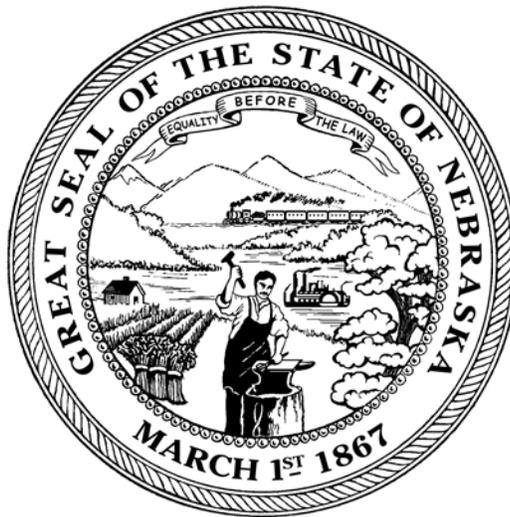


State of Nebraska

**Mid-Biennium
Budget Adjustments
2007-2009 Biennium**



Dave Heineman
Governor

January 15, 2008

Mid-Biennium Budget Adjustments

2007-2009 Biennium

Presented by
Nebraska Department of Administrative Services
Budget Division
Room 1320 State Capitol
Lincoln, Nebraska 68509
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Presented January 15, 2008



Dave Heineman
Governor

STATE OF NEBRASKA

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January 15, 2008

Mr. President, Mr. Speaker,
and Members of the Legislature
State Capitol Building
Lincoln, NE 68509

Dear Mr. President and Senators:

Today I am presenting my recommendation for additional tax relief and specific mid-biennium adjustments to the 2007-2009 biennial budget for your consideration during the second session of the 100th Legislature.

It was just seven months ago that we enacted the largest tax relief package in Nebraska history and limited spending growth to a rate less than was the trend over the past two decades. We provided for the largest balance in the Cash Reserve Fund in our State's history. My priorities remain the same as we consider the proposals and the immediate challenges presented to us during this legislative session. We should continue to give the highest priority to tax relief and the maintenance of a robust cash reserve. The mid-biennium is not a budget building year. Our changes to the biennial budget should be limited to the necessary technical corrections and unanticipated financing requirements of existing laws.

At the conclusion of the 2007 legislative session the ending balance in the State's Cash Reserve Fund for the 2007-2009 biennium was projected at \$424 million. As a consequence of higher than anticipated FY2006-07 tax receipts and a \$68.8 million increase in forecasted FY2007-08 tax receipts, the biennium ending balance is projected at \$540 million. It is my recommendation that \$75 million of this balance be transferred to the Property Tax Credit Cash Fund in FY2008-09 to provide additional tax relief for property taxpayers. Any transfers from the Cash Reserve Fund during the 2008 legislative session should be used for tax relief rather than additional spending.

Mr. President, Mr. Speaker,
and Members of the Legislature
January 15, 2008
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The Nebraska Economic Forecasting Advisory Board also increased the FY2008-09 tax receipt forecast by \$48.5 million. The various agencies, boards, and commissions of State government submitted mid-biennium requests for additional General Fund appropriations for the current budget biennium of \$40.2 million. My mid-biennium recommendations increase current net General Fund appropriations by \$8.3 million. However, in December 2007, after reviewing annual financial reports submitted by the school districts, the estimate of the financing requirements of the TEEOSA school aid formula for FY2008-09 were increased \$53.0 million above the amount appropriated during the 2007 legislative session for FY2008-09. I have also included this \$53.0 million unanticipated financing requirement of the existing school aid law in my recommendations.

Finally, I propose that \$15.0 million be transferred from the General Fund to the Department of Roads Operations Cash Fund to aid the Department in the financing of its construction program for FY2008-09 at a time of uncertainty regarding the amount of federal funds to be made available to Nebraska. This is a priority for the continued economic vitality of our State.

I ask you to continue the priorities we crafted for this 2007-2009 budget biennium during the 2007 legislative session: tax relief, controlled spending, and a robust cash reserve. I look forward to working with you during this short session of the 100th Legislature.

Sincerely,

Dave Heineman
Governor



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General Fund Financial Status

The General Fund Financial Status provides a summary of the State's financial condition including the impact of the Governor's 2007-2009 mid-biennium budget proposals. While Nebraska operates with a biennial budget, the version of the Status shown in this document includes an additional two years of estimated revenues and appropriations for planning purposes.

