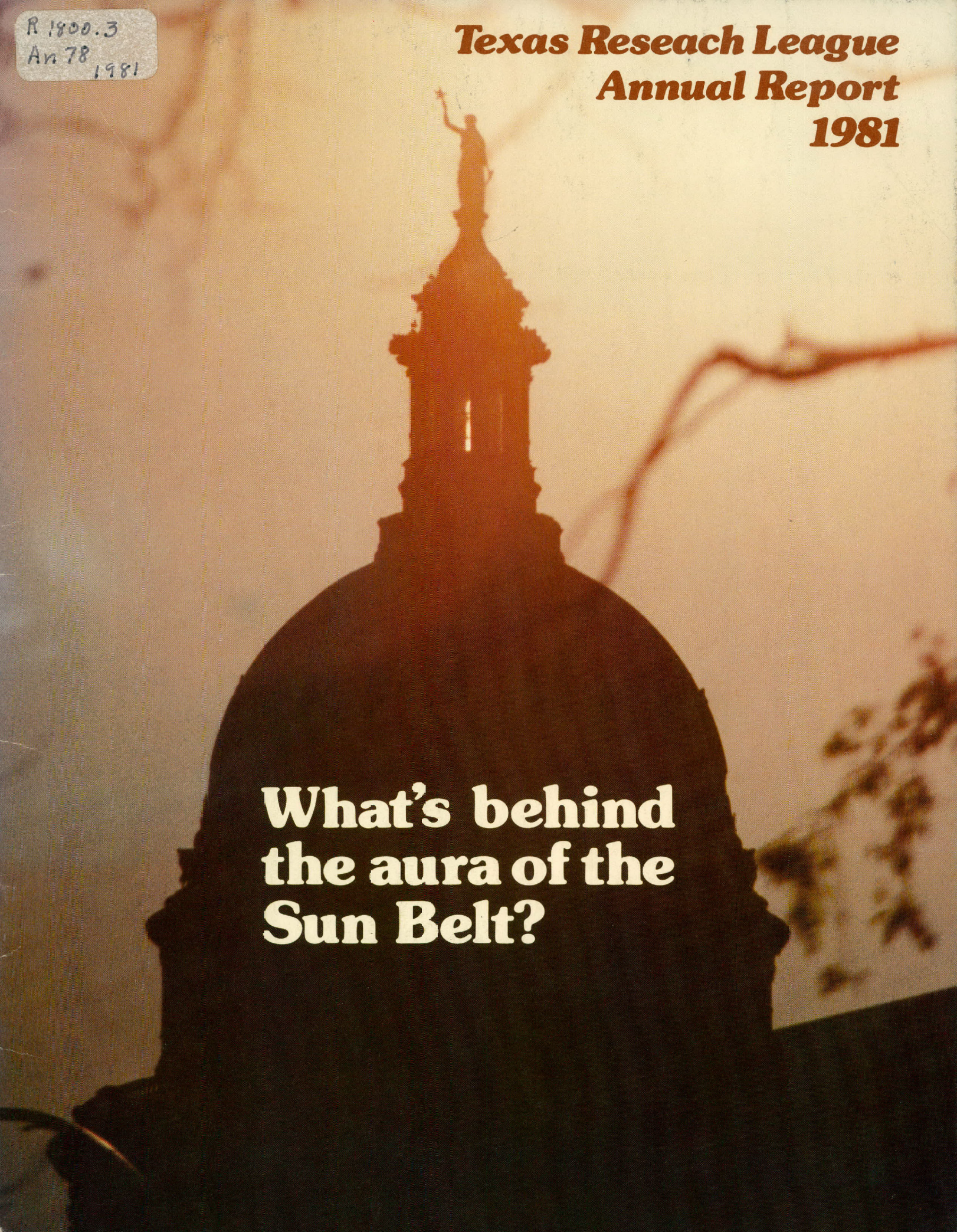


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Texas Reseach League
Annual Report
1981

The background of the cover is a photograph of the Texas State Capitol dome in Austin, Texas. The dome is shown in silhouette against a bright, hazy sky, likely during sunrise or sunset. The top of the dome features the iconic statue of the Lady Justice. The overall color palette is warm, dominated by oranges, yellows, and browns.

**What's behind
the aura of the
Sun Belt?**

**In Texas,
it's good
government!**





Robert T. Present, Chairman of Board and Chief Executive Officer, Texas Commerce Bank—Austin

The Chairman's Message...

Government Publications

MAY 3 - 1982

Dallas Public Library

Contents

2. The Executive Committee
3. Finance & Membership, Administration
4. 5. The Board of Directors for 1982
6. Research Staff: Tools for government administration
7. Tools for effective citizenship
8. 1981 research, 1982 research agenda

Good government!

Clearly, this is one of the things that has made Texas such an attractive part of the Sun Belt. Both individuals and business concerns appreciate the fact that the taxes they pay in our state are relatively low and that, with few exceptions, they get good service in return.

Good government!

Why do we have it in Texas?

Perhaps the single most important reason is the fact that over the years we have had dedicated and competent public officials, both elected and appointed. And they, in turn, have employed dedicated and competent public employees.

But even more fundamental has been the citizen interest in working for good government. All over Texas, distinguished men and women give unstintingly of their time to serve on local governing bodies and on state boards and commissions.

Since 1952, citizen interest has also been expressed by the way in which interested citizens have worked for and supported the efforts of the Texas Research League.

