

# State and Local Government Finances Summary: 2010

## Governments Division Briefs

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### INTRODUCTION

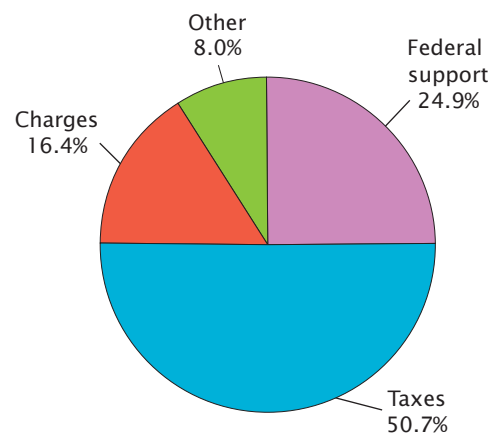
This report is part of a continuing series designed to provide information on the structure, function, finances, and employment of our nation's nearly 90,000 state and local governments. The U.S. Census Bureau produces data quinquennially as part of the Census of Governments for years ending in "2" and "7." Additional statistics are produced annually and quarterly during the intercensal period from data collected in sample surveys. These surveys provide a wealth of information on state and local government employment and financial activity.

For Census Bureau statistical purposes, a government is defined as an organized entity subject to public accountability, whose officials are popularly elected or are appointed by public officials, and which has sufficient discretion in the management of its affairs to distinguish it as separate from the administrative structure of any other government unit.

This report presents data on state and local government finances based on information collected from the 2009 and 2010 Annual Surveys of State and Local Government Finances. The 2009 and 2010 surveys cover the following government finance activities: revenue by source, expenditures by character and function, indebtedness by term, and cash and security holdings by purpose.

Data in this report refer to government fiscal years that ended between July 1, 2008 and June 30, 2009 (FY 2009), and July 1, 2009 and June 30, 2010 (FY 2010). In fact, 46 of the 50 state governments have a fiscal year that runs from July 1 until June 30. However, four state governments are exceptions: Alabama and Michigan (September 30), New York (March 31), and Texas

Figure 1.  
**Source of State and Local Government  
General Revenue: 2010**



Source: U.S. Census Bureau, 2010 Annual Surveys of State and Local Government Finances.

(August 31). Not all dependent agencies of a government necessarily share a fiscal period that coincides with the central state government. Totals for an individual government, in those instances, are the summation of finances for all agencies with a fiscal period ending between July 1, 2008 and June 30, 2009 (FY 2009), and July 1, 2009 and June 30, 2010 (FY 2010).<sup>1</sup> Government financial data are

### DID YOU KNOW?

State and local governments received 1.3 trillion in tax revenues in 2010, an amount down nearly 1.0 percent from 2009.

Source: 2010 Annual Surveys of State and Local Government Finances.

<sup>1</sup> Throughout this report, all references to years (i.e., 2009 or 2010) refer to fiscal years.

presented in four broad activity sectors: general government, utilities, liquor stores, and insurance trust activities. The general government sector includes all government revenue and expenditure activities that are consistent with government functions, such as public safety, education, health, and welfare. These activities are distinct from business-like activities presented in the remaining three sectors. The utility sector includes water supply, electric power, gas supply systems, and transit facilities owned and operated by governments or operated under contract by a private firm, while the government maintains day-to-day financial oversight. The liquor store sector includes dispensaries operated by 16 state governments and by local governments in five states.<sup>2</sup> The insurance trust sector includes publicly-funded retirement systems for public employees and specified government social and life insurance programs, such as unemployment compensation, workers' compensation, federal social security (Old Age, Survivors, and Disability Insurance [OASDI]), and state medical and disability funds.<sup>3</sup>

## STATE AND LOCAL GOVERNMENT FINANCES SUMMARY

Although there has been some improvements in the financial condition of state and local governments, challenges remain. The most notable improvement of the financial condition of state and local governments is the significant increase in insurance trust revenue, which is driven in large part by financial market rebounds in 2010 from steep declines in 2009. Although, not quite as large as 2009, corporate taxes and individual taxes continue to show declines. Additionally, unemployment compensation again increased sharply from 2009.

Revenues and expenditures comprise actual receipts and payments of a government and its agencies (net of correcting transactions and recoveries or refunds), including government-operated enterprises, utilities, and public trust funds. Transactions excluded as revenue or expenditure are debt issuance and retirement, loans and investments, agency and private trust transactions, and internal transfers between funds of a government. Aggregates for groups of governments exclude intergovernmental transactions between the governments involved.

<sup>2</sup> The state governments with liquor store operations are Alabama, Idaho, Iowa, Michigan, Mississippi, Montana, New Hampshire, Ohio, Oregon, Pennsylvania, Utah, Vermont, Virginia, Washington, West Virginia, and Wyoming. The local governments with liquor store operations are in Alaska, Maryland, Minnesota, North Carolina, and South Dakota.

<sup>3</sup> For more information, please refer to the Government Finance and Employment Classification Manual at <[www.census.gov/govs/www/06classificationmanual/06\\_gfe\\_classmanual\\_toc.html](http://www.census.gov/govs/www/06classificationmanual/06_gfe_classmanual_toc.html)>.

- State and local government revenues increased 51.4 percent from 2009 to \$3.2 trillion in 2010. The increase was driven in large part by insurance trust revenue, which increased 206.0 percent in 2010 from -\$486.5 billion to \$515.8 billion. State and local government general revenues totaled \$2.5 trillion in 2010. The major shares of general revenue for state and local governments were taxes (50.7 percent), federal support (24.9 percent), charges (16.4 percent), and other revenue (8.0 percent) as shown in Figure 1. State and local government general revenue from own sources declined 0.5 percent from 2009 to \$1.9 trillion.
- Expenditures increased 4.0 percent to \$3.1 trillion for state and local governments in 2010. Education and public welfare comprised 42.3 percent of total state and local government expenditures, accounting for 27.6 percent and 14.7 percent, respectively.
- During the same time period, state and local government indebtedness increased 4.6 percent to \$2.8 trillion, with local governments accounting for 60.7 percent of the total amount of state and local government debt outstanding.
- Cash and security holdings of state and local governments rose 6.0 percent to \$4.8 trillion in 2010, with state governments accounting for 69.0 percent of the total and local governments accounting for the remainder. Public employee retirement funds comprised the largest source of cash and security holdings at \$2.6 trillion.

