865 from \$13,480 in 1986. However, Texas' recovery lags behind the national upturn reflected by Texas

slipping to 90% of the U.S. average (33rd on the all-states list, down from 27th in 1986).

## Taxes Still Rising

State-local government tax revenue continued an upward movement (\$1329 per capita in 1987 from \$1292 in 1986 - a 2.9% increase). However, that growth was slower than the all-states figure; Texas dropped to 35th among

the states from 30th in 1986. Taxes consumed 9.6% of personal income both in 1987 and in 1986, indicating that tax revenue growth paralleled personal income changes. Comparative U.S. average figures were 11.5% and 10.6%, respectively.

## Mostly Property Tax

Local property taxes continued to account for most of the tax hike as each Texas citizen paid on average \$549 in 1987, up 6% from \$517 in 1986. Texas continues to be on the high side in property tax collections at 110% of the all-states average.

## Government Spending Up More

State-local government per capita expenditure in 1987 rose 7% over 1986 levels (\$2816 vs. \$2626). That still left Texas at 88% of the U.S. average, but Texas moved from 33rd to 31st on the all-states list.

## Debt Continues to Fill the Gap

Per capita government spending increases substantially exceeded revenue growth. Most of the gap was closed by increased debt levels. On average, each Texan owed \$3173 in government debt

in 1987, up 11% from the 1986 level of \$2860. Texas moved from 105% of the national mean in 1986 to 107% in 1987. General debt interest increased by 26% from \$146 per capita in 1986 to \$184 in 1987, and Texas moved from 95% of the U.S. average to 107%.

## Education Losing Ground

Local school per capita spending increased from \$650 in 1986 to \$666 in 1987. Texas position vis-a-vis the other states eroded as the state slipped from 108% (12th among the states) to 103% (16th) of the all-states average.

Spending for higher education dipped from \$260 per capita in 1986 to \$257 in 1987. In this area Texas was 111% of the national mean in 1986, but 104% in 1987, and slipped from 21st to 27th among the states.

## Public Welfare Gaining

Government spending on public welfare programs increased from \$141 per capita in 1986 to \$159 in 1987 - a 13% growth. However, at 48% of the \$329 all-states average, Texas continued to be near the bottom (49th).

## Federal Aid Low

Texas continued to be one of the states that sends more money to Washington than it gets back in federal support. At \$334 per capita in federal aid in 1987, Texas was 49th among the states, receiving only 71% of the all-states average. Part of the reason for that ranking is that Texas governments do not take advantage of some federal matching programs -- most particularly those in the public welfare area.

Comparative 1987 data for state governments is shown on page 3, and data for state and local governments combined is on pages 4-5. Texas' comparisons with other sunbelt and major industrial states is on page 6.