The League was founded on the premise that competent, professional, practical research could play an important role in encouraging good government. The years have proven that to be the case. And 1981 was no exception!

No annual report can do justice to the work of the League, but in the pages that follow we have tried to show how it has worked to achieve its goal:

- Through the publication of practical tools for public administrators;
- By providing information essential for effective citizenship; and
- By in-depth studies which have kept our staff busy in 1981 and which will do so again in 1982.

I hope that each of you will read carefully the description of these programs on pages six through eight of this report. It will be well worth the few minutes it will take.

One of the recent goals of the League's Board of Directors has been to expand the number of Texans who are directly involved in this effort. The goal was 2,000 members by the end of 1982. We are on target in our drive to meet that goal and I feel confident that it will be met.

Thanks to the support of our many new members and also to the increased support of our many long-time members, the League has been kept on a sound financial basis. I am confident that this will continue to be the case.

During the past six years in which I have been privileged to serve as your treasurer, vice chairman and chairman, I have become closely acquainted with the programs and operations of the League.

The staff performs in excellent fashion and receives sound, wholehearted support from the directors and membership. These are the ingredients which have made the League such a highly respected and unique organization.

Our new officers, Bill Slick as chairman, Boone Pickens, vice chairman, and Tony Martin, treasurer, are superbly qualified to provide us leadership in the times immediately ahead. I look forward to our mutual support of their efforts to assure that the Texas Research League continues to fulfill its very valuable role in the areas of governmental effectiveness and efficiency in our state.

Your encouragement, support and friendship have been deeply appreciated.

Robert T. Present
Chairman

Executive Committee 1982

Officers for 1982-83 are, center, League Chairman William T. Slick Jr., Senior Vice President, Exxon Company, U.S.A., Houston; right, Vice Chairman T. B. Pickens Jr., President and Chairman of Board, Mesa Petroleum Company, Amarillo; and left, Treasurer Tony A. Martin, Chairman of Board and Chief Executive Officer, Midland National Bank, Midland.



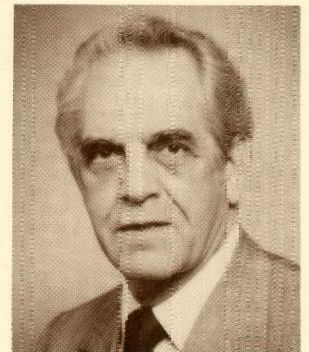
W. Donham Crawford, Chairman of Board and Chief Executive Officer, Gulf States Utilities, Beaumont



Frank W. Denius, Attorney, Austin



John C. Holmgreen, Chairman of Board and Chief Executive Officer, Alamo Iron Works, San Antonio



Paul N. Howell, Chairman of Board, President and Chief Executive Officer, Howell Corporation, Houston



W. G. Marquardt, President, Texas Electric Service Company, Fort Worth



Elvis L. Mason, Chairman of Board and Chief Executive Officer, First International Bancshares, Dallas



Reece A. Overcash Jr., Chairman of Board and Chief Executive Officer, Associates Corporation of America, Dallas



C. Frank Riddick, Plant Manager Sabine River Works, E. I. Du Pont de Nemours & Company, Orange



A. W. Riter Jr., Chairman of Board and Chief Executive Officer, Peoples National Bank, Tyler



Doyle Rogers, Vice President-Texas, Southwestern Bell Telephone Company, Dallas



A. Frank Smith Jr., Managing Partner, Vinson and Elkins, Houston



Boyd Taylor, Vice President, Cabot Corporation, Houston



OFFICE STAFF: Seated, Kaye Kemper, executive secretary; Wilburn French, assistant to the president; and Margaret White, executive secretary. Standing, Richard A. McCune, public information director; Herbert H. Griffin, staff assistant; and Dale Hatcher, librarian.

Administration

Finance and membership

League membership continued to grow during 1981, with 439 new members adding to a new record high membership total of 1,800 by the end of the year.

The League goal of 2,000 members by the end of 1982 is thus well within reach, thanks to support of active members who took part in 13 regional meetings across the state, a direct-mail program and individual contacts by League directors and staff.

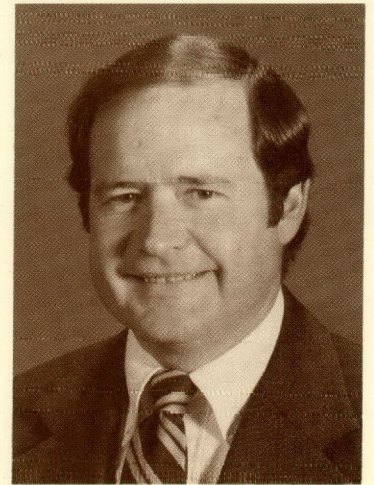
Finance and Membership Committee Chairman William T. Slick Jr. reported at the annual meeting, "The increase in membership was due in large measure to the efforts of more than 70 League directors and members who hosted meetings and signed letters during the past year."

Along with the increase in supporters, the total contributions during 1981 increased by \$135,000 for a modest year-end surplus.

The meeting and fund-raising program continues into 1982, developed and coordinated by Wilburn French of the League staff, with members and business leaders in communities throughout the state again invited to see an audio-visual presentation by Richard McCune on the League's role toward more efficient state and local government in Texas.

The League's budget is prepared by the President, working with the Treasurer and the Salary Evaluation Committee. Their recommendations are considered for approval by the Board of Directors at each annual meeting, following review by the Executive Committee.