## STATE AND LOCAL GOVERNMENT REVENUE

### DID YOU KNOW?

State and local governments collected \$260.3 billion in individual income taxes in 2010, a decrease of 3.9 percent from 2009.

Source: 2010 Annual Surveys of State and Local Government Finances.

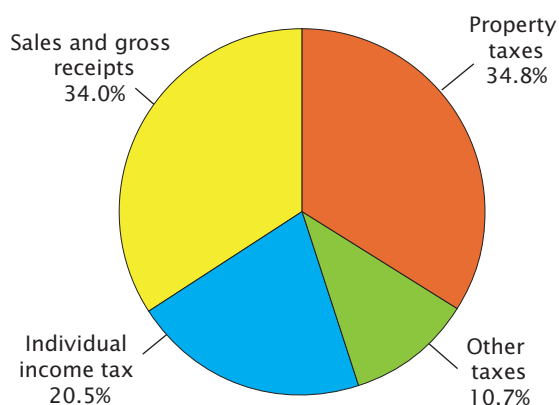
### Taxes

Taxes consist of compulsory contributions exacted by governments for public purposes, including general revenue and/or regulation. This reporting category excludes employer and employee payments for retirement and social insurance purposes (classified as insurance trust revenue) and special assessments, which are classified as nontax general revenue.

Overall, tax revenue declined 0.7 percent in 2010 to \$1.3 trillion. Tax revenue received from individual

Figure 2.

### State and Local Government Tax Revenue: 2010



Source: U.S. Census Bureau, 2010 Annual Surveys of State and Local Government Finances.

and corporate income taxes saw declines in 2010 of 3.9 percent and 7.4 percent, respectively.

The composition of state and local government tax revenue is shown in Figure 2.

Taxes represented the largest source of general revenue for both state and local governments in 2010, representing 44.9 percent of general revenue at the state government level and 39.6 percent of general revenue for local governments.

- Among local governments, property taxes were most prominent, accounting for \$427.1 billion (75.1 percent) of the \$568.6 billion in tax revenue received.
- Property tax receipts increased 2.0 percent in 2010.
- For state governments, sales and gross receipt taxes and individual income taxes were most prominent accounting for 82.5 percent of total state government tax revenue.
- As part of the selective sales tax category, motor fuel, alcoholic beverage, and tobacco products taxes were overwhelmingly collected by state governments, with state governments collecting 96.3 percent of the state and local government total.
- Similarly, motor vehicle license and corporate income taxes were largely a state function, with state governments collecting 92.8 percent and 85.7 percent of the respective state and local government total.

### Federal Intergovernmental Revenues

In 2010, local governments received 4.8 percent of their general revenue directly from the federal government.

State governments received 35.5 percent of their general revenue directly from the federal government. It is important to note, however, that a portion of federal support is passed through to the local governments; these pass-through funds are not measured separately in our statistics, and are instead classified as revenue from the state government.

### DID YOU KNOW?

In 2010, the largest share of utility revenue for state and local governments was electric power supply, which accounted for 51.6 percent of utility revenues.

Source: 2010 Annual Surveys of State and Local Government Finances.

### Other Revenues

The balance of state and local government revenue included revenue from current charges, miscellaneous revenue, utility revenue, liquor store revenue, and insurance trust revenue, with current charges being the largest of these other revenues for state and local governments at \$409.6 billion, and insurance trust revenues for state governments at \$452.4 billion.

Current charges include revenue from entities such as higher education institutions and hospitals. Insurance trust revenue includes public-employee retirement systems, unemployment compensation systems, state government workers compensation systems, and other state government social insurance trusts.<sup>4</sup>

### STATE AND LOCAL GOVERNMENT EXPENDITURES

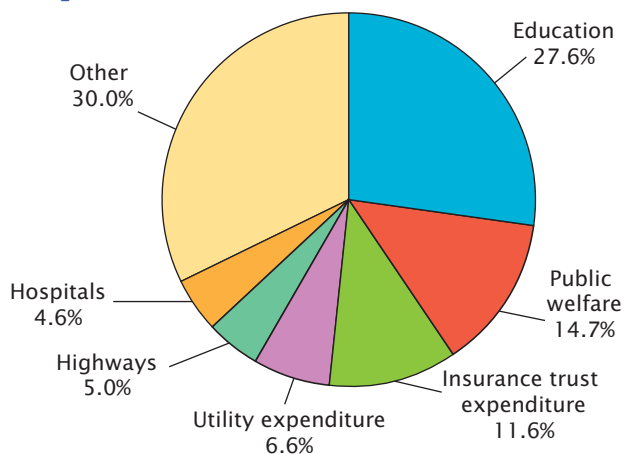
The expenditure reporting categories comprise all amounts of money paid out by a government and its agencies, with the exception of amounts for debt retirement, and for loan, investment, agency, and private trust transactions.

- State and local government spending increased by 4.0 percent from 2009 to \$3.1 trillion in 2010. Education topped government spending (860.0 billion), followed by public welfare (\$456.7 billion), insurance trust expenditures (\$359.8 billion), and utilities (\$206.2 billion).
- Public welfare and education were the biggest expenditures for state governments in 2010 at \$404.3 billion and \$254.1 billion, respectively.