# 1987 Per Capita Amounts for State Governments

	Tax Revenue											
	Personal Income		Tax Revenue				Federal Aid		General Expense		State Debt	
	<----->		<----->		<----->		<----->		<----->		<----->	
	Amount	% Per Income	Federal Aid	General Expense	State Debt							
Alabama	\$11,940	(43)	\$ 789	(40)	6.61%	(27)	\$363	(35)	\$1,413	(38)	\$ 913	(28)
Alaska	18,240	(4)	2,024	(1)	11.09%	(1)	925	(1)	7,689	(1)	11,789	(1)
Arizona	14,314	(26)	1,025	(19)	7.16%	(19)	270	(48)	1,595	(28)	572	(43)
Arkansas	11,508	(46)	791	(39)	6.87%	(22)	381	(25)	1,348	(44)	603	(42)
California	17,821	(7)	1,294	(8)	7.26%	(17)	449	(13)	2,004	(10)	810	(35)
Colorado	15,585	(16)	777	(41)	4.99%	(47)	370	(32)	1,430	(36)	704	(38)
Connecticut	21,268	(1)	1,358	(6)	6.38%	(31)	376	(30)	1,888	(14)	2,496	(6)
Delaware	16,694	(9)	1,463	(3)	8.76%	(5)	432	(18)	2,250	(3)	4,328	(2)
Florida	15,584	(17)	819	(37)	5.26%	(46)	233	(50)	1,212	(49)	649	(39)
Georgia	14,300	(28)	856	(32)	5.98%	(37)	368	(34)	1,354	(43)	418	(48)
Hawaii	15,671	(14)	1,567	(2)	10.00%	(3)	393	(22)	2,209	(6)	2,648	(4)
Idaho	11,871	(45)	831	(35)	7.00%	(20)	377	(28)	1,402	(40)	615	(41)
Illinois	16,442	(11)	900	(29)	5.48%	(43)	348	(38)	1,475	(33)	1,094	(24)
Indiana	13,914	(32)	863	(30)	6.20%	(34)	339	(40)	1,424	(37)	494	(45)
Iowa	14,237	(29)	939	(25)	6.60%	(28)	369	(33)	1,656	(24)	627	(40)
Kansas	15,125	(21)	842	(34)	5.57%	(42)	325	(43)	1,334	(45)	149	(50)
Kentucky	12,059	(41)	945	(24)	7.83%	(10)	379	(27)	1,568	(29)	1,253	(18)
Louisiana	11,471	(47)	773	(42)	6.74%	(26)	549	(6)	1,615	(27)	2,483	(7)
Maine	13,949	(31)	1,085	(15)	7.78%	(11)	513	(8)	1,722	(21)	1,356	(16)
Maryland	18,123	(5)	1,148	(13)	6.33%	(32)	380	(26)	1,705	(22)	1,177	(22)
Massachusetts	19,143	(3)	1,446	(4)	7.55%	(14)	397	(21)	2,220	(5)	2,186	(11)
Michigan	15,393	(19)	1,071	(16)	6.96%	(21)	437	(17)	1,794	(17)	837	(34)
Minnesota	15,927	(13)	1,306	(7)	8.20%	(7)	448	(14)	1,984	(11)	845	(31)
Mississippi	10,291	(50)	740	(46)	7.19%	(18)	438	(16)	1,354	(42)	534	(44)
