

**County Expenditures
and
Tax Rates Survey
2007**

**The County Information Project
Texas Association of Counties**

21 February 2007

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Executive Summary

The Texas Association of Counties (TAC) asked Texas counties to provide information on a number of different county expenditures going back several years. In analyzing the returned data, TAC first separated the 88 responses, from counties covering more than 55.7% of the state's population, into six different brackets based on the 2004 County Typology Codes from the United States Department of Agriculture ("USDA"). The responses were then averaged for each bracket and then graphed to show developing trends.

Trends in a number of different county expenditures, and comments from the counties, reveal several general conclusions.

1. Counties are unique. Increasing costs in one county do not indicate increasing costs in all counties for the same service. The same is true for decreasing costs.
2. Short term trends are subject to change. A trend that lasts three or four years may reverse itself the following year. Similarly a long term trend, of five or more years, can encompass several up and down fluctuations.
3. The trends that have been noted may apply only to the specific groups or brackets of counties; trends in individual counties can diverge significantly from the brackets.
4. The uniqueness of counties extends to their financial systems. Many counties had to leave at least one question blank or only partially answered. Often this was due to the way in which the county tracked certain expenditures and budget items. At other times, respondents noted a difficulty in obtaining data that was several years old.
5. Counties are sometimes at the mercy of fortune. Since Hurricane Rita many citizens and members of the media are aware of the impact of natural disasters on local governments. The uproar over Attorney General Opinion GA-0519 on redacting social security numbers has driven home the impact state mandates on counties can have on our communities including both businesses and individuals.

County Commissioners in particular are often elected on the strength of their commitment to keep tax rates low. This commitment acts as a brake on growing budgets since property taxes account for the vast majority of county revenues. However county officials must balance this desire with the wishes of the public (more accurately the *voting* public) for more services, state and federal mandates, and existing restrictions.

Clearly county expenditures can increase and decrease suddenly as evidenced by the fluctuations shown in many of the trends noted in this report. Just as clearly, county officials need a certain amount of latitude in order to prepare for and deal with these fluctuations caused by rising costs, additional mandates, and declining revenues from other sources as seen in Gillespie County from 2005 to 2007.¹

¹ See the "Maintenance & Operations Tax Rate" section for more information on Gillespie County.

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Introduction

Some pundits have suggested that local governments in Texas need more stringent revenue caps. Often this is based upon a perception that local governments have a lot of waste and need to operate more efficiently. Many would counter that local officials maintain their offices only at the sufferance of the voting public. County Commissioners in particular are often elected on the strength of their commitment to keep tax rates low.

Since property taxes account for the vast majority of county revenues,² this commitment is therefore a self imposed limitation on county budgets. This limitation is balanced by the wishes of the public (more accurately the local *voting* public) who may desire certain additional discretionary services, state and federal mandates, and existing restrictions.

Restrictions are often in place statutorily and include mandatory services and fees for specific services that are often set by the state legislature. Less obvious restrictions include fines which must be high enough to act as a deterrent to crime, yet not so high that people are unable or unwilling to pay the fines. If they don't pay, the convicted parties may end up in county jail. This creates a problem for the county which not only doesn't get the revenue, but must also pay to shelter, feed, and care for the inmate!

This highlights an additional restriction under which local governments must operate. Not all state mandates come from the legislature. Many come from state agencies. For example, see the *Budgeted Correction Officer* section on counties that are understaffed according to standards set by the Texas Commission on Jail Standards.

HB970 by Rep. Christian and HJR61 by Rep. Wayne Smith have been filed in the 80th Regular Session to address the issue of mandates from state agencies. At this time the bill has not been set for hearing.

During January and February of 2007 the Texas Association of Counties conducted the second *County Expenditures and Tax Rates Survey*. This survey was sent to all 254 counties, 88 of whom were able to provide useful information total expenditures in a number of service areas over recent years. The survey was conducted in order to have hard data concerning spending requirements that are beyond the control of locally elected county officials on hand for the 80th Legislature, Regular Session. The data is also being used to study the cost drivers of county government functions.

Many of the questions asked attempted to obtain data going back three or more years in order to determine if any trends could be identified. General trends are noted in this report for all expenditures where data was collected for periods of at least three years. However, clearly trends identified from only three or four years of date are less reliable than trends established from data covering longer periods of time. That is why some of the questions asked for data going back to 2001.

² Texas Comptroller of Public Accounts, Financial Management Review: Hood County (Austin, TX: 2004) Online: <http://www.cpa.state.tx.us/lga/fmr/cms/hoodco/ch07.htm>

In analyzing the surveys, the responses were separated into six groups (or brackets) based upon the 2004 County Typology Codes³ from the United States Department of Agriculture (“USDA”). This set of codes groups the counties based upon economic characteristics. The USDA definitions for these types of counties are as follows.⁴

- **Farming-dependent counties** - either 15 percent or more of average annual labor and proprietors' earnings derived from farming during 1998-2000 or 15 percent or more of employed residents worked in farm occupations in 2000. Note that a few counties have changed farm dependency status from the preliminary group posted in May 2004. See methods, data sources, and documentation for an explanation of these changes.
- **Mining-dependent counties** - 15 percent or more of average annual labor and proprietors' earnings derived from mining during 1998-2000.
- **Manufacturing-dependent counties** - 25 percent or more of average annual labor and proprietors' earnings derived from manufacturing during 1998-2000.
- **Federal/State government-dependent counties** - 15 percent or more of average annual labor and proprietors' earnings derived from Federal and State government during 1998-2000.
- **Services-dependent counties** - 45 percent or more of average annual labor and proprietors' earnings derived from services (SIC categories of retail trade; finance, insurance, and real estate; and services) during 1998-2000.
- **Nonspecialized counties** - did not meet the dependence threshold for any one of the above industries.

The use of the Typology Codes is a change from previous reporting. In the first *County Expenditures and Tax Rates Survey*, counties were separated into five brackets based on their population. While the population bracket worked well for the previous survey, the decision on the number of brackets to use, as well as the range of populations in each bracket, was necessarily somewhat subjective. The use of the federally developed Typology Codes allows for counties to be bracketed based upon well defined criteria, rather than arbitrarily chosen population brackets.

The following table reveals the number of responding counties and the total number of counties statewide in each bracket.

Bracket	Responding	Statewide	Ratio
Farming	19	56	33.9%
Mining	6	30	20.0%
Manufacturing	9	28	32.1%
Federal/State government	13	36	36.1%
Services	9	17	52.9%
Nonspecialized	32	87	36.8%
Total	88	254	34.6%

The disadvantage of using the Typology Codes is that large, urban counties are often grouped with small, rural counties.⁵ The Nonspecialized counties includes Harris with its 2000 Census population of 3.4 million and 31 other counties who combined only had a 2000 Census population of about 2.5 million. Thus the bracket is dominated by the

³ <http://www.ers.usda.gov/Data/TypologyCodes/>

⁴ <http://www.ers.usda.gov/Briefing/Rurality/Typology/>

⁵ Dallas County accounts for 75% of the total population in the Services counties. Bexar has 62% of the population of the Federal/State government counties.

largest county such that large fluctuations in small county expenditures largely disappear in the aggregate.

However, it does allow the averages for all of the brackets to appear on a single graph for each expenditure or cost driver. The report for the previous survey had two graphs for each cost driver: one for the counties in the two largest population brackets and one for the counties in the three smallest brackets. This was necessary since the averages for the largest counties were typically far greater than the averages for the smaller counties. Putting them all on the same graph would have made the averages for the smaller counties illegible.

See the Appendix C for a list of counties that responded to this survey request and to see which bracket each of them fits into. Appendix D contains a map that reveals the same information for the responding counties and a second map showing the economic type for all the counties in the state.

The following pages begin the analysis of the survey responses by presenting charts showing the average expenditures for each of the brackets rather than the expenditures for individual counties. In most of the charts the averages are shown for multiple years going as far back as 2001. Unlike in the previous survey, counties were asked to provide the types of in-kind contributions they provided in Fiscal Year 2006 for various services (i.e., EMS) rather than the value of those contributions.

It should be noted that there were numerous cases where certain counties, due to the way their financial systems are set up, could not separate out the data at the level of detail requested. In addition, it was very difficult for many counties to provide some of the older data items. Unless otherwise specified, the average expenditures (not adjusted for inflation) always show the average for all the counties that were able to provide a numeric response for the specific year of each question. Thus an average for 2006 is often comprised of answers from more counties than averages from prior years. The number of responses for part of each question is provided in the appendices. As in the previous survey, current year data are budgeted amounts and are not actual expenditures.

In order to place the analyses in perspective, some additional material is provided in four appendices. Appendix A charts the change in inflation over the period 2001 to 2006 based on the annual Consumer Price Index (CPI), All Urban Counties, U.S. Cities Average. Appendix B charts the change in the state's population over the same period. This information is presented to enable comparisons with the changes in expenditures for the various services.

Inflation, based on the CPI, was 13.8% from 2001 to 2006. During the same period, based on data from the U.S. Census Bureau, the population of the state grew 10.1%. Assuming both inflation and state population growth continue at the same pace through 2007 gives a 14.2% increase in inflation and a 12.2% increase in population over the entire 2001-2007 period. Combining those two numbers returns 26.4%. This benchmark can be used when evaluating services for which data was collected from 2001 to 2007.

Using the same methodology, inflation from 2004 to 2007 can be estimated. From 2004 to 2007, the annual CPI will increase by an estimated 6.9%. Over the same period the

estimated population increase will be 5.9%. Combining those two numbers returns a 12.8% increase. This lower benchmark should be used when evaluating services for which data was collected from 2004 to 2007.

Appendix C and D contain information on the surveyed counties. Appendix C has a pie chart which shows the percentage of the state's population found in the responding counties. It also includes a table which lists the responding counties by their population bracket and shows each population as of the 2000 Census.

However, if one were to look at only those counties that were able to respond with data for the entire period requested, the numbers would drop. This can be seen in Appendix D where the number of responses for each type of county is noted for every question on the survey.

Appendix D has a map which shows where each of the counties is located so the reader can see the geographical coverage provided by the responding counties.

Appendix E contains tables showing how many responses were received for each question by year. In many cases counties were able to provide responses dating back several years but were unable to provide responses for every year requested.

The response rate for this survey was greater than anticipated and greatly appreciated! Thanks to the many counties and individuals across the state who participated.

Questions about this report should be directed to Tim Brown at the Texas Association of Counties, (512) 478-8753.

Services

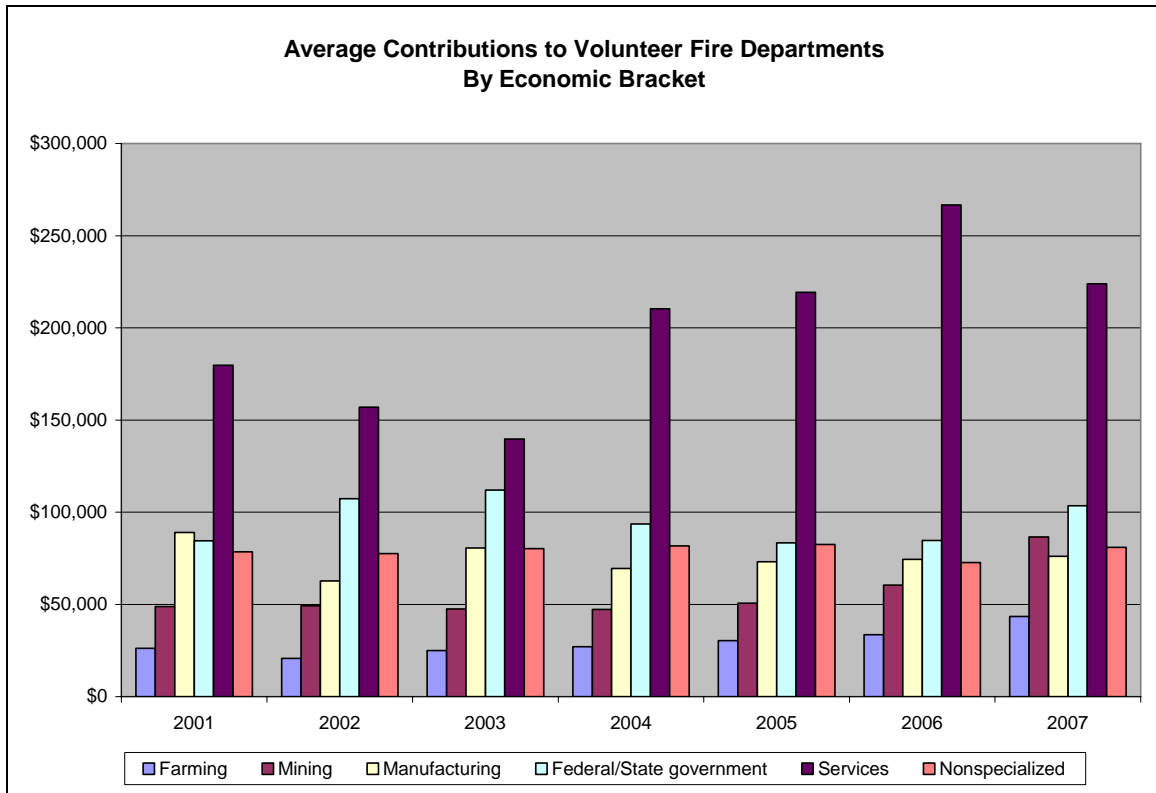
Analysis of Average Expenditures by Category and Type of County

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Volunteer Fire Departments (VFD)

Counties, particularly in rural areas, often make contributions to local Volunteer Fire Departments. Usually these contributions are in funds, but may be in-kind contributions of vehicles, office space, utilities, or other equipment. The chart below shows the averages of contributions from 2001 to 2007 for the responding counties. As previously discussed, the counties have been categorized by economic type based on the United States Department of Agriculture's Economic Type Codes.

Chart 1 – Volunteer Fire Departments⁶



The chart clearly shows the cyclical nature that so often appears when looking at county expenditures. This is most obvious for the Nonspecialized counties as the chart shows their average trending downward from 2001 to 2003, but then trending strongly higher from 2003 to 2006. The 2007 average is for budgeted amounts; actual expenditures may end up significantly lower or higher than budgeted.

The Farming counties, conversely, show a strong upwards trend increasing 66.1% from 2001 through the 2007 budget. This was second only to the Mining counties that had a 77.0% increase in average contributions from 2001 to 2007.⁷

⁶ Unless otherwise noted, all of the charts in this section show average expenditures for each economic type, they do not show the expenditures for individual counties.

⁷ All averages in this section are based upon actual expenditures and budgets. No adjustment has been made for inflation.

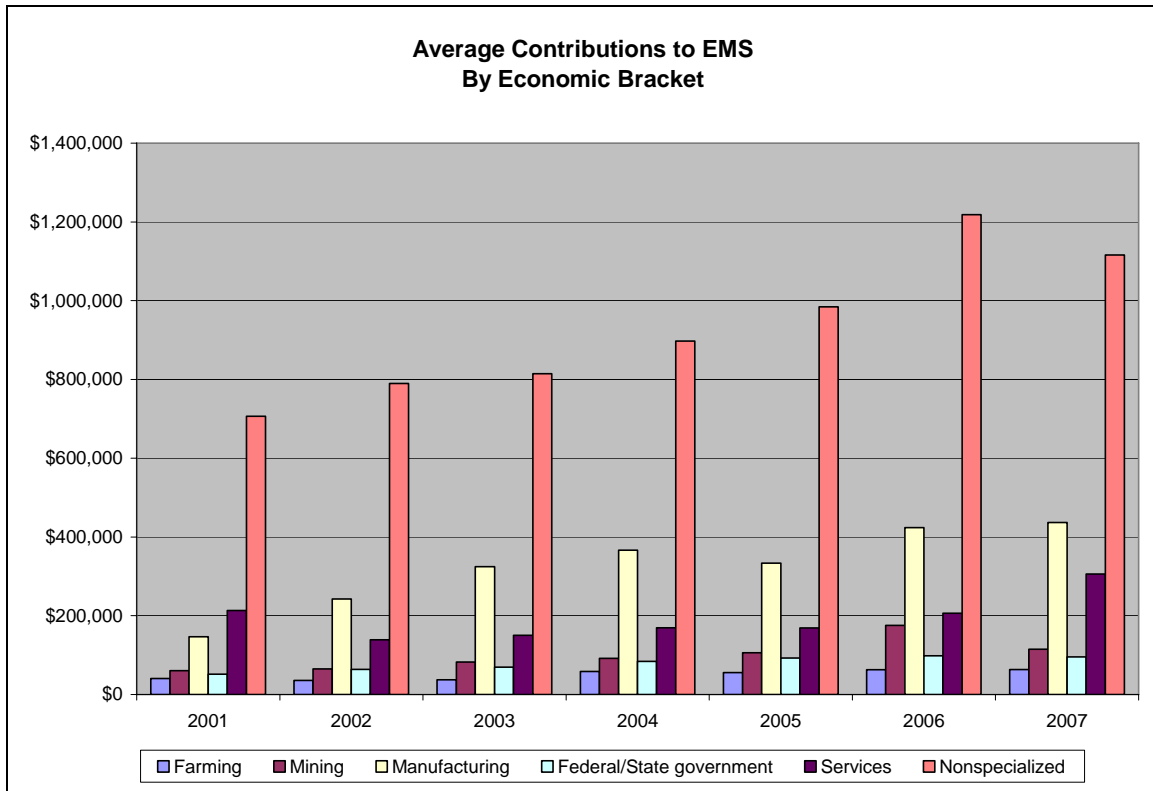
When budgets get tight, counties often look to cut back on their contributions to volunteer fire departments in order to cut costs. At this time there is at least one county, Guadalupe, that is actively exploring the possibility of cutbacks to volunteer fire departments for their 2008 budget.

For more information on county in-kind contributions to volunteer fire departments, see the “In-Kind Contributions” section of this report.

Emergency Medical Services

In addition to contributions to volunteer fire departments, counties also make support local Emergency Management Services (“EMS”) with both funding and in-kind contributions. The average funding support of EMS is shown in this chart.

Chart 2 - EMS



Nonspecialized counties made by far the largest average contributions to funding EMS. The funding from the Nonspecialized counties as well as from the other types of counties, shows a strong increasing trend. However, it is the Manufacturing counties that show the greatest percentage increase, 198.0% from 2001 to 2007.

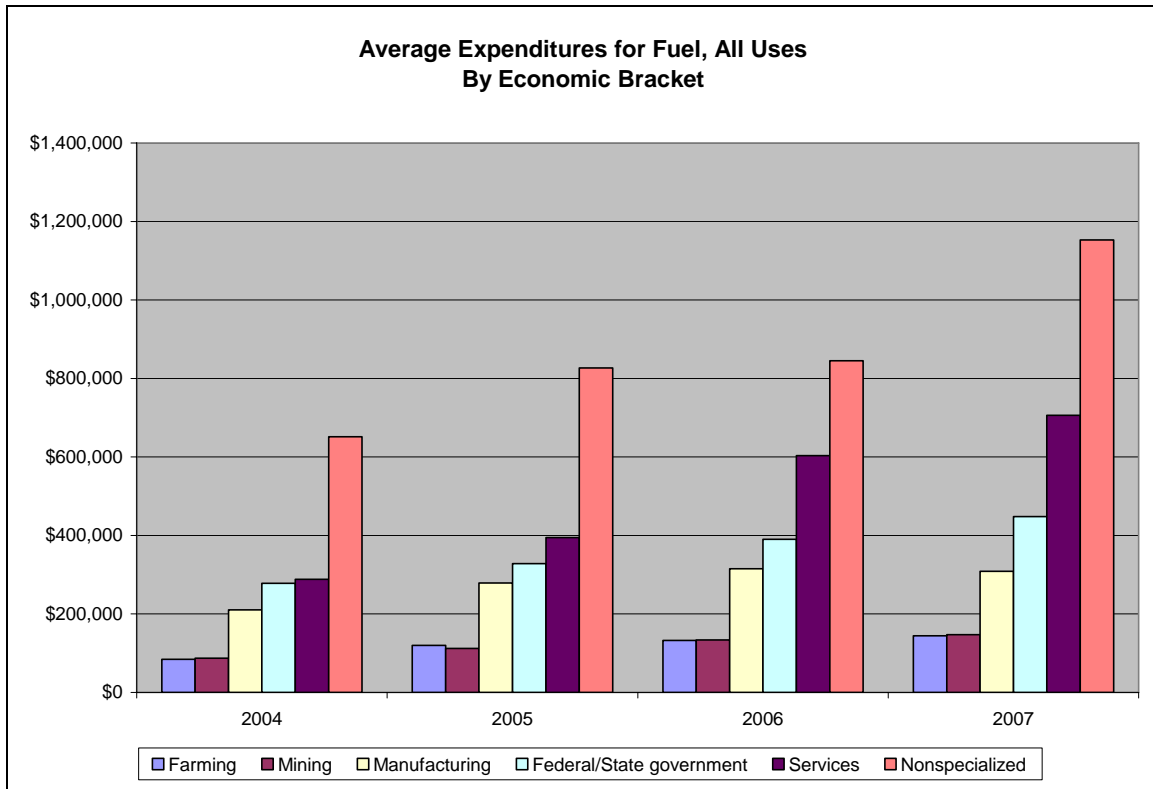
The Services counties had the smallest percentage increase. From 2001 to 2007 their EMS funding increased by only 43.3%.

For more information on county in-kind contributions to EMS, see the “In-Kind Contributions” section of this report.

Total County Fuel Expenditures

Counties use a lot of fuel and as every driver knows, the cost of fuel has increased dramatically over the last couple of years. This increase helps explain the dramatic increase in average fuel expenditures as seen in Chart 3.