<sup>4</sup> Data users should note that unrealized gains or losses on cash and security holdings are included as revenue for public-employee retirement systems in Census Bureau statistics. As such, data users should consider market variation when examining insurance trust revenue and total revenues.

Figure 3.

### State and Local Government Expenditures: 2010



Source: U.S. Census Bureau, 2010 Annual Surveys of State and Local Government Finances.

Public welfare includes support of and assistance to needy persons and the administration of such assistance. Vendor payments comprised the largest source of state public welfare spending at \$345.0 billion, or 85.3 percent of the total.

#### DID YOU KNOW?

Expenditures for local government capital outlay for elementary and secondary education declined 12.5 percent from 2009.

Source: 2010 Annual Surveys of State and Local Government Finances.

- Insurance trust expenditures are comprised mostly of state government expenditures. Unemployment expenditures saw the largest increase in this category, increasing 104.5 percent from \$66.0 billion to \$134.9 billion.
- For local governments, education and utility expenditures topped their spending at \$605.9 billion and \$182.7 billion, respectively. The percentage of spending on education differed for state and local governments, with education comprising 17.4 percent of state governments direct spending and 36.7 percent of local government direct spending.
- Public safety spending was dominated by local governments, with the exception of spending on corrections. Local governments comprised 87.0 percent of the state and local government total spending on police protection. Spending on fire protection was an entirely local government

function. State government spending comprised 63.2 percent of state and local government spending on correction.

- Utility spending was also dominated by local governments, with spending on water supply and gas supply almost entirely conducted by local governments, at 99.4 percent and 99.9 percent, respectively.

#### STATE AND LOCAL GOVERNMENT DEBT

State and local debt comprises all interest-bearing short-term credit obligations and all long-term obligations incurred in the name of the government and all its dependent agencies, whether used for public or private purposes.

- State and local governments combined had total debt outstanding of \$2.8 trillion in 2010, with the local government share of the debt total at 60.7 percent, compared with the state government share at 39.3 percent.

#### STATE AND LOCAL GOVERNMENT CASH AND SECURITY HOLDINGS

Cash and security holdings is predominately comprised of public-employee retirement trust funds which comprise 53.6 percent of the total category. It includes only the cash or security holdings of governments, excluding nonfinancial assets such as real or personal property.

- State and local government cash and security holdings increased 6.0 percent to \$4.8 trillion in 2010, with state governments representing 69.0 percent of the total and local governments with 31.0 percent of the total.
- Insurance trust funds for state and local governments increased 9.6 percent in 2010 to \$2.7 trillion.
- In 2010, the largest share of all state government cash and security holdings was in public-employee retirement trust funds, which accounted for 64.3 percent of state government cash and investments at \$2.1 trillion. For local governments, public-employee retirement trust funds made up 29.8 percent of local government cash and security holdings.

#### SOURCE AND ACCURACY OF THE DATA

The 2010 local government statistics in this survey are developed from a sample survey. Therefore, the local government totals, as well as national or state and local aggregates, are estimated amounts subject to sampling error.

## DID YOU KNOW?

In 2010, public-employee retirement trust funds comprised the largest share of cash and security holdings for state and local governments at \$2.6 trillion.

Source: 2010 Annual Surveys of State and Local Government Finances.

The standard error is a measure of the variation among the estimates from all possible samples and thus is a measure of the precision with which an estimate from a particular sample approximates the average results of all possible samples. The coefficient of variation is the estimated standard error expressed as a percentage of the estimated total or proportion.

State government finance data are not subject to sampling. Consequently, aggregates of state and local estimates displayed in this report are more reliable (on a relative standard error basis) than the local government estimates they include. Estimates of major national totals for local governments are subject to a computed sampling variability of generally less than one-half of 1 percent. State and local government totals are generally subject to sampling variability of less than 3 percent for each state.

Although the original sources for finance statistics are accounting records of governments, the data derived from them are purely statistical in nature. For instance, the difference between a government's total revenue and total expenditure cannot be construed to be a "surplus" or "deficit."<sup>5</sup>

The Census Bureau develops these data to measure the economic activity of state and local governments in general. The definitions used in Census Bureau statistics about governments can vary considerably from definitions applied in standard accounting reports.

The Census Bureau collects state and local government finance data by law under Title 13, U.S. Code, Sections 161 and 182.

## NONSAMPLING ERROR

Although every effort is made in all phases of collection, processing, and tabulation to minimize errors, the data are subject to nonsampling errors such as the inability to obtain data for every variable from all units in the population of interest, inaccuracies in classification, response errors, misinterpretation

<sup>5</sup> For more information, see <[www.census.gov/govs/www/06classificationmanual/chapter03.html#p2c312](http://www.census.gov/govs/www/06classificationmanual/chapter03.html#p2c312)>.

of questions, mistakes in keying and coding, and coverage errors. Response to the sample survey is an important consideration in evaluating the quality of the estimates.

## OVERALL UNIT RESPONSE RATE

The unit response rate of the 2010 Annual Survey of Local Government Finances was 93.8 percent. The overall unit response rate of the Annual Survey of State Government Finances was 100 percent for 2010.

## TOTAL QUANTITY RESPONSE RATE

The total quantity response rate (TQRR) was calculated for certain key variables for the nation as a whole. This response rate is computed separately for each key variable by calculating an estimate for the respondents for the key variable and dividing this estimated total by the estimate of the key variables for all units in the sample; the result is multiplied by 100 (Table 1).

Table 1.  
**Annual Surveys of State and Local Government Finances:  
2010 U.S. Summary Total Quantity Response Rates (TQRR)**

(TQRR in percent)

Item	TQRR
Long-term debt at end of fiscal year . . . . .	98.2
Cash and security holdings <sup>1</sup> . . . . .	96.0
Revenue . . . . .	99.0
Expenditure . . . . .	99.1

<sup>1</sup> Excludes insurance trust assets.