The League is a 501(c)(3) organization and contributions are deductible under Section 170(c)(2)(b) of the Internal Revenue Code.



Sam Coats, President

The League Vice Chairman serves as Chairman of the Finance and Membership Committee. He and his committee direct efforts to secure support for a balanced budget, with the President and his assistant.

Texas Research League Budget for 1982

Salaries	\$484,534
Employee Fringe Benefits	100,014
Research Support Services	22,500
Research Publications	29,700
Travel Expense	45,200
Headquarters Expense	93,440
Current Operating Expense	37,648
Organization Expense	40,000
TOTAL—OPERATING BUDGET	\$853,036
Intern Program	15,000
TOTAL BUDGET	\$868,036

The Board of Directors for 1982

ABILENE

RICHARD F. BACON, President, Merchants, Inc.
GLEN D. CHURCHILL, President & Chief Executive Officer, West Texas Utilities Company
WALTER F. JOHNSON, Chairman of Board & Chief Executive Officer, First National Bank of Abilene

ALICE

H. B. HARKINS, Chairman of Board & Chief Executive Officer, Harkins & Company

AMARILLO

J. HAROLD DUNN
WALES H. MADDEN, JR., Attorney-at-Law
T. B. PICKENS, JR., President & Chairman of the Board, Mesa Petroleum Co.
J. A. RUSH, JR., President, Diamond Shamrock Oil & Gas Company
ROY TOLK, Chairman of Board & Chief Executive Officer, Southwestern Public Service Company

C. I. WALL, Honorary Director, Pioneer Corporation

K. B. WATSON, President, Chief Executive Officer & Chairman of Board, Pioneer Corporation

AUSTIN

JOHN S. BURNS, Chairman of Board, First City National Bank
EDWARD CLARK, Attorney at Law, Clark, Thomas, Winters & Shapiro (11-9-78)
FRANK W. DENIUS, Attorney-at-Law
JOE KILGORE, Partner, McGinnis, Lochridge & Kilgore

ROBERT T. PRESENT, Chairman of Board and Chief Executive Officer, Texas Commerce Bank—Austin

LEON STONE, Chairman of Executive Committee, Austin National Bank

MARGARET S. WILSON, Chairman of the Board & Chief Executive Officer, Scarbroughs

J. SAM WINTERS, Partner, Clark, Thomas, Winters & Shapiro

ED R. L. WROE, JR., Chairman of Board & Treasurer, DeMarco Energy Systems, Inc.

BEAUMONT

I. F. BETTS
W. DONHAM CRAWFORD, Chairman of Board & Chief Executive Officer, Gulf States Utilities Company

WALTER J. CRAWFORD, Oil, Gas & Real Estate

WARNER E. ROGERS, President, Texas Commerce Bank

BRIDGEPORT

JOHN A. LYCKMAN, Director, ALS Corporation

BROWNSVILLE

R. M. DUFFEY, JR., Chairman, President & Chief Executive Officer, Texas Commerce Bank

CORPUS CHRISTI

MERLE BORCHELT, President & Chief Executive Officer, Central Power & Light Co.

CHARLES C. BUTT, President, H. E. Butt Grocery Company

PAUL R. HAAS, Oil, Gas & Investments

HAYDEN W. HEAD, SR., Attorney-at-Law, Head, Kendrick & Head

B. W. HUNTON, Plant Manager, Sherwin Plant, Reynolds Aluminum, Alumina and Chemicals Division

C. IVAN WILSON, Chairman and President, First City National Bank

DALLAS

RICHARD J. AGNICH, Assistant General Counsel, Texas Instruments, Inc.

T. L. AUSTIN, JR., Chairman of Board and Chief Executive, Texas Utilities Company

HARRY B. BARTLEY, JR., President, Celanese Chemical Company

W. H. BRICKER, Chairman of Board & Chief Executive Officer, Diamond Shamrock Corporation

GLEN BURROUGHS, President, Sun Production Division

WAYNE CALLOWAY, Chairman and President, Frito-Lay, Inc.

R. K. CAMPBELL, President & Chief Executive, Texas Power & Light Co.

DURWOOD CHALKER, Chairman & Chief Executive Officer, Central and South West Corporation

JAMES E. CHENAULT, JR., President & Chief Executive Officer, Lone Star Steel Company

WILLIAM H. CLARK, III, Clark, West, Keller, Butler & Ellis

THOMAS H. CRUIKSHANK, President, Halliburton Company

ALFRED I. DAVIES

J. S. FARRINGTON, President & Chief Executive Officer, Dallas Power & Light Company

WILLIAM B. FROGUE, Vice President-South West Region, General Electric Company

GERALD W. FRONTERHOUSE, President & Chief Operating Officer, Republic of Texas Corporation

JAMES B. GOODSON, Chairman of Board & Chief Executive Officer, Southland Life Insurance Co.

R. A. GOODSON, Chairman of Executive Committee, Dallas Federal Savings & Loan Assn.

JOHN P. HARBIN, Chairman of Board & Chief Executive Officer, Halliburton Company

JESS HAY, Chairman of Board, Lomas & Nettleton Financial Corporation

S. J. HAY

MORRIS HITE, Chairman & President, Tracy-Locke, Inc.

EDWARD R. HOFFMAN, President, Mobil Pipe Line Company

W. L. HUTCHISON, Chairman & Chief Executive Officer, Texas Oil & Gas Corporation

JOHN V. JAMES, Chairman of Board, President and Chief Executive Officer, Dresser Industries, Inc.