Missouri	14,686	(23)	773	(43)	5.26%	(45)	306	(46)	1,299	(46)	844	(33)
Montana	12,351	(40)	731	(47)	5.91%	(38)	601	(5)	1,767	(18)	1,417	(15)
Nebraska	14,332	(25)	755	(44)	5.27%	(44)	352	(36)	1,386	(41)	927	(27)
Nevada	16,369	(12)	1,123	(14)	6.86%	(24)	297	(47)	1,619	(26)	1,217	(19)
New Hampshire	17,530	(8)	532	(50)	3.04%	(50)	309	(45)	1,225	(48)	2,235	(10)
New Jersey	20,353	(2)	1,237	(11)	6.08%	(36)	375	(31)	1,901	(13)	2,230	(8)
New Mexico	11,875	(44)	1,050	(18)	8.84%	(4)	377	(29)	2,049	(8)	1,137	(20)
New York	18,004	(6)	1,384	(5)	7.69%	(12)	604	(4)	2,247	(4)	2,279	(9)
North Carolina	13,314	(34)	972	(21)	7.30%	(16)	316	(44)	1,463	(35)	425	(47)
North Dakota	13,003	(35)	853	(33)	6.56%	(29)	544	(7)	2,161	(7)	1,179	(21)
Ohio	14,612	(24)	901	(28)	6.17%	(35)	346	(39)	1,559	(30)	875	(29)
Oklahoma	12,552	(39)	816	(38)	6.50%	(30)	338	(41)	1,412	(39)	1,255	(17)
Oregon	14,040	(30)	821	(36)	5.84%	(39)	431	(19)	1,630	(25)	2,622	(5)
Pennsylvania	15,212	(20)	953	(23)	6.27%	(33)	389	(23)	1,475	(34)	739	(36)
Rhode Island	15,555	(18)	1,065	(17)	6.85%	(25)	497	(9)	2,040	(9)	2,825	(3)
South Carolina	12,003	(42)	922	(27)	7.68%	(13)	350	(37)	1,491	(32)	1,087	(25)
South Dakota	12,553	(38)	587	(49)	4.68%	(49)	483	(10)	1,743	(20)	2,178	(12)
Tennessee	12,880	(36)	742	(45)	5.76%	(40)	382	(24)	1,269	(47)	466	(46)
Texas	13,865	(33)	669	(48)	4.82%	(48)	269	(49)	1,148	(50)	317	(49)
Utah	11,366	(48)	856	(31)	7.53%	(15)	464	(12)	1,745	(19)	844	(32)
Vermont	14,307	(27)	982	(20)	6.86%	(23)	608	(3)	1,964	(12)	1,743	(13)
Virginia	16,517	(10)	936	(26)	5.67%	(41)	330	(42)	1,531	(31)	711	(37)
Washington	15,600	(15)	1,243	(10)	7.97%	(9)	422	(20)	1,847	(15)	846	(30)
West Virginia	10,895	(49)	954	(22)	8.75%	(6)	477	(11)	1,688	(23)	1,168	(23)
Wisconsin	14,741	(22)	1,180	(12)	8.01%	(8)	442	(15)	1,803	(16)	998	(26)
Wyoming	12,716	(37)	1,289	(9)	10.14%	(2)	856	(2)	2,960	(2)	1,592	(14)
U.S. Average	15,467		1,017		7.02%		393		1,664		1,094	

Note: The number in ( ) under each heading is the rank.