## CONTACT INFORMATION

For additional information on state government finances data, please visit <[www.census.gov/govs/state/](http://www.census.gov/govs/state/)>.

For additional information on local government finances data, please visit <[www.census.gov/govs/estimate/](http://www.census.gov/govs/estimate/)>.

Please contact the Outreach and Education Branch at 1-800-242-2184 (toll free) or e-mail at <[govs.cms.inquiry@census.gov](mailto:govs.cms.inquiry@census.gov)> with any inquiries about these data.



Appendix Table A-1.

**State and Local Government Finances by Level of Government: 2010**

(Dollars in thousands. Coefficients of variation in percentages)

Description	State and local government amount <sup>1</sup>	State and local government coefficient of variation	State government amount	Local government amount <sup>1</sup>	Local government coefficient of variation
<b>Revenue<sup>1</sup></b> .....	<b>3,171,380,258</b>	<b>0.03</b>	<b>2,036,240,449</b>	<b>1,631,203,571</b>	<b>0.05</b>
General revenue <sup>1</sup> .....	2,502,055,152	0.03	1,562,240,321	1,435,878,592	0.06
Intergovernmental revenue <sup>1</sup> .....	623,732,004	0.01	575,564,000	544,231,765	0.05
From federal government .....	623,732,004	0.01	555,296,681	68,435,323	0.09
From state government <sup>1</sup> .....	(X)	(X)	(X)	475,796,443	0.06
From local government <sup>1</sup> .....	(X)	(X)	20,267,319	(X)	(X)
General revenue from own sources .....	1,878,323,148	0.04	986,676,321	891,646,827	0.09
Taxes .....	1,269,649,543	0.06	701,005,079	568,644,464	0.14
Property .....	441,660,815	0.18	14,544,986	427,115,829	0.18
Sales and gross receipts .....	431,176,366	0.03	342,113,482	89,062,884	0.15
General sales .....	284,910,393	0.04	222,553,989	62,356,404	0.20
Selective sales .....	146,265,973	0.03	119,559,493	26,706,480	0.15
Motor fuel sales .....	37,879,755	0.02	36,587,658	1,292,097	0.58
Alcoholic beverage sales .....	6,028,119	0.06	5,504,690	523,429	0.67
Tobacco product sales .....	17,267,568	0.01	16,831,613	435,955	0.24
Public utilities .....	28,290,741	0.12	14,534,925	13,755,816	0.24
Other selective sales .....	56,799,790	0.04	46,100,607	10,699,183	0.20
Individual income tax .....	260,338,250	0.02	235,994,401	24,343,849	0.24
Corporate income tax .....	42,860,067	0.01	36,739,534	6,120,533	0.07
Motor vehicle license .....	22,498,381	0.02	20,870,278	1,628,103	0.32
Other taxes .....	71,115,664	0.03	50,742,398	20,373,266	0.12
Charges and miscellaneous general revenue .....	608,673,605	0.03	285,671,242	323,002,363	0.05
Current charges .....	409,580,071	0.04	169,795,726	239,784,345	0.06
Education .....	121,852,136	0.01	94,530,218	27,321,918	0.04
Institutions of higher education .....	106,065,147	0.01	93,080,853	12,984,294	0.06
School lunch sales (gross) .....	6,608,270	0.10	33,802	6,574,468	0.10
Hospitals .....	110,597,978	0.08	42,938,361	67,659,617	0.13
Highways .....	12,114,971	0.03	6,928,916	5,186,055	0.06
Air transportation (airports) .....	17,986,776	0.13	1,327,248	16,659,528	0.14
Parking facilities .....	3,235,868	0.20	12,292	3,223,576	0.21
Sea and inland port facilities .....	3,875,427	0.24	1,037,513	2,837,914	0.33
Natural resources .....	4,512,799	0.15	2,659,421	1,853,378	0.35
Parks and recreation .....	9,403,786	0.16	1,535,723	7,868,063	0.20
Housing and community development .....	6,030,253	0.18	696,349	5,333,904	0.21
Sewerage .....	43,430,036	0.18	540,200	42,889,836	0.19
Solid waste management .....	15,716,315	0.21	420,054	15,296,261	0.21
Other charges .....	60,823,726	0.13	17,169,431	43,654,295	0.19
Miscellaneous general revenue .....	199,093,534	0.05	115,875,516	83,218,018	0.11
Interest earnings .....	60,734,049	0.11	34,581,272	26,152,777	0.25
Special assessments .....	7,314,155	0.29	170,739	7,143,416	0.29
Sale of property .....	2,948,097	0.20	691,949	2,256,148	0.26
Other general revenue .....	128,097,233	0.05	80,431,556	47,665,677	0.13
Utility revenue .....	145,706,824	0.14	15,121,578	130,585,246	0.15
Water supply .....	48,881,485	0.20	253,843	48,627,642	0.20
Electric power .....	75,159,581	0.22	12,267,847	62,891,734	0.27
Gas supply .....	8,659,912	0.44	12,505	8,647,407	0.44
Transit .....	13,005,847	0.11	2,587,383	10,418,464	0.13
Liquor store revenue .....	7,789,017	0.11	6,494,993	1,294,024	0.67
Insurance trust revenue <sup>2</sup> .....	515,829,265	0.01	452,383,557	63,445,708	0.11
Unemployment compensation .....	75,191,454	0.00	75,037,579	153,875	0.00
Employee retirement .....	416,665,687	0.02	353,373,854	63,291,833	0.11
Workers' compensation .....	16,591,538	(X)	16,591,538	(X)	(X)
Other insurance trust revenue .....	7,380,586	(X)	7,380,586	(X)	(X)

See footnotes at end of table.

Appendix Table A-1.