Chart 3 – Total County Fuel Expenditures



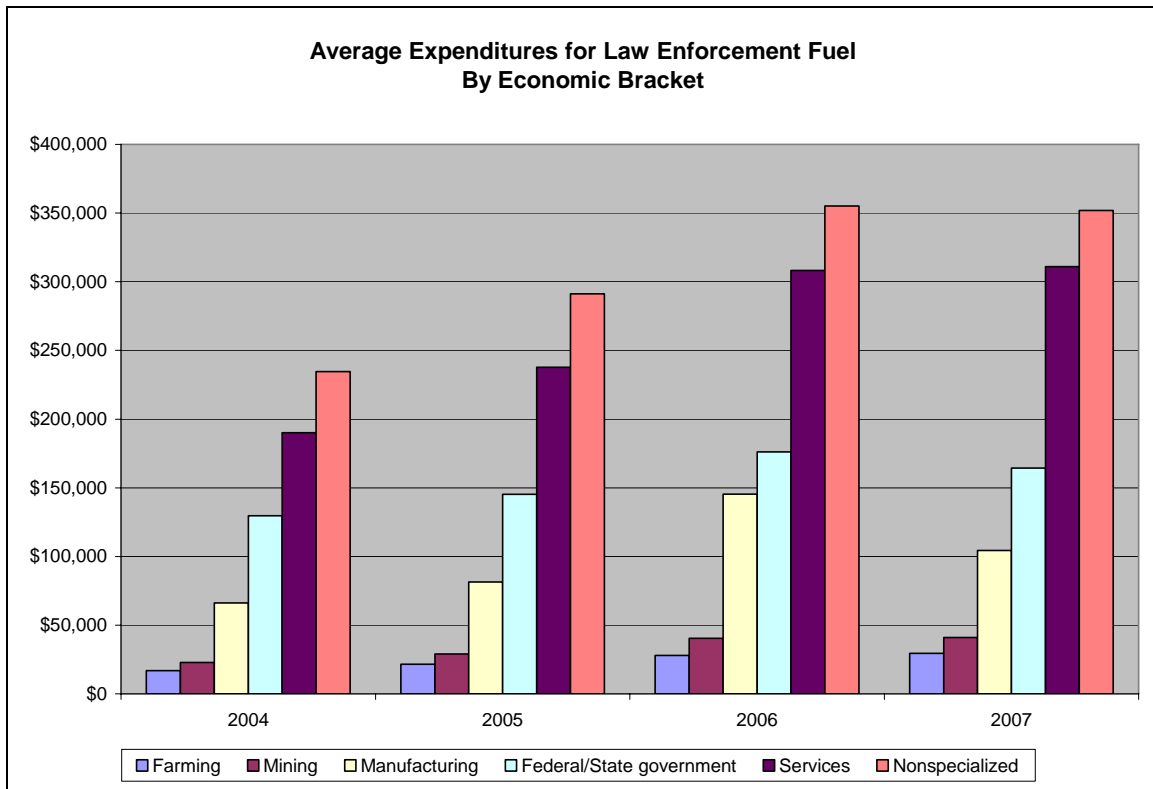
As dramatic as the chart is, the following table more clearly reveals the large increase in average fuel expenditures for every type of county.

Farming	70.8%
Mining	69.6%
Manufacturing	46.9%
Federal/State government	61.4%
Services	144.8%
Nonspecialized	77.0%

Law Enforcement Fuel Expenditures

Law enforcement fuel expenditures are a subset of the total county fuel expenditures. Other types of fuel expenditures would include fuel for the county road equipment, such as graders. These other types are not included but rather mentioned to explain the difference between the previous chart and the one below.

Chart 4 – Law enforcement Fuel Expenditures



While this expenditure shows a dramatic increase over the period tracked, somewhat counter-intuitively this expense has not always grown as rapidly as the total county fuel expense. See the table below for a side-by-side comparison.

Category	Total	LE Only
Farming	70.8%	73.7%
Mining	69.6%	80.2%
Manufacturing	46.9%	57.7%
Federal/State government	61.4%	26.7%
Services	144.8%	63.7%
Nonspecialized	77.0%	50.0%

Budgeted Law Enforcement Personnel

The average number of law enforcement personnel appears to decline in the following chart. However, that is not the whole story. The averages shown are for those counties that responded. As can be seen in the Appendix, some counties were unable to provide historical data all the way back to 2001. The table below the chart shows the number budgeted law enforcement positions for those counties that were able to provide information for both 2007 and 2001.

Chart 5 – Budgeted Law Enforcement Positions

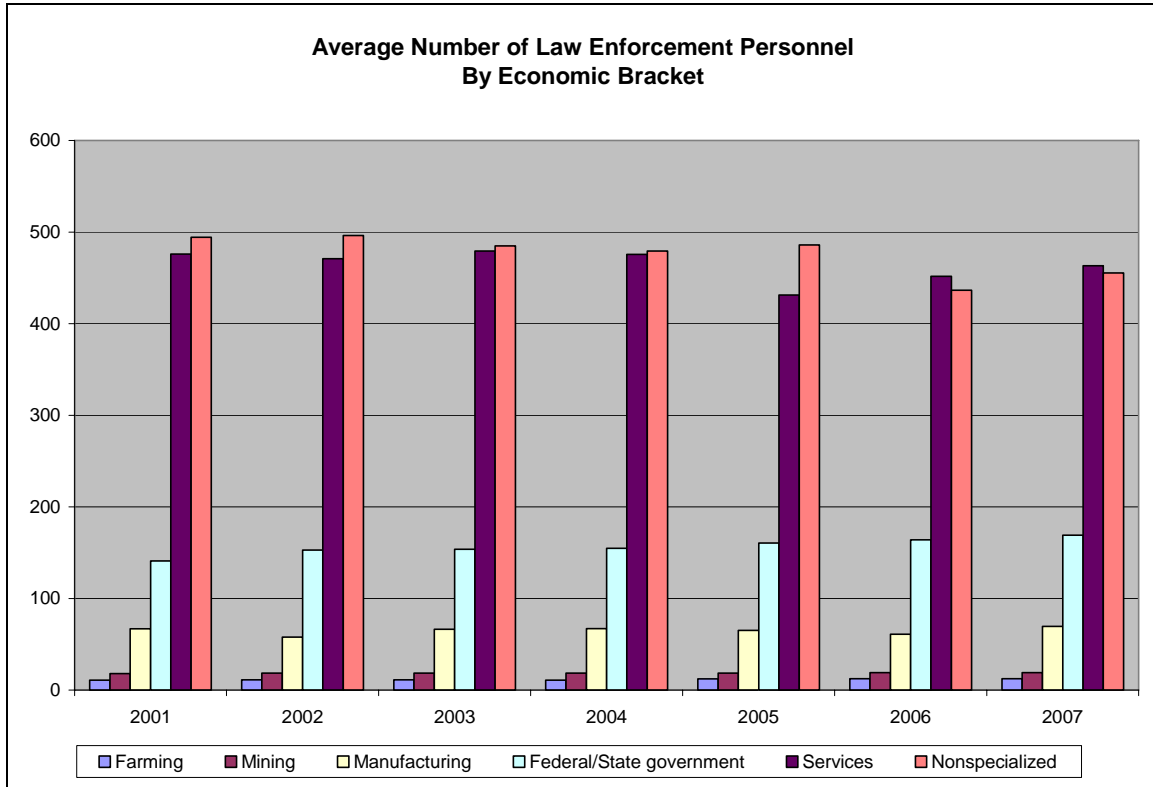


Table: Number of LE Positions for Selected Counties

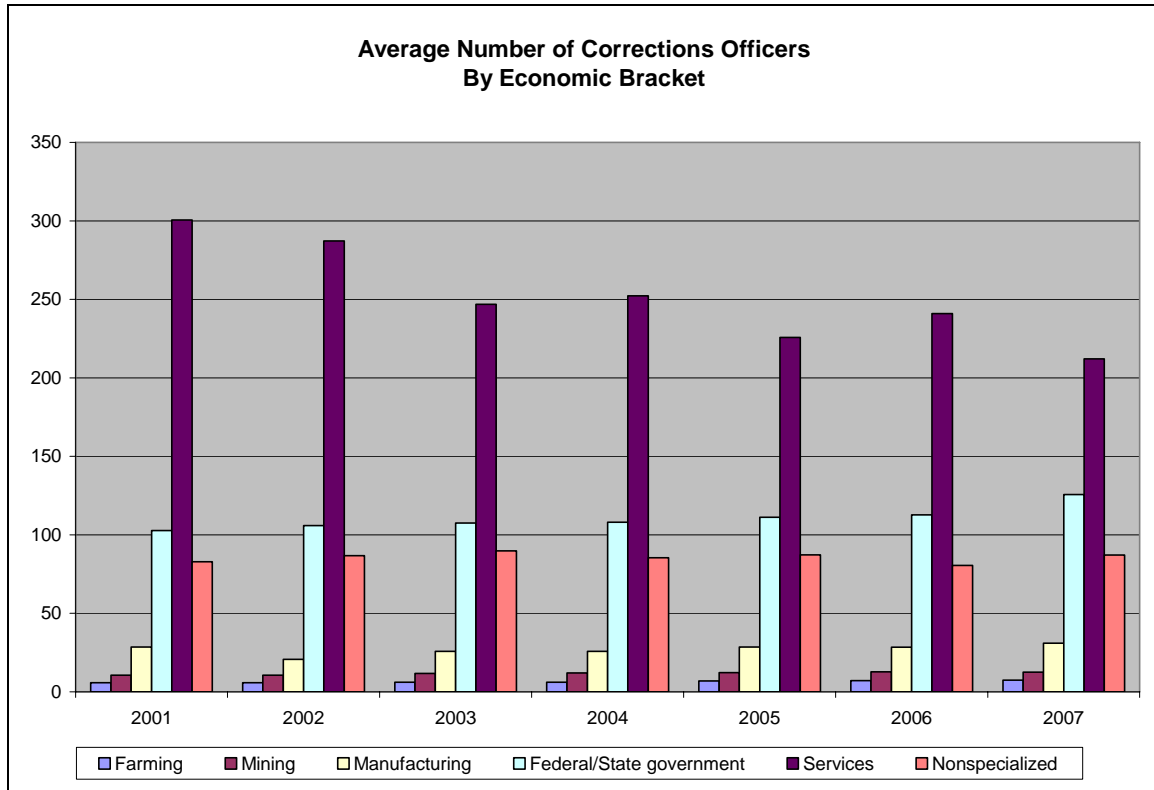
Type	2001	2002	2003	2004	2005	2006	2007	Increase
Farming	162	166	164	163	188.3	190.5	191.5	18.2%
Mining	89	93	93	93	93	95	95	6.7%
Manufacturing	467	405	465	469	493	499	507	8.6%
F/S Gov.	1,832	1,987	1,998	2,011	2,088	2,134	2,200	20.1%
Services	3,332	3,297	3,356	3,330	3,403	3,564	3,654	9.7%
Nonspecialized	11,369	11,601	11,290	11,981	12,141	12,512	13,059	14.9%

By limiting the selection to only those counties able to provide information for both the beginning and end of the period, it becomes obvious that law enforcement is a growing industry for counties. And thus a growing expense for counties particularly when it is noted that the percentage increase shown is only for the number of positions and therefore does not include increases in equipment, fuel, salaries and benefits, etc.

Budgeted Corrections Officers

The survey also asked for the number of budgeted correction officer positions. In addition to the difficulty obtaining historical data on the number of positions (noted in “Budgeted Law Enforcement Position”) it was often difficult for counties to break out corrections officers from the larger law enforcement officer classification.

Chart 6 – Budgeted Correction Officer Positions



Type	2001	2002	2003	2004	2005	2006	2007	Increase
Farming	76	76	78	81	93	95	100	31.6%
Mining	42	42	47	48	49	51	50	19.0%
Manufacturing	228	166	206	206	228	227	248	8.8%
F/S Gov.	1,336	1,377	1,398	1,405	1,445	1,464	1,508	12.9%
Services	1,804	1,723	1,720	1,758	1,770	1,891	1,659	-8.0%
Nonspecialized	1,821.5	1,909.5	1,957.5	1,965.5	2,006	2,050	2,128	16.8%

From the Manufacturing category, Guadalupe County noted that the budgeted numbers they provide for 2007 were “based on [the] original budget. The Texas Commission on Jail Standards informed the County, after the budget was adopted, that the County needed more jailers to be in compliance with standards.”

Dallas County, which falls in the Services category, noted, “[The] FY07 Budget excludes office personnel, all previous years include all office personnel associated with

correctional duties.” The drop-off in numbers for Dallas County partially explains the decrease in budgeted correctional officer positions for the services category.

However, the drop-off in Dallas is not entirely due to changes in reporting methodology. Dallas, and other counties as well, has a problem finding qualified jailers, “Dallas County's jail population has fallen by about 700 inmates during the past three weeks, but the jails still are not meeting the state's minimum staffing requirement – a nagging deficiency that has led to flunked jail inspections for the past three years.”⁸

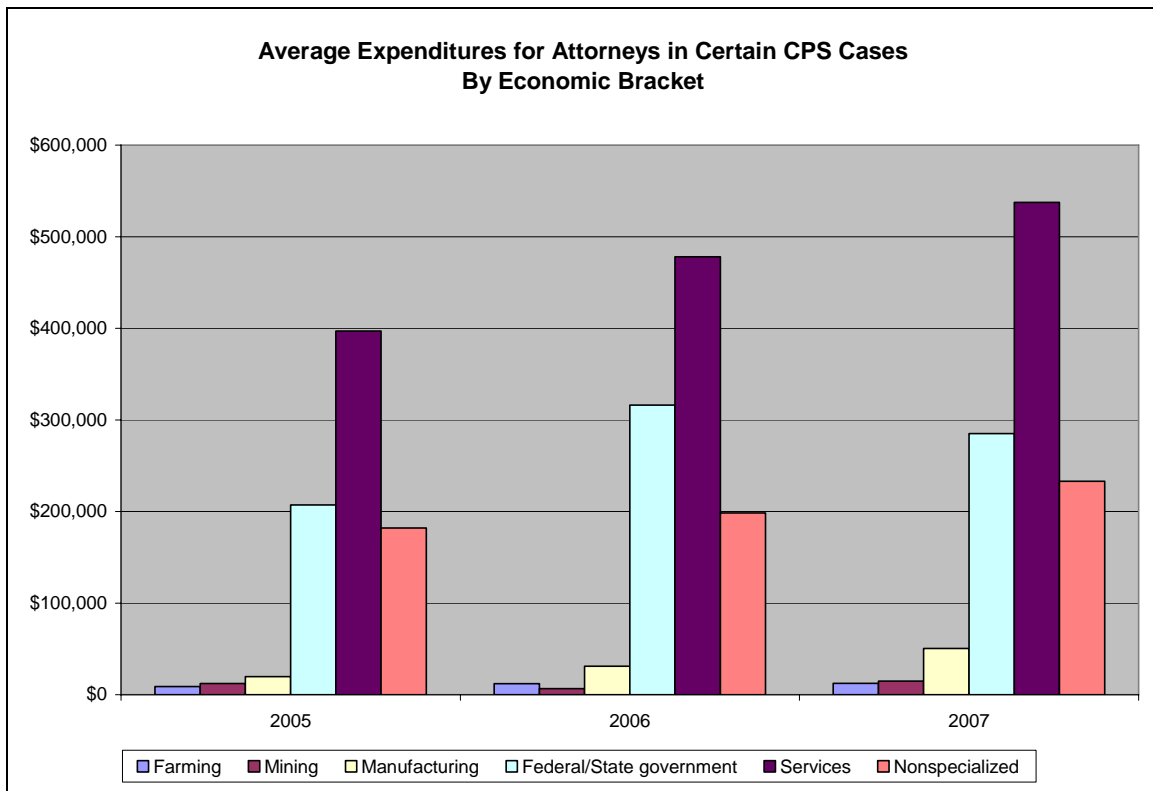
⁸ Kevin Krause, “Jail Struggles with Guard Requirement,” *Dallas Morning News*, 27 February 2007, online: http://www.dallasnews.com/sharedcontent/dws/news/city/dallas/stories/DN-jailstaff_27met.ART.State.Edition1.2024c34.html

Court Appointed Attorneys

In 2005, Senate Bill 6, 79th Legislature, Regular Session was passed requiring counties to appoint attorneys for indigent parents who oppose temporary managing conservatorships of children when previously they were appointed only when parental termination was sought. At first, some counties were reporting that this little-noticed change could increase their court-appointed lawyer costs in family law cases from 15 percent of the cases to almost every such case.⁹

A previous survey by the Texas Association of Counties asked counties for their expected expenditures for this added service. Most counties, however, do not track their expenditures for court appointed attorneys to the level of detail needed to be able to report this expense. Generally, this cost is rolled up to include all court appointed attorneys in all civil cases; in some counties it is rolled up to include criminal cases as well. For example, Baylor, Cottle, Haskell and Morris were unable to respond to this question since they were unable to separate the costs from other types of cases. Motley County, on the other hand, provided their 2005-2006 expenditures and 2007 budget for all court appointed attorneys (\$600, \$319, and \$9,000 respectively).

Chart 7 – Court Appointed Attorneys



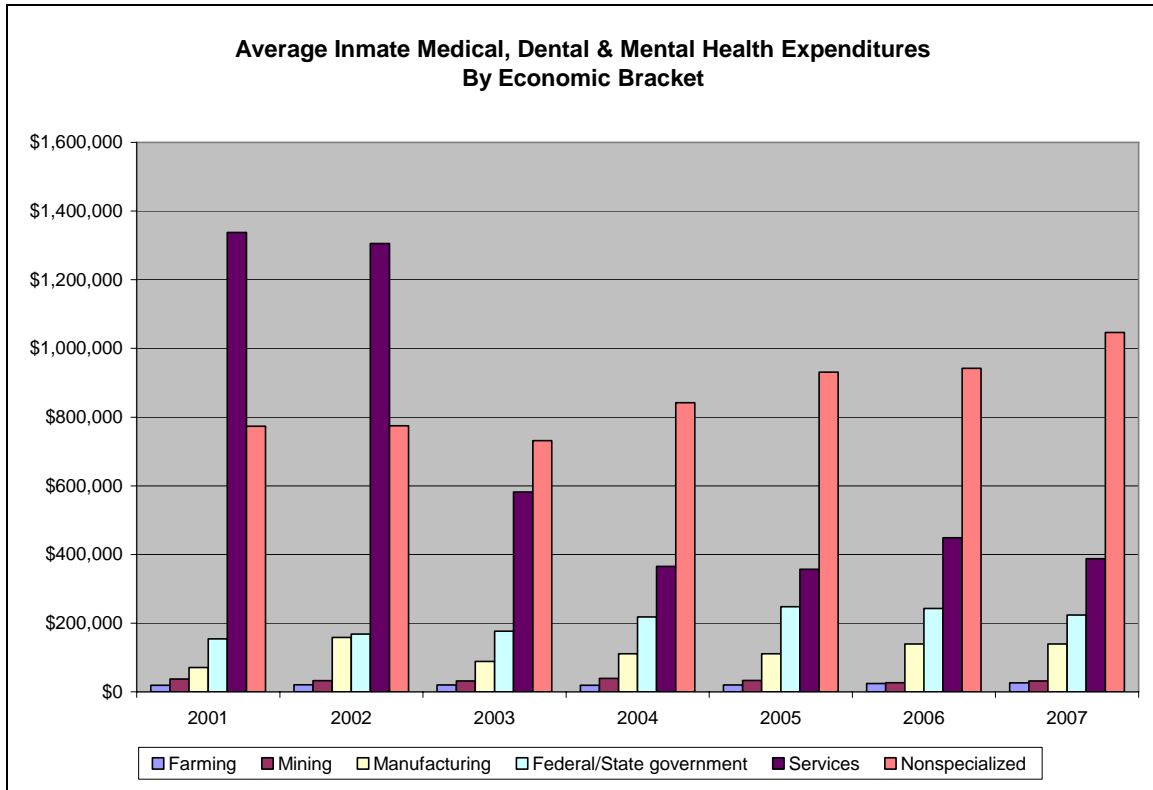
The Manufacturing counties had the highest average increase on a percentage basis, 156.2%, from 2005 to 2007. Interestingly, the Mining counties show a jump of 121.7% from 2006 to 2007. This after having a 44.6% decrease from 2005 to 2006 for a total increase of 22.7% for the two year period. This resulted in the Mining counties having the smallest two year percentage increase. It was only 22.7%.

⁹ Texas Association of Counties, "Uncontrollables," *County Magazine*, (November/December 2005): 39.

Inmate Medical, Dental and Mental Health Costs

Inmate health care costs varied greatly over the 2001 to 2007 period. In large part this was due to the drop-off in spending by Dallas County. Dallas reported that, "Parkland Hospital (the County Hospital) took over this service in FY04. Parkland Jail Health budget for FY07 is \$28.3M." Bexar and Motley also reported that this expense was borne by their respective hospital districts.

Chart 8 - Inmate Costs



The shift in responsibility for inmate health care costs in Dallas County goes a long way to explain the 71.0% decrease in expenditures for the Services counties. However, the Mining counties also had a 14.0% decrease in spending.

This is in marked contrast to the 97.9% increase in expenditures for the Manufacturing counties during the same period. The Farming, Federal/State Government, and Nonspecialized counties had increased expenditures of 36.9%, 45.2%, and 35.3% respectively. The increases for these four groups of counties were clearly all significantly greater than inflation or population.