# 1987 Per Capita Amounts

	INCOME											
	Tax Revenue											
	Amount		% Personal Income		Property Tax		Federal Aid		Total		Local Schools	
Alabama	1,088	(48)	9.11%	(45)	124	(50)	427	(33)	2,475	(44)	421	(50)
Alaska	3,162	(1)	17.33%	(2)	1,187	(1)	1,067	(1)	11,281	(1)	1,828	(1)
Arizona	1,595	(22)	11.14%	(13)	468	(25)	347	(48)	3,385	(11)	698	(11)
Arkansas	1,037	(49)	9.01%	(46)	197	(48)	426	(35)	2,185	(50)	534	(43)
California	1,926	(8)	10.81%	(19)	495	(22)	520	(16)	3,745	(6)	643	(21)
Colorado	1,602	(21)	10.28%	(27)	572	(17)	434	(30)	3,449	(8)	727	(9)
Connecticut	2,216	(4)	10.42%	(24)	842	(5)	428	(32)	3,237	(18)	681	(13)
Delaware	1,752	(13)	10.49%	(23)	241	(43)	493	(21)	3,287	(15)	661	(17)
Florida	1,365	(32)	8.76%	(48)	453	(27)	305	(50)	2,749	(35)	573	(38)
Georgia	1,372	(30)	9.58%	(41)	347	(35)	443	(28)	2,892	(28)	623	(28)
Hawaii	1,955	(7)	12.48%	(4)	320	(37)	488	(22)	3,191	(19)	475	(46)
Idaho	1,178	(46)	9.93%	(35)	334	(36)	424	(37)	2,361	(47)	501	(45)
Illinois	1,650	(16)	10.04%	(32)	570	(18)	444	(27)	2,885	(29)	585	(34)
Indiana	1,304	(37)	9.37%	(44)	417	(29)	400	(39)	2,425	(45)	575	(37)
Iowa	1,530	(25)	10.75%	(20)	578	(15)	433	(31)	2,814	(33)	585	(33)
Kansas	1,508	(27)	9.97%	(34)	563	(19)	363	(46)	2,814	(32)	637	(22)
Kentucky	1,210	(44)	10.04%	(33)	205	(46)	426	(34)	2,383	(46)	443	(48)
Louisiana	1,227	(41)	10.70%	(21)	198	(47)	613	(7)	2,912	(27)	515	(44)
Maine	1,614	(19)	11.57%	(8)	531	(21)	576	(8)	2,737	(37)	622	(29)
Maryland	1,904	(10)	10.50%	(22)	464	(26)	487	(23)	3,084	(23)	630	(26)
Massachusetts	2,105	(5)	11.00%	(17)	640	(12)	532	(14)	3,602	(7)	635	(23)
Michigan	1,776	(12)	11.53%	(9)	669	(8)	513	(18)	3,333	(13)	734	(7)
Minnesota	1,904	(9)	11.96%	(6)	572	(16)	536	(13)	3,758	(5)	751	(6)
Mississippi	990	(50)	9.62%	(39)	235	(44)	500	(20)	2,306	(49)	474	(47)
Missouri	1,247	(39)	8.49%	(49)	271	(40)	363	(47)	2,329	(48)	545	(42)
Montana	1,366	(31)	11.06%	(14)	659	(9)	698	(4)	3,250	(17)	787	(4)
Nebraska	1,460	(28)	10.19%	(31)	636	(13)	425	(36)	3,431	(10)	645	(19)
Nevada	1,622	(18)	9.91%	(36)	360	(34)	394	(41)	3,288	(14)	578	(36)
New Hampshire	1,389	(29)	7.92%	(50)	862	(3)	367	(45)	2,476	(43)	604	(31)
New Jersey	2,099	(6)	10.31%	(26)	845	(4)	446	(26)	3,431	(9)	756	(5)
New Mexico	1,308	(36)	11.01%	(16)	153	(49)	464	(25)	2,988	(25)	678	(15)
New York	2,773	(2)	15.40%	(3)	799	(6)	700	(3)	4,683	(3)	861	(3)
North Carolina	1,363	(33)	10.24%	(29)	291	(38)	372	(44)	2,624	(41)	572	(39)
North Dakota	1,276	(38)	9.81%	(37)	404	(32)	630	(6)	3,170	(20)	653	(18)
Ohio	1,509	(26)	10.33%	(25)	414	(30)	421	(38)	2,922	(26)	629	(27)
Oklahoma	1,218	(42)	9.71%	(38)	245	(42)	390	(42)	2,628	(40)	583	(35)
Oregon	1,612	(20)	11.48%	(10)	715	(7)	544	(11)	3,281	(16)	732	(8)
Pennsylvania	1,554	(23)	10.22%	(30)	412	(31)	473	(24)	2,792	(34)	633	(25)
Rhode Island	1,720	(14)	11.06%	(15)	653	(10)	559	(10)	3,113	(22)	596	(32)
South Carolina	1,233	(40)	10.27%	(28)	288	(39)	395	(40)	2,556	(42)	568	(40)
South Dakota	1,194	(45)	9.51%	(42)	495	(23)	571	(9)	2,744	(36)	566	(41)
Tennessee	1,156	(47)	8.97%	(47)	249	(41)	439	(29)	2,859	(30)	432	(49)
Texas	1,329	(35)	9.59%	(40)	549	(20)	334	(49)	2,816	(31)	666	(16)
Utah	1,360	(34)	11.96%	(7)	393	(33)	532	(15)	3,357	(12)	645	(20)
Vermont	1,631	(17)	11.40%	(11)	643	(11)	661	(5)	3,065	(24)	710	(10)
Virginia	1,548	(24)	9.37%	(43)	430	(28)	383	(43)	2,641	(38)	634	(24)
Washington	1,697	(15)	10.88%	(18)	483	(24)	539	(12)	3,802	(4)	681	(14)
West Virginia	1,217	(43)	11.17%	(12)	213	(45)	515	(17)	2,635	(39)	611	(30)
Wisconsin	1,787	(11)	12.12%	(5)	617	(14)	503	(19)	3,154	(21)	694	(12)
Wyoming	2,293	(3)	18.04%	(1)	1,108	(2)	937	(2)	4,951	(2)	1,182	(2)
U.S. Average	1,664		10.75%		498		472		3,185		644	