**State and Local Government Finances by Level of Government: 2010—Con.**

(Dollars in thousands. Coefficients of variation in percentages)

Description	State and local government amount <sup>1</sup>	State and local government coefficient of variation	State government amount	Local government amount <sup>1</sup>	Local government coefficient of variation
<b>Expenditure</b> .....	<b>3,114,846,571</b>	<b>0.03</b>	<b>1,943,963,166</b>	<b>1,666,568,007</b>	<b>0.06</b>
Intergovernmental expenditure .....	4,339,166	0.00	486,025,452	13,998,317	0.15
Direct expenditure .....	3,110,507,405	0.03	1,457,937,714	1,652,569,691	0.06
Current operation .....	2,230,986,873	0.03	934,147,341	1,296,839,532	0.04
Capital outlay .....	352,319,093	0.24	117,538,296	234,780,797	0.36
Construction .....	280,842,687	0.27	100,797,587	180,045,100	0.43
Other capital outlay .....	71,476,406	0.52	16,740,709	54,735,697	0.68
Assistance and subsidies .....	47,784,803	0.05	37,660,372	10,124,431	0.22
Interest on debt .....	119,622,689	0.11	47,387,833	72,234,856	0.19
Insurance benefits and repayments .....	359,793,946	0.02	321,203,872	38,590,074	0.20
Exhibit: salaries and wages .....	842,473,816	0.18	243,709,711	598,764,105	0.26
Direct expenditure by function .....	3,110,507,405	0.03	1,457,937,714	1,652,569,691	0.06
Direct general expenditure .....	2,538,114,074	0.04	1,107,983,278	1,430,130,796	0.07
Capital outlay .....	303,330,348	0.25	112,672,836	190,657,512	0.40
Other direct general expenditure .....	2,234,783,726	0.02	995,310,442	1,239,473,284	0.04
Education .....	859,965,445	0.06	254,063,159	605,902,286	0.08
Capital outlay .....	92,633,169	0.14	28,641,426	63,991,743	0.20
Higher education .....	242,729,554	0.01	202,964,338	39,765,216	0.05
Capital outlay .....	30,819,417	0.02	25,899,030	4,920,387	0.11
Elementary and secondary education .....	574,029,465	0.08	7,892,395	566,137,070	0.08
Capital outlay .....	60,137,673	0.21	1,066,317	59,071,356	0.22
Other education .....	43,206,426	(X)	43,206,426	(X)	(X)
Libraries .....	12,023,564	0.86	448,604	11,574,960	0.89
Public welfare .....	456,707,902	0.02	404,330,628	52,377,274	0.18
Cash assistance payments .....	22,694,272	0.10	12,569,841	10,124,431	0.22
Vendor payments .....	351,305,708	0.00	344,970,051	6,335,657	0.11
Other public welfare .....	82,707,921	0.11	46,790,736	35,917,185	0.26
Hospitals .....	142,854,639	0.08	58,707,975	84,146,664	0.14
Capital outlay .....	8,552,673	0.72	2,653,730	5,898,943	1.04
Health .....	81,497,557	0.10	40,064,903	41,432,654	0.19
Social insurance administration .....	5,156,720	0.00	5,108,615	48,105	0.00
Veterans' services .....	793,609	(X)	793,609	(X)	(X)
Highways .....	155,870,061	0.22	93,096,844	62,773,217	0.55
Capital outlay .....	90,109,986	0.38	64,754,500	25,355,486	1.36
Air transportation (airports) .....	23,128,519	0.65	1,724,180	21,404,339	0.70
Parking facilities .....	1,679,833	0.25	7,436	1,672,397	0.25
Sea and inland port facilities .....	5,328,905	0.99	1,244,604	4,084,301	1.29
Police protection .....	95,488,555	0.14	12,376,317	83,112,238	0.16
Fire protection .....	42,634,639	0.29	(X)	42,634,639	0.29
Correction .....	72,938,878	0.15	46,095,189	26,843,689	0.41
Capital outlay .....	3,129,483	3.35	1,368,218	1,761,265	5.96
Protective inspection and regulation .....	14,282,355	0.40	9,018,333	5,264,022	1.09
Natural resources .....	29,106,153	0.63	19,335,871	9,770,282	1.88
Capital outlay .....	5,101,616	3.58	2,336,778	2,764,838	6.61
Parks and recreation .....	40,284,356	0.59	4,939,025	35,345,331	0.67
Capital outlay .....	10,610,411	2.20	909,074	9,701,337	2.40
Housing and community development .....	53,492,423	0.36	10,715,455	42,776,968	0.45
Sewerage .....	51,895,894	0.78	1,117,693	50,778,201	0.80
Capital outlay .....	21,082,069	1.91	488,456	20,593,613	1.95
Solid waste management .....	23,766,295	0.20	2,281,216	21,485,079	0.23
Capital outlay .....	2,104,211	1.72	170,748	1,933,463	1.87

See footnotes at end of table.

Appendix Table A-1.

**State and Local Government Finances by Level of Government: 2010—Con.**

(Dollars in thousands. Coefficients of variation in percentages)