The revenue portion of the Status shows the net General Fund tax receipts for the most recently completed fiscal year, the forecast for the two fiscal years of the 2007-2009 biennium as adopted by the Economic Forecasting Advisory Board at its October 2007 meeting, and the projection for the two fiscal years of the 2009-2011 biennium as presented to the Tax Rate Review Committee in November of 2007 by the Legislative Fiscal Office. The Governor's mid-biennium recommendations include a proposal to transfer \$15.0 million from the General Fund to the Department of Roads Operations Cash Fund in FY2008-09. This transfer to the Department of Roads is because of the uncertainty regarding the availability of Federal Funds. The Governor recommends a transfer of \$6 million from the Tobacco Products Administration Cash Fund and \$4 million from the Securities Act Cash Fund to the General Fund in the current biennium to allow the initial financing of the combined University and State Colleges Student Information System. The Governor will also propose legislation to create a new business incentive tier called Nebraska Super Advantage that uses performance-based business incentives that reward the creation of higher paying jobs throughout the State.

The appropriations shown for the 2007-2009 biennium are those adopted during the 2007 legislative session. The Governor's mid-biennium recommendations for the 2007-2009 biennium provide for a net General Fund appropriation increase of \$8.3 million for the current biennium: a \$5.5 million increase in FY2007-08 and a \$2.8 million increase in FY2008-09. However, the Governor's recommendation also includes an additional appropriation of \$53.0 million for TEEOSA school aid financing in FY2008-09 above the current enacted appropriation to recognize the most recent estimate of school aid required by the TEEOSA school aid financing formula for FY2008-09. The revised TEEOSA school aid estimates also project an additional increase of \$257 million above previous estimates for TEEOSA school aid in the following 2009-2011 budget biennium.

The ending General Fund balance for FY2008-09 exceeds the statutory minimum requirement of three percent by \$4.8 million. The Governor's recommendations include no additional transfers from the Cash Reserve Fund to the General Fund during the current biennium.

The planning estimates for the following biennium include the tax receipt projections presented to the Tax Rate Review Committee in November of 2007 by the Legislative Fiscal Office, LFO estimates of transfers and appropriations, and additional appropriations above those previously estimated to be required by the TEEOSA school aid financing formula.

GENERAL FUND FINANCIAL STATUS

	FY2006-07	Biennial Budget		Following Biennium	
		FY2007-08	FY2008-09	FY2009-10	FY2010-11
Beginning Balance					
Beginning Cash Balance	\$565,963,976	\$591,204,274	\$316,941,357	\$215,644,567	\$94,149,744
Cash Reserve Fund transfer-Automatic	(259,929,524)	(191,436,774)	(68,814,000)		
Carryover obligations from FY2006-07		(171,013,048)			
Allocation for potential deficits			(5,000,000)	(5,000,000)	(5,000,000)
Unobligated Beginning Balance	306,034,452	228,754,452	243,127,357	210,644,567	89,149,744
Revenues					
Net Receipts (Certified; Oct. NEFAB; LFO Hist. Avg.)	3,403,644,627	3,458,000,000	3,589,000,000	3,792,000,000	4,014,000,000
General Fund transfers - out - current	(9,140,000)	(128,700,000)	(120,200,000)	(120,200,000)	(120,200,000)
General Fund transfers - in - current	In Receipts	In Receipts	In Receipts		
Cash Reserve Fund transfers - current	15,674,107	60,177,767	54,990,505		
Nebraska Super Advantage Legislation (2008 Session)				1,023,000	300,000
General Fund transfers - in (2008 Session)		10,000,000			
Transfer to Roads Operations Fund (2008 Session)			(15,000,000)		
General Fund Net Revenues	3,410,178,734	3,399,477,767	3,508,790,505	3,672,823,000	3,894,100,000
Appropriations					
Actual/Appropriations per 2007 Session	3,125,008,912	3,305,700,963	3,480,556,576	3,480,556,576	3,480,556,576
Outbiennium - LFO Spending Estimate - All Other				142,389,736	282,415,242
Outbiennium - TEEOSA Estimated Increases (2007 Session)				47,471,994	102,537,908
December TEEOSA Estimated Increases (2008 Session)			53,018,733	104,150,699	152,980,095
Mid-Biennium Adjustments (2008 Session)		5,525,259	2,842,388	14,995,388	2,842,388
Claims Bill (2008 Session)		64,640			
Agency Legislation (2008 Session)			(144,402)	(246,570)	(306,737)
General Fund Appropriations	3,125,008,912	3,311,290,862	3,536,273,295	3,789,317,823	4,021,025,472
Ending Balance					
Dollar ending balance	591,204,274	316,941,357	215,644,567	94,149,744	(37,775,728)
Biennial Reserve @ 3%	--	--	210,851,120	--	226,676,725
Variance from Minimum Reserve	--	--	4,793,447	--	(264,452,453)
Biennial Reserve (%)	--	--	3.07%	--	-0.48%
Annual Spending Growth (Appropriations)	--	4.1%	6.8%	7.2%	6.1%
Two Year Average Growth	--	--	5.4%	--	6.6%