Note: The number in ( ) under each heading is the rank.



# for State and Local Governments

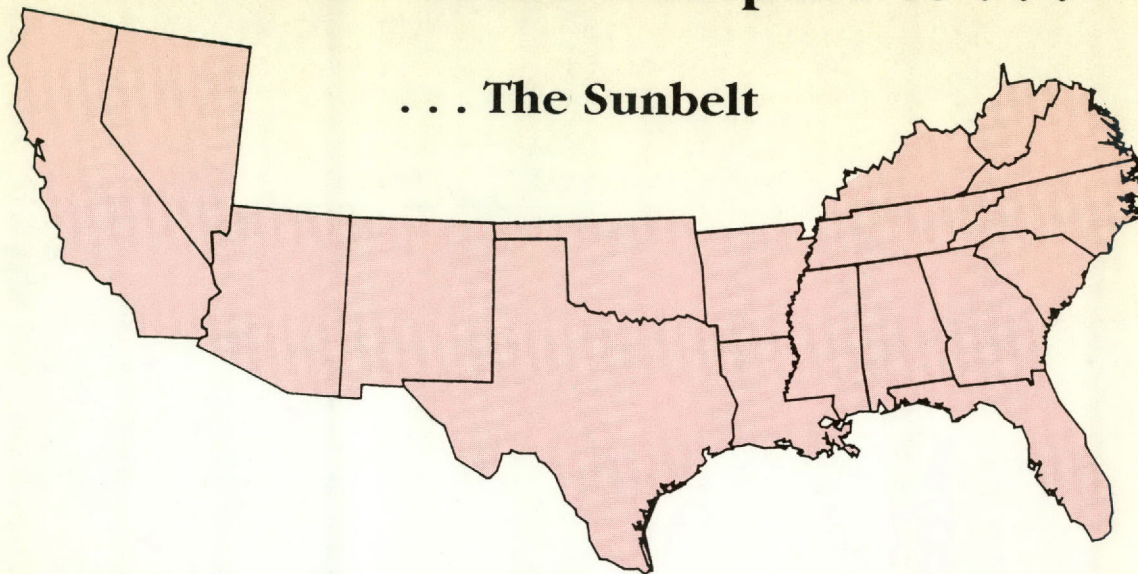
## EXPENDITURES

Higher Education		Highways		Public Welfare		Health & Hospitals		Police Protection		Gen. Debt Interest		Other Expense		Total Debt	
259	(26)	174	(44)	157	(50)	325	(4)	64	(39)	136	(35)	938	(38)	2,298	(36)
431	(1)	1,112	(1)	555	(2)	245	(15)	211	(1)	1,802	(1)	5,098	(1)	21,286	(1)
341	(7)	364	(4)	214	(38)	126	(45)	128	(5)	196	(17)	1,318	(14)	4,165	(8)
201	(42)	214	(34)	227	(33)	173	(36)	51	(49)	108	(44)	676	(50)	1,809	(45)
302	(15)	141	(48)	408	(9)	269	(10)	145	(3)	151	(32)	1,686	(4)	2,601	(32)
290	(19)	249	(23)	280	(22)	207	(21)	117	(9)	209	(15)	1,370	(11)	3,398	(15)
158	(48)	254	(19)	370	(12)	207	(22)	106	(13)	231	(12)	1,231	(17)	3,349	(17)
399	(3)	273	(14)	216	(37)	147	(41)	100	(17)	363	(2)	1,129	(20)	5,925	(2)
135	(49)	175	(43)	171	(46)	242	(16)	124	(7)	173	(26)	1,156	(19)	3,379	(16)
190	(44)	199	(37)	209	(42)	432	(2)	75	(30)	97	(47)	1,066	(27)	2,291	(37)
269	(23)	137	(49)	285	(21)	185	(32)	102	(16)	242	(11)	1,496	(7)	3,235	(21)
283	(21)	251	(21)	170	(47)	195	(29)	72	(34)	78	(49)	811	(44)	1,148	(50)
228	(32)	220	(30)	337	(16)	157	(39)	111	(11)	160	(30)	1,086	(25)	2,372	(35)
286	(20)	176	(41)	255	(28)	213	(19)	58	(46)	92	(48)	771	(47)	1,390	(49)
371	(6)	315	(10)	302	(20)	250	(14)	69	(36)	114	(42)	807	(45)	1,726	(47)
303	(14)	313	(11)	214	(39)	199	(26)	74	(32)	187	(19)	887	(41)	2,689	(29)
223	(35)	249	(24)	270	(23)	130	(43)	59	(45)	177	(24)	832	(43)	3,332	(18)
208	(38)	228	(29)	236	(30)	293	(7)	94	(21)	251	(9)	1,087	(24)	4,436	(4)
204	(41)	241	(25)	427	(8)	117	(48)	62	(43)	156	(31)	908	(40)	2,195	(39)
264	(25)	258	(18)	310	(18)	113	(49)	113	(10)	196	(18)	1,199	(18)	3,067	(23)
176	(47)	166	(45)	510	(3)	278	(9)	106	(14)	185	(20)	1,545	(5)	3,285	(20)
322	(11)	177	(40)	462	(7)	287	(8)	106	(12)	124	(38)	1,121	(21)	2,030	(42)
335	(8)	315	(9)	479	(6)	259	(13)	83	(25)	260	(5)	1,275	(15)	4,057	(9)