Description	State and local government amount <sup>1</sup>	State and local government amount coefficient of variation	State government amount	Local government amount <sup>1</sup>	Local government amount coefficient of variation
Direct general expenditure—Con.					
Financial administration . . . . .	39,977,769	0.10	21,831,165	18,146,604	0.22
Judicial and legal . . . . .	43,027,517	0.13	20,993,935	22,033,582	0.25
General public buildings . . . . .	15,001,786	0.50	4,218,724	10,783,062	0.70
Other governmental administration . . . . .	28,840,040	0.30	4,587,805	24,252,235	0.36
Interest on general debt . . . . .	105,720,608	0.13	45,296,517	60,424,091	0.22
Miscellaneous commercial activities . . . . .	6,943,635	0.32	1,699,950	5,243,685	0.42
Other and unallocable . . . . .	129,706,415	0.23	43,885,526	85,820,889	0.35
Utility expenditure . . . . .	206,184,472	0.21	23,506,881	182,677,591	0.23
Capital outlay . . . . .	48,966,367	0.80	4,847,992	44,118,375	0.88
Water supply . . . . .	60,998,865	0.62	378,133	60,620,732	0.62
Electric power . . . . .	76,758,551	0.20	12,067,802	64,690,749	0.23
Gas supply . . . . .	8,337,967	0.41	11,032	8,326,935	0.41
Transit . . . . .	60,089,088	0.18	11,049,914	49,039,174	0.23
Liquor store expenditure . . . . .	6,414,913	0.13	5,243,683	1,171,230	0.69
Insurance trust expenditure . . . . .	359,793,946	0.02	321,203,872	38,590,074	0.20
Unemployment compensation . . . . .	135,366,835	0.00	134,908,383	458,452	0.00
Employee retirement . . . . .	205,087,673	0.04	166,956,051	38,131,622	0.20
Workers' compensation . . . . .	12,508,195	(X)	12,508,195	(X)	(X)
Other insurance trust . . . . .	6,831,243	(X)	6,831,243	(X)	(X)
<b>Debt outstanding . . . . .</b>	<b>2,829,074,037</b>	<b>0.16</b>	<b>1,113,207,691</b>	<b>1,715,866,346</b>	<b>0.27</b>
Short-term debt outstanding . . . . .	44,790,982	0.81	14,708,791	30,082,191	1.20
Long-term debt outstanding . . . . .	2,784,283,055	0.16	1,098,498,900	1,685,784,155	0.27
Public debt for private purposes . . . . .	619,469,681	0.23	395,097,945	224,371,736	0.64
Long-term debt issued . . . . .	394,676,831	0.38	183,132,563	211,544,268	0.70
Long-term debt retired . . . . .	278,344,873	0.23	127,648,397	150,696,476	0.42
<b>Cash and security holdings . . . . .</b>	<b>4,809,779,637</b>	<b>0.08</b>	<b>3,320,750,750</b>	<b>1,489,028,887</b>	<b>0.27</b>
Insurance trust funds . . . . .	2,658,015,918	0.02	2,214,658,647	443,357,271	0.10
Unemployment compensation . . . . .	-17,301,122	(X)	-17,632,312	331,190	0.00
Employee retirement . . . . .	2,577,659,358	0.02	2,134,633,277	443,026,081	0.10
Workers' compensation . . . . .	91,242,984	(X)	91,242,984	(X)	(X)
Miscellaneous . . . . .	6,414,698	(X)	6,414,698	(X)	(X)
Other than insurance trust funds . . . . .	2,151,763,719	0.19	1,106,092,103	1,045,671,616	0.39
Offsets to debt . . . . .	800,832,628	0.21	498,590,648	302,241,980	0.55
Bond funds . . . . .	206,482,140	0.52	52,814,520	153,667,620	0.70
Other . . . . .	1,144,448,951	0.31	554,686,935	589,762,016	0.60

(X) Not applicable.

<sup>1</sup> Duplicative intergovernmental transactions are excluded.<sup>2</sup> Within insurance trust revenue, net earnings of state retirements systems is a calculated statistic, and thus can be positive or negative. Net earnings is the sum of earnings on investments plus gains on investments minus losses on investments. The change made in 2002 for asset valuation from book to market value in accordance with Statement 34 of the Governmental Accounting Standards Board is reflected in the calculated statistics.

Note: These data may not be comparable with statistics previously released under the State Government Finance Summary Report due to differences in the data collection and revision cycle.

Source: U.S. Census Bureau, Governments Division, 2010 and 2009 Annual Surveys of State and Local Government Finances.

Data users who create their own estimates using data from this report should cite the U.S. Census Bureau as the source of the original data only. The data in this table are based on information from public records and contain no confidential data. The state government data in this table comes from a survey of all state governments and are not subject to sampling error. The 2010 and 2009 local government data in this table are from a sample of local governments, and as such, are subject to sampling variability. Additional information on sampling and nonsampling error, response rates, and definitions may be found at &lt;www2.census.gov/govs/estimate/2010\_local\_finance\_methodology.pdf&gt; and &lt;www2.census.gov/govs/state/\_methodology.pdf&gt;.



Appendix Table A-2.

**State and Local Government Finances: 2010 and 2009**

(Dollars in thousands)