Cash Reserve Fund Status

The Cash Reserve Fund was created in 1983 to provide a source of funds for temporary transfers to the State General Fund when balances are not sufficient to process expenditure transactions. The original balance in the Cash Reserve Fund was accumulated through the imposition of an increase in the sales tax. The movement of monies between the Cash Reserve Fund and the General Fund for cash management purposes has been governed by a variety of legislation over the life of the Fund. Also, there have been several instances in which money was moved to and from the Cash Reserve Fund to accomplish policy initiatives that were not related to cash management.

Current law provides that actual General Fund revenues in excess of the certified forecast at the end of the fiscal year are to be transferred to the Cash Reserve Fund. The most recent such transfer occurred in July of 2007 when approximately \$191.4 million was moved from the General Fund to the Cash Reserve Fund. The Nebraska Economic Forecasting Advisory Board, at its October 2007 meeting, increased the net General Fund tax receipt forecast for FY2007-08 by \$68.8 million. This amount is revenue in excess of the certified forecast and is shown as transferred to the Cash Reserve Fund in July of FY2008-09.

Transfers to/from the Cash Reserve Fund scheduled under current law for the current 2007-2009 biennium include: \$7,753,263 from the General Fund as reimbursement for Cash Reserve financing of the Eastern Nebraska Veterans Home; \$122,921,535 to the General Fund, \$10,000,000 to the Nebraska Job Training Cash Fund; \$2.0 million to the Microenterprise Development Cash Fund; \$500,000 to the Building Entrepreneurial Communities Cash Fund; \$12,000,000 to the Nebraska Capital Construction Fund for property acquisition within the Capitol Environs; and, \$84,590,000 to the Nebraska Capital Construction Fund for capital construction projects to be completed by FY2010-11. In addition, a temporary transfer of \$12,000,000 is authorized to the State Employee Insurance Fund to be repaid to the Cash Reserve Fund in FY2010-11. There are no transfers scheduled under current law for the following biennium.

The Governor's mid-biennium recommendation includes a transfer of \$75.0 million from the Cash Reserve Fund to the Property Tax Credit Cash Fund in FY2008-09. This will increase the amount of property tax relief financed from the Property Tax Credit Cash Fund in FY2008-09 from \$115.0 million to \$190.0 million.

The projected ending balance for the Cash Reserve Fund is \$465 million. No additional transfers from the Cash Reserve Fund are recommended.

CASH RESERVE FUND STATUS

	FY2006-07	Biennial Budget		Following Biennium	
		FY2007-08	FY2008-09	FY2009-10	FY2010-11
1 Beginning Balance	273,616,789	516,087,790	542,096,797	465,080,292	465,080,292
2 Transfer Amounts Above Forecasts	259,929,524	191,436,774	68,814,000		
3 To General Fund - current	(15,674,107)	(67,931,030)	(54,990,505)		
4 From General Fund - current		7,753,263			
5 To NCCF for Eastern NE Vets Home	(1,784,416)				
6 To NCCF for Assurity Life Building Acquisition		(12,000,000)			
7 To NCCF, non-long term construction projects		(75,000,000)	(9,590,000)		
8 To Nebraska Job Training Fund		(5,000,000)	(5,000,000)		
9 To Microenterprise Development		(1,000,000)	(1,000,000)		
10 To Building Entrepreneurial Communities		(250,000)	(250,000)		
11 To/From State Employees Insurance Fund		(12,000,000)			12,000,000
12 Property Tax Relief - To Property Tax Credit Fund (2008 Session)			(75,000,000)		
13 Ending Balance	516,087,790	542,096,797	465,080,292	465,080,292	477,080,292

**Mid-Biennium
Budget
Adjustments**



Mid-Biennium Budget Adjustments

Introduction

During the 2007 legislative session, the first session of the 100th Legislature, the Legislature enacted and the Governor approved the largest tax relief package in Nebraska history. Spending growth was limited to a rate less than the trend over the past two decades. The State Cash Reserve Fund was set at its highest level in the State's history.