226	(33)	210	(35)	212	(41)	324	(5)	54	(47)	105	(46)	701	(49)	2,034	(41)
223	(34)	189	(39)	217	(36)	219	(18)	81	(28)	115	(41)	740	(48)	1,697	(48)
228	(31)	380	(3)	306	(19)	148	(40)	70	(35)	213	(14)	1,119	(22)	2,747	(27)
311	(12)	284	(12)	260	(25)	265	(12)	66	(38)	128	(36)	1,472	(9)	3,965	(11)
197	(43)	279	(13)	162	(48)	192	(30)	135	(4)	245	(10)	1,499	(6)	3,318	(19)
179	(46)	261	(16)	256	(27)	123	(46)	78	(29)	198	(16)	778	(46)	2,898	(25)
207	(39)	238	(27)	350	(14)	175	(34)	125	(6)	251	(8)	1,329	(13)	3,774	(12)
297	(16)	318	(8)	219	(34)	203	(25)	95	(19)	223	(13)	955	(35)	3,531	(13)
216	(36)	214	(33)	641	(1)	395	(3)	158	(2)	258	(7)	1,942	(2)	4,334	(7)
295	(18)	161	(47)	197	(43)	203	(24)	72	(33)	77	(50)	1,046	(30)	2,142	(40)
391	(4)	336	(7)	351	(13)	166	(38)	53	(48)	165	(28)	1,054	(28)	2,497	(33)
244	(28)	176	(42)	391	(10)	205	(23)	87	(23)	123	(39)	1,066	(26)	1,796	(46)
234	(30)	202	(36)	259	(26)	209	(20)	66	(37)	138	(34)	938	(39)	2,611	(30)
304	(13)	230	(28)	213	(40)	176	(33)	95	(20)	258	(6)	1,274	(16)	4,018	(10)
130	(50)	216	(31)	371	(11)	129	(44)	75	(31)	183	(23)	1,054	(29)	3,059	(24)
205	(40)	166	(46)	499	(4)	197	(27)	96	(18)	266	(4)	1,089	(23)	3,448	(14)
267	(24)	134	(50)	181	(45)	295	(6)	63	(41)	105	(45)	943	(37)	2,604	(31)
235	(29)	347	(5)	218	(35)	121	(47)	62	(42)	185	(21)	1,009	(33)	2,776	(26)
209	(37)	192	(38)	250	(29)	266	(11)	64	(40)	111	(43)	1,335	(12)	2,274	(38)
257	(27)	241	(26)	159	(49)	188	(31)	82	(27)	184	(22)	1,040	(31)	3,173	(22)
379	(5)	215	(32)	234	(31)	174	(35)	82	(26)	161	(29)	1,468	(10)	5,428	(3)
326	(10)	339	(6)	346	(15)	98	(50)	62	(44)	172	(27)	1,012	(32)	2,401	(34)
271	(22)	253	(20)	188	(44)	221	(17)	86	(24)	116	(40)	873	(42)	1,877	(44)
297	(17)	249	(22)	314	(17)	196	(28)	89	(22)	127	(37)	1,848	(3)	4,346	(6)
186	(45)	264	(15)	266	(24)	143	(42)	43	(50)	176	(25)	946	(36)	2,697	(28)
332	(9)	260	(17)	487	(5)	172	(37)	103	(15)	141	(33)	965	(34)	2,028	(43)
401	(2)	658	(2)	232	(32)	528	(1)	123	(8)	335	(3)	1,492	(8)	4,390	(5)
247		214		329		234		101		172		1,243		2,952	