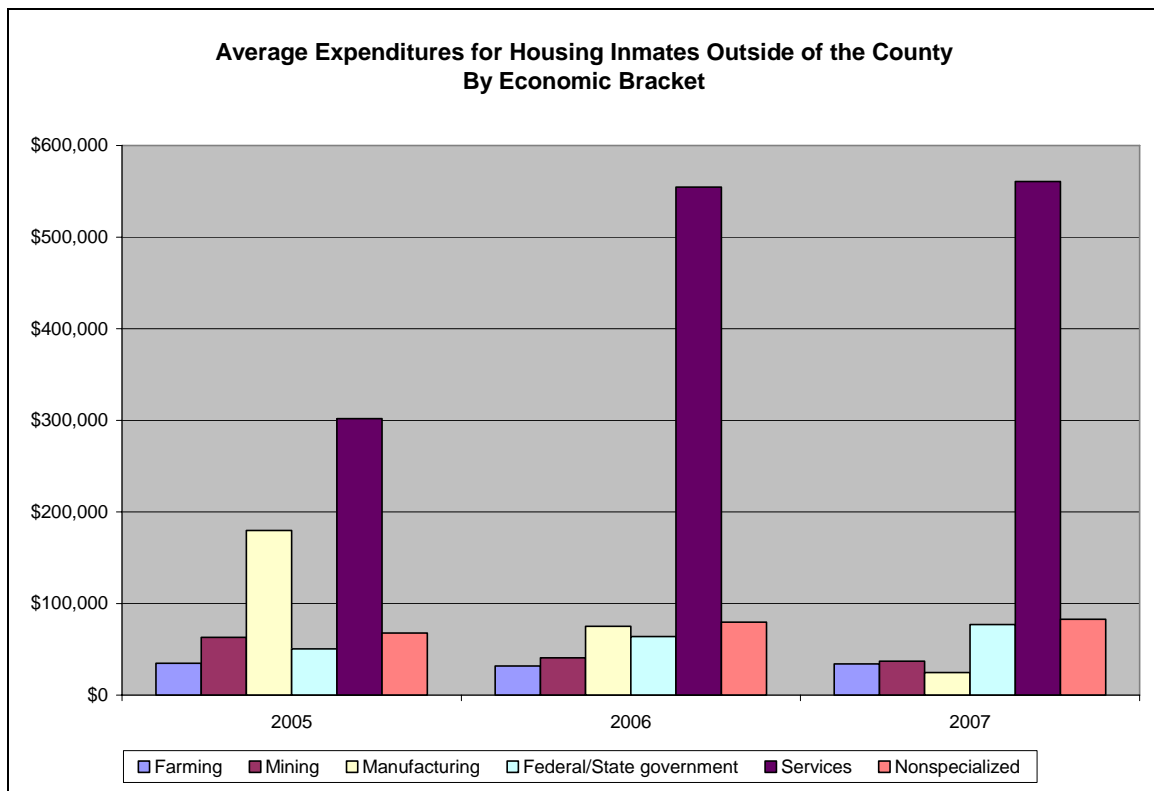
Housing Inmates outside the County

Many counties spend large sums of money to house their inmates in outside their own jails. While there are many reasons for doing so, ranging from overcrowding due to blue warrant and other state inmates to not actually having a county jail, the expense can add up quickly.

In response to this survey question, 33 of 78 counties replied that they are not budgeting anything for this expense in 2007. In addition, thanks to a new county jail, Calhoun reported a 2007 budget of only \$5,000 after spending \$1,077,951 in 2005 and \$464,639 in 2006 to house inmates outside of the county. Van Zandt also saw a significant decrease dropping from 2005 expenditures of \$209,936 to a 2007 budget of only \$2,500.

Those are some of the lucky counties. At the opposite extreme, Smith and Webb Counties both budgeted at least a million dollars for 2007 (\$3,500,000 and \$1,000,000 respectively). In both cases the budgeted amounts are only slightly higher than actual 2006 expenditures; although significantly higher than their 2005 expenditures of \$1,500,560 and \$626,133. Bell reported a 2007 budget of \$500,000 up from 2006 expenditures of only \$52,074.

Chart 9 – Inmate Housing

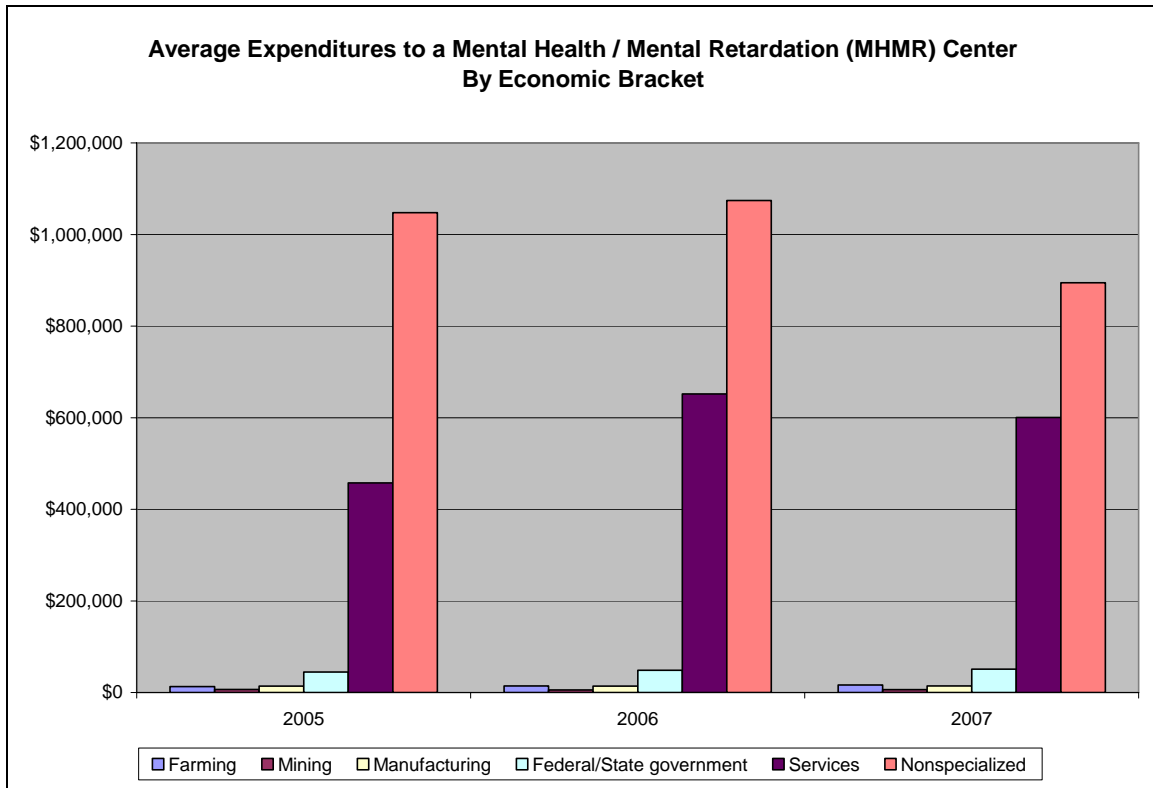


These massive variations in costs for housing inmates outside the county are reflected, although moderated, in the average costs. Manufacturing counties saw this expense decline 86.4%, Mining counties saw a 41.3% decline and Farming counties experienced a 2.1% decline in expenditures. Meanwhile, Services counties had an 85.7% increase and Federal/State government counties had a 52.2% increase in this expenditure.

Mental Health / Mental Retardation Centers

Many counties provide funds to their local regional Mental Health/Mental Retardation (“MHMR”) Centers. This funding is optional therefore not every county provides funding (64 of 88 counties reported some expenditures for MHMR in 2006 while 17 reported \$0 in expenditures). Further, the funding may be cut to zero dollars during some years for those counties that do provide funding.

Chart 10 - MHMR



Since this is an optional expenditure for counties, it is not surprising to see clearly visible fluctuations in the average expenditures. The Services counties in particular show a significant increase and then decrease in the above chart. The table below shows the increase or decrease for the entire period for each economic category.

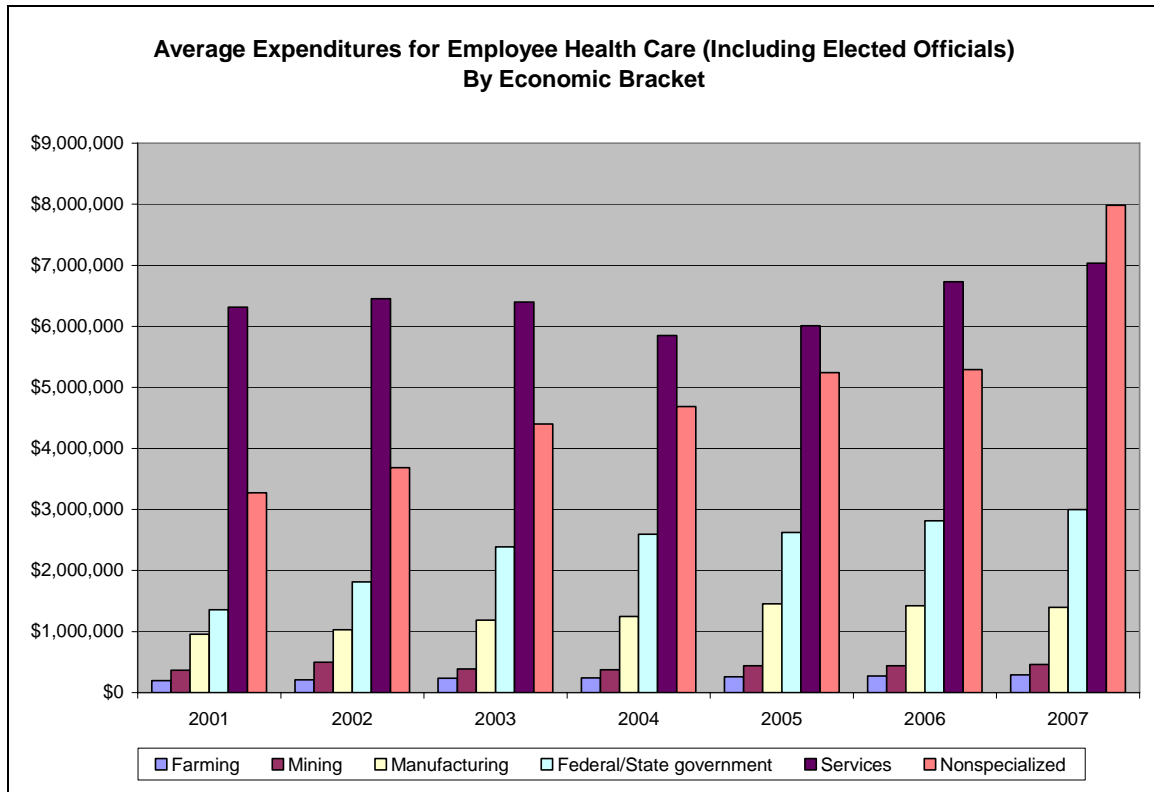
Category	2005 - 2007
Farming	25.6%
Mining	-6.7%
Manufacturing	3.6%
Federal/State government	13.6%
Services	31.2%
Nonspecialized	-14.6%

Data was collected for 2005 to 2007 only.

Employee Health Care

None of the economic categories were able to hold the line against increased average Employee Health Care costs during the reporting period as seen in the following chart and table.

Chart 11 - Employee Health Care



Category	2005 - 2007
Farming	50.1%
Mining	25.7%
Manufacturing	45.7%
Federal/State government	121.1%
Services	11.4%
Nonspecialized	144.0%

The Services counties saw by far the smallest increase at only 11.4%. This increase included a period in which their expenditures declined from 2002 to 2003 and again from 2003 to 2004. The Mining counties saw their employee health care costs decline over the same period and then again from 2005 to 2006. The Manufacturing counties saw a decline from 2005 to 2006 and again from 2006 to 2007. These were the only times expenditures declined over the entire period for these three categories.

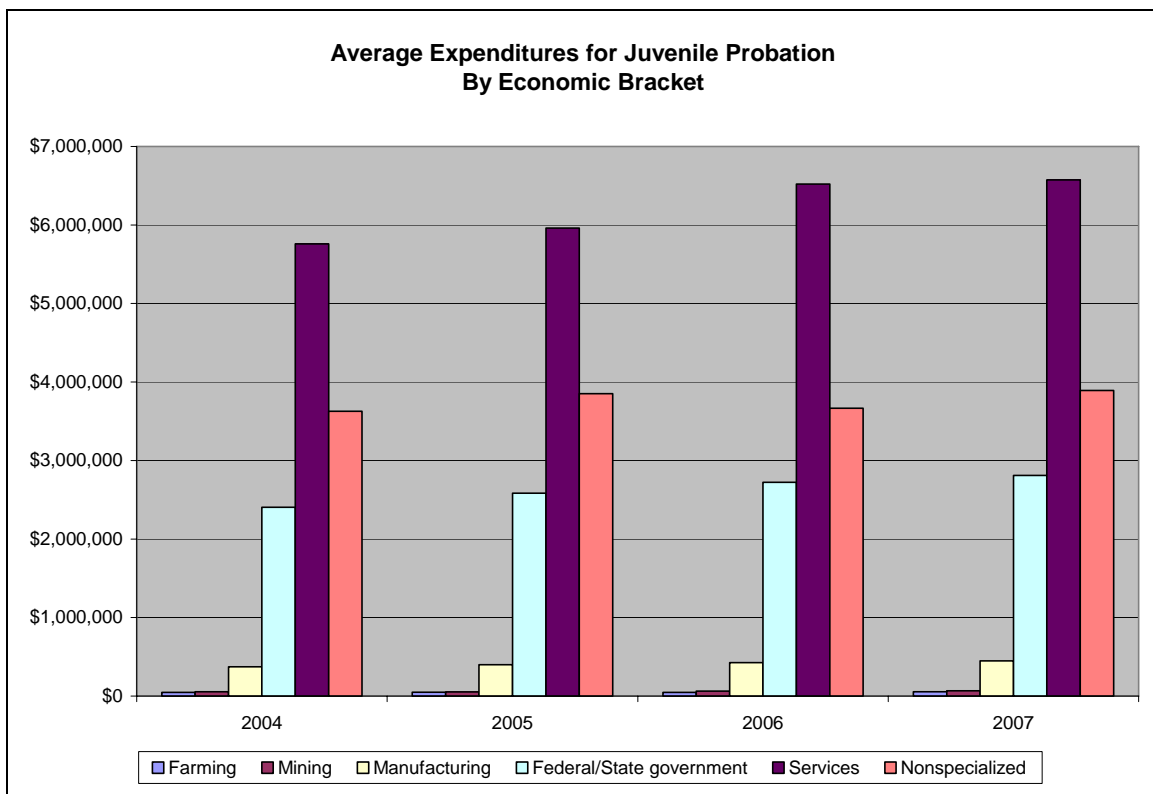
Of course, not all counties provide coverage. Castro noted that they had lowered their coverage and Motley stated, "No health care."

Juvenile Probation

State law strictly regulates the handling of juveniles, but Juvenile Probation is administered locally at the county level. Intake of all cases is handled by the county, with probation being ordered by Juvenile Courts and also through deferred prosecution programs whereby the child does not appear in Juvenile Court, but is placed on probation by the probation staff.

The juvenile court has three basic options for juvenile offenders: probation while remaining at home, placement on probation outside of the home, or commitment to the Texas Youth Commission. Probation may include counseling, community service restitution, financial restitution, group programs, intensive supervision programs, as well as other programs based on the individual needs of the child. Additional services can include prevention and intervention services, family workshops, drug education, victim's assistance, and team building activities.

Chart 12 - Juvenile Probation



Note: Each county Juvenile Probation Department is supervised by a county Juvenile Board. Funding for the department comes from the State and County, as well as from some miscellaneous grants.

Most categories of counties were able to keep expenditures for juvenile probation from increasing at the breakneck rates seen for other expenditures. However, no category actually reported an

overall decrease in average expenditures for the entire period. The following table shows the actual increases for the period.

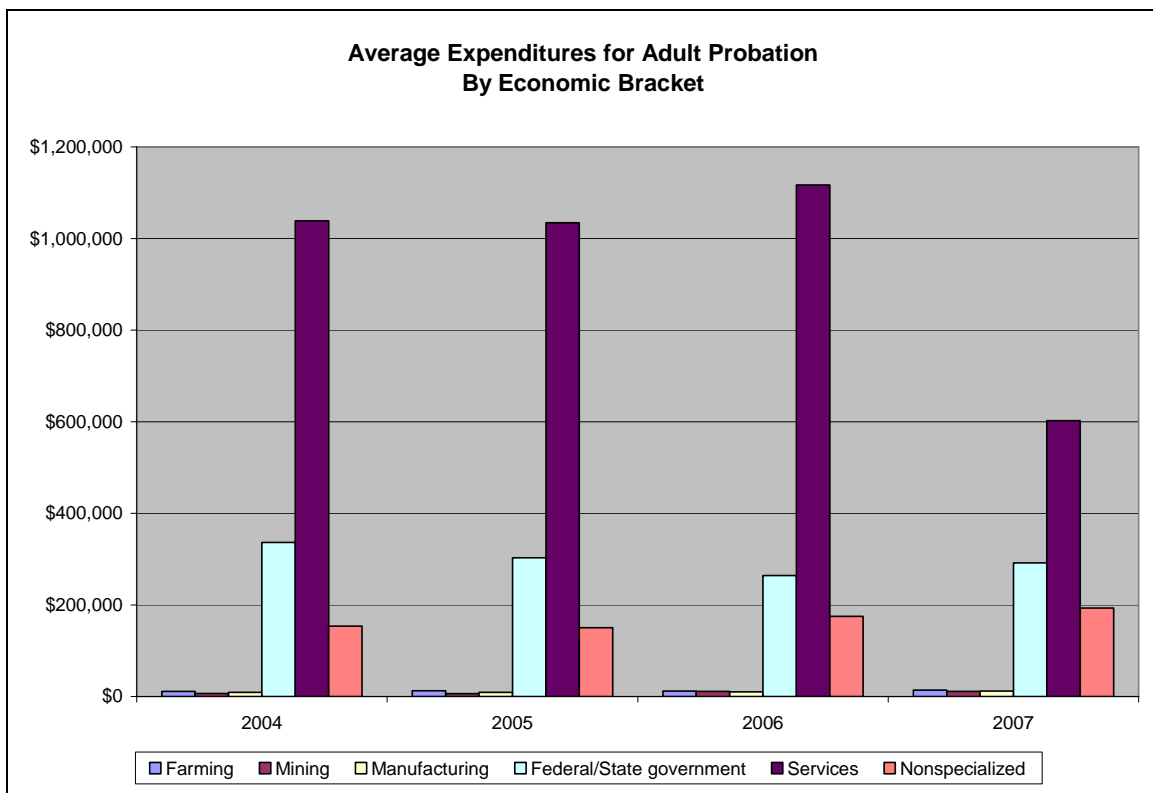
Category	2004 - 2007
Farming	17.4%
Mining	25.8%
Manufacturing	20.3%
Federal/State government	16.7%
Services	14.2%
Nonspecialized	7.3%

Adult Probation

An Adult Probation Department, also known as Community Supervision and Corrections Departments (CSCD), is an alternative to incarceration for adults who have been convicted of committing felony and misdemeanors offenses. It is designed to give the defendant an opportunity to correct his/her mistakes while being allowed to remain in the community under certain court-ordered, and probation officer supervised, terms and conditions. Adult Probation Departments supervise adults who have been placed on probation for committing felony and misdemeanors offenses.

While the total expenditures for Adult Probation were considerably less than for Juvenile Probation, the percentage changes in average expenditures showed significantly greater variability.

Chart 13 - Adult Probation



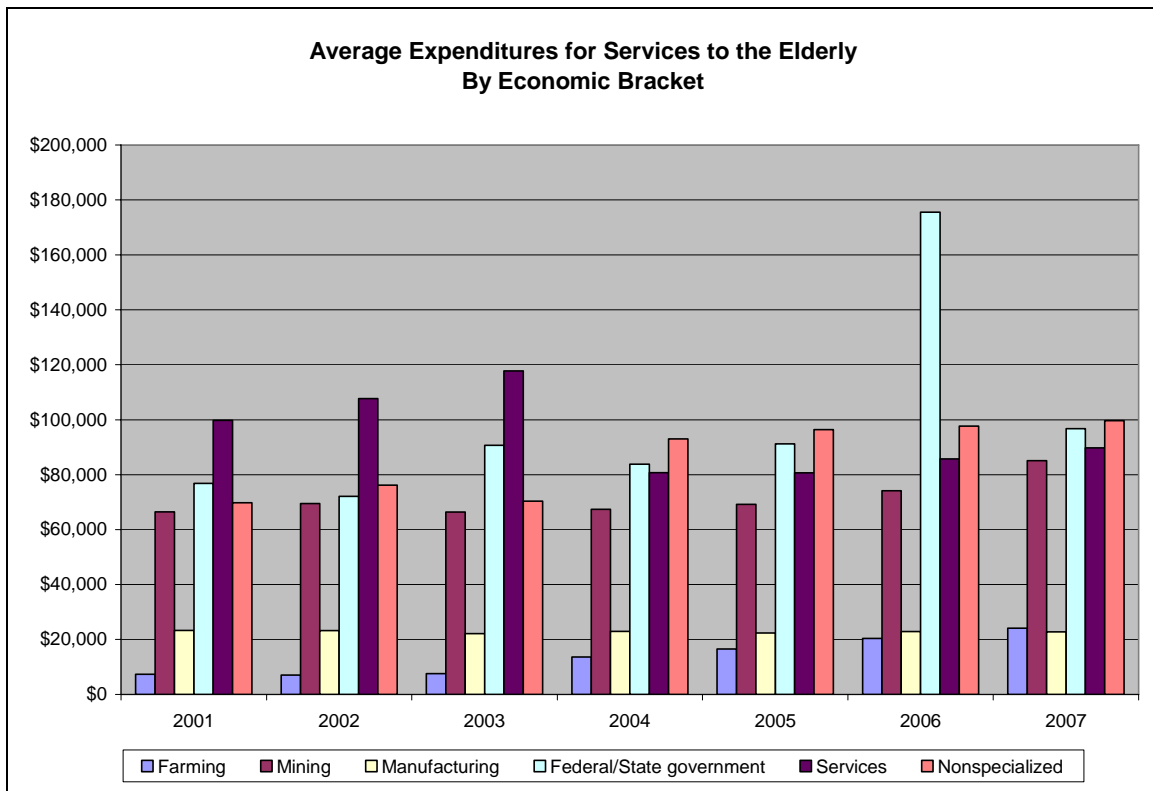
The sudden decrease in adult probation spending by the Services counties is due to the response from Montgomery County. Montgomery provided expenditures for 2004 to 2006 ranging from \$4.5 to \$5 million. However, they were unable to provide a budgeted amount for 2007. Since they were one of only four counties reporting 2006 expenditures of more than \$1 million, the average dropped drastically as can be seen in the chart.

Without Montgomery's 2004 data, the average expenditures for the Services counties actually increase from \$541,400 in 2004 to \$602,344 in 2007, an 11.3% increase.