Description	2010 Amount <sup>1</sup>	2009 Amount <sup>1</sup>	Amount	Percent
<b>Revenue<sup>2</sup></b> .....	<b>3,171,380,258</b>	<b>2,094,182,429</b>	<b>1,077,197,829</b>	<b>51.4</b>
General revenue <sup>2</sup> .....	2,502,055,152	2,425,812,039	76,243,113	3.1
Intergovernmental revenue <sup>2</sup> .....	623,732,004	537,173,557	86,558,447	16.1
From federal government .....	623,732,004	537,173,557	86,558,447	16.1
General revenue from own sources .....	1,878,323,148	1,888,638,482	-10,315,334	-0.5
Taxes .....	1,269,649,543	1,278,933,819	-9,284,276	-0.7
Property .....	441,660,815	431,896,226	9,764,589	2.3
Sales and gross receipts .....	431,176,366	433,373,369	-2,197,003	-0.5
General sales .....	284,910,393	290,441,385	-5,530,992	-1.9
Selective sales .....	146,265,973	142,931,984	3,333,989	2.3
Motor fuel sales .....	37,879,755	37,833,373	46,382	0.1
Alcoholic beverage sales .....	6,028,119	5,898,731	129,388	2.2
Tobacco product sales .....	17,267,568	17,167,632	99,936	0.6
Public utilities .....	28,290,741	28,672,672	-381,931	-1.3
Other selective sales .....	56,799,790	53,359,576	3,440,214	6.4
Individual income tax .....	260,338,250	270,894,146	-10,555,896	-3.9
Corporate income tax .....	42,860,067	46,281,302	-3,421,235	-7.4
Motor vehicle license .....	22,498,381	21,298,723	1,199,658	5.6
Other taxes .....	71,115,664	75,190,052	-4,074,388	-5.4
Charges and miscellaneous general revenue .....	608,673,605	609,704,663	-1,031,058	-0.2
Current charges .....	409,580,071	394,457,726	15,122,345	3.8
Education .....	121,852,136	115,701,569	6,150,567	5.3
Institutions of higher education .....	106,065,147	99,785,405	6,279,742	6.3
School lunch sales (gross) .....	6,608,270	6,968,737	-360,467	-5.2
Hospitals .....	110,597,978	105,200,468	5,397,510	5.1
Highways .....	12,114,971	11,956,016	158,955	1.3
Air transportation (airports) .....	17,986,776	18,075,456	-88,680	-0.5
Parking facilities .....	3,235,868	2,041,907	1,193,961	58.5
Sea and inland port facilities .....	3,875,427	4,022,811	-147,384	-3.7
Natural resources .....	4,512,799	4,279,152	233,647	5.5
Parks and recreation .....	9,403,786	9,211,230	192,556	2.1
Housing and community development .....	6,030,253	5,877,963	152,290	2.6
Sewerage .....	43,430,036	41,351,200	2,078,836	5.0
Solid waste management .....	15,716,315	15,686,947	29,368	0.2
Other charges .....	60,823,726	61,053,009	-229,283	-0.4
Miscellaneous general revenue .....	199,093,534	215,246,937	-16,153,403	-7.5
Interest earnings .....	60,734,049	72,597,879	-11,863,830	-16.3
Special assessments .....	7,314,155	7,488,729	-174,574	-2.3
Sale of property .....	2,948,097	3,582,029	-633,932	-17.7
Other general revenue .....	128,097,233	131,578,300	-3,481,067	-2.6
Utility revenue .....	145,706,824	147,206,289	-1,499,465	-1.0
Water supply .....	48,881,485	46,928,930	1,952,555	4.2
Electric power .....	75,159,581	77,432,528	-2,272,947	-2.9
Gas supply .....	8,659,912	9,815,086	-1,155,174	-11.8
Transit .....	13,005,847	13,029,746	-23,899	-0.2
Liquor store revenue .....	7,789,017	7,702,281	86,736	1.1
Insurance trust revenue <sup>3</sup> .....	515,829,265	-486,538,180	1,002,367,445	-206.0
Unemployment compensation .....	75,191,454	42,114,692	33,076,762	78.5
Employee retirement .....	416,665,687	-552,396,081	969,061,768	-175.4
Workers' compensation .....	16,591,538	16,458,342	133,196	0.8
Other insurance trust revenue .....	7,380,586	7,284,867	95,719	1.3

See footnotes at end of table.

Appendix Table A-2.

**State and Local Government Finances: 2010 and 2009—Con.**

(Dollars in thousands)

Description	2010 Amount <sup>1</sup>	2009 Amount <sup>1</sup>	Amount	Percent
<b>Expenditure</b> .....	<b>3,114,846,571</b>	<b>2,994,430,890</b>	<b>120,415,681</b>	<b>4.0</b>
Intergovernmental expenditure .....	4,339,166	4,894,977	-555,811	-11.4
Direct expenditure .....	3,110,507,405	2,989,535,913	120,971,492	4.0
Current operation .....	2,230,986,873	2,186,400,005	44,586,868	2.0
Capital outlay .....	352,319,093	362,515,300	-10,196,207	-2.8
Construction .....	280,842,687	284,437,848	-3,595,161	-1.3
Other capital outlay .....	71,476,406	78,077,452	-6,601,046	-8.5
Assistance and subsidies .....	47,784,803	45,198,986	2,585,817	5.7
Interest on debt .....	119,622,689	118,033,593	1,589,096	1.3
Insurance benefits and repayments .....	359,793,946	277,388,030	82,405,916	29.7
Exhibit: salaries and wages .....	842,473,816	831,323,882	11,149,934	1.3
Direct expenditure by function .....	3,110,507,405	2,989,535,913	120,971,492	4.0
Direct general expenditure .....	2,538,114,074	2,496,365,247	41,748,827	1.7
Capital outlay .....	303,330,348	312,932,257	-9,601,909	-3.1
Other direct general expenditure .....	2,234,783,726	2,183,432,990	51,350,736	2.4
Education .....	859,965,445	852,171,903	7,793,542	0.9
Capital outlay .....	92,633,169	101,223,496	-8,590,327	-8.5
Higher education .....	242,729,554	234,791,840	7,937,714	3.4
Capital outlay .....	30,819,417	31,546,154	-726,737	-2.3
Elementary and secondary education .....	574,029,465	578,247,971	-4,218,506	-0.7
Capital outlay .....	60,137,673	69,104,786	-8,967,113	-13.0
Other education .....	43,206,426	39,132,092	4,074,334	10.4
Libraries .....	12,023,564	11,981,631	41,933	0.3
Public welfare .....	456,707,902	431,941,560	24,766,342	5.7
Cash assistance payments .....	22,694,272	22,415,851	278,421	1.2
Vendor payments .....	351,305,708	324,555,572	26,750,136	8.2
Other public welfare .....	82,707,921	84,970,137	-2,262,216	-2.7
Hospitals .....	142,854,639	137,871,193	4,983,446	3.6
Capital outlay .....	8,552,673	9,455,999	-903,326	-9.6
Health .....	81,497,557	83,231,494	-1,733,937	-2.1
Social insurance administration .....	5,156,720	4,569,908	586,812	12.8
Veterans' services .....	793,609	933,222	-139,613	-15.0
Highways .....	155,870,061	154,172,054	1,698,007	1.1
Capital outlay .....	90,109,986	86,784,625	3,325,361	3.8
Air transportation (airports) .....	23,128,519	22,778,095	350,424	1.5
Parking facilities .....	1,679,833	1,723,013	-43,180	-2.5
Sea and inland port facilities .....	5,328,905	5,449,387	-120,482	-2.2
Police protection .....	95,488,555	94,660,068	828,487	0.9
Fire protection .....	42,634,639	41,750,545	884,094	2.1
Correction .....	72,938,878	74,788,544	-1,849,666	-2.5
Capital outlay .....	3,129,483	3,861,625	-732,142	-19.0
Protective inspection and regulation .....	14,282,355	14,823,915	-541,560	-3.7
Natural resources .....	29,106,153	30,707,028	-1,600,875	-5.2
Capital outlay .....	5,101,616	6,585,669	-1,484,053	-22.5
Parks and recreation .....	40,284,356	41,380,998	-1,096,642	-2.7
Capital outlay .....	10,610,411	11,491,331	-880,920	-7.7
Housing and community development .....	53,492,423	49,239,054	4,253,369	8.6
Sewerage .....	51,895,894	51,135,495	760,399	1.5
Capital outlay .....	21,082,069	20,943,483	138,586	0.7
Solid waste management .....	23,766,295	24,544,360	-778,065	-3.2
Capital outlay .....	2,104,211	2,218,751	-114,540	-5.2