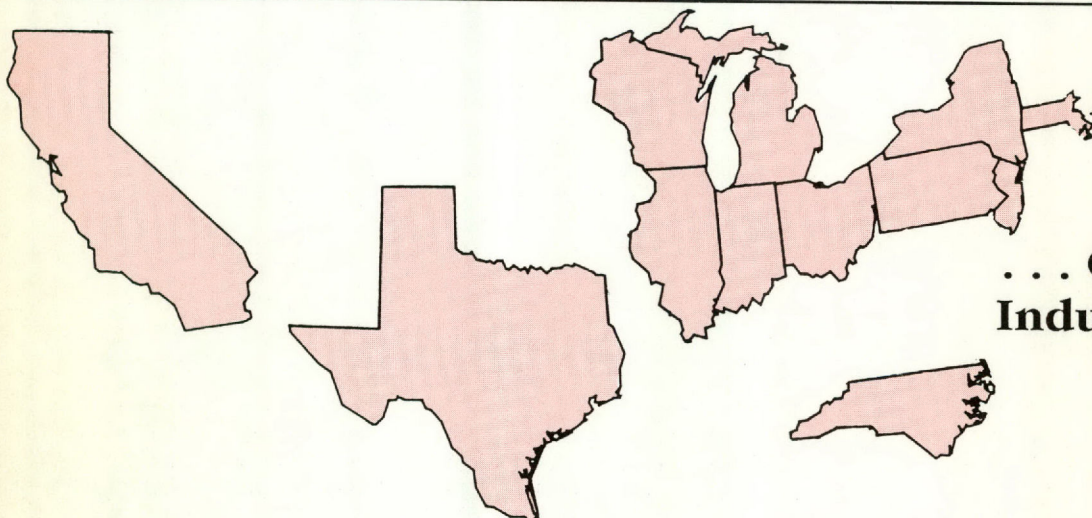


# How Does Texas Compare to . . .

## . . . The Sunbelt



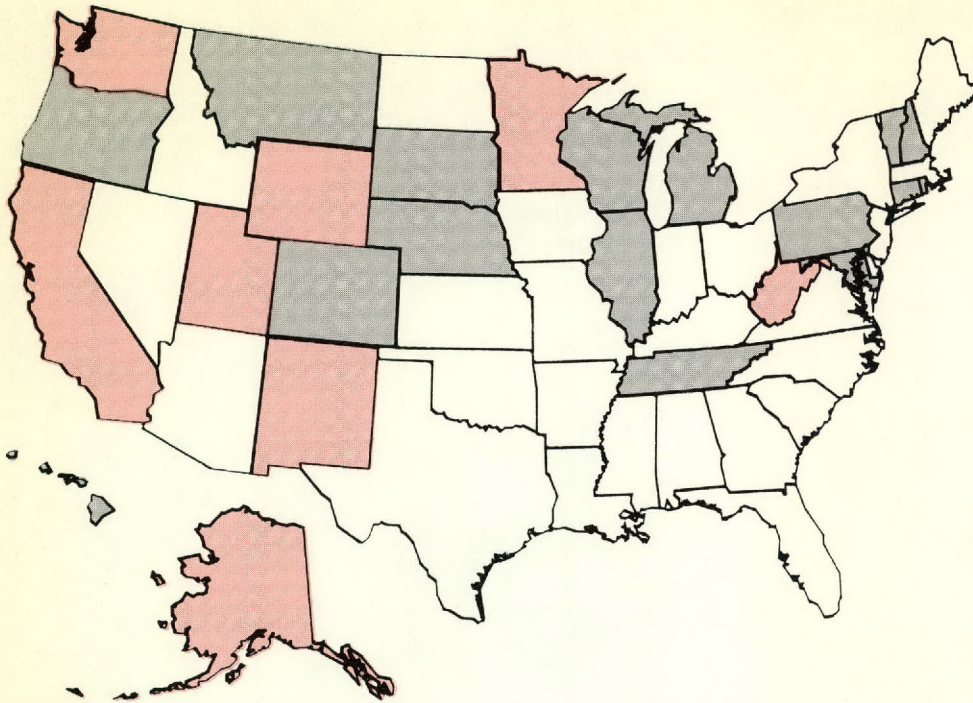
	1987 Per Capita Amount			1987 Texas Rank Among:	
	TEXAS	Other Industrial States	Other Sunbelt States	Twelve Industrial States	Eighteen Sunbelt States
	<----->	<----->	<----->	<----->	<----->
Personal Income	\$ 13,865	\$ 16,656	\$ 14,756	11	7
<b>State Government</b>					
Tax Revenue	\$ 669	\$ 1,144	\$ 993	12	18
% Personal Income	4.82%	6.87%	6.73%	12	18
Federal Aid	\$ 269	\$ 426	\$ 377	12	17
UC Taxes	78	79	53	7	2
Aid to Local Governments	387	683	600	12	14
Aid to Local Schools	328	363	378	6	11
General Expenditure	1,148	1,820	1,599	12	18
State Debt	317	1,192	317	12	18
<b>State And Local Governments</b>					
Tax Revenue	\$ 1,329	\$ 1,894	\$ 1,484	11	8
% Personal Income	9.59%	11.37%	10.05%	11	12
Property Tax	\$ 549	\$ 566	\$ 364	7	1
Federal Aid	334	507	441	12	17
Total Expenditure	2,816	3,428	3,013	9	8
Local Schools	666	677	582	5	3