HARRY C. JAMISON, President, ARCO Exploration Co.

R. B. JONES, Regional Vice President, Otis Elevator Company

L. G. LESNIAK, Regional Manager, Data Processing Division, IBM Corporation

BRUCE A. LIPSHY, President & Chief Operating Officer, Zale Corporation

ELVIS L. MASON, Chairman of Board & Chief Executive Officer, First International Bancshares Inc.

W. C. McCORD, President, Enserch Corporation

PAUL D. MEEK, President, American Petrofina, Inc.

JOHN D. MILLER, Chairman of Board, Sanger-Harris

JOHN F. OGLETREE, Vice President and Region General Manager, Southern Region, Xerox Corporation

REECE A. OVERCASH, JR., Chairman of Board, President, and Chief Executive Officer, Associates Corporation of North America

REUBEN L. PERIN, JR., President, Oilwell Division of United States Steel Corporation

RUSSELL H. PERRY, Chairman of Board and Chief Executive Officer, Republic Financial Services, Inc.

DOYLE ROGERS, Vice President-Texas, Southwestern Bell Telephone Co.

ROBERT E. SCIFRES, Chairman of the Board, National Gypsum Company

W. H. SEAY, Chairman of Board and Chief Executive Officer, Southwestern Life Insurance Company

O. GLEN SIMPSON, President, ARCO Oil & Gas Company

JOHN F. STEPHENS, Chairman of Board & President, Employers Insurance of Texas

PAUL THAYER, Chairman & Chief Executive Officer, LTV Corporation

JOHN P. THOMPSON, Chairman, The Southland Corporation

ROBERT L. TIPPETT, Group Manager, Sears, Roebuck & Company

J. S. WYBLE, Vice President, Southwestern Region, Westinghouse Electric Corporation

DFW AIRPORT

JOHN J. CASEY, Chairman of Board, Braniff International Airways

EDINBURG

DONALD L. BENTSEN, President, Tide Products, Inc.

EL PASO

WILLIAM V. HOLIK, President, El Paso Natural Gas Company

SAM D. YOUNG, JR., President, El Paso National Bank

FORT WORTH

LEWIS H. BOND, Chairman of Board and Chief Executive Officer, Texas American Bancshares Inc.

BEEMAN FISHER

BERL E. GODFREY, Attorney, McGown, Godfrey, Decker, McMackin, Shipman & McClane

LELAND A. HODGES, Partner, Leonard Enterprises

TOM L. LARIMORE, Vice President, Law & Administration & Secretary, The Western Company

W. G. MARQUARDT, President, Texas Electric Service Company

PAUL MASON, Chairman of Board, The First National Bank of Fort Worth

WILLIAM T. SMITH, President, Champlin Petroleum Company

J. B. THOMAS, Consulting Engineer

LOYD L. TURNER, Vice President, Tandy Corporation

C. DICKIE WILLIAMSON, Chairman of Board and Chief Executive Officer, Williamson-Dickie Manufacturing Co.

FREEPORT

H. H. McCLURE, General Manager, Dow Chemical-U.S.A.

GALVESTON

ORSON CLAY, President & Chief Executive Officer, American National Insurance Company

GEORGETOWN

JAY SLOAN, Chairman & Chief Executive Officer, First Texas Bancorp

GRAHAM

E. BRUCE STREET, SR., Independent Oil Operator

HARLINGEN

JAMES H. ALEXANDER, Chairman of Board, Hygeia Dairy Company

HOUSTON

JOHN L. ADAMS, Senior Vice President & Manager, United States Division, Texas Commerce Bank

HINES H. BAKER

JACK S. BLANTON, President, Scurlock Oil Company

W. J. BOWEN, President & Chairman, Transco Companies, Inc.

JOHN B. BROCK, President & Chief Executive Officer, Brock Petroleum Corporation

GEORGE R. BROWN (11-6-75)

THOMAS A. BULLOCK, Chairman, The CRS Group Inc.

KARL T. BUTZ, JR., President, Mercantile Texas Corporation

WILLIAM M. CARPENTER, Senior Vice President, Tenneco, Inc.

THOMAS J. FEEHAN, President, Brown & Root, Inc.

LAWRENCE H. GALL, Vice President & General Attorney, Transco Companies, Inc.

JOHN GATTI, Venture Investments

G. T. GRADER, Executive Representative, The Atchison Topeka and Santa Fe Railway Company

SAUNDERS GREGG, Senior Vice President, Entex, Inc.

MELVIN J. HILL, Executive Vice President, Gulf Oil Corporation

HAROLD HOOK, Chairman and President, American General Corporation

PAUL N. HOWELL, Chairman of Board, President & Chief Executive Officer, Howell Corporation

DON D. JORDAN, President & Chief Executive Officer, Houston Lighting & Power Company

H. H. KING, Vice President-Administration, Texas Eastern Corporation

MAX LEVINE (11-11-76)

GROGAN LORD, Chairman of Board, TeleCom Corporation

JOHN F. LYNCH, Consultant, Texas Eastern Transmission Corp.

M. D. MATTHEWS, Chairman of Board, President & Chief Executive Officer, Houston Natural Gas Corp.

C. H. McCALL, President, McCall Industries

DENNIS McCARTHY, Chairman of Board, Saber Energy

H. W. McCOLLUM, Chairman of the Executive Committee, Amerada Hess Corporation

HARRY MEABON, Manager, Houston Division Production, U.S. & Canada, Marathon Oil Company

RICHARD G. MERRILL, President, First City National Bank

RANDALL MEYER, President & Chief Executive Officer, Exxon Company, U.S.A.