See footnotes at end of table.

## Appendix Table A-2.

**State and Local Government Finances: 2010 and 2009—Con.**

(Dollars in thousands)

Description	2010 Amount <sup>1</sup>	2009 Amount <sup>1</sup>	Amount	Percent
Direct general expenditure—Con.				
Financial administration . . . . .	39,977,769	40,182,641	-204,872	-0.5
Judicial and legal . . . . .	43,027,517	42,776,237	251,280	0.6
General public buildings . . . . .	15,001,786	15,510,290	-508,504	-3.3
Other governmental administration . . . . .	28,840,040	29,899,347	-1,059,307	-3.5
Interest on general debt . . . . .	105,720,608	104,521,247	1,199,361	1.1
Miscellaneous commercial activities . . . . .	6,943,635	7,625,552	-681,917	-8.9
Other and unallocable . . . . .	129,706,415	125,996,466	3,709,949	2.9
Utility expenditure . . . . .	206,184,472	209,411,569	-3,227,097	-1.5
Capital outlay . . . . .	48,966,367	49,543,161	-576,794	-1.2
Water supply . . . . .	60,998,865	59,915,348	1,083,517	1.8
Electric power . . . . .	76,758,551	80,843,014	-4,084,463	-5.1
Gas supply . . . . .	8,337,967	9,869,805	-1,531,838	-15.5
Transit . . . . .	60,089,088	58,783,402	1,305,686	2.2
Liquor store expenditure . . . . .	6,414,913	6,371,067	43,846	0.7
Insurance trust expenditure . . . . .	359,793,946	277,388,030	82,405,916	29.7
Unemployment compensation . . . . .	135,366,835	66,159,396	69,207,439	104.6
Employee retirement . . . . .	205,087,673	192,831,172	12,256,501	6.4
Workers' compensation . . . . .	12,508,195	11,666,160	842,035	7.2
Other insurance trust . . . . .	6,831,243	6,731,302	99,941	1.5
<b>Debt outstanding . . . . .</b>	<b>2,829,074,037</b>	<b>2,705,592,253</b>	<b>123,481,784</b>	<b>4.6</b>
Short-term debt outstanding . . . . .	44,790,982	36,451,415	8,339,567	22.9
Long-term debt outstanding . . . . .	2,784,283,055	2,669,140,837	115,142,218	4.3
Public debt for private purposes . . . . .	619,469,681	624,469,208	-4,999,527	-0.8
Long-term debt issued . . . . .	394,676,831	372,675,324	22,001,507	5.9
Long-term debt retired . . . . .	278,344,873	258,449,200	19,895,673	7.7
<b>Cash and security holdings . . . . .</b>	<b>4,809,779,637</b>	<b>4,537,297,228</b>	<b>272,482,409</b>	<b>6.0</b>
Insurance trust funds . . . . .	2,658,015,918	2,425,200,251	232,815,667	9.6
Unemployment compensation . . . . .	-17,301,122	10,234,254	-27,535,376	-269.1
Employee retirement . . . . .	2,577,659,358	2,318,155,345	259,504,013	11.2
Workers' compensation . . . . .	91,242,984	91,075,026	167,958	0.2
Miscellaneous . . . . .	6,414,698	5,735,626	679,072	11.8
Other than insurance trust funds . . . . .	2,151,763,719	2,112,096,977	39,666,742	1.9
Offsets to debt . . . . .	800,832,628	794,955,238	5,877,390	0.7
Bond funds . . . . .	206,482,140	213,212,146	-6,730,006	-3.2
Other . . . . .	1,144,448,951	1,103,929,594	40,519,357	3.7

<sup>1</sup> Coefficients of variation may be found at <[www.census.gov/govs/estimate/](http://www.census.gov/govs/estimate/)>.

<sup>2</sup> Duplicative intergovernmental transactions are excluded.

<sup>3</sup> Within insurance trust revenue, net earnings of state retirements systems is a calculated statistic, and thus can be positive or negative. Net earnings is the sum of earnings on investments plus gains on investments minus losses on investments. The change made in 2002 for asset valuation from book to market value in accordance with Statement 34 of the Governmental Accounting Standards Board is reflected in the calculated statistics.

Note: These data may not be comparable with statistics previously released under the State Government Finance Summary Report due to differences in the data collection and revision cycle.

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