## . . . Other Major Industrial States



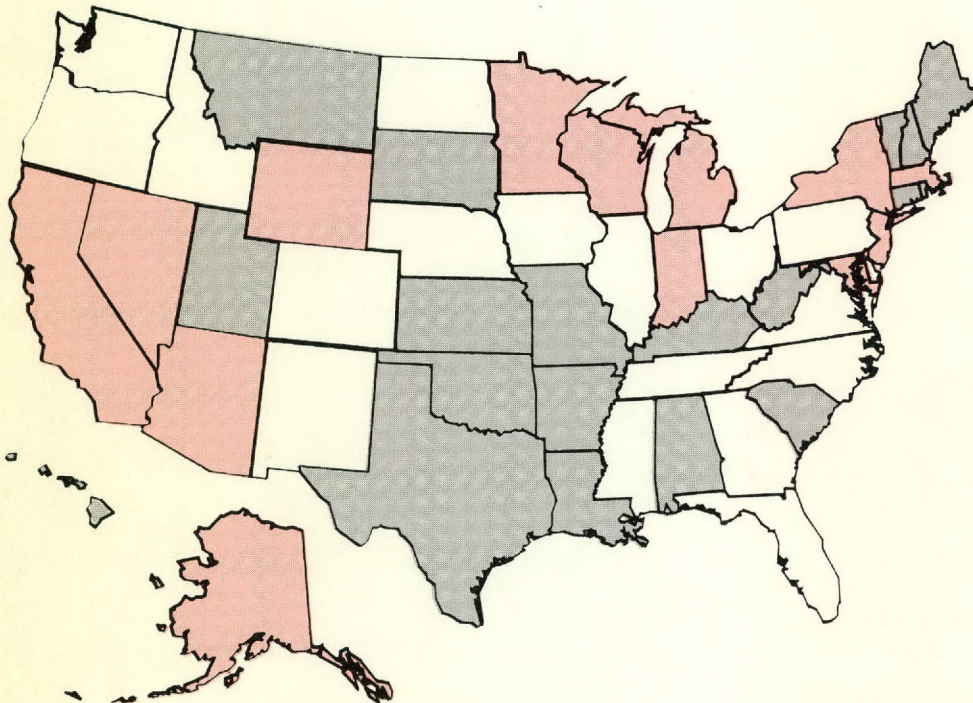
## Per Capita State Aid to Local Schools FY 1987



The vast majority of state aid to local governments goes to support local schools. Most states (26) fall in the \$300 to \$399 per capita expenditure range; eight states spend more than \$400 and 16 states spend less than \$300 per capita.

- More than \$400 per capita
- \$300 - \$399 per capita
- Less than \$300 per capita

## Per Capita State Aid to Local Governments Other than Schools FY 1987



Local governments other than schools receive between \$100 and \$199 per capita state aid in 18 states, more than \$200 in 13 states, and less than \$100 in 19 states.

- More than \$200 per capita
- \$100 - \$199 per capita
- Less than \$100 per capita



# MHMR Responds to Audit Team Recommendations

The Texas Department of Mental Health and Mental Retardation has submitted to Governor Clements its official work plan to implement the recommendations of the Governor's Operational Audit Team relative to Operations to Campus Based State School Services. Some of the recommendations relate to projects that were already in progress, some involve short-term practical applications, and others will involve policy decisions that may require legislative guidance to the Board of MHMR. To facilitate the work plan, the Department has established four functional committees and an oversight committee

TEXAS HOUSE OF REPRESENTATIVES



GIBSON D. (GIB) LEWIS  
SPEAKER

Dr. Gary Wood  
Executive Director  
Texas Research League  
P.O. Box 12456  
Austin, Texas 78711

Dear Gary:

I just received a copy of the final Operational Audit of the Texas Department of Mental Health and Mental Retardation. I learned that several prominent members of the Texas Research League participated on the volunteer audit team, and I wanted to pass on my impressions and thoughts.

First, I have never seen such a well written, hard hitting, "tell it like it is" report on any state governmental program or agency in the twenty years I've been in Texas. Outstanding piece of work. It did not take me three hours of reading and guessing what was between the lines to find out what the authors were really trying to say.

Second, based on my own experience as a former employee at TDMHMR, and as a professional management auditor, it was obvious to me that the volunteer audit team did a thorough job, and was able to get to the critical problems of the Department.

Last, it is my sincere hope that the State of Texas will be able to continue to benefit from the tremendous contributions made by individual members of the League and the outstanding professional staff you have.

Sincerely,

Daryl Dorcy

DD/1g

to evaluate the recommendations and implement necessary action.

The MHMR audit team included five volunteers from League member companies and five from other state departments. Special thanks go to the following private sector volunteers and their companies: Barbara Nelle, Southwestern Bell Telephone Co.; Jim Bradfute, IBM; Chris Christian, Dow Chemical; Randall M. Dennis, Central & South West Services; and Alan V. Thompson, Brown & Root U.S.A.



#### MHMR Audit Team

Back row, left to right: Jim Bradfute, IBM; Robert Boehm, Texas Parks & Wildlife Dept.; Walter H. Tillman, Texas Youth Commission; Carl B. Holsonback, Texas Water Commission; Alan V. Thompson, Brown & Root U.S.A.

Front row, left to right: Randall M. Dennis, Central & South West Services; Chris Christian, Dow Chemical; Barbara G. Nelle, Southwestern Bell Telephone Co.; Jim Loyd, Texas Employment Commission

Not pictured: Claud E. Thigpen, Texas Department of Health

**Texas Research League**

**P.O. Box 12456**

**Austin, TX 78711**

**Address correction requested**

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