D. R. MILTON, Vice President-Tax, Shell Oil Company

WALTER MISCHER, Chairman of Board, Allied Bancshares, Inc.

K. E. MONTAGUE, Vice Chairman of Board, Entex, Inc.

R. J. MORAN, Chairman of Board, Moran Energy, Inc.

MICHAEL B. MORRIS, President, Petroleum Operations, Conoco, Inc.

R. L. O'SHIELDS, Chairman & Chief Executive Officer, Panhandle Eastern Pipe Line Co.

JUDD H. OUALLINE, Vice President & General Manager, Getty Oil Company

ROBERT W. PAGE, President & Chief Executive Officer, The M. W. Kellogg Company

W. E. PARKER, Group President, N L Baroid/N L Industries, Inc.

JOHN W. PHENICIE, Vice President & Division Manager, Amoco Production Company

J. WILLIAM PRICE, Vice President, Southland—A Division of St. Regis

JOHN D. RAMSEY, Assistant Vice President, Southern Pacific Transportation Co.

W. M. RANKIN, Vice President-Operating Services, Arnco Inc.

WHITSON SADLER, President, Soltex Polymer Corp.

ROY R. SHOURD, President, Schlumberger Well Services

B. S. SINES

WILLIAM T. SLICK, JR., Senior Vice President, Exxon Company, U.S.A.

A. FRANK SMITH, JR., Managing Partner, Vinson & Elkins

ROBERT STEWART, JR., Vice Chairman, Bank of the Southwest

T. W. STOY, JR., Vice President-Gulf Region, Union Oil Company of California

BOYD TAYLOR, Vice President, Cabot Corporation

JOHN UTSEY, President, Foley's

V. H. VAN HORN, President, National Convenience Stores Incorporated

NEAL O. WADE, JR., Group Vice President-Administration, Pennzoil Company

MARC F. WRAY, President, GCO Minerals Company

M. A. WRIGHT, Chief Executive Officer, Cameron Iron Works, Inc.

R. E. WRIGHT, Vice President & Assistant to the President, Texaco, U.S.A.

LARRY F. YORK, Partner, Baker & Botts

IRVING

LIENER TEMERLIN, Chairman of Board, Bozell & Jacobs, Inc.

KINGSVILLE

J. H. CLEMENT, President, King Ranch, Inc.

LONGVIEW

E. J. BEST, Vice President, Division Manager, Southwestern Electric Power Company

C. F. GRISSETTE, Vice President, Texas Eastman Company

LUBBOCK

W. E. ALDERSON, Alderson Cadillac Company

A. C. VERNER, Vice Chairman of Board, First National Bank at Lubbock

LUFKIN

ROBERT L. POLAND, President, Lufkin Industries Inc.

McALLEN

V. F. NEUHAUS, Owner, V. F. Neuhaus Properties (11-10-77)

MIDLAND

RONALD A. BRITTON, President, Britton Industries, Inc.

THOMAS C. BROWN, Chairman of Board & Chief Executive Officer, Tom Brown, Inc.

RAY HERNDON, Vice President & General Manager, Midessa Television Company

TONY A. MARTIN, Chairman of Board & Chief Executive Officer, Midland National Bank

TOM SEALY, Attorney, Stubbeman, McRae, Sealy, Laughlin & Browder

NACOGDOCHES

STEELE WRIGHT, JR., Chairman of Board, Texas Farm Products Company

NEWGULF

BYRON N. SODERMAN, Vice President, Sulphur Production, Texasgulf Chemical Company

ODESSA

GAYLE M. EARLS, Chairman of Board & Chief Executive Officer, First National Bank of Odessa

J. VIRGIL WAGGONER, President, El Paso Products Company

ORANGE

C. FRANK RIDDICK, Plant Manager, Sabine River Works, E. I. Du Pont de Nemours & Company

PARIS

EDWARD A. HERNAN, Vice President & General Manager, Campbell Soup, Inc.

ROCKDALE

FRED P. BERGERON, Texas Area Manager, Aluminum Company of America

SAN ANGELO

WILLIAM A. CRUMRINE, JR., President & Chief Executive Officer, First City National Bank

E. L. LANGLEY, President, General Telephone Company of the Southwest

SAN ANTONIO

R. L. ATWELL, JR., President & Chairman of Board, Coastal Transport Co., Inc.

RICHARD W. CALVERT, Chairman of the Board, National Bank of Commerce

DUDLEY T. CAMPBELL, Chaparrosa Ranch

WALTER N. CORRIGAN, Corrigan Enterprises, Inc.

DONALD J. DOUGLASS, Chairman of Board, KO Steel Castings, Inc.

WILLIAM E. GREEHEY, President & Chief Executive Officer, Valero Energy Corporation

JOHN C. HOLMGREEN, Chairman of Board, & Chief Executive Officer, Alamo Iron Works

WILLIAM B. HUDSON, President, The Alamo National Bank

BELTON KLEBERG JOHNSON, Rancher & Investor

W. W. McALLISTER, III, President, San Antonio Savings

FRED W. SHIELD, Independent Oil Operator

FRANCES TEMPLE, Chairman of Board, Temple, Inc.

