

Introduction:

At its April 21st meeting, the Government Restructuring Task Force requested that staff analyze levels of government employment in New Mexico relative to other, similarly situated states. This analysis is relevant to the group's efforts given concerns raised by the governor's *Committee on Government Efficiency* that New Mexico may have an 'above-average' number of state employees relative to the national average.

Selection of States and Methodology:

- Staff identified a cohort group of other states for comparison. States were selected based upon demographic, geographic and fiscal variables. In total, 13 other states were selected. These include all states used by the Governor's CGE, excluding California—which was not included due to the size of that state's budget and revenue structure. While data on Montana and Alaska is provided, these states are outliers in terms of their institutional structure and were therefore excluded from calculating cohort group averages.
- Using the US Census Bureau's *Government Employment and Payroll Data Set* (EPD) and the same methodology employed by the CGE, staff was able to compare rates of government employees per capita for all 13 states.
- Staff compared the ratio of government FTE per 1000 residents across the cohort group at the state and local government level.
- Both state and local-level analyses were further divided by government function (i.e. public safety, health and welfare etc).
- Staff also isolated education-sector employees into a separate category, as they are typically not considered either state or local government—i.e. county or municipal—employees in New Mexico and elsewhere.

Data Analysis:*State Government*

- New Mexico has an above average ratio of state government FTE/1000 residents (14.16) relative to the group (10.01) and national (8.31) averages.
- While New Mexico has above average ratios of state employment in six out of the seven categories analyzed, the largest gaps are evident in the 'Health, Hospitals and Human Services' (+1.87 FTE/1000 residents above the group average) and 'Judicial and Legal' (+1.06 FTE/1000 residents above the group average) categories.
- The variance in New Mexico's Health, Hospitals and Human Services category is largely driven by a relatively high number of employees working at state-funded hospitals and centers of specialized-care. In other states such as Colorado, Louisiana and Nebraska, these functions are funded locally.

Local Government

- New Mexico has a below average ratio of local government FTE/1000 residents (14.70) relative to the group (15.23) and national (20.93) averages.
- When taken together, New Mexico has an above average ratio of state and local government FTE/1000 residents (28.86) relative to the group average (25.31).

K-12 Public Education

- New Mexico has an above average ratio of K-12 public education FTE/1000 residents aged 5-17 (135.75) relative to the group (128.47) and national (128.55) averages.
- When the FTE data is disaggregated by job-class, New Mexico has an above average ratio of ‘instructional employees’ per 1000 residents (98.45) relative to both the group and national average, and a below average ratio of ‘non-instructional employees’ per 1000 residents (37.30).
- New Mexico also has fewer non-instructional staff per instructional staff (.38) than both the group (.44) and national (.43) averages.

Public Higher Education

- New Mexico has an above average ratio of Higher Education FTE/1000 residents aged 18 and above (15.38) than the group (10.11) and national (8.54) averages.
- When the FTE data is disaggregated by job-class, New Mexico has an above average ratio in the number of instructional FTE/1000 residents, and a significantly greater ratio of non-instructional FTE/1000 residents (11.55) than the group (6.74) and national (5.63) averages.
- New Mexico also has more non-instructional FTE per instructional FTE (3.01) than any other state in the cohort group.

Comparison to CGE Results:

- Similar to the results provided by the Governor’s CGE, this analysis also finds that New Mexico has an above average ratio of state-level employees per 100 residents than the national average. The ratio of per capita state employment provided here, however, differs from that calculated by the CGE. This is a result of isolating education-sector FTE into a separate category in the current analysis.

Recommendations for Further Research:

- Identify features of the state Judicial/Legal and Health, Hospitals and Human Services functions that help explain above average ratios of state employment in these areas.
- Identify features of the state Higher Education system that explain why New Mexico has both an above average ratio of FTE/1000 residents and ratio of non-instructional FTE to instructional FTE.