Services to the Elderly

Bexar County's services to the elderly saw a sharp sudden increase in 2006 followed by a rapid decrease in 2007. No explanation was provided for this anomaly, but it is the reason for the sharp spike in average expenditures for 2006 in the following chart.

Chart 14 - Services to the Elderly



A number of counties were able to provide information on expenditures for the elderly for part of the period, but not for all seven years. Taking only the averages for those counties that provided both 2001 and 2007, results in the right hand column in the following table.

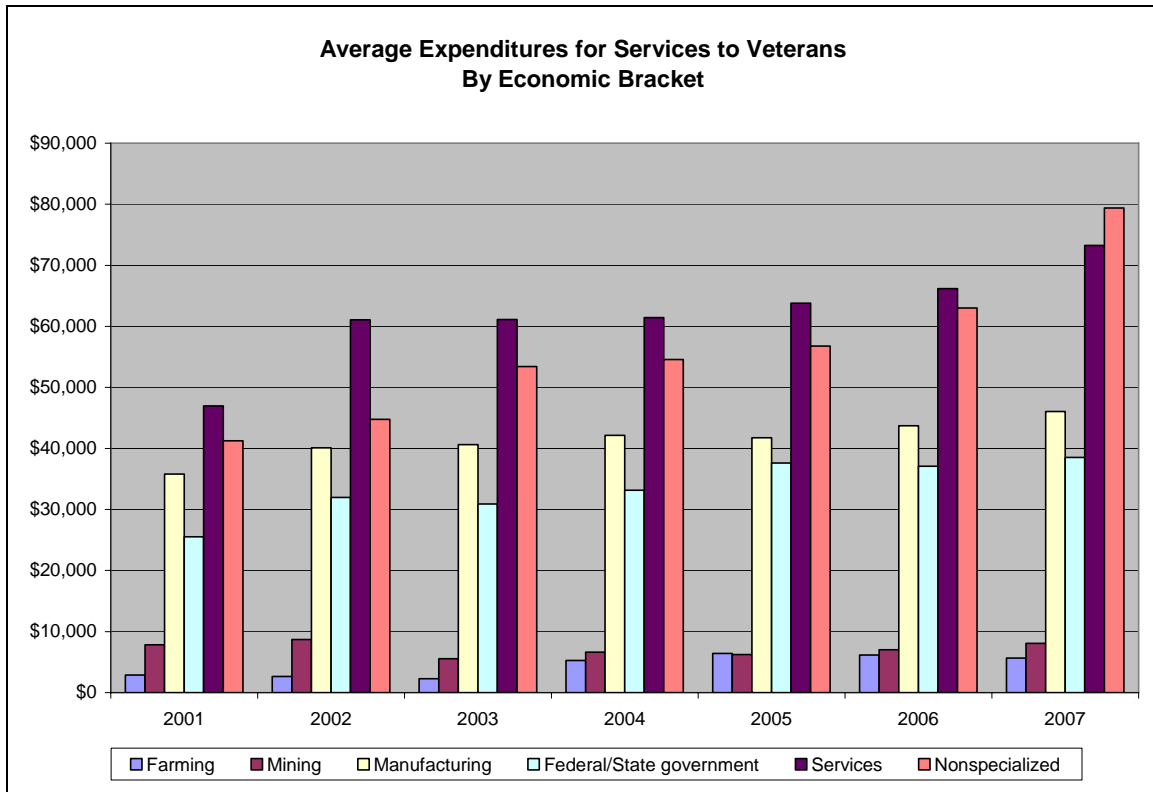
Category	Any Year	2001 & 2007
Farming	226.5%	-3.4%
Mining	28.1%	22.3%
Manufacturing	-2.2%	-2.2%
Federal/State government	26.0%	33.3%
Services	-10.0%	15.8%
Nonspecialized	42.8%	70.8%

The center column shows the results of averaging the expenditures when all of the other responding counties are included. In particular note how the change in the average for Farming counties went from a 3.4% decrease to a 226.5% increase.

Services to Veterans

Services to Veterans entail providing information and services to veterans of American wars. This expenditure has seen significant growth over the 2001 to 2007 period particularly in the Farming and Nonspecialized counties (96.7% and 92.6%).

Chart 15 – Services to Veterans



Given that this period includes the beginning of the Global War on Terrorism, it is hardly surprising that expenditures for services to veterans have increased so dramatically across such a large part of the state.

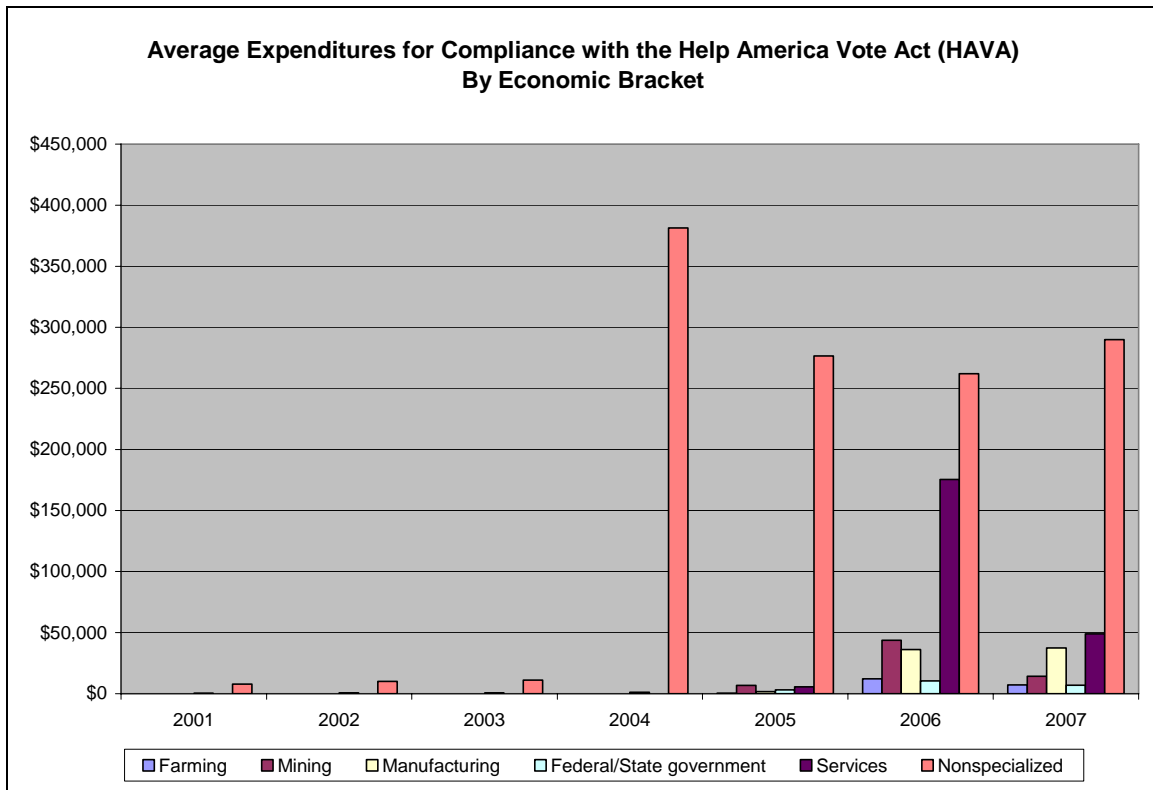
What is surprising is that the growth has not been felt in all 254 counties. For example, in the Mining counties the increase has been a relatively modest 3.0% and that is only after rebounding from lows in 2003. Although no proof is provided, the decline was most likely due to the economic downturn and self-corrected as the economy improved and oil prices shot up in these petroleum dependent counties.

Help America Vote Act (HAVA)

The chart below shows the average by economic bracket for un-reimbursed HAVA expenditures. It is, however, a bit misleading. Of the 49 counties that provided information from 2001, only two reported expenditures of more than a single dollar. Again in 2002, 47 of 49 counties reported no expense. In 2003, this increased to 46 of 49 (46 of 50 in 2004 and 13 of 54 in 2005).

In 2006, the number of counties reporting an actual expense surpassed the number reporting zero expenditures peaking at 50 of 69 responding counties.

Chart 16 - HAVA



All of that goes to explain the relatively small amounts that were spent by counties in most of the categories. The Nonspecialized counties, however, show significant expenditures beginning in 2004. This is due mostly to expenditures in Harris County. From 2003 to 2004, Harris County's expenditures increased from \$0 to almost \$7.8 million. From 2005 to 2006, expenditures have stayed above \$5.7 million and the county has budgeted almost \$6.9 million for 2007.

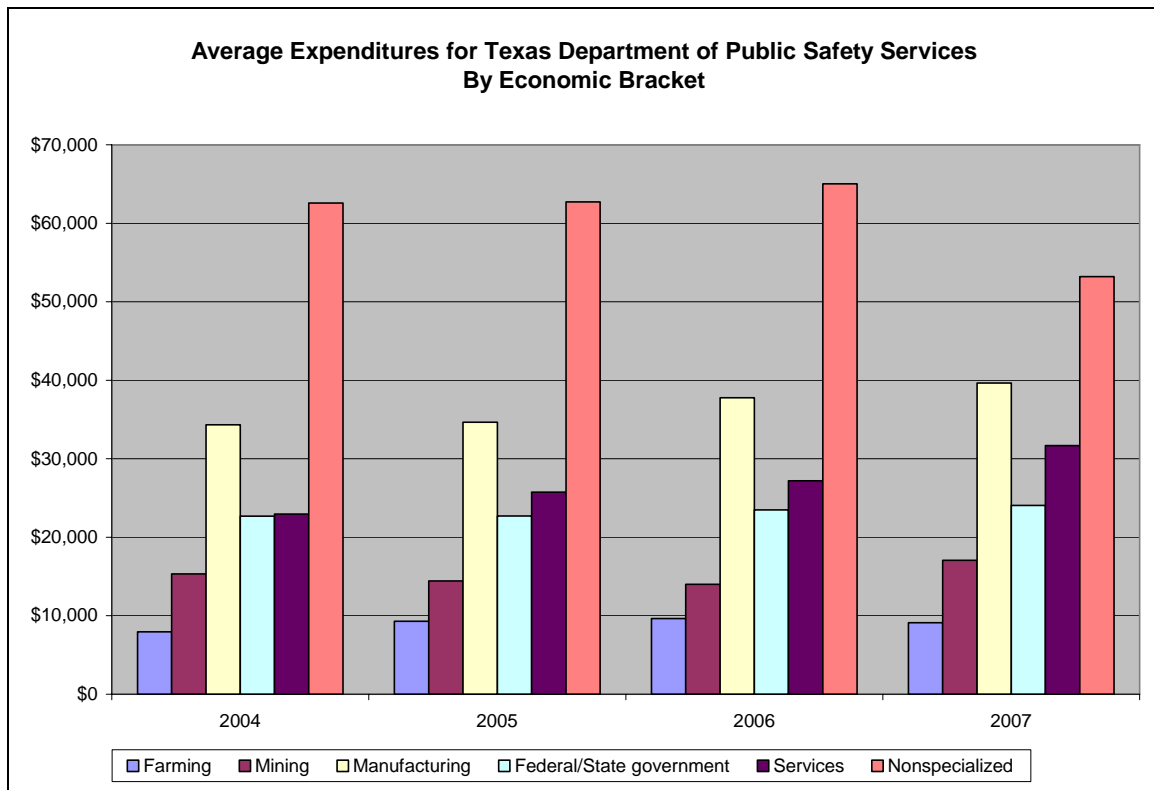
Unfortunately, the un-reimbursed expenses will continue. For example, although Guadalupe County noted that they had budget \$0 for 2007, they have recently received an unanticipated bill, "No funds budgeted, however we just received a bill for \$11,875 TSX annual extended warranty."

Department of Public Safety (DPS)

This category of expenditures exists for counties that must provide an office and other basic infrastructure needs in order to obtain a local Department of Public Safety (DPS) trooper. Without the infrastructure provided by the county, DPS will not station a trooper in the county.

Most of the counties were able to provide data going back to 2004. Travis was able to provide data for 2004 to 2006, but could not provide 2007 budget information. This would explain the decrease in average expenditures from 2006 to 2007 among Nonspecialized counties since Travis had by far the greatest expenditures for this category in the previous years.

Chart 17 - DPS



At 38.0%, only the Services counties had the largest percentage increase in this expense. Farming, Mining and Manufacturing counties had relatively modest increases, although still well above inflation (14.5%, 11.3%, and 15.5% respectively). The Federal/State government counties increased their expenditures by only 6.0%, while the Nonspecialized counties had a 15.0% decrease for the reason previously discussed.

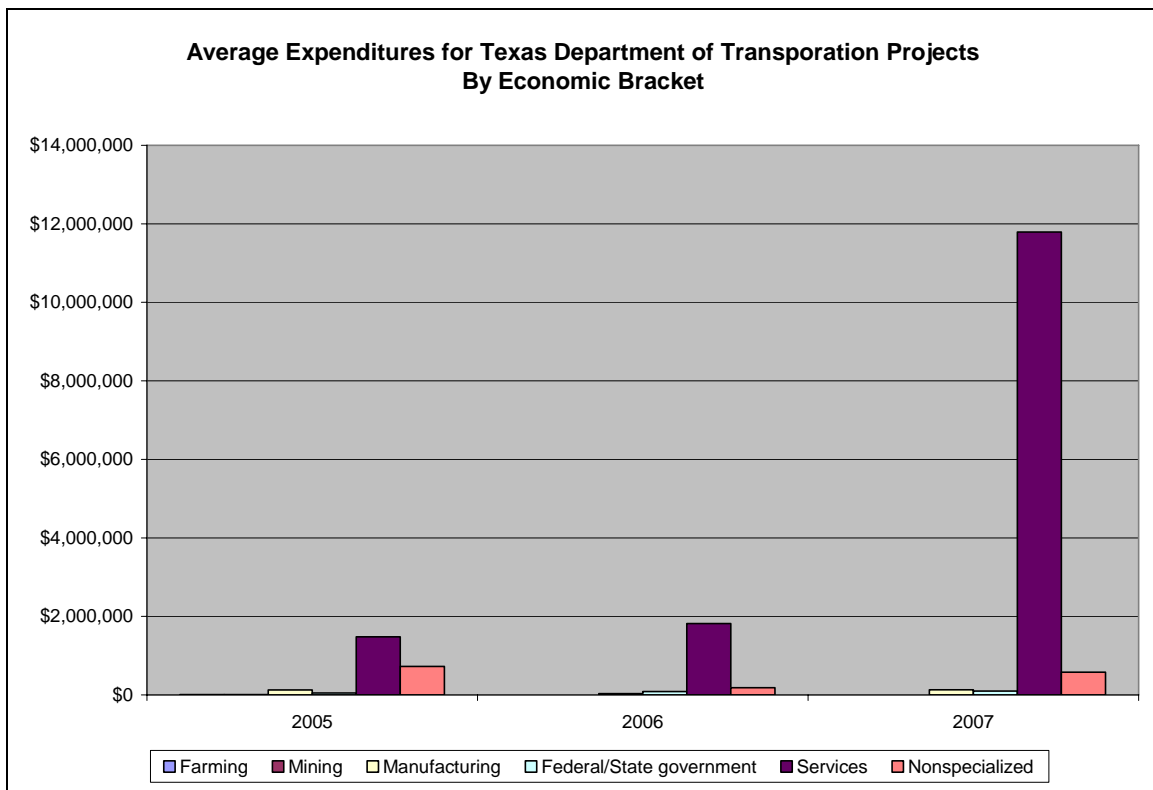
Texas Department of Transportation (TxDOT) Transportation Projects

In recent years counties have been encouraged to cooperate with the Texas Department of Transportation (TxDOT) on local TxDOT transportation projects. Costs related to these projects include but not limited to right-of-way acquisition, maintenance, construction, and rehabilitation costs. These costs do not include debt payments. Debt payments are found on the following pages under “Bond Indebtedness due to Local TxDOT Transportation Projects.”

Of all the questions asked on the survey, the data on non-debt contributions for local TxDOT transportation projects were the most variable. Expenses could jump up by millions of dollars in a single year, or fall just as dramatically.

For example, Montgomery County spent \$2.7 million in 2006, but budgeted almost \$62.2 million for 2007! Denton County reported expending \$5.7 million in 2005, but only \$10,000 for these projects in 2006!

Chart 18 - TxDOT Projects



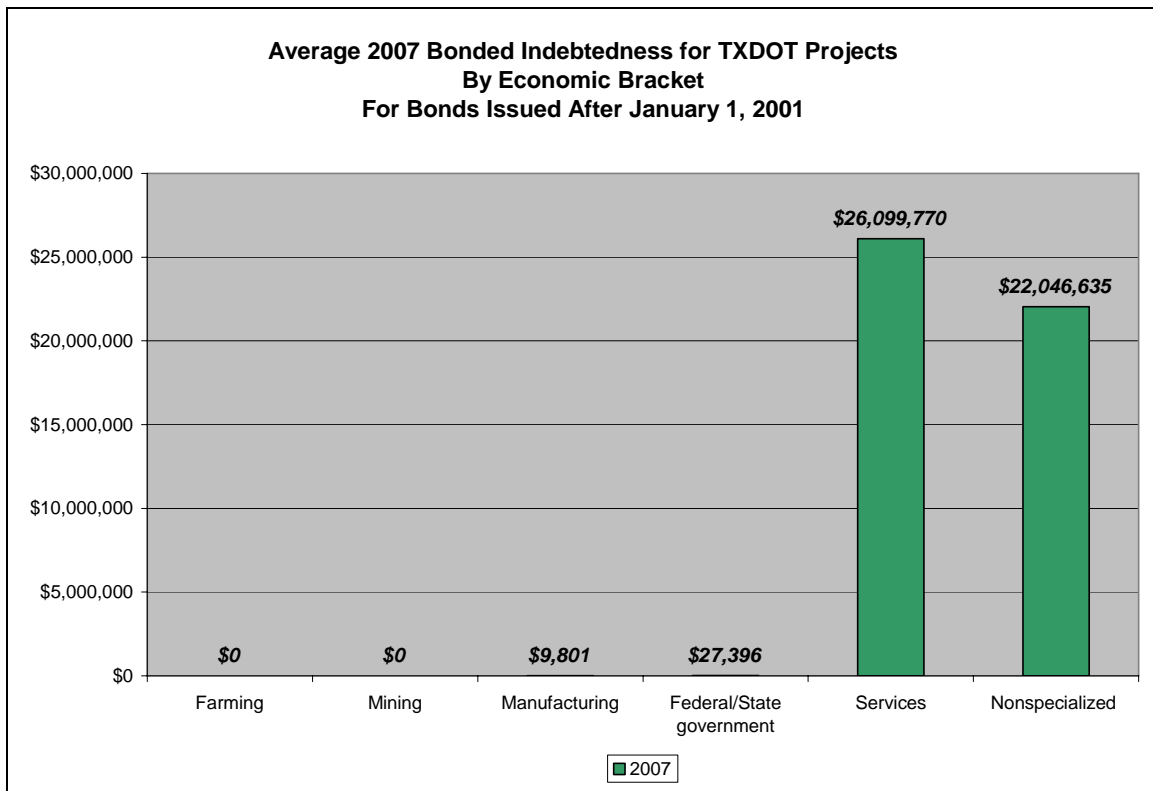
Clearly changes in the average expenditures can only tell a part of the story given the tremendous variations. Rather than dive into standard deviations or other more esoteric statistics, we’ll simply urge the reader to contact the Texas Association of Counties for information about specific counties.

Bond Indebtedness due to Local TxDOT Transportation Projects

In recent years counties have been encouraged to cooperate with the Texas Department of Transportation (TxDOT) on local TxDOT transportation projects. Counties were asked about bonded indebtedness for local TxDOT transportation projects for bonds that had been issued since January 1, 2001. Other costs are found on the preceding pages under the title “Texas Department of Transportation (TxDOT) Transportation Projects.”

This question only pertained to current indebtedness; insufficient data is available to identify historical trends.

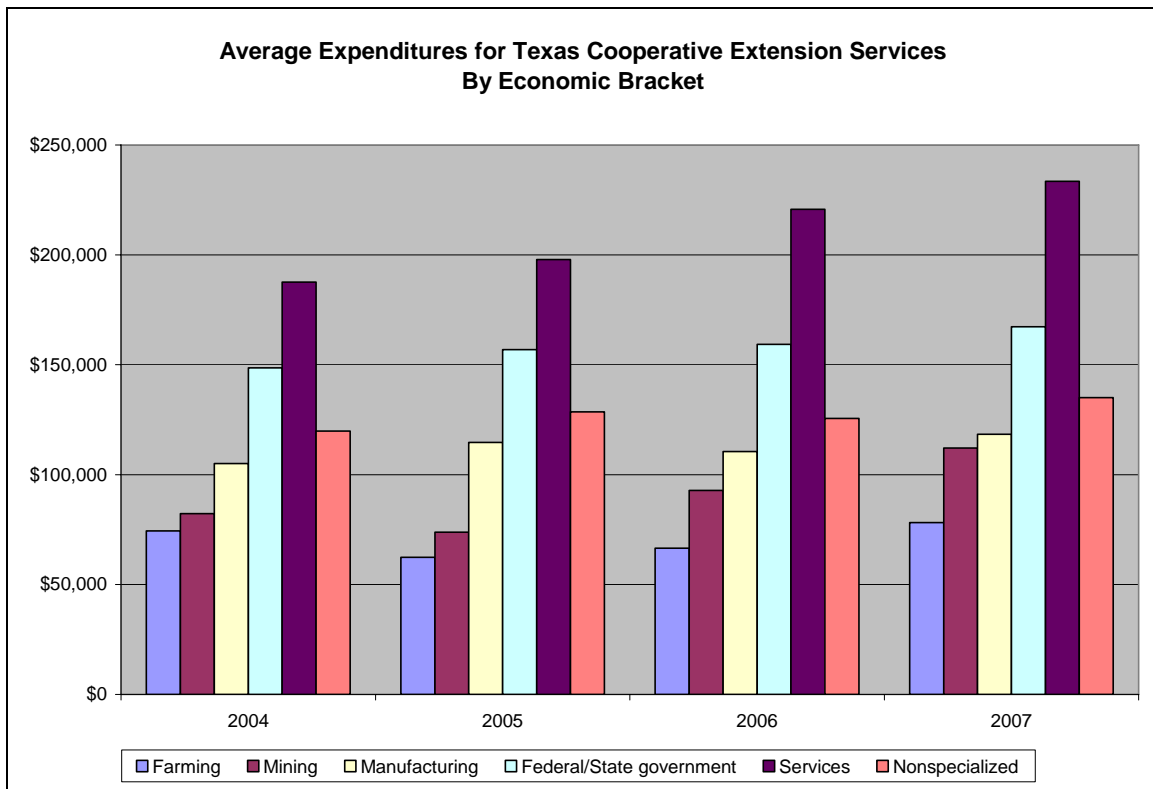
Chart 19 - Bonded Indebtedness: All Brackets



Texas Cooperative Extension

Only one county, Callahan, reported \$0 for their 2007 budget. The remaining 83 counties, of the 84 that answered this question, all indicated at least a few dollars budgeted for 2007 related to the Texas Cooperative Extension Service.

