

NEBRASKA DEPARTMENT OF AERONAUTICS

Dave Heineman
Governor

Ronnie D. Mitchell
Director



January 15, 2010

Senator Lavon Heidemann, Chairperson – Appropriations Committee
Nebraska Legislature
P O Box 94604
Lincoln, NE 68509-4604

Re: Report on Implementation of Budget Actions Pursuant to LB 1, LB 2, and LB 3; 101st Legislature, First Special Session, 2009

1. Agency Reduction/Transfer Summary

FY 2009-10: Reductions in reappropriation:
Program 026, Development and Enforcement: \$303,876.
Program 301, Public Airports: \$442,140.
Program 596, State-Owned Aircraft: \$215,110.

Reductions in appropriation:
Program 026, Aid Programs: \$788
Operations: \$85,055.
Program 596, Operations: \$1,284.

Funds Transfer: \$87,127

FY 2010-11: Reduction in appropriation:
Program 026, Aid Programs: \$1,575
Operations: \$150,299.
Program 596, Operations: \$2,636.

Funds Transfer: \$154,510

Main Office

Mailing Address
P.O. Box 82088
Lincoln, Nebraska 68501
402.471.2371
402.471.2906 fax

Office Location
3431 Aviation Road Suite 150
Lincoln, Nebraska 68524

www.aero.state.ne.us

Navigational Aids Office

Kearney Municipal Airport
5065 Airport Road
Kearney, Nebraska 68847
308.865.5696
fax 308.865.5697

The Nebraska Department of Aeronautics does not expect any impact on staffing. The agency has 27 budgeted positions; one of which is vacant.

The agency will not reduce services provided to the public, or agency functions, due to the effects of LB 1, LB 2 and LB 3. However, since amounts in excess of Aeronautics' operational needs are transferred annually to the Aeronautics Commission; where they are expended as grants and loans to develop and maintain Nebraska's 81 public use airports; the funds transfer from the Aeronautics cash account will ultimately reduce the amount of money available to the Aeronautics Commission for grants and loans.

The agency does not foresee any impact on the receipt of federal funds.

The agency will not increase fees during this biennium to offset cash funds transferred to the General Fund.

2. Specific Actions

- a. Aeronautics' overall fiscal management approach remains unchanged. We operate frugally in order to provide Nebraska airports with as much funding as possible. Every budget cycle we review our programs to assess the degree to which they further the agency's statutory mission. We then act to alter, add, or eliminate programs as appropriate.
- b. Reappropriations were not added to the agency's mainline budget. They will be used, if necessary, and only if cash funds are available, to respond to emergencies and/or to increase the expenditures of federal AIP dollars in Program 301.
- c. The reduction in appropriation for Program 026, Operations, in both FY 2009-10 and FY 2010-11, in the total amount of \$235,354, will come out of Subprogram 115 Project Planning and Management. We are cancelling a proposed project to upgrade the markings on Part 139 airports in Nebraska. Part 139 airports are the larger carrier airports and they have decided to add this work to their individual federal AIP projects.

The reduction in appropriation for Program 026, Aid Programs, is a reduction to the aid given to the Civil Air Patrol.

The reduction in appropriation for Program 596, Operations, is resulting in a \$1,284 reduction of personnel benefits expenses (retirement and OASDI) for FY 2009-2010 due to vacancy savings. FY 2010-2011's total reduction of \$2,636 is composed of a \$2,261 reduction of personnel benefits expenses (retirement, OASDI, health

insurance) a \$275 reduction in travel expenses, and a \$100 reduction in office supplies.

Respectfully,

Ronnie Mitchell, Director
Nebraska Department of Aeronautics

Cc: Sen. Danielle Conrad
Sen. Tony Fulton
Sen. Thomas Hansen
Sen. John Harms
Sen. Heath Mello
Sen. John Nelson
Sen. Jeremy Nordquist
Sen. John Wightman
Mike Lovelace, Legislative Fiscal Analyst
Dave Spatz, DAS Budget Analyst