Attachment: A

Ratio of State Government FTE per 1000 Residents, by Government Function (FY 2008)

State	Government Function														Total State FTE	
	General Control		Judicial & Legal		Public Safety		Transportation		Health, Hospitals and Human Services		Agriculture, Energy and Natural Resources		Other			
	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio
Alaska	1,805	2.63	1,362	1.98	2,194	3.20	3,065	4.47	3,094	4.51	2,481	3.62	2,995	4.36	16,996	24.76
Arizona	4,559	0.70	2,330	0.36	12,664	1.95	2,981	0.46	11,571	1.78	3,343	0.51	3,729	0.57	41,177	6.33
Arkansas	2,712	0.95	1,484	0.52	6,461	2.26	3,588	1.26	15,862	5.56	2,643	0.93	2,475	0.87	35,225	12.34
Colorado	2,703	0.55	4,167	0.84	8,331	1.69	3,164	0.64	9,588	1.94	1,794	0.36	1,570	0.32	31,317	6.34
Louisiana	4,823	1.09	1,516	0.34	9,409	2.13	4,832	1.10	25,600	5.80	5,744	1.30	2,936	0.67	54,860	12.44
Montana	1,418	1.47	693	0.72	1,695	1.75	2,173	2.25	3,873	4.00	1,582	1.64	1,126	1.16	12,560	12.98
Nebraska	1,084	0.61	725	0.41	3,631	2.04	2,130	1.19	7,526	4.22	2,515	1.41	1,683	0.94	19,294	10.82
Nevada	2,446	0.94	662	0.25	4,592	1.77	1,764	0.68	4,790	1.84	1,122	0.43	2,189	0.84	17,565	6.76
New Mexico	1,728	0.87	3,336	1.68	4,849	2.44	2,581	1.30	11,407	5.75	1,925	0.97	2,270	1.14	28,096	14.16
Oklahoma	2,573	0.71	2,845	0.78	7,684	2.11	3,000	0.82	17,370	4.77	2,834	0.78	2,569	0.71	38,875	10.67
Texas	11,630	0.48	5,519	0.23	48,924	2.01	15,557	0.64	70,912	2.91	11,855	0.49	6,563	0.27	170,960	7.03
Utah	2,936	1.07	1,648	0.60	4,113	1.50	1,663	0.61	12,860	4.70	1,688	0.62	1,562	0.57	26,470	9.67
West Virginia	2,285	1.26	1,412	0.78	4,369	2.41	5,193	2.86	6,276	3.46	2,892	1.59	2,149	1.18	24,576	13.54
Group Average		0.84		0.62		2.03		1.05		3.88		0.85		0.73		10.01
National Average		0.75		0.58		1.94		0.79		3.03		0.59		0.63		8.31

FTE data current as of March 12th, 2008.

Population data current as of July 1st, 2008

Note: Alaska and Montana are excluded from group average calculation

Source: US Census Bureau, LFC Analysis

Attachment: B

Ratio of Local Government FTE per 100 Residents, by Government Function (FY 2008)

State	Government Function																		Total Local FTE	
	General Control		Judicial & Legal		Public Safety		Transportation		Health, Hospitals and Human Services		Agriculture, Energy and Natural Resources		Utilities		Libraries		Other			
	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio		
Alaska	7,224	10.53	1,543	2.25	39,501	57.56	8,127	11.84	37,681	54.91	6,603	9.62	6,172	8.99	1,353	1.97	4,681	6.82	112,885	164.49
Arizona	8,455	1.30	9,120	1.40	36,183	5.57	6,508	1.00	13,723	2.11	11,337	1.74	9,166	1.41	2,042	0.31	5,406	0.83	101,940	15.68
Arkansas	4,343	1.52	1,700	0.60	11,963	4.19	4,286	1.50	5,046	1.77	2,356	0.83	2,853	1.00	890	0.31	1,643	0.58	35,080	12.29
Colorado	9,321	1.89	2,355	0.48	23,454	4.75	10,291	2.08	22,874	4.63	10,438	2.11	5,813	1.18	2,709	0.55	4,978	1.01	92,233	18.67
Louisiana	6,935	1.57	5,422	1.23	29,518	6.69	6,656	1.51	23,155	5.25	6,216	1.41	3,135	0.71	2,393	0.54	3,451	0.78	84,488	19.15
Montana	7,760	8.02	4,021	4.16	26,172	27.05	11,664	12.06	22,563	23.32	6,363	6.58	5,583	5.77	3,620	3.74	2,687	2.78	90,433	93.48
Nebraska	3,495	1.96	1,300	0.73	6,847	3.84	3,597	2.02	7,137	4.00	2,312	1.30	7,775	4.36	706	0.40	1,072	0.60	34,241	19.20
Nevada	3,821	1.47	3,070	1.18	13,748	5.29	3,022	1.16	7,079	2.72	4,582	1.76	2,548	0.98	921	0.35	1,841	0.71	39,711	15.27
New Mexico	4,473	2.25	456	0.23	9,668	4.87	3,242	1.63	4,151	2.09	3,378	1.70	1,275	0.64	681	0.34	1,848	0.93	29,172	14.70
Oklahoma	5,082	1.40	1,471	0.40	14,590	4.01	6,018	1.65	14,409	3.96	3,714	1.02	3,613	0.99	1,410	0.39	2,247	0.62	52,554	14.43
Texas	29,640	1.22	20,968	0.86	114,066	4.69	38,516	1.58	94,265	3.87	26,153	1.08	25,011	1.03	6,625	0.27	15,443	0.63	370,687	15.24
Utah	4,248	1.55	1,335	0.49	9,602	3.51	4,052	1.48	4,375	1.60	3,550	1.30	2,183	0.80	1,182	0.43	1,602	0.59	32,129	11.74
West Virginia	2,964	1.63	930	0.51	4,013	2.21	1,672	0.92	5,813	3.20	1,595	0.88	1,398	0.77	425	0.23	1,372	0.76	20,182	11.12
Group Average		1.61		0.74		4.51		1.50		3.20		1.37		1.26		0.38		0.73		15.23
National Average		1.56		0.83		8.73		1.85		4.48		1.29		0.85		0.44		0.90		20.93