H. B. ZACHRY, SR., Chairman of Board, H. B. Zachry Company (11-20-80)

H. BARTEL ZACHRY, JR., President, H. B. Zachry Company

SPRING

G. A. CRAIG, Vice President, Missouri Pacific Lines

TEXAS CITY

DAMON L. ENGLE, Plant Manager, Union Carbide Corporation

GENE TROMBLEE, Plant Manager, Monsanto Company

TYLER

A. W. RITER, JR., Chairman of Board & Chief Executive Officer, Peoples National Bank

JOHN WARNER, President, Tyler Pipe Industries

WATSON W. WISE, Investments (11-12-81)

KEATING ZEPPA, President, Delta Drilling Company

VICTORIA

P. K. STUBBLEFIELD, Chairman of the Board, Victoria Bank & Trust Company

WACO

H. HART NANCE, President & Senior Trust Officer, The Citizens National Bank of Waco

RANDY PREDDY, Publisher, Waco Tribune-Herald

WICHITA FALLS

CHARLES N. PROTHRO, Perkins-Prothro Company

RALPH E. SIEBACH, Plant Manager, PPG Industries, Inc.

DAVID WOLVERTON, President, The First-Wichita National Bank

* Former League chairmen, plus those elected Life Members on dates shown in parentheses.



staff photo

RESEARCH STAFF: Seated, John R. Kennedy, research associate; James W. McGrew, vice president-research; Robert E. Norwood, senior research associate; and Alan E. Barnes, research associate. Standing, research analysts James C. Burdett, Harold R. Sanders, Augustin Redwine, Terry Peters and Janet Beinke.

Research

Tools for government administrators

League research has always focused on the practical.

And this was never more true than during 1981, when four major league reports were published and distributed primarily to assist public administrators and officials in doing their best for Texas and Texans.

Three of these reports have become part of a continuing series, and a fourth entry this year will join them in regular revision and upgrading next year. They are:

- Assessment Practices**
- Bench Marks**
- Personnel Manual**
- Coming on Board**

1. *Assessment Practices*. Property should be assessed at its market value for taxation. That is the law. But this has never been the practice in Texas.

So, assessment ratios—the percentage relationship between assessed value and market value—are of great interest to both the taxpayer and the tax administrator.

A ratio study is to property tax administration what an audit is to financial management; tax administrators examine the ratios to determine how well they are doing in their effort to achieve an equitable tax roll.

And taxpayers can use the ratios to determine if *their* property is being assessed equitably at the level applied to other property.

But ratio data was never available until the legislature mandated that market value studies be made as part of the school aid distribution formula.

When that information became available in 1977, the League published its first report on assessment practices in school districts. Later, the League staff devised a method

using the data to compute assessment ratios for counties and major cities.

The third issue, *Assessment Practices of Texas School Districts, Counties and Cities, 1979*, was published in March 1981 and mailed to all League members requesting a copy. Also receiving copies were the new countywide appraisal districts which are developing new programs for equitable property tax appraisals.

In 1982, with few exceptions, these appraisal districts will be responsible for providing taxable values to all of the state's tax-levying local governments.

2. *Bench Marks*. Public school education is the most important and expensive service provided by state and local government. Local school support requires more than half of all property taxes levied in the state.

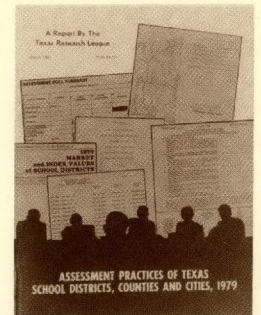
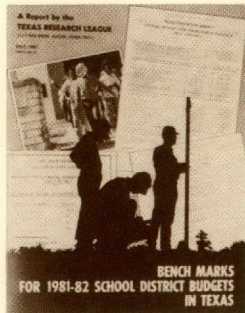
This local tax is a reflection of the public schools' spending needs: the annual budget commitments of the state's 1,070 local school boards which evaluate and adopt spending recommendations made by the school superintendents.

Both board members and taxpayers need to know if these budgets are in line with costs in other, similar school systems.

Needed are comparative per-pupil data for *all* school districts, arranged in useful fashion by major budget items. Since 1975, the League has been providing it in the annual *Bench Marks for School District Budgets*.

Enormously popular with taxpayers, local news media, school administrators and board members, it has even been used by teacher groups to show where spending cuts might be made in order to provide higher salaries.

This year, as in the past six, the League has provided 2,300 copies of *Bench Marks* to the Texas Education Agency for distribution to school superintendents and boards.



3. *Personnel Manual*. There is no central personnel administration in Texas state government and there is no general statute to cover employment practices and employee benefits.

Instead, the legislature enacts the needed statutes each session in the form of riders to the biennial appropriation bill; some remain constant, but many others change each session.

As part of a state personnel administration study several years ago, the League prepared the first *Inventory of Texas Basic State Personnel Statutes*. Immediately popular, updates were requested by Governors Briscoe and Clements after each legislative session.

The fourth edition of *Inventory* was published in September 1981.

Included are chapters on Wage and Salary Administration, Conditions of Employment, Employment Practices and Employee Benefits.

Distributed by the Governor's Office, *Inventory* is an essential tool of personnel administrators throughout state government.

4. *Coming on Board*. This is a manual for members of state boards and commissions, particularly useful to new appointees.

The Texas system brings to state government invaluable citizen input in conducting the business of government through the unpaid time, dedication and experience of hundreds of the state's most successful business and civic leaders.

But even the most eager and knowledgeable appointee from the private sector may find the details of the state bureaucracy confusing at times; some never find time to know all they should in order to be effective members of state boards.