Chart 20 –CO-OP



The following table summarizes the change in average expenditures by economic category for the responding counties.

Category	2004 - 2007
Farming	5.1%
Mining	36.3%
Manufacturing	12.7%
Federal/State government	12.6%
Services	24.5%
Nonspecialized	12.8%

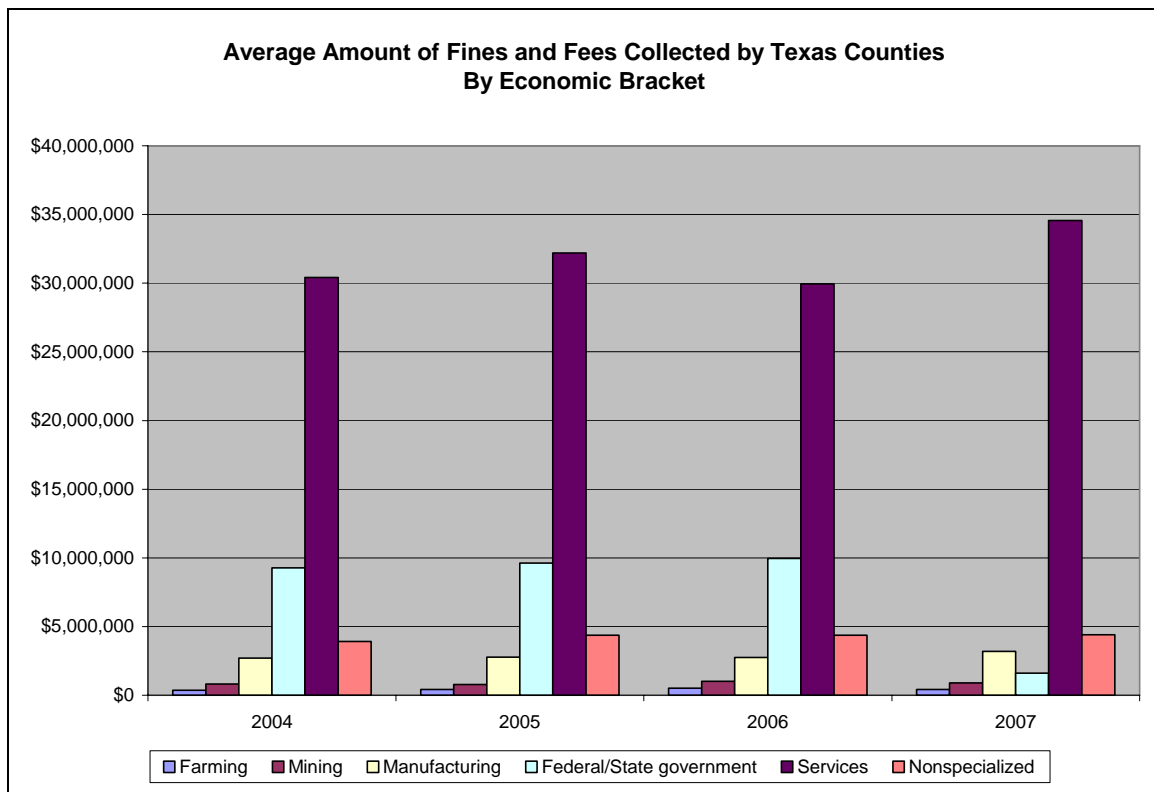
Lynn County reported \$320,050 of expenditures for 2004, but only \$33,857 for 2005 and \$76,905 for the 2007 budget. If Lynn's data is removed from the calculation, then there would be a 34.9% increase showing for Farming counties in the above table rather than 5.1%.

Fines & Fees Collected

Counties were asked on the survey to provide the total amount of fines and fees collected by the county to include both those retained and those sent to the state. There was some confusion as this was interpreted by some to refer to courts fines and fees only.

However, upon inquiring with TAC Staff counties were given a list of examples of what they should include (fines, fees, fees of office, court costs, fees on motor vehicles, beer and liquor licenses, marriage licenses, building permits, and bondsmen licenses).¹⁰

Chart 21 – Collected Fines & Fees



In addition, while many counties budget expected revenues from fines and fees, others do not. As a result 75 counties supplied 2006 expenditures, only 63 could provide 2007 budget information. In addition, only 61 counties could provide expenditures from 2004.

Thus the table on the next page is provided to show the change in average expenditures by category for both (1) the counties that were able to provide information on any year in the middle column and (2) the change in averages for counties that were able to provide information for both 2004 and 2006.

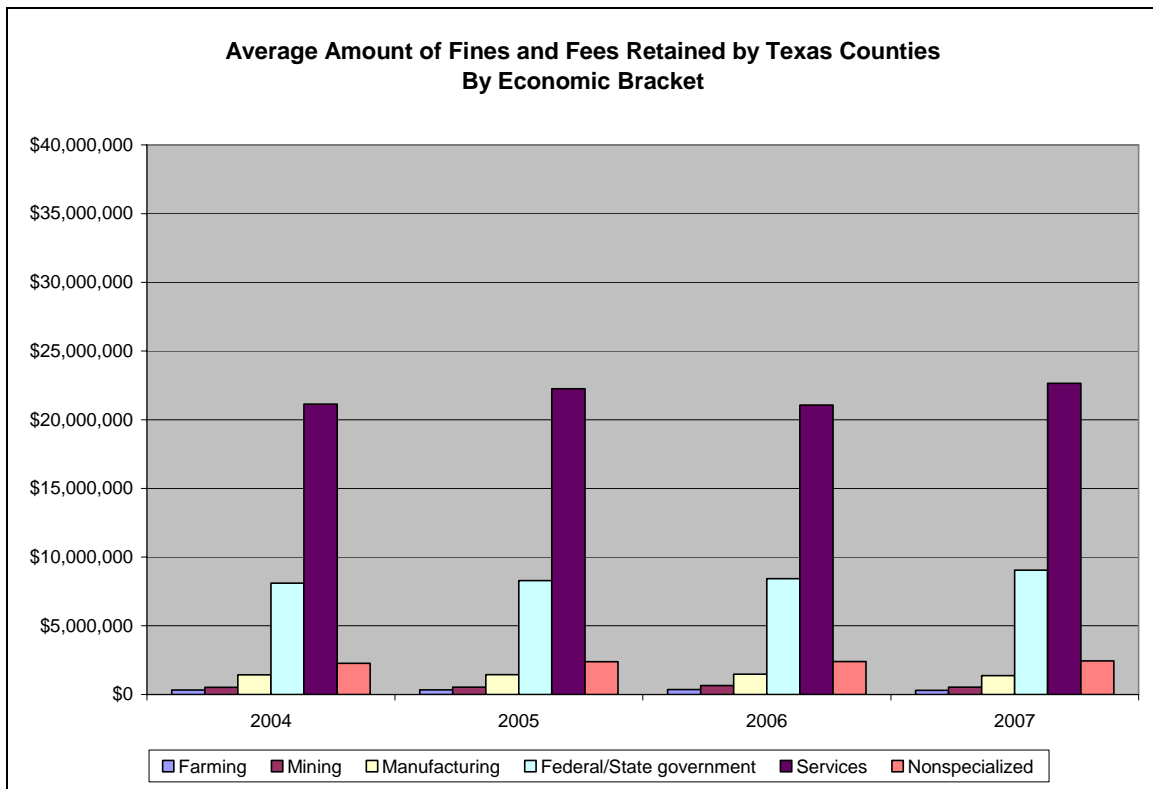
¹⁰ The list of examples was developed over time as several different counties contacted TAC staff. As a result, most people making an inquiry did not receive the entire list.

Category	Any Year	2004 & 2007
Farming	14.7%	-0.9%
Mining	11.0%	-22.7%
Manufacturing	18.2%	13.0%
Federal/State government	-82.7%	15.0%
Services	13.6%	14.8%
Nonspecialized	12.2%	20.5%

Fines & Fees Retained

See the comments on types of fines and fees from the previous section.

Chart 22 – Retained Fines & Fees



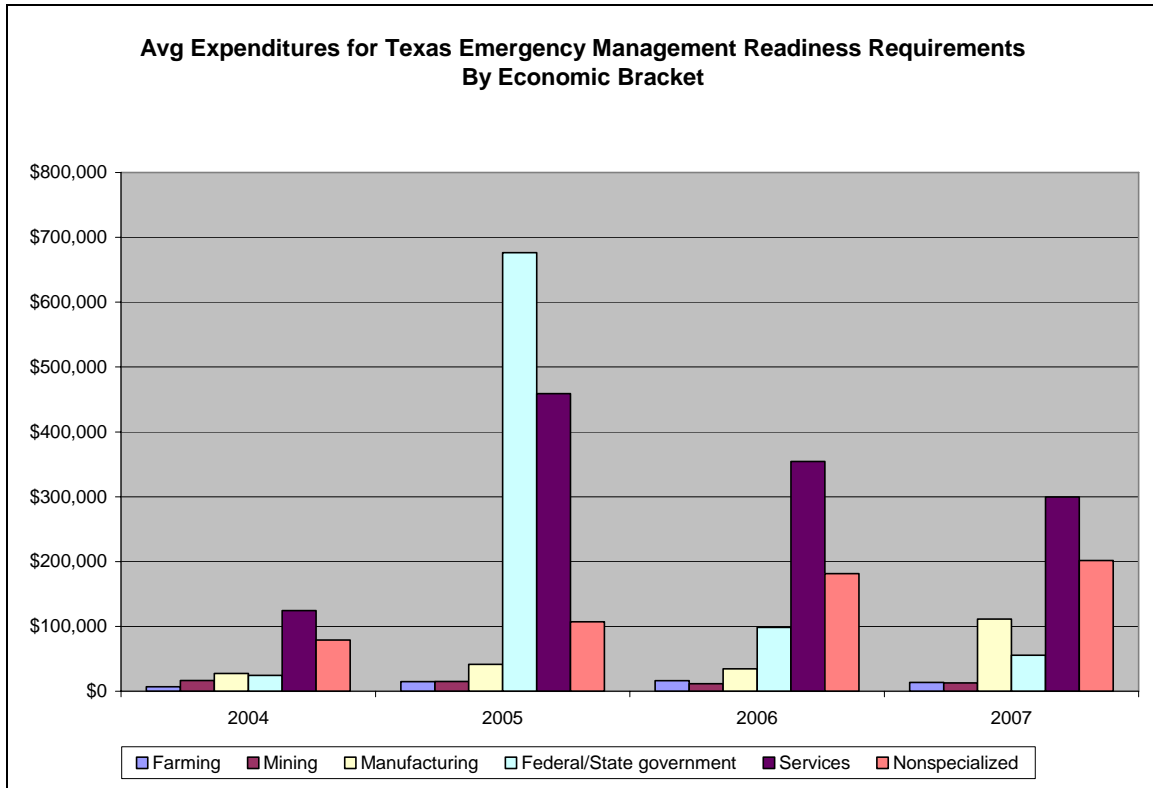
The counties apparently found it easier to respond to the question on retained rather than collected fines and fees. Not only were more able to provide the information from 2004 (66), but the drop off from 2006 (79) to 2007 (72) was not as precipitate.

Not only were the numbers of responses fairly steady throughout the period, the average values were as well. No category saw an increase of more than 11.5% (Federal/State government), nor a decrease of more than 6.0% (Farming).

State Emergency Management Readiness

As would be expected in this era of heightened security awareness and ongoing hurricane, wildfire, and drought recovery efforts, expenditures for state emergency management readiness showed strong growth in much of the state. For example, the Manufacturing counties had a 304.9% increase from 2004 to 2007!

Chart 23 – Readiness Requirements



Expenses in Farming (99.4%), Federal/State government (128.8%), Services (140.9%) and Nonspecialized (155.5%) counties also increased significantly over this period.

Some of the percentages change significantly when looking at only those counties that were able to provide data for both their 2004 expenditures and their 2007 budget.

Category	Any Year	2004 & 2007
Farming	99.4%	72.8%
Mining	-22.2%	-20.6%
Manufacturing	304.9%	380.4%
Federal/State government	128.8%	72.2%
Services	140.9%	140.9%
Nonspecialized	155.5%	46.1%

This difference is caused by several counties that were able to provide data for 2006 and 2007, but not for earlier years. For example, Travis County reported spending and budgeting more for state emergency management readiness than any other responding county for both 2006 and 2007. However, they were unable to provide data for either 2004 or 2005. Similarly, Bexar was 8th on the list of counties spending the most in 2007 for the expense. Yet they too were unable to provide data for 2004 – 2006.

It is suspected, although not verified, that this is caused in large part due to differences in how the individual counties track their finances.

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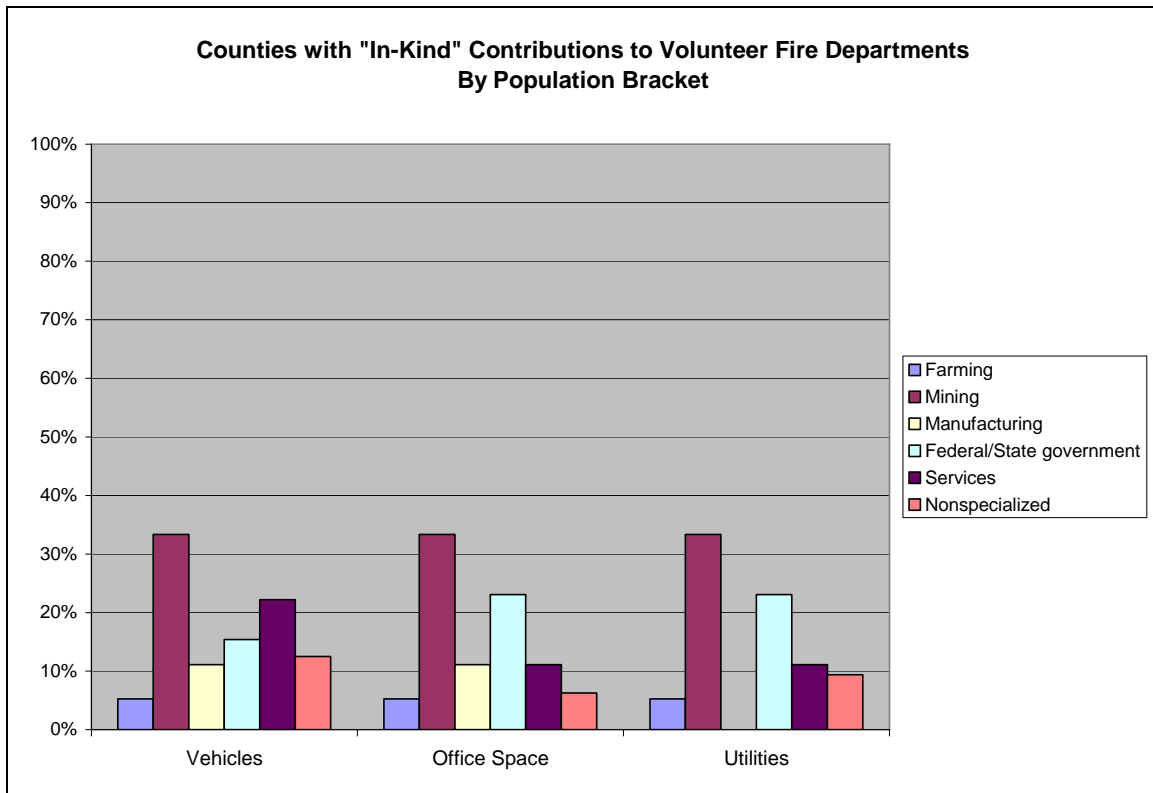
In-Kind Contributions

Goods and services contributed by counties for the good of the community in FY2006.

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Volunteer Fire Departments

When anyone thinks about recipients of county in-kind contributions, generally the first thing that comes to mind is the volunteer fire department (“VFD”). The following chart shows that these organizations received contributions from a number of counties in all economic types during 2006.



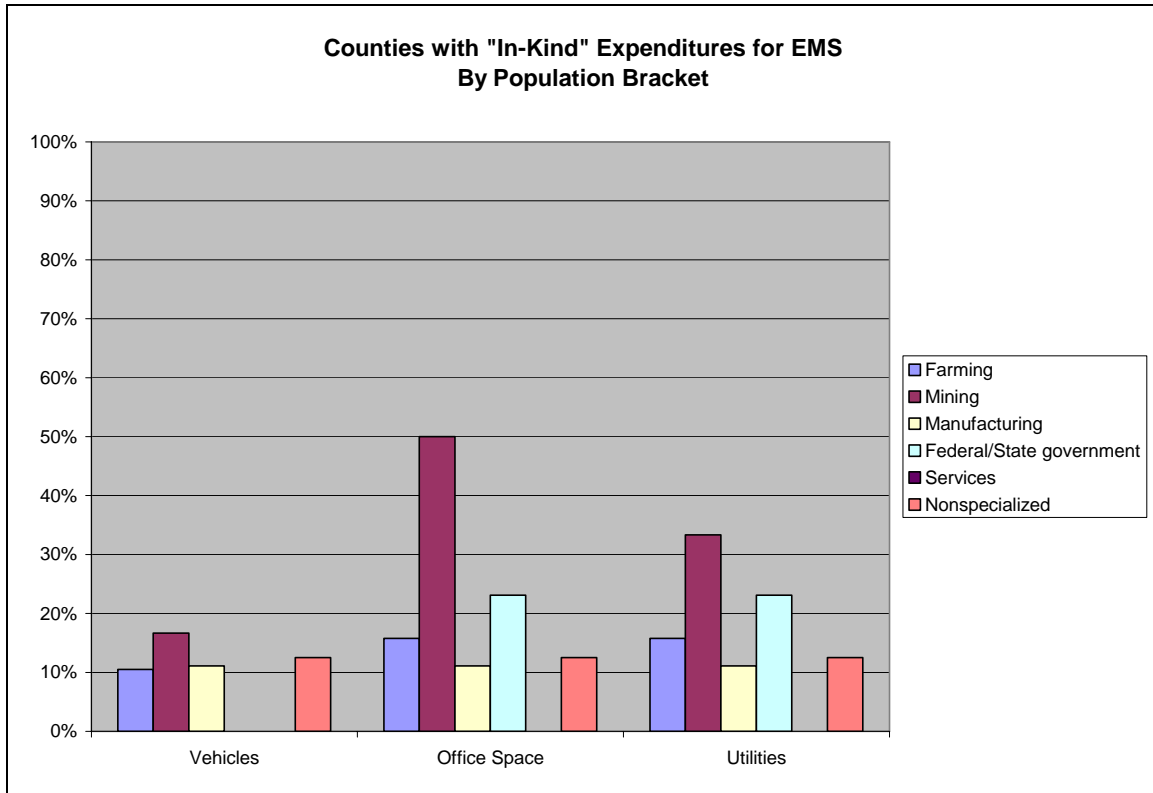
To quickly illustrate how to read this chart, look on the left part of the chart where it shows 5.3% of the responding Farming counties provided vehicles to local volunteer fire departments in 2006 compared to 12.5% of the Nonspecialized counties. On the right hand side, note that the Manufacturing counties provided no utilities to local volunteer fire departments.

The Mining counties were clearly the most likely counties to provide in-kind contributions to local volunteer fire departments during 2006.

Sidenote: The percentages shown in the charts in this section are based on the total number of counties that responded. So, for example, if one of the charts shows that 50% of the Nonspecialized counties provided a particular contribution in 2006, the actual number of counties is 16 (32 counties in the bracket times 0.50 = 16). A table at the end of Appendix C contains the number of responding counties by economic bracket.

Emergency Management Services

Although people generally think of volunteer fire departments as the likely recipients of in-kind contributions from counties, EMS is quite often the beneficiary of county generosity as well, except in the Services counties.