FTE data current as of March 12th, 2008.

Source: US Census, LFC Analysis

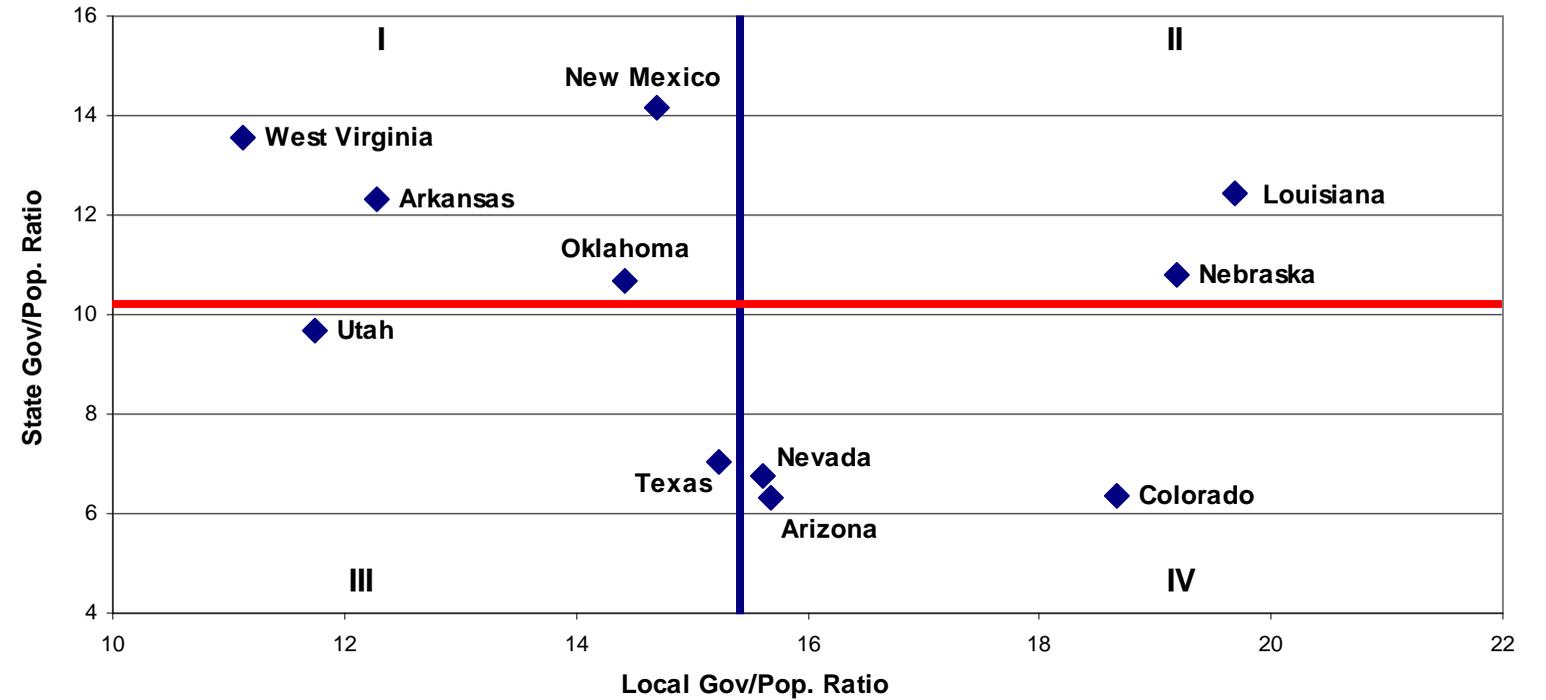
Population data current as of July 1st, 2008