Published in September 1981, *Coming on Board* is a concise, 44-page booklet which explains the role of the citizen board member, relations with the governor and legislature, where to find information and help and also defines the laws affecting board members, procedures, expenses and the open meeting requirements.

The handbook was produced by the League staff in cooperation with the Texas Advisory Commission on Intergovernmental Relations and the Governor's Office.

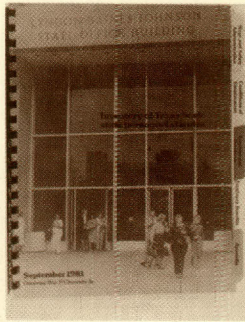
Already there are plans to update and reissue this manual to keep it current.

Tools for effective citizenship

As an educational organization, the Texas Research League attempts to provide information essential to anyone wishing to be a knowledgeable and effective citizen.

Emphasizing state finances, this service constitutes a sort of early warning system which provides advance notice of developments impacting the cost of government and, ultimately, state taxation.

This advance knowledge can be useful to major corporate taxpayers and small businesses alike in evaluating the future cost of doing business in the state.



The information for this service is gathered by members of the research staff, each of whom is assigned a specific area of interest in nine major topics of government operation in Texas:

Taxation, state appropriations, public employment, public education, higher education, health and welfare, public transportation, criminal justice and natural resources.

Each staff member analyzes the proposed budgets for the agencies in his area of interest and follows them until they become law in the new appropriations bill.

All the while, significant developments—particularly those which will impact financing—are noted and analyzed.

Just some of the trends, the staff believes, which deserve the attention of thoughtful citizens in the years ahead, are:

Increasing drain on general revenues. Agencies which once were financed almost entirely from dedicated revenue sources, the staff has noted, now are increasingly dependent on general revenue fund appropriations.

In many cases, these dedicated revenues have not responded to inflation, while agency appropriations have grown to provide higher salaries and other inflationary costs.

And now, a new cause is having its effect—the replacement of deleted federal funds with state money.

All this puts new pressures on the general revenues of Texas, and raises a question: to what extent, and for how long, will those revenues continue to grow enough to absorb this increased pressure?

Post Retirement Adjustments. Commonly called PRAs, these are increases in pensions paid to already-retired state employees and teachers.

The large state-funded retirement programs do not make any automatic provision for inflation adjustments after retirement. In 1975, however, the legislature began to provide such adjustments through special legislation. So far, the total appropriated through the current biennium for this purpose amounts to \$609 million!

While it is true that many pensioners, especially those who retired many years ago, did so on extremely low pensions, it must be noted that *all* retirees have received the PRAs. Included are some drawing a combination of retirement and Social Security which exceeds the highest salary they ever earned as a state employee.

These PRAs were not promised when employees were hired, and they have not been funded over the life of the employee. So, in effect, this new legislative interest asks today's taxpayer to pick up a tab—unanticipated and unspecified—for services rendered to taxpayers in the past.

Concerned taxpayers may well ask just how far the state should go in providing such benefits.

More space at universities. The college space problem goes back to a constitutional provision which prohibits general revenue appropriations for new construction at several universities. At the same time, the legislature in 1979 cut off any special funding for new buildings at these colleges.

The problem is aggravated by poor utilization of the buildings already available. To attract large numbers of students—and thereby enhance their legislative appropriations—many universities cater to students by scheduling classes at convenient and attractive times: no Friday afternoons, no Saturdays. This increases the amount of new construction which each institution would like to have.

League staff in recent years has suggested that better use

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SIMILAR SKYLINES of Amarillo, top, and Midland feature downtown towers as both plains cities experience new growth, and with it, new problems which will get League staff attention.



VOLUME TWO of the monthly newsletter *ANALYSIS* carried reports on the 67th Legislature and special session, along with articles on governmental issues and a five-part series on the sales tax in Texas. The periodical was begun in January 1980.

of available space is one part of the college construction solution. Greater attention also needs to be given to the rising cost of maintaining existing buildings.

There is no doubt that the state should solve the college construction financing problem and, at the same time, come to grips with the question of just how much construction colleges really need.

Research Agenda

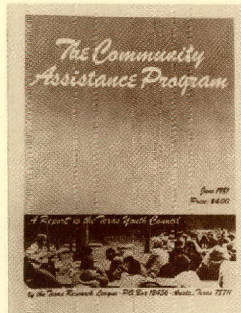
Three decades ago, the Texas Research League was founded to provide a useful product for state and local government: in-depth studies of administration and services to achieve effective government at a reasonable cost to Texas taxpayers.

Over the years, nearly one hundred such studies have been requested by public officials and successfully completed by the staff.

As the League's reputation for problem solving increased, it became apparent that much more was needed. It was to fill these needs that the tools for administrators and the monitoring service for taxpayers were developed.

Even so, the requested studies continue to be the major product of the League. In 1981, the staff completed research on four such studies, one of which has already been published and three which will be published early in 1982.

- An analysis of the Texas Youth Council's *Community Assistance Program*, requested by the TYC and completed in July



- An in-depth study of the *Texas Parks and Wildlife Department* requested by the Parks and Wildlife Commission and administration
- A study of *Oil and Natural Gas Taxes* which Governor Clements requested, to evaluate the fiscal effects of future production decline
- A study of *State Financing of Primary Elections*, requested by the secretary of state

The 1982 agenda

The year had not ended when the staff began preparing for a full, ambitious agenda already established for 1982:

- A study of the agencies, programs and devices designed to assure *accountability*, a major full-staff effort cutting across many state agencies and programs, jointly requested by Governor Clements, Lt. Governor Hobby and Speaker Clayton
- A study of the growth-created problems of the *City of Midland*, requested by the Midland City Council
- A study of two Panhandle counties, *Randall and Potter*, which share the problem of serving the highly urbanized population of a single major city, Amarillo. It was requested by commissioners' courts of both and will explore possibilities for intercounty cooperation, coordination and perhaps even consolidation

These three projects will strain the professional resources of the League to the limit.