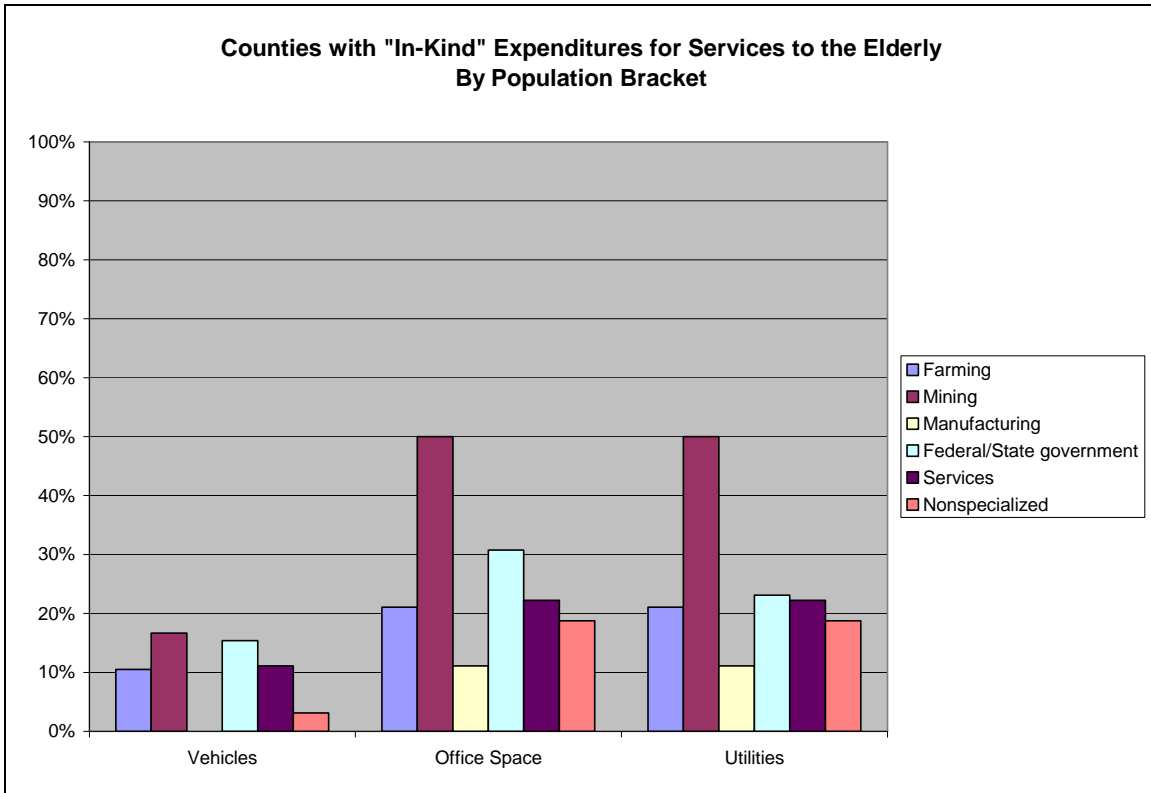


The chart shows that 10.5% of the responding Farming counties provided vehicles for EMS in 2006 compared to 12.5% of the Nonspecialized counties.

The Mining counties were clearly the most likely counties to provide in-kind contribution for EMS during 2006. Conversely none of the responding Services counties reported providing vehicles, office space or utilities to local EMS.

Services to the Elderly

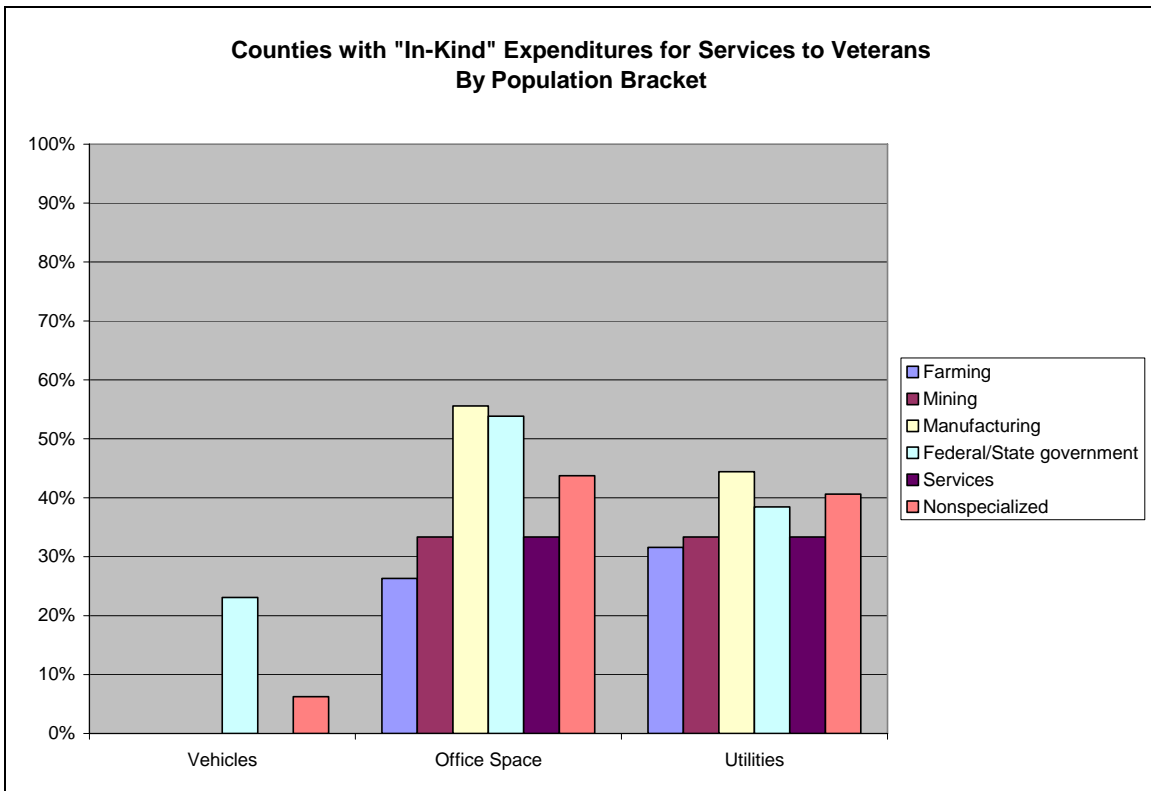
County governments also typically provide in-kind contributions for services to the elderly. The chart below shows the percentage of reporting counties that provided vehicles, office space, and utilities for this discretionary service.



The previous chart showed that the Services counties provided no in-kind contributions for EMS in 2006. The Services counties were clearly much more likely to support Services to the Elderly with in-kind contributions. Obviously, counties in all six economic brackets were more likely to provide office spaces or utilities rather than vehicles for their contributions.

Services to Veterans

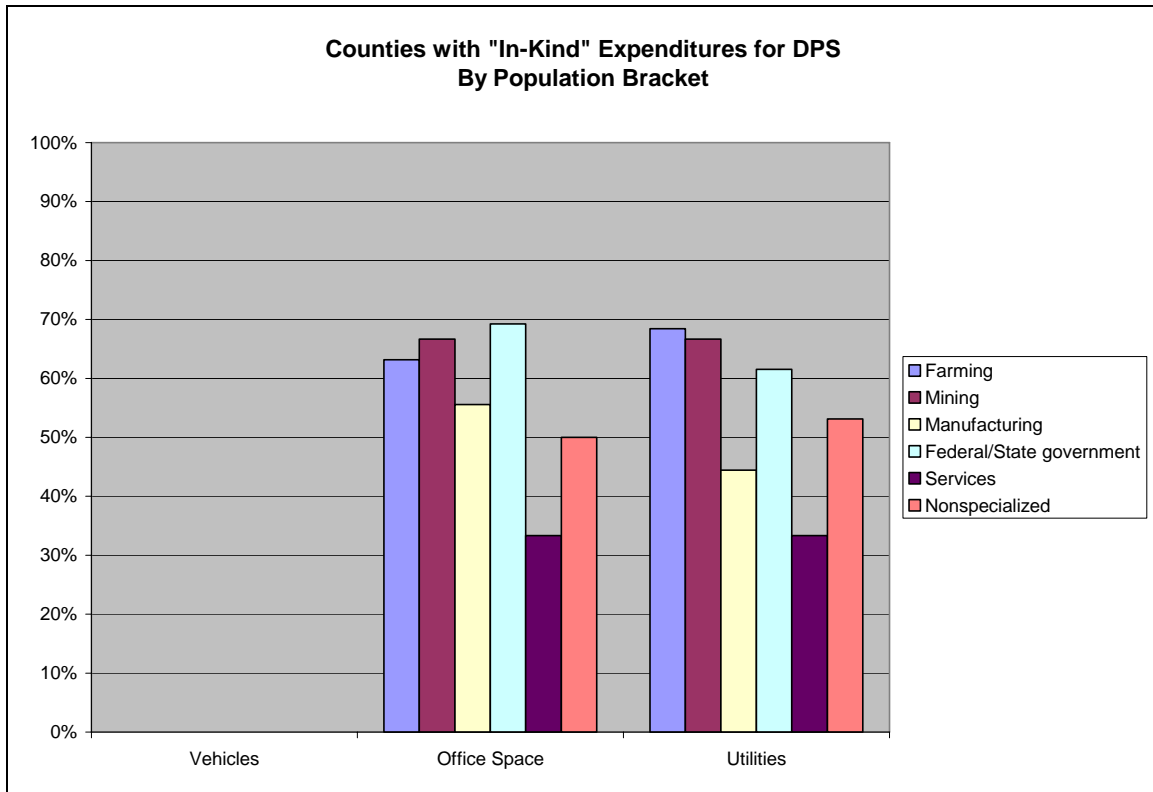
As with Services to the Elderly, all types of counties were more likely to provide office space or utilities rather than vehicles for Services to Veterans. Of all the organizations or services asked about in this survey, only the Department of Public Services was less likely to have received a vehicle in 2006.



It would be interesting to compare the 2006 data with data from 1999 or 2000 to see if the percentages changed since 9/11. Unfortunately that data is not available at this time and there are no plans to collect it.

Department of Public Service

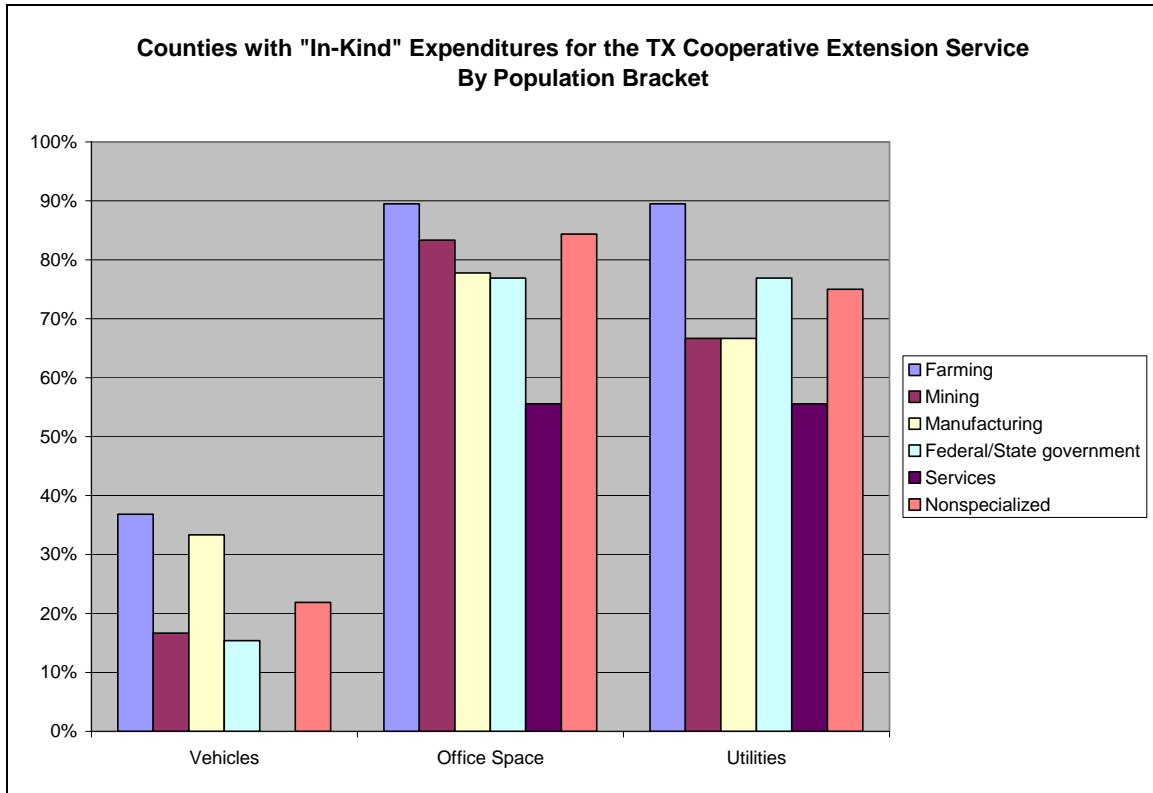
In addition to the monetary expenditures by local officials to get a local DPS presence in their counties, they are also very likely to provide in-kind contributions.



Except for the Manufacturing and Services counties, at least half of the counties in each economic bracket provided office space to DPS; similar proportions of counties provided utilities. At the other end of the spectrum, no vehicles were provided.

Texas Cooperative Extension Service

Of all the services and organizations asked about in this survey, counties were most likely to provide in-kind contributions to the Texas Cooperative Extension Service (“Extension”).



Ninety percent of the Farming counties provided office space and utilities. At the other end of the spectrum, even the Services counties were more likely than not to provide these types of contributions. Vehicles were again far less likely to be contributed.

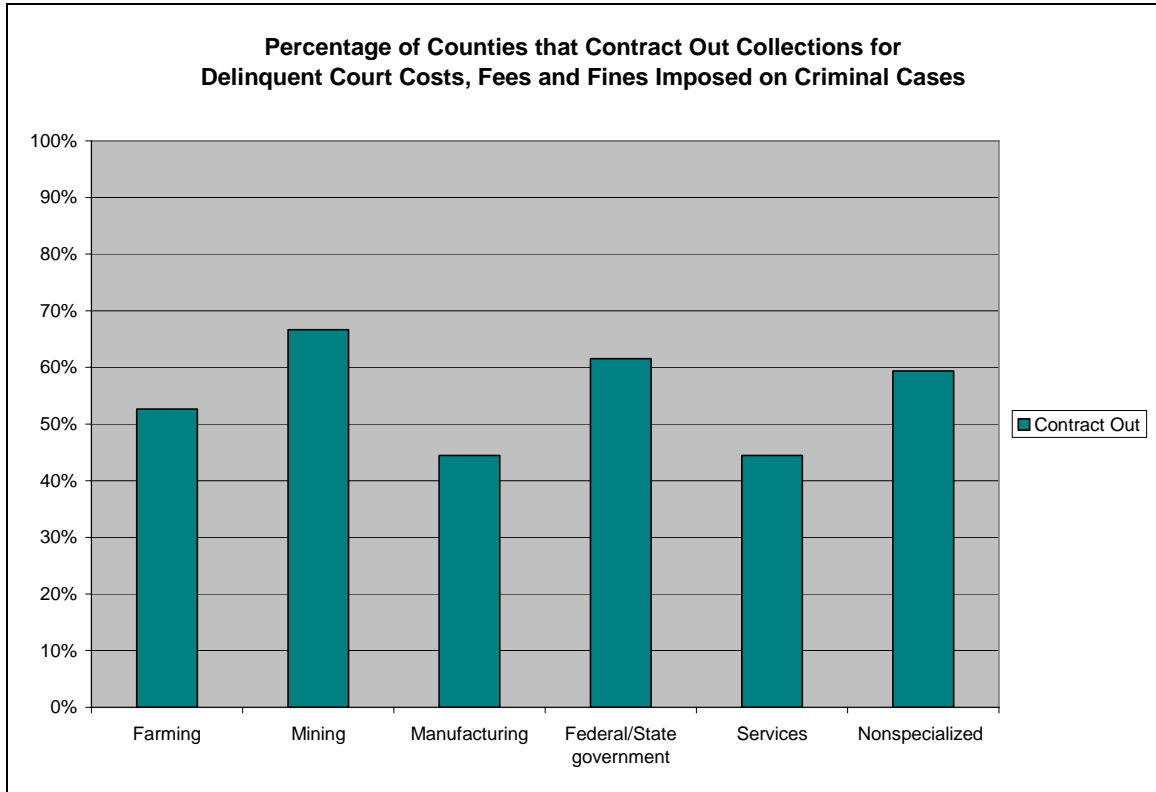
Contracts

Collections.

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Collections Contracts

The final question on the survey asked counties if they contract out collections for delinquent court costs, fees and fines imposed in criminal cases to a non-county agency, business or individual.



The chart above shows the percentage of counties in each economic bracket that indicated that they did contract out these collections. As with the charts in the In-Kind Contributions section, the percentages shown are based on the total number of counties that responded.

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Tax Rates

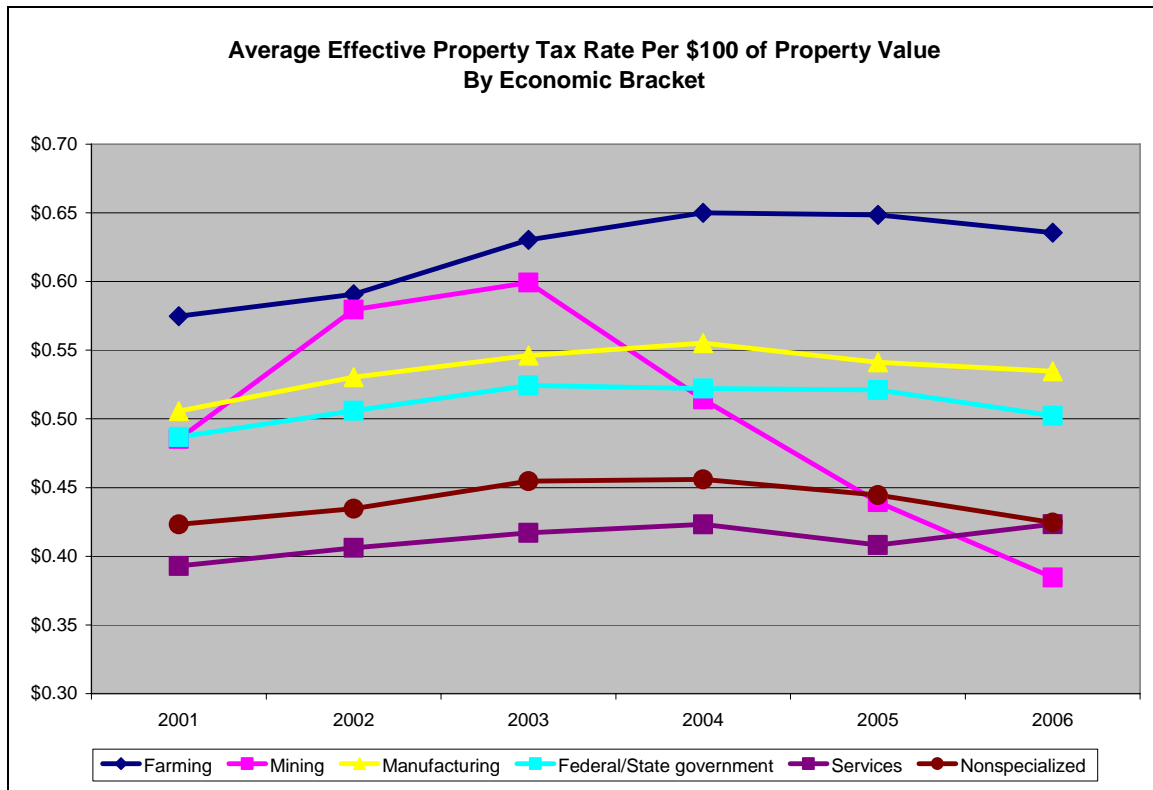
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Effective Tax Rates

The effective tax rate is NOT the same as the actual adopted rate. The effective tax rate is the property tax rate that, if adopted, “would provide the taxing unit with about the same amount of revenue it received in the year before, on properties taxed in both years. If property values rise, the effective tax rate will go down, and vice versa. Comparing property tax revenues from one year to the next year tells you whether there will be a tax increase.”¹¹

The chart below tracks the average effective county property tax rate, after adjusting for sales tax, for the responding counties by economic type. (This information is found on line 46 of the Additional Sales Tax Rate worksheet.¹² For counties that do not have a sales tax, the effective tax rate is from line 25 of the Effective Tax Rate worksheet.¹³)

Chart 24 – Effective Tax Rates¹⁴



¹¹ Texas Comptroller of Public Accounts, *Taxpayer's Rights, Remedies and Responsibilities* (Austin, TX: Comptroller, 2007). Online:

http://www.window.state.tx.us/taxinfo/proptax/remedy07/remedy07_7.html

¹² Texas Comptroller of Public Accounts, *2006 Truth-In-Taxation* (Austin, TX: Comptroller, 2006). Online: <http://www.window.state.tx.us/taxinfo/proptax/tnt06/>

¹³ Ibid.

¹⁴ The years on the x axis refer to the year the rate was adopted. Tax bills based on those rates would be due the following year and would therefore pay for that following year's services.

Note that, unlike the charts in the previous section, unless specifically noted otherwise the charts in this section only include counties that provided data for both the beginning and ending years of period covered. For example, only counties that provided their rates for both 2001 and 2006 were used in making the above chart.

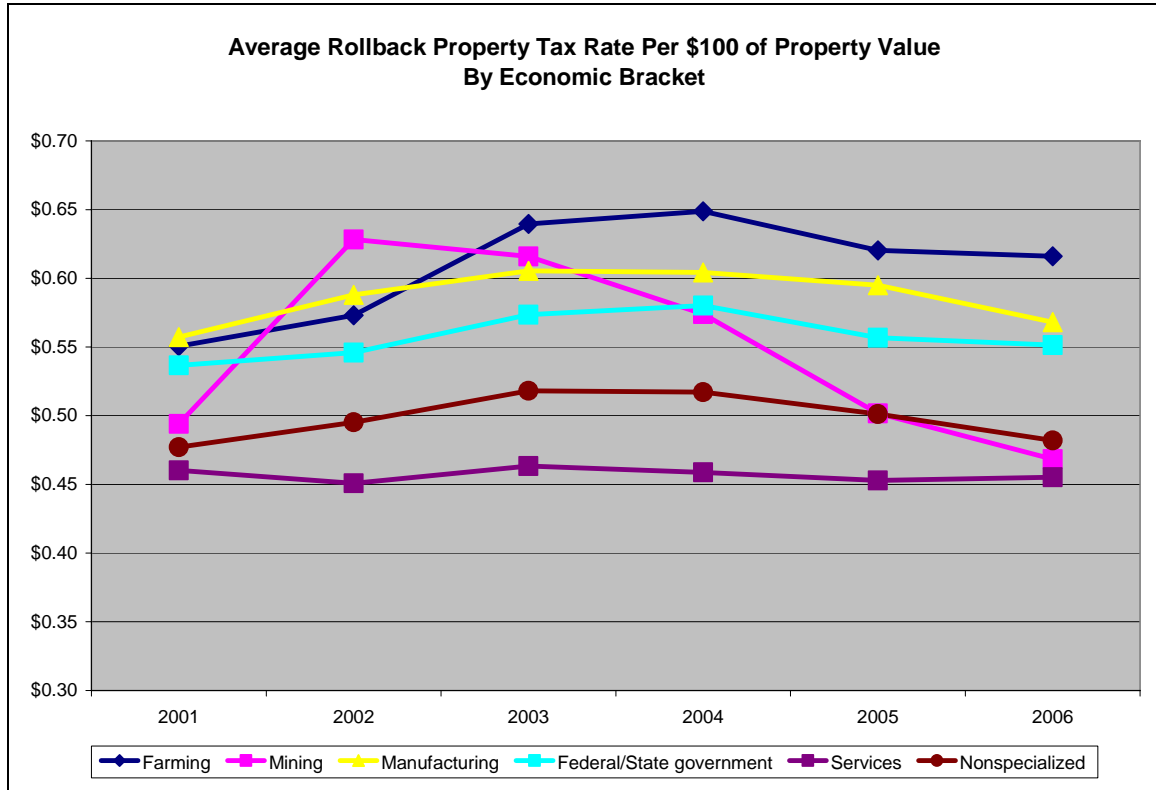
The mining counties show the most significant change as the effective tax rate dropped precipitously after 2003. Of course, just prior to that during the period 2001 to 2003, their tax rates rose quite rapidly. This variability is considered to be almost entirely due to the variability in the price of oil. So much of the total taxable value in these counties is tied up in minerals that a sharp change in oil prices can send appraised values shooting up or down.