Note: Alaska and Montana are excluded from group average calculation

Attachment: C

State	State and Local Gov. FTE	
	Number	Ratio
Alaska	129,881	189.25
Arizona	143,117	22.01
Arkansas	70,305	24.62
Colorado	123,550	25.01
Louisiana	141,741	32.13
Montana	102,993	106.46
Nebraska	53,535	30.01
Nevada	58,197	22.38
New Mexico	57,268	28.86
Oklahoma	91,429	25.09
Texas	541,647	22.26
Utah	58,599	21.41
West Virginia	44,758	24.66
Group Average		25.31
National Average		29.24

State and Local Government FTE per Capita Comparison



State Gov. FTE/Pop. Ratio Group Average: —

Local Gov. FTE/Pop. Ratio Group Average: —

Source: US Census, LFC Analysis

Quadrant Key:

- I: Above average State Gov. FTE/Pop. Ratio; Below average Local Gov. FTE/Pop. Ratio
- II: Above average State Gov. FTE/Pop. Ratio; Above average Local Gov. FTE/Pop. Ratio
- III: Below average State Gov. FTE/Pop. Ratio; Below average Local Gov. FTE/Pop. Ratio
- IV: Below average State Gov. FTE/Pop. Ratio; Above average Local Gov. FTE/Pop. Ratio

Attachment: D

Ratio of Public K-12 FTE per 1000 students aged 5-17 (FY 2008)

	Instructional Employees		Non-instructional		Total Elem.& Sec. FTE		Ratio of Non-instructional to Instructional FTE
	Number	Ratio	Number	Ratio	Number	Ratio	
Alaska	70,899	554.80	31,868	249.37	102,767	804.17	0.45
Arizona	90,190	75.71	46,426	38.97	136,616	114.68	0.51
Arkansas	48,680	97.28	21,051	42.07	69,731	139.35	0.43
Colorado	71,153	83.82	30,674	36.14	101,827	119.96	0.43
Louisiana	71,926	90.22	31,618	39.66	103,544	129.88	0.44
Montana	14,889	93.50	6,381	40.07	21,270	133.57	0.43
Nebraska	35,477	112.66	12,122	38.49	47,599	151.15	0.34
Nevada	32,594	69.55	12,624	26.94	45,218	96.49	0.39
New Mexico	34,863	98.45	13,208	37.30	48,071	135.75	0.38
Oklahoma	62,564	97.83	28,712	44.90	91,276	142.73	0.46
Texas	467,309	99.46	202,547	43.11	669,856	142.57	0.43
Utah	34,345	59.14	17,586	30.28	51,931	89.43	0.51
West Virginia	27,747	98.84	14,687	52.32	42,434	151.16	0.53
Group Average		89.36		39.11		128.47	0.44
National Average		89.51		39.03		128.55	0.43

FTE data current as of March 12th, 2008.

Source: US Census, LFC Analysis

Population data current as of July 1, 2008

Note: Alaska and Montana are excluded from group average calculation

Attachment: E

Ratio of Public Higher Education FTE per 1000 residents, aged 18 and above (FY 2008)

	Instructional		Non-Instructional		Total Higher Ed. FTE		Ratio of Non-instructional to Instructional FTE
	Number	Ratio	Number	Ratio	Number	Ratio	
Alaska	1,314	2.59	4,007	7.91	5,321	10.51	3.05
Arizona	14,770	3.08	18,302	3.82	33,072	6.90	1.24
Arkansas	8,513	3.95	15,963	7.41	24,476	11.37	1.88
Colorado	14,874	3.99	23,203	6.22	38,077	10.20	1.56
Louisiana	10,106	3.06	19,603	5.94	29,709	9.00	1.94
Montana	2,052	2.75	5,204	6.97	7,256	9.71	2.54
Nebraska	4,505	3.37	10,807	8.09	15,312	11.46	2.40
Nevada	3,629	1.88	7,065	3.66	10,694	5.53	1.95
New Mexico	5,690	3.84	17,109	11.55	22,799	15.38	3.01
Oklahoma	8,621	3.15	22,221	8.12	30,842	11.27	2.58
Texas	51,327	2.92	103,116	5.86	154,443	8.77	2.01
Utah	8,245	4.37	14,623	7.75	22,868	12.12	1.77
West Virginia	4,908	3.44	8,230	5.76	13,138	9.20	1.68
Group Average		3.37		6.74		10.11	2.00
National Average		2.90		5.63		8.54	1.94

