



# Budget Facts 2011

from the COMMONWEALTH FOUNDATION

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## Pennsylvania State & Local Taxpayer Debt

Gov. Tom Corbett's FY 2011-12 budget proposal includes \$63.6 billion in total operating spending—\$27.3 billion in General Fund spending—a reduction of \$3.3 billion from FY 2010-11. This budget restores overall spending to pre-stimulus levels and proposes no new taxes. This is the fourth in a series of fact sheets on the state budget.

Today, **Pennsylvanians owe \$127 billion in state and local government debt.** This equates to more than \$10,000 for every person, and more than \$40,000 for the average family of four in the Commonwealth—an increase of \$12,000 since 2002.

- This total represents bonded debt, and excludes unfunded pension and healthcare liabilities for government workers, borrowing for unemployment compensation, and short-term tax anticipation notes, which add tens of billions more in obligations for Pennsylvania taxpayers.

### STATE DEBT

Since 2002, total outstanding state general obligation debt increased 54%, from \$6.8B to \$10.5B.

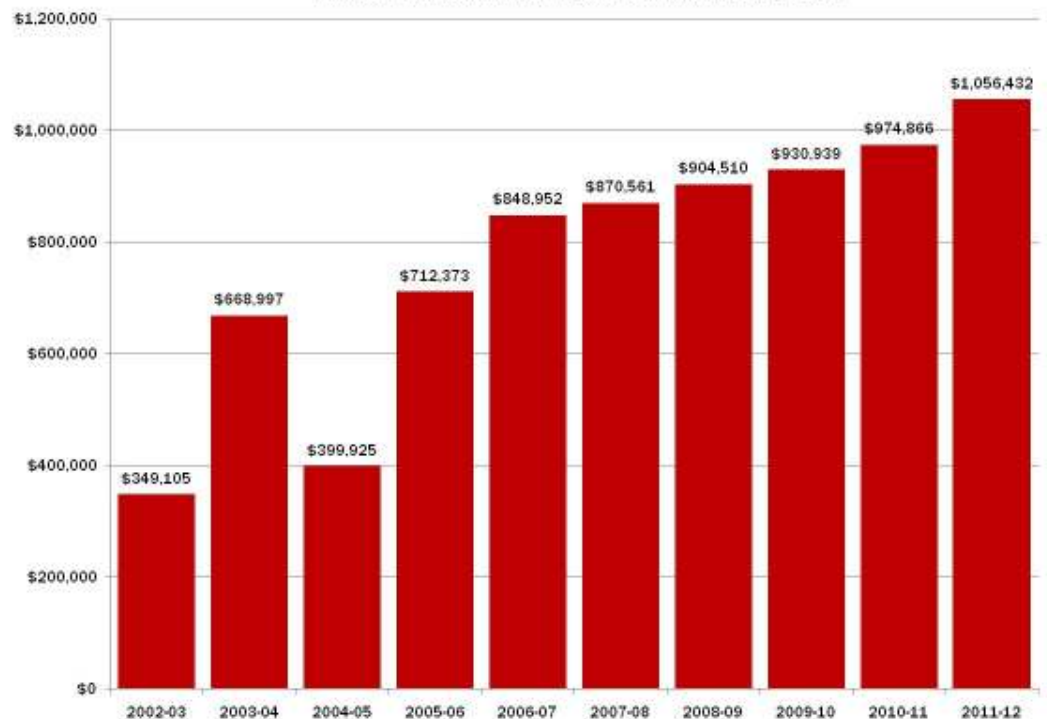
- Annual debt payments on general obligation bonds increased from **\$349M** in FY 2002-03 to **\$1.1B** in the FY 2011-12 budget, an increase of 203% in annual debt payments in nine years.

### Pennsylvania State & Local Government Debt

Debtor	Debt Outstanding	Per Capita
<b>Total State</b>	<b>\$44,701,159,000</b>	<b>\$3,595</b>
State	\$10,487,159,000	\$844
State Agencies & Authorities	\$34,214,000,000	\$2,752
<b>Total Local</b>	<b>\$82,601,626,456</b>	<b>\$6,644</b>
School Districts	\$26,059,284,754	\$2,096
County/Municipal/Twp/other	\$56,542,341,702	\$4,548
<b>Total</b>	<b>\$127,302,785,456</b>	<b>\$10,239</b>

Sources: Governor's Executive Budget (<http://www.budget.state.pa.us>) December 2010 data; PA Dept of Education (<http://www.pde.state.pa.us>) June 2009 data; U.S. Census Bureau (<http://www.census.gov/govs/www/estimate.html>) 2008 data/2009 projected by Commonwealth Foundation

Pennsylvania General Fund Debt Service, FY 2002-2012



## STATE AGENCIES & AUTHORITIES DEBT

Three-fourths of Pennsylvania's state-level borrowing is done by off-budget state agencies and authorities, like the Turnpike Commission and the Commonwealth Financing Authority.

- Debt held by state agencies and authorities increased from **\$16.8B in 2002** to nearly **\$34.2B in 2009**—an increase of 103%.
- Total Pennsylvania state and state agencies and authorities debt increased from **\$23.6B** to more than **\$44.7B** in the last eight years—representing a total state-level increase of 89%.

### **Pennsylvania State, State Agencies & Authorities Debt**

Debtor	Debt Outstanding 2002	Debt Outstanding 2010	Increase	Change
State	\$6,805,184,000	\$10,487,159,000	\$3,681,975,000	54%
State Agencies & Authorities	\$16,848,800,000	\$34,214,000,000	\$17,365,200,000	103%
<b>Total State</b>	<b>\$23,653,984,000</b>	<b>\$44,701,159,000</b>	<b>\$21,047,175,000</b>	<b>89%</b>

Sources: Governor's Executive Budget (<http://www.budget.state.pa.us>) December 2010 data

## SCHOOL DISTRICT DEBT

Pennsylvania taxpayers are also experiencing an increase in debt at the school district level.

- According to the Pennsylvania Department of Education, school district debt increased from **\$19.3B in 2002** to **\$26.1B in 2009**—an increase of 35%.

## COUNTY, MUNICIPAL, TOWNSHIP, & SPECIAL DISTRICT DEBT

Other local government debt represents more than 40% of all taxpayer debt in the Commonwealth.

- According to the U.S. Census Bureau's most recent data (2008) and Commonwealth Foundation projections, county, municipal, township, and special district debt increased from **\$44.9B in 2002** to **\$56.5B in 2009**—an increase of 26%.

### **Pennsylvania School District, County, Municipal, Township, Special District Debt**

Debtor	Debt Outstanding 2002	Debt Outstanding 2009	Increase	Change
School Districts	\$19,351,014,152	\$26,059,284,754	\$6,708,270,602	35%
County/Municipal/Twp/other	\$44,943,251,000	\$56,542,341,702	\$11,599,090,702	26%
<b>Total Local</b>	<b>\$64,294,265,152</b>	<b>\$82,601,626,456</b>	<b>\$18,307,361,303</b>	<b>28%</b>

Sources: PA Dept of Education ([http://www.pde.state.pa.us/k12\\_finances/cwp/view.asp?a=3&q=89351](http://www.pde.state.pa.us/k12_finances/cwp/view.asp?a=3&q=89351)) June 2009 data; U.S. Census Bureau (<http://www.census.gov/govs/www/estimate.html>) 2008 data/2009 projected by Commonwealth Foundation

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