Currently the effective tax rate rises and falls in what is basically a direct counterpoint to the price of oil. An appraisal cap that included mineral values would effectively magnify the effects of rising and falling oil prices creating a far more chaotic trend line for the effective tax rate of these oil dependent counties.

Rollback Tax Rates

The rollback rate “would provide the taxing unit with about the same amount of tax revenue it spent the previous year for day-to-day operations, plus an extra 8 percent cushion for operating money and sufficient funds to pay its debts in the coming year.”¹⁵

Chart 25 – Rollback Tax Rates



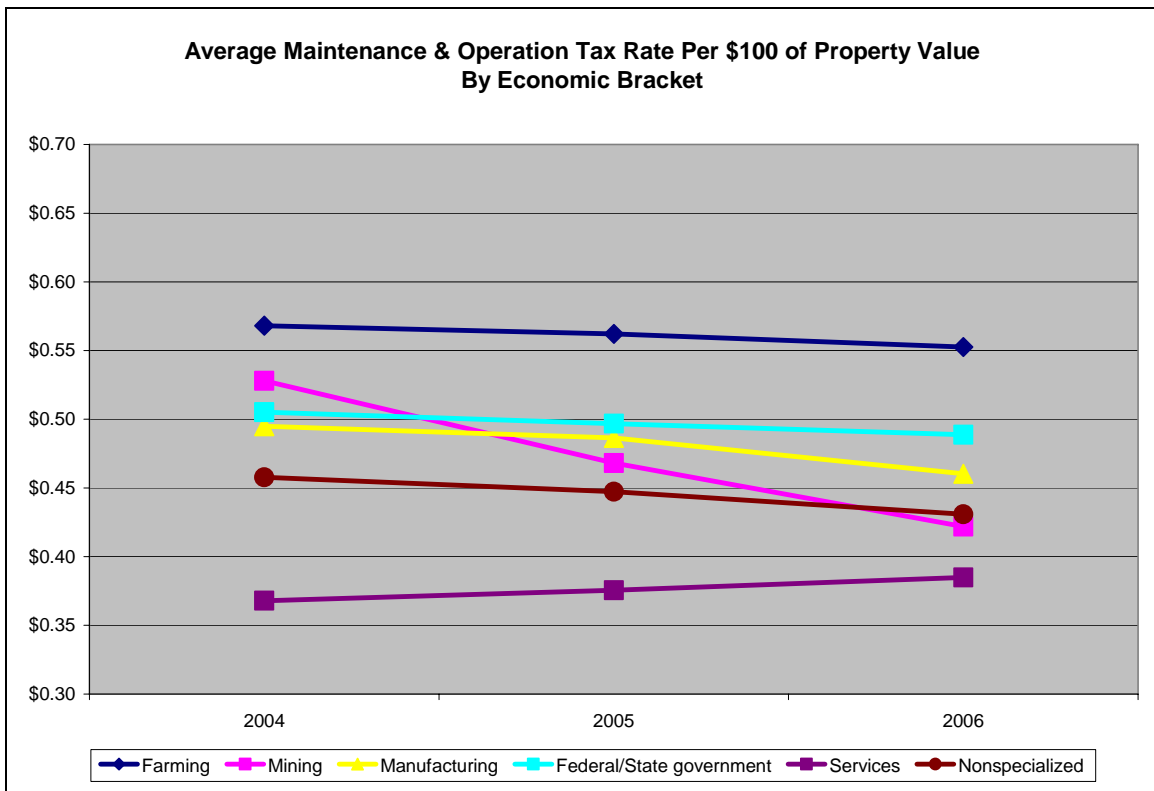
As with all charts in this section, the averages shown above are only for those counties that were able to provide data for both the beginning and ending years of the covered period. In addition, it should also be noted that some counties that were included in the effective tax rate chart are not included in the rollback tax rate chart and vice versa.

¹⁵ Texas Comptroller of Public Accounts, *Taxpayer's Rights, Remedies and Responsibilities*.

Maintenance & Operations Tax Rates

County tax rates are divided into two components for each of three possible funds. They are the Maintenance & Operations (M&O) tax rate and the Interest & Sinking (I&S) tax rate. The I&S tax rate is used to raise funds to pay off the county's debt. As mentioned in the previous section on rollback tax rates, the M&O part of the tax rate is limited to an 8% increase while I&S has no such limit in the rollback rate calculation.

Chart 26 – M&O Rates



Curiously, only the Services counties had rising M&O tax rates from 2004 to 2006. Of the counties in this category, Gillespie had the largest M&O tax rate increase, from \$0.3050 to \$0.3552 per \$100 of property value. While the exact reason or reasons for this increase is not available, several key indicators exist within the county's responses to other questions on this survey.

For example, see the table on the next page. As mentioned previously, the tax rate chart shows the year the rates were adopted. Thus the property tax levy raised by that rate would go towards the next year's budget. Therefore the expenditures data in the following table is from 2005 to 2007.

Service / Cost	2005	2007	Increase
Volunteer Fire Dept Contributions	\$226,392	\$278,800	23.1%
EMS	\$110,772	\$185,000	67.0%
Total County Fuel Costs	\$119,932	\$157,300	31.2%
Court Appointed Attorneys	\$12,700	\$28,624	125.4%
Inmate Health Care	\$27,372	\$30,000	9.6%
Housing Inmates Outside County	\$223,288	\$252,000	12.9%
Employee Health Care	\$505,374	\$589,042	16.6%
Juvenile Probation	\$54,047	\$91,510	69.3%
Services to Veterans	\$9,046	\$14,620	61.6%
Local TxDOT Projects	\$5,370	\$19,692	266.7%
Support of Cooperative Extension	\$158,697	\$188,740	18.9%
Subtotal	\$1,452,990	\$1,835,328	26.3%
Fines & Fees Retained	\$843,598	\$641,475	-24.0%

The cumulative \$0.0502 increase from 2004 to 2006 is an increase of approximately 16.5% in the M&O tax rate. The above table shows that numerous services saw expenditures increase far more rapidly for Gillespie County. The Subtotal near the bottom of the table shows that as a group the expenditures for these services increased 26.3%, a significantly greater percentage increase than for the M&O tax rate.

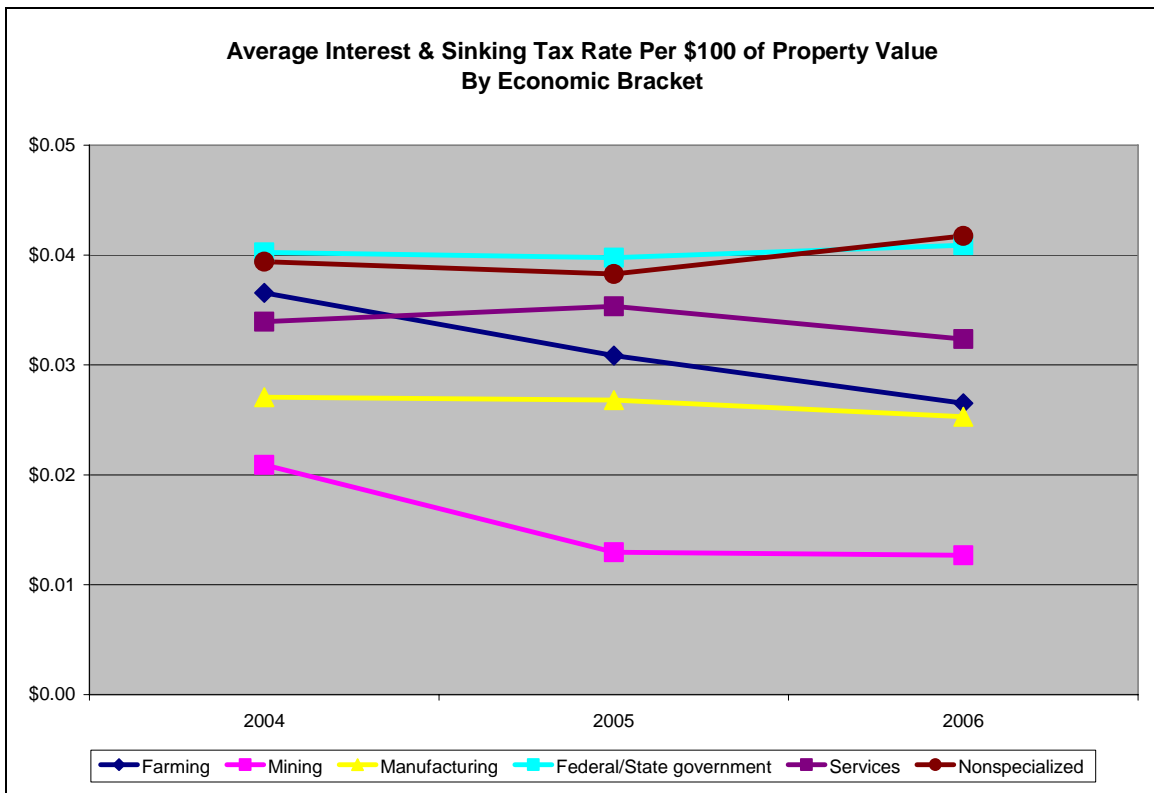
At the same time, the county was losing funding from another source. The fines and fees collected and retained by the county fell 24.0% from 2005 to 2006. The \$202,123 shortfall would naturally have been made up from a combination of increased revenues from other sources, such as a higher property tax, or by budget cuts.

Thus a possible explanation for the increase in Gillespie County's M&O tax rate is a combination of rising costs during a period of decreasing revenues from other sources. This may well be the rationale for the rising M&O rates in other counties in the Services category; however, an in-depth study to determine the cause of this increase is beyond the scope of this report.

Interest & Sinking Tax Rates

As previously mentioned, the I&S tax rate is used to raise funds to pay off the county's debt. While the Services counties M&O rate increased from 2004 to 2006, their I&S rate actually dropped over the same period. However, both the Federal/State government and Nonspecialized counties increased their I&S rates over this short period.

Chart 27 – I&S Tax Rates



Conclusion

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Conclusion

Specific trends have been addressed in the previous two sections, *Services* and *Tax Rates*. Trends in expenditures for specific services generally show an upward trend. However, it should be noted that the average expenditures that are shown in the *Services* section have not been adjusted for inflation.

Trends in a number of the different county services, and comments from the counties, reveal several general conclusions that can be drawn from the survey responses.

1. Counties are unique. Increasing costs in one county do not indicate increasing costs in all counties for the same service. The same is true for decreasing costs.
2. Short term trends are subject to change. A trend that lasts three or four years may reverse itself the following year. Similarly a long term trend, of five or more years, can encompass several up and down fluctuations.
3. The trends that have been noted may apply only to the specific groups or brackets of counties; trends in individual counties can diverge significantly from the brackets.
4. The uniqueness of counties extends to their financial systems. Many counties had to leave at least one question blank or only partially answered. Often this was due to the way in which the county tracked certain expenditures and budget items. At other times, respondents noted a difficulty in obtaining data that was several years old.
5. Counties are sometimes at the mercy of fortune. Since Hurricane Rita many citizens and members of the media are aware of the impact of natural disasters on local governments. The uproar over Attorney General Opinion GA-0519 on redacting social security numbers has driven home the impact state mandates on counties can have on our communities including both businesses and individuals.

Clearly county expenditures can increase and decrease suddenly and for extended periods. Just as clearly, county officials need a certain amount of latitude in order to prepare for and deal with these fluctuations.

Luckily the economy has rebounded somewhat from previous lows. This rebound can be seen in the declining effective and rollback tax rates seen in most of the economic brackets. The M&O and I&S tax rates, key components of the rollback tax rate, also show declines in 2006 for most of the brackets.¹⁶

The declines in the effective tax rates are created by a growing tax base. The growth in the tax base can be attributed to the increasing values of existing properties, the addition of new properties, or some combination of the two. The relationship between values and the property tax rate is often misunderstood. At its most basic, increasing total values drive down the tax rate. This downward force can be, and often is, overcome by rising costs and new mandates which have the opposite effect of driving up the property tax rate. Gillespie County saw this first hand recently where declining revenues appeared to intensify the impact of rising costs and mandates from 2005 to 2007.

¹⁶ The 2006 tax rate is the property tax rate adopted by the commissioners' courts in 2006. This is the rate used to determine the counties' portion of the tax bill that most people will pay in the first part of 2007.

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Appendix

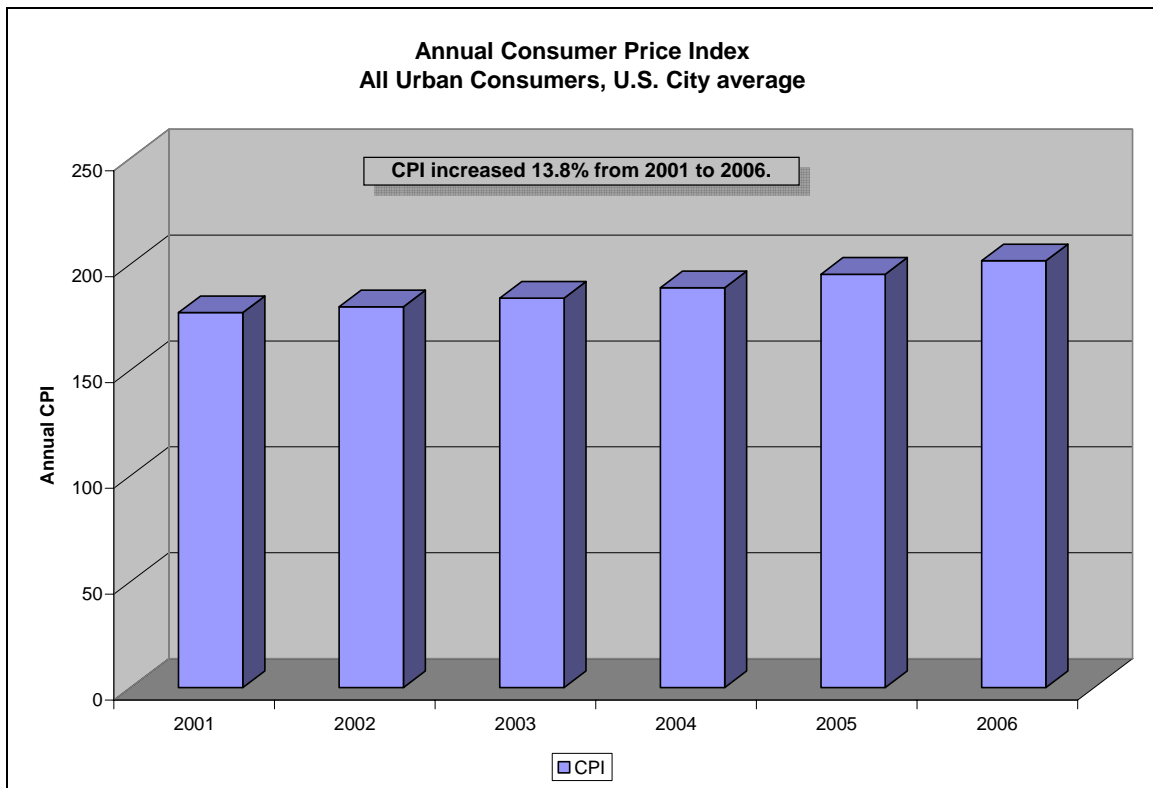
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Appendix A: Inflation

The Consumer Price Index (CPI), All Urban Consumers, U.S. City Average is “the most widely used measure of inflation.”¹⁷ It is used as an indication of inflation over the time period covered by this survey. From 2001 to 2006, the last year for which an annual CPI is available, the index increased by 13.8%. This is equivalent to a 2.6% annual growth rate. Assuming a similar annual growth rate for the 2001 to 2007 period would give a total increase of 14.2%.

Adding the estimated 12.2% population increase provides a benchmark of 26.4% to use when reviewing the change in average expenditures from 2001 to 2007.

Chart 28 - Consumer Price Index

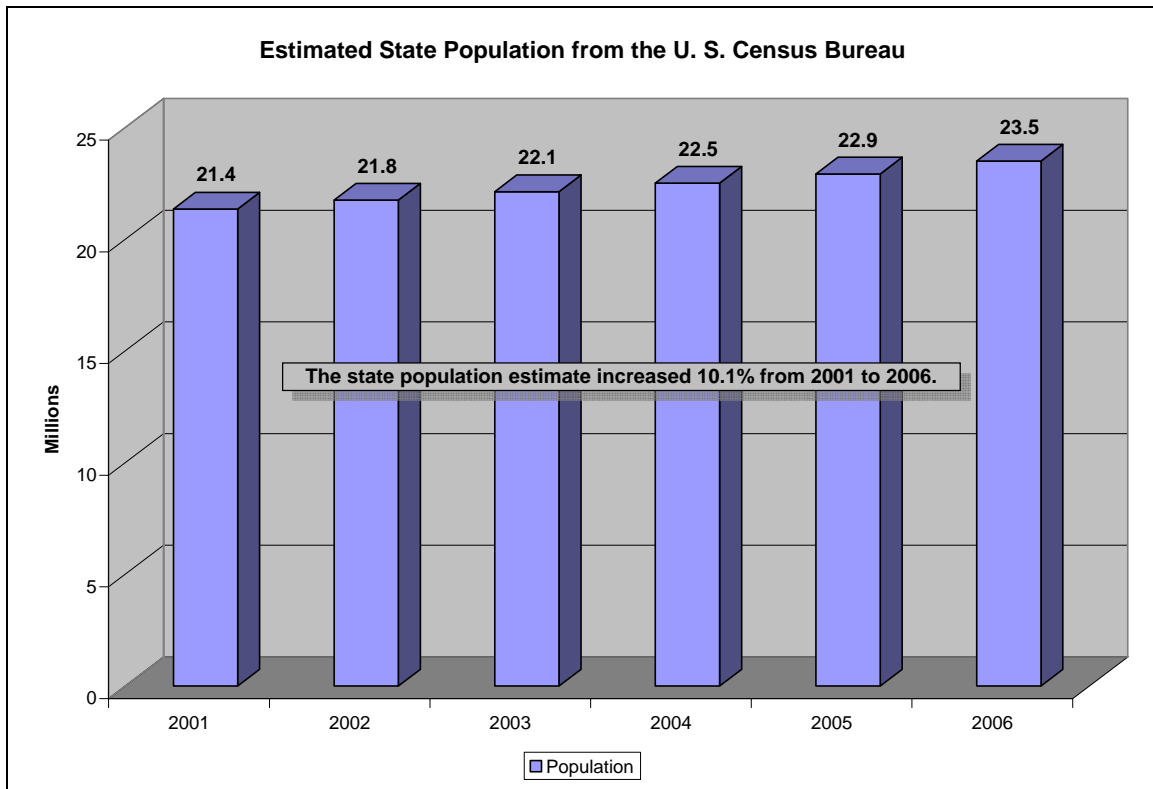


Using the same methodology, inflation from 2004 to 2007 can be estimated. From 2004 to 2007, the annual CPI increased by an estimated 6.9%. Adding the estimated 5.9% population increase provides a benchmark of 12.8% to use when reviewing the change in average expenditures from 2004 to 2007.

¹⁷ United States Department of Labor, Bureau of Labor Statistics.