FTE data current as of March 12th, 2008.

Population data current as of July 1, 2008

Note: Alaska and Montana not included in group average calculation; numbers reflect employment at two and four-year institutions

Source: US Census, LFC Analysis

Attachment: F	
Category	Sub-categories and Definitions
General Control	<ul style="list-style-type: none"> • Financial Administration: Officials and central staff agencies concerned with tax assessment and collection, accounting, auditing, budgeting, purchasing, custody of funds, and other finance activities. Includes Employees in the offices of auditor, comptroller, treasurer, office of the finance director and other central accounting, budgeting, information technology, and purchasing offices. • Other Government Administration: Employees engaged in activities that are not allocable to the Financial Administration category, or that are multi-functional.
Judicial and Legal	<ul style="list-style-type: none"> • Includes employees of criminal and civil courts of limited and general jurisdiction; appellate courts; juries, court reporters, and law libraries; medical and social service activities of courts (except probation); court activities of sheriff offices (bailiffs or civil functions); registers of wills and other probate activities; legal departments, general counsels, solicitors, prosecuting and district attorneys; attorneys providing government-wide services; public defenders; indigent defense; and employees engaged in child support enforcement.
Public Safety	<ul style="list-style-type: none"> • Police officers: Police employees with power of arrest. • Other, Non-police employees: Includes school crossing guards. • Corrections: <u>For institutional activities, includes</u> prisons; reformatories; jails; houses of corrections; penitentiaries; correctional farms; workhouses; reception centers; diagnostic centers; industrial schools; training schools; detention centers; multi-institutional programs and administration; education, training, and health care programs devoted to inmates; hospitals for the criminally insane IF operated by a corrections agency; and these types of facilities IF residential: work release units, halfway houses, and community corrections centers. <u>For non-institutional activities, includes</u> probation offices, whether operated by courts or correctional agencies, boards of parole, boards of pardon, and the like; non institutional activities such as administration of a correctional agency, training of correctional employees, and nonresidential halfway houses and community corrections centers. • Fire-prevention (Local Government): Employees of regular fire departments, including financial, technical, and operational support of volunteer fire forces; rescue squads; fire inspection, investigation, and regulation; fire marshals; fire prevention education; fire suppression training; auxiliary services; and these activities IF handled by a fire department: ambulances, emergency medical technicians (EMTs), paramedic squads, and arson investigation.
Transportation	<ul style="list-style-type: none"> • Employees engaged in oversight, maintenance of state roads. • Transit (Local Government): Employees of the following variations of transit systems: rapid transit, subways, surface rail, and street railroad systems, commuter rail lines including light rail trolleys, and bus systems.