But, should any be finished before the year ends, the League Research Committee has recommended two other studies to be made as soon as possible:

- Financing public mass transportation
- Financing public hospitals

A full plate, and then some.

1981 League Committees

Research

Chairman, Lee Hill, Houston; Bill B. Cobb, Senior Vice President, First City National Bank, Corpus Christi; Walter N. Corrigan, Corrigan Enterprises, Inc., San Antonio; Walter J. Crawford, Oil, Gas & Real Estate, Beaumont; John Gatti, Venture Investments, Houston; C. F. Grisette, Vice President, Texas Eastman Company, Longview; John C. Holmgreen, Chairman of Board and Chief Executive Officer, Alamo Iron Works, San Antonio; Don D. Jordan, President and Chief Executive Officer, Houston Lighting & Power Company, Houston; H. W. Kacy, Director of Public Affairs, Union Carbide Corporation, Austin; Paul Mason, Chairman of Board and Chief Executive Officer, The First National Bank, Fort Worth; Paul D. Meek, President, American Petrofina Inc., Dallas; and Boyd Taylor, Vice President, Cabot Corporation, Houston.

Oil & Gas Tax Study

Chairman, Paul D. Meek, President, American Petrofina Inc., Dallas; Walter J. Crawford, Oil, Gas and Real Estate, Beaumont; H. B. Harkins, Chairman of Board and Chief Executive Officer, Harkins & Company, Alice; Morris Hite, Chairman of Board and President, Tracy-Locke Company, Dallas; Tony A. Martin, Chairman of Board and Chief Executive Officer, Midland National Bank, Midland; John W. Phenicie, Vice President, Amoco Production Company, Houston; William T. Slick Jr., Senior Vice President, Exxon Company, U.S.A., Houston; and Watson W. Wise, Oil and Gas, Tyler.

Public Information

Chairman, Morris Hite, Chairman of Board and President, Tracy-Locke Inc., Dallas; Russell H. Fish, Consultant, Austin; Ray Herndon, Vice President and General Manager, KMID-TV, Midland; K. R. Hinckley, Group Vice President, Houston Lighting & Power Company, Houston; Richard J. V. Johnson, President, Houston Chronicle Publishing Company, Houston; Robert G. Marbut, President and Chief Executive Officer, Harte-Hanks Newspapers Inc., San Antonio; and Liener Temerlin, Chairman of the Board, Bozell & Jacobs Inc., Irving.

Finance & Membership

Chairman, William T. Slick Jr., Vice Chairman of the League; W. E. Alderson, Alderson Cadillac Company, Lubbock; James H. Alexander, Chairman of Board, Hygeia Dairy Company, Harlingen; Richard F. Bacon, President, Merchants Inc., Abilene; Jack S. Blanton, President, Scurlock Oil Company, Houston; W. Donham Crawford, Chairman of Board and Chief Executive Officer, Gulf States Utilities Company, Beaumont; Hayden W. Head, Attorney, Head, Kendrick & Head, Corpus Christi; Derrell Henry, Chairman of Board, American Bank, Odessa; William V. Holik, President, El Paso Natural Gas Company, El Paso; B. K. Johnson, Rancher and Investor, San Antonio; W. G. Marquardt, President, Texas Electric Service Company, Fort Worth; Tony A. Martin, Chairman of Board and Chief Executive Officer, Midland National Bank, Midland; W. C. McCord, President, Enserch Corporation, Dallas; J. A. Rush Jr., President, Diamond Shamrock Oil & Gas Company, Amarillo; John Warner, President, Tyler Pipe Industries, Tyler; and David Wolverton, President, The First-Wichita National Bank, Wichita Falls.

Nominating

Chairman, John P. Harbin, Chairman of Board and Chief Executive Officer, Halliburton Company, Dallas; Frank W. Denius, Attorney, Austin; William V. Holik, President, El Paso Natural Gas Company, El Paso; William B. Hudson, President, The Alamo National Bank, San Antonio; Tony A. Martin, Chairman of Board and Chief Executive Officer, Midland National Bank, Midland; R. L. O'Shields, Chairman and Chief Executive Officer, Panhandle Eastern Pipe Line Co., Houston; T. B. Pickens Jr., President and Chairman of Board, Mesa Petroleum Company, Amarillo; A. W. Riter Jr., Chairman of Board and Chief Executive Officer, Peoples National Bank, Tyler; John F. Stephens, Chairman of Board and President, Employers Insurance of Texas, Dallas; and John Warner, President, Tyler Pipe Industries, Tyler.

Salary Evaluation

Chairman, William T. Frogue, Treasurer of the League; John C. Holmgreen, Chairman of Board and Chief Executive Officer, Alamo Iron Works, San Antonio; Don D. Jordan, President and Chief Executive Officer, Houston Lighting & Power Co., Houston; John D. Miller, Chairman of Board, Sanger-Harris, Dallas; and R. E. Wright, Vice President and Assistant to President, Texaco, U.S.A., Houston.

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