Appendix B: Population

Chart 29 - State Population

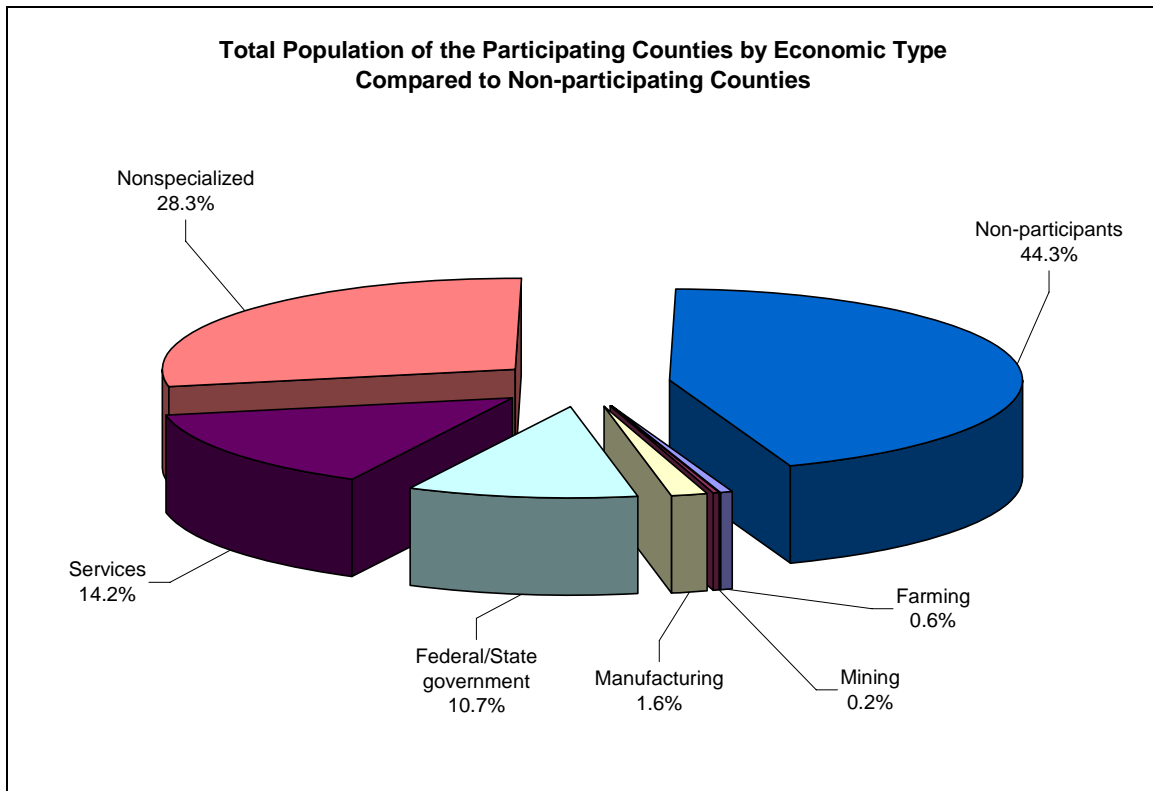


The U.S. Census Bureau produces an estimate of the state's population every year. The most current estimate available is for July 1, 2006. That estimate is 10.1% higher than the July 1, 2001 estimate that the Census Bureau also produced. This is equivalent to a 1.9% annual growth rate. Assuming a similar annual growth rate for 2001 to 2007 would give a total increase of 12.2%.

Using the same methodology, population change from 2004 to 2007 can be estimated. From 2004 to 2006, the estimated state population increased 4.4%. That is equivalent to an annual rate of 1.4% for the three year period. Extrapolating to 2007 would result in an estimated population of 23,844,892 which is an increase of 5.9% from 2004.

Appendix C: Surveyed Counties Population

Chart 30 - Total Population of Surveyed Counties by Economic Type



The 88 counties that responded to this survey (see next appendix) comprise 55.7% of the state's total population based on the 2000 Census.

Each county was classified into one of six economic types by the United States Department of Agriculture. Those six types are listed below.

1. **Farming-dependent counties** - either 15 percent or more of average annual labor and proprietors' earnings derived from farming during 1998-2000 or 15 percent or more of employed residents worked in farm occupations in 2000. Note that a few counties have changed farm dependency status from the preliminary group posted in May 2004. See methods, data sources, and documentation for an explanation of these changes.
2. **Mining-dependent counties** - 15 percent or more of average annual labor and proprietors' earnings derived from mining during 1998-2000.
3. **Manufacturing-dependent counties** - 25 percent or more of average annual labor and proprietors' earnings derived from manufacturing during 1998-2000.
4. **Federal/State government-dependent counties** - 15 percent or more of average annual labor and proprietors' earnings derived from Federal and State government during 1998-2000.

5. **Services-dependent counties** - 45 percent or more of average annual labor and proprietors' earnings derived from services (SIC categories of retail trade; finance, insurance, and real estate; and services) during 1998-2000.
6. **Nonspecialized counties** - did not meet the dependence threshold for any one of the above industries.

The following table lists the responding counties. The number following each county indicates which economic type it is according to the above list from the U. S. Department of Agriculture.

Anderson - 4	Dallas - 5	Jefferson - 6	Reagan - 2
Archer - 1	Dawson - 6	Jones - 4	Real - 6
Armstrong - 6	Denton - 6	Kerr - 5	Red River - 3
Bailey - 1	DeWitt - 6	Kimble - 6	Refugio - 2
Bandera - 5	Dickens - 1	King - 1	Runnels - 3
Bastrop - 6	Donley - 1	Kleberg - 4	Rusk - 6
Baylor - 6	Eastland - 6	Knox - 1	Sherman - 1
Bell - 4	Falls - 4	Lavaca - 3	Smith - 5
Bexar - 4	Franklin - 1	Lynn - 1	Somervell - 6
Borden - 1	Gaines - 1	Marion - 6	Sutton - 2
Bosque - 6	Gillespie - 5	Mason - 6	Swisher - 1
Brazos - 4	Guadalupe - 3	Montague - 6	Taylor - 4
Burnet - 5	Hale - 1	Montgomery - 5	Tom Green - 4
Calhoun - 3	Hall - 1	Morris - 3	Travis - 6
Callahan - 6	Harris - 6	Motley - 1	Upshur - 6
Castro - 1	Harrison - 3	Newton - 3	Van Zandt - 6
Coleman - 6	Haskell - 6	Oldham - 1	Ward - 2
Colorado - 6	Hays - 6	Orange - 3	Webb - 6
Concho - 1	Hood - 5	Palo Pinto - 6	Wilbarger - 4
Coryell - 4	Houston - 6	Panola - 6	Williamson - 6
Cottle - 6	Irion - 2	Potter - 5	Wilson - 6
Crosby - 1	Jeff Davis - 4	Presidio - 4	Young - 2

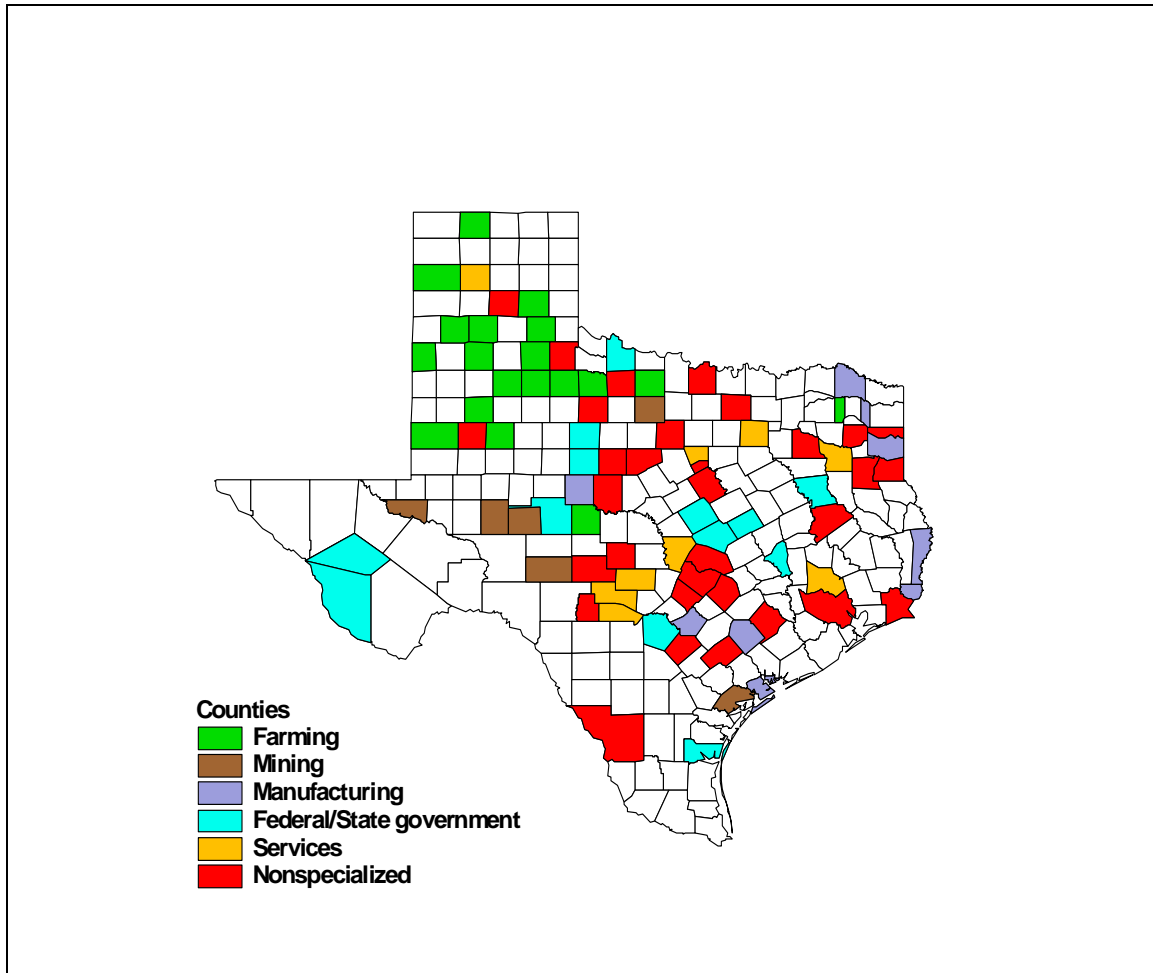
The following table shows the number of counties in each economic bracket that participated in the survey.

Economic Type	Number Responding
Farming	19
Mining	6
Manufacturing	9
Federal/State government	13
Services	9
Nonspecialized	32
Total	88

Appendix D: Surveyed Counties Map

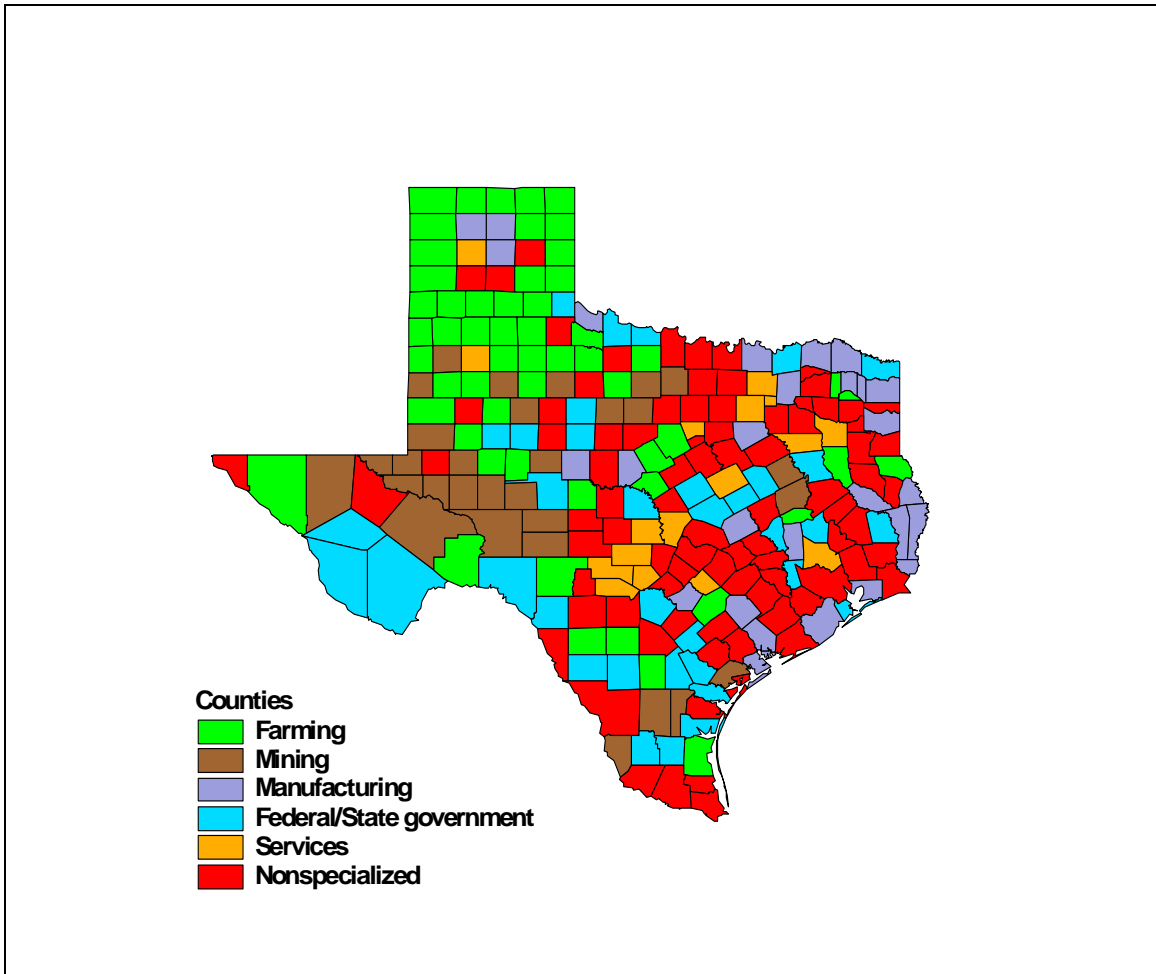
The following map shows the counties that responded to the survey. The counties are shown by economic type. For a table listing the counties, see Appendix C.

Figure 1 - Surveyed Counties



The map on the next page shows the economic type for all 254 counties in the state.

Figure 2 – All Counties by Economic Type



Appendix E: Number of Responses for Each Question

The number of responses is shown by population bracket for each question in the survey. The numbers do not include “N/A” or blank responses.

Question: What were the total expenditures to the Volunteer Fire Departments in your county?

Bracket	2001	2002	2003	2004	2005	2006	2007
Farming	16	16	16	18	18	18	19
Mining	4	4	5	5	5	5	5
Manufacturing	8	9	9	9	9	9	9
Federal/State government	11	11	11	11	11	12	10
Services	7	7	7	8	8	9	9
Nonspecialized	26	26	26	28	29	31	32

Question: What were the total expenditures for EMS in your county?

Bracket	2001	2002	2003	2004	2005	2006	2007
Farming	12	14	14	14	14	14	15
Mining	3	3	5	5	6	6	5
Manufacturing	7	7	7	7	7	7	7
Federal/State government	12	12	12	12	12	12	11
Services	5	5	5	6	6	7	6
Nonspecialized	24	24	24	26	26	30	30

Question: What are your total county fuel costs?

Bracket	2004	2005	2006	2007
Farming	17	17	18	19
Mining	6	6	6	6
Manufacturing	8	8	9	9
Federal/State government	13	13	13	13
Services	8	9	9	9
Nonspecialized	27	27	31	30

Question: What are your total law enforcement fuel costs?

Bracket	2004	2005	2006	2007
Farming	17	17	18	19
Mining	6	6	6	6
Manufacturing	8	8	9	8
Federal/State government	13	13	13	13
Services	9	9	9	9
Nonspecialized	26	26	30	30

Question: How many total budgeted positions for Law Enforcement personnel are there in your county?

Bracket	2001	2002	2003	2004	2005	2006	2007
Farming	15	15	15	17	18	18	18
Mining	5	5	5	5	5	5	5
Manufacturing	7	7	7	7	8	9	8
Federal/State government	13	13	13	13	13	13	13
Services	7	7	7	7	8	8	8
Nonspecialized	23	24	24	26	26	30	30

Question: How many budgeted positions for Corrections Officers are there in your county?

Bracket	2001	2002	2003	2004	2005	2006	2007
Farming	13	13	13	14	14	14	14
Mining	4	4	4	4	4	4	4
Manufacturing	8	8	8	8	8	8	8
Federal/State government	13	13	13	13	13	13	12
Services	6	6	7	7	8	8	8
Nonspecialized	22	23	23	25	25	28	27

Question: What are your total county costs for court appointed attorneys in family law cases? (Do NOT include court appointed attorneys for criminal cases.)

Bracket	2005	2006	2007
Farming	16	16	15
Mining	5	6	6
Manufacturing	6	6	4
Federal/State government	13	12	11
Services	7	8	8
Nonspecialized	21	25	25

Question: What were the total expenditures for INMATE medical, dental and mental health costs in your county jail? Include costs associated with either a county jail or a privately run jail holding county inmates under contract with the county.

Bracket	2001	2002	2003	2004	2005	2006	2007
Farming	14	14	16	18	18	18	16
Mining	3	3	3	4	5	6	6
Manufacturing	9	9	9	9	9	9	8
Federal/State government	11	11	11	11	11	12	12
Services	6	7	7	8	8	8	7
Nonspecialized	25	25	25	27	27	31	31

Question: What were the county's total expenditures for housing its inmates outside the county jail?

Bracket	2005	2006	2007
Farming	16	16	17
Mining	5	6	6
Manufacturing	8	8	8
Federal/State government	12	13	13
Services	8	8	8
Nonspecialized	26	29	27

Question: What was the county's total financial support to the local Mental Health/Mental Retardation (MHMR) Center?

Bracket	2005	2006	2007
Farming	16	16	16
Mining	4	5	5
Manufacturing	9	9	9
Federal/State government	12	13	13
Services	8	8	8
Nonspecialized	28	30	31

Question: What was the county's total health care cost for employees (including elected officials)?

Bracket	2001	2002	2003	2004	2005	2006	2007
Farming	14	14	15	16	17	17	18
Mining	3	4	5	5	5	6	6
Manufacturing	9	9	9	9	9	9	8
Federal/State government	12	12	12	12	12	13	13
Services	4	5	6	8	8	8	8
Nonspecialized	25	26	26	28	28	31	29

Question: What were the county's total expenditures for juvenile probation?

Bracket	2004	2005	2006	2007
Farming	16	16	16	17
Mining	5	5	5	5
Manufacturing	9	9	9	9
Federal/State government	13	13	13	13
Services	8	8	8	8
Nonspecialized	27	27	30	31

Question: What were the county's total expenditures for adult probation?

Bracket	2004	2005	2006	2007
Farming	16	16	16	16
Mining	4	4	4	4
Manufacturing	8	8	8	7
Federal/State government	12	12	13	13
Services	8	8	8	7
Nonspecialized	25	25	27	27

Question: What were the total expenditures for services to the elderly in your county?

Bracket	2001	2002	2003	2004	2005	2006	2007
Farming	14	14	14	15	15	16	15
Mining	3	3	4	4	4	5	5
Manufacturing	6	6	6	6	6	6	6
Federal/State government	11	11	11	11	12	12	12
Services	6	6	5	8	8	8	8
Nonspecialized	23	24	24	26	26	29	29

Question: What were the total expenditures for services to veterans in your county?

Bracket	2001	2002	2003	2004	2005	2006	2007
Farming	11	11	11	13	13	13	14
Mining	4	4	5	6	6	6	6
Manufacturing	9	9	9	9	9	9	8
Federal/State government	12	12	12	12	12	12	12
Services	6	7	7	7	7	7	7
Nonspecialized	24	24	24	27	27	29	31

Question: What are your total un-reimbursed costs due to the Help America Vote Act (HAVA) for programming, maintenance, and storage?

Bracket	2001	2002	2003	2004	2005	2006	2007
Farming	8	8	8	8	10	15	14
Mining	3	3	3	3	4	5	5
Manufacturing	4	4	4	4	4	6	6
Federal/State government	10	10	10	10	10	13	13
Services	4	4	4	4	4	5	6
Nonspecialized	20	20	20	21	22	25	25

Question: What was the county's total expense for DPS?

Bracket	2004	2005	2006	2007
Farming	17	17	17	19
Mining	4	4	5	5
Manufacturing	9	9	9	9
Federal/State government	12	12	13	13
Services	8	8	8	7
Nonspecialized	27	27	29	29

Question: As a result of your cooperation with TxDOT how much was the county's contribution excluding debt for local TxDOT transportation projects?

Bracket	2005	2006	2007
Farming	12	13	12
Mining	5	5	5
Manufacturing	6	6	5
Federal/State government	11	11	11
Services	8	8	8
Nonspecialized	26	28	27

Question: What is your current bonded indebtedness for local TxDOT transportation projects for bonds issued since January 1, 2001?

Bracket	2007
Farming	14
Mining	5
Manufacturing	6
Federal/State government	11
Services	7
Nonspecialized	25

Question: What was the county's total expense for support of the Texas Cooperative Extension?

Bracket	2004	2005	2006	2007
Farming	16	16	17	18
Mining	5	5	6	6
Manufacturing	8	8	9	9
Federal/State government	11	12	13	13
Services	7	7	7	7
Nonspecialized	27	27	30	32

Question: What was the total amount of fines and fees collected by the county?

Bracket	2004	2005	2006	2007
Farming	13	15	17	15
Mining	5	5	6	4
Manufacturing	6	6	7	5
Federal/State government	10	11	12	8
Services	5	5	6	5
Nonspecialized	23	23	27	26

Question: What was the total amount of fines and fees retained by the county?

Bracket	2004	2005	2006	2007
Farming	14	16	17	15
Mining	5	5	6	6
Manufacturing	7	7	8	8
Federal/State government	10	11	12	10
Services	7	7	8	7
Nonspecialized	23	23	28	26

Question: What was the county's total effective tax rate after adjusting for sales tax (per \$100 of property value)?

Bracket	2001	2002	2003	2004	2005	2006
Farming	11	12	14	15	16	18
Mining	5	5	6	6	6	6
Manufacturing	7	8	8	9	9	9
Federal/State government	12	12	12	12	12	13
Services	4	6	6	8	8	8
Nonspecialized	20	22	22	27	29	30

Question: What was the county's total rollback tax rate after all adjustments per \$100 of property value?

Bracket	2001	2002	2003	2004	2005	2006
Farming	8	7	9	13	14	15
Mining	3	3	4	5	5	5
Manufacturing	6	8	8	9	9	9
Federal/State government	12	12	12	12	11	13
Services	4	6	6	8	8	8
Nonspecialized	18	21	22	27	29	31

Question: What was the county's total adopted Maintenance and Operations (M&O) tax rate per \$100 of property value?

Bracket	2005	2006	2007
Farming	16	16	18
Mining	6	6	6
Manufacturing	8	9	9
Federal/State government	12	12	13
Services	8	8	8
Nonspecialized	27	29	30

Question: What was the county's total adopted Interest & Sinking (I&S) tax rate per \$100 of property value?

Bracket	2005	2006	2007
Farming	10	11	12
Mining	6	6	6
Manufacturing	7	8	8
Federal/State government	12	12	13
Services	8	8	8
Nonspecialized	25	25	26

Question: What was the total amount of county expenditures for state emergency management readiness?

Bracket	2004	2005	2006	2007
Farming	8	10	12	14
Mining	3	3	5	4
Manufacturing	5	5	6	6
Federal/State government	7	7	7	10
Services	7	7	7	7
Nonspecialized	20	21	25	26