	<p>Includes employees operating and maintaining related stations, tracks, depots, and rail yards.</p>
<p>Health, Hospitals and Human Services</p>	<ul style="list-style-type: none"> • Public Welfare: Administration of medical and cash assistance, general relief, vendor, and other welfare programs. Maintenance of nursing homes or other institutions for the benefit of veterans or needy persons (contingent upon their financial or medical need). Provision of veterans services, senior citizen and handicapped transportation, services to the homeless, and child services (such as foster care, adoption, day care, nonresidential shelters, and the like). Social workers. Regulation of private welfare institutions and activities. • Health: General health activities, categorical health activities and programs, health-related inspections, community health care programs, regulation of air and water quality, rabies and animal control. • Hospitals: Employees of government operated general hospitals providing in-patient medical care and facilities that provide specialized care. • Social Insurance Administration: Employees of unemployment compensation, unemployment insurance and equivalent agencies involved in administering the cooperative Federal-state unemployment compensation system. Includes associated public employment, job services, employment services, and other agencies providing job placement, counseling, veterans readjustment allowances, or related services; and determination of eligibility for disability benefits under Federal Social Security (Old-Age and Survivors Insurance and Disability Insurance) and Medicare (Hospital Insurance and Supplementary Medical Insurance). • Solid waste Management (Local Government): Garbage collection; sanitary landfills; hazardous waste disposal sites; incinerators; pyrolysis facilities; cleanup of toxic chemical spills and dumps; collection and disposal of abandoned vehicles; resource recovery authorities, including those which co-generate electricity or gas as a by-product; recycling centers; cleaning and washing of streets; and collection and disposal of street debris and trash. • Sewerage (Local Government): Employees engaged in the construction or maintenance of sanitary sewer lines; sewer cleaning; lift or pump stations; sewage treatment plants; water pollution control plants; storm sewer and storm drains except when integral parts of highway departments; systems for the collection and disposal of storm runoff.
<p>Agriculture, Energy and Natural Resources</p>	<ul style="list-style-type: none"> • Parks and Recreation: Employees that oversee and operate government funded golf courses, playgrounds, tennis courts, public beaches, swimming pools, playing fields, parks, camping areas, recreational piers and marinas, etc.; galleries, museums, zoos, and botanical gardens; auditoriums, stadiums, recreational centers, convention centers, and exhibition halls; community music, drama, and celebrations including public support of cultural activities. • Natural Resources: Employees engaged in irrigation; drainage; flood

	<p>control; soil conservation and reclamation including prevention of soil erosion; surveying, development, and regulation of water resources; regulation of mineral resources and related industries including land reclamation; wetlands and watershed management and protection; geological surveying and mapping; regulation of gas and oil drilling and production; dam and reservoir safety; public education programs related to the above; fairs; technical assistance to private or other governmental efforts in these areas.</p> <ul style="list-style-type: none"> • Housing and Community Development (Local Government): Employees engaged in the construction, operation, and support of housing and redevelopment projects and other activities to promote or aid public and private housing and community development.
Utilities	<ul style="list-style-type: none"> • Water Supply (Local Government): Employees engaged in the operation, maintenance, and construction of public water supply systems, including production, acquisition, and distribution of water to general public or to other public or private utilities, for residential, commercial, and industrial use. • Electric Power (Local Government): Employees engaged in the operation and maintenance of generating stations, power plants, transmission lines, switching stations, pollution abatement equipment, and distribution lines and meters. • Gas Supply (Local Government): Employees engaged in the operation and maintenance of public gas works, liquefaction equipment, pumping stations, gas mains, and service lines and meters.
Libraries	<ul style="list-style-type: none"> • Local Government function: Public libraries, community libraries, consolidated libraries, regional libraries, and their variously-named equivalents; library extension services including bookmobiles; public library (special) districts.
K-12 Education	<ul style="list-style-type: none"> • Employees in instructional, support, and auxiliary services operated through school systems (school lunch, student activities, community services, pupil transportation, health services, guidance counseling, and the like); administration and supervision of school systems; special education, classes for the handicapped, and vocational education provided through school systems; Headstart; libraries operated by public schools; and plant maintenance and operation. • Instructional: Includes classroom teachers, principals, supervisors of instruction, superintendents, teacher aides, substitute teachers, school librarians, library aides, and guidance and psychological personnel • Non-instructional: Includes administrative/clerical; cafeteria; transportation; health and recreations as well as paid student employees.
Public Higher Education	<ul style="list-style-type: none"> • Employees of degree-granting institutions (associate, bachelor, master, or doctorate) operated by state or local governments, that provide academic training beyond the high school (grade 12) level. • Instructional: Employees engaged in instruction, research or public service. • Non-instructional: Employees engaged in administrative, academic and

	student support; libraries and plant maintenance.
Other	<ul style="list-style-type: none"> • Employees engaged in activities that are not applicable to other employment functions, or are multi functional. • To the extent not allocable to other functions, may include: <ul style="list-style-type: none"> • State-local military activities (militia, National Guard, armories, civil defense, etc.). • Central service agencies (e.g., public works, motor pools, communications) other than financial administration and government-wide executive services. • Administration of multi-functional agencies. • Economic development. • Voter registration and elections. • Job training and employment programs (e.g., Federal Workforce Investment Act). • Programs for senior citizens not based on need. • Engineering. • Emergency (911) dispatching. • Geographic information systems and mapping services. • Liquor stores operated by local governments.