Since the 2007-2009 biennial budget was established, the State collected \$47.3 million in General Fund tax receipts greater than estimated for FY2006-07 and tax receipt forecasts for the current biennium have been increased by \$117.3 million. Consequently, the projected ending balance for the State Cash Reserve Fund has improved.

The Governor's priorities remain the same as we consider the proposals and immediate challenges presented to us during this short second session of the 100th Legislature. The highest priority is tax relief and maintaining a robust cash reserve to ward off the ill effects of a possible downturn in the economy. The mid-biennium is not a budget building year. Changes to the biennial budget should be limited to the necessary technical corrections and unanticipated financing requirements of existing laws. Any transfers from the Cash Reserve Fund during the 2008 legislative session should be used for tax relief rather than additional spending.

During the 2008 legislative session the Governor is recommending that tax relief for Nebraska property taxpayers be increased from the planned \$115 million to \$190 million for taxes paid in 2009 by transferring \$75 million of the improved cash reserves to the Property Tax Credit Cash Fund.

The various agencies, boards, and commissions of State government submitted mid-biennium requests for additional General Fund appropriations for the current budget biennium of \$40.2 million. The Governor's recommendations increase current net General Fund appropriations by \$8.3 million. In December 2007, the financing requirements of the TEEOSA school aid formula were increased by \$53.0 million above the amount appropriated during the 2007 legislative session for FY2008-09. The Governor has also included this \$53.0 million unanticipated financing requirement of the existing school aid law in his recommendations.

TEEOSA school aid under the current school financing formula is now projected to increase by \$132 million, or 17.5% in FY2008-09; by approximately \$100 million or 11% during each of the following years of the next biennium. The 2009-2011 biennium appropriation for TEEOSA school aid is projected to be \$433 million greater than the 2007-2009 biennium, a 26.4% increase in biennial appropriations. These growth rates in school aid financing are not sustainable over the long term without severe consequences for other public services or Nebraska taxpayers.

The deficit school aid financing for FY2008-09 exhausts the majority of receipts available during the mid-biennium for General Fund budget adjustments. The Governor is proposing that \$15.0 million be transferred from the General Fund to the Department of Roads Operations Cash Fund to aid the Department in the financing of its construction program for FY2008-09 at a time of uncertainty regarding the amount of federal highway funds available to Nebraska.

The Governor recommends a transfer of \$6 million from the Tobacco Products Administration Cash Fund and \$4 million

from the Securities Act Cash Fund to the General Fund in the current biennium to allow the initial financing of the combined University and State Colleges Student Information System.

The implications of the current and estimated future increases in TEEOSA school aid financing are clearly illustrated in the planning estimates included in the General Fund Financial Status. The challenge ahead becomes even more difficult if a slowing or recessionary economy causes a deterioration in forecasted and projected tax receipts.

It is imperative that the Legislature continue the priorities already crafted during the 2007 legislative session for the 2007-2009 biennium: tax relief, controlled spending, and a robust cash reserve. These are important policies to position the State for the fiscal challenges ahead in the following 2009-2011 biennium.

Explanation of Budget Adjustments

The Governor's mid-biennium budget recommendations include changes to reappropriations and appropriations for State fiscal years 2007-08 and 2008-09. Requests of State agencies for supplemental appropriations and changes recommended by the Governor are explained in the following narrative and summarized in the table presented on pages 25 to 33 of this book. The actual supplemental request documents of individual agencies may be viewed on the web at www.budget.ne.gov.

Agriculture, Environment, and Natural Resources

Game & Parks Commission – The Commission requested \$1,894,628 Cash Funds for FY2007-08 to correct an oversight in LB 320 (2007 Session) dealing with the reappropriation of undispersed balances existing on June 30, 2007.

The Governor's recommendation includes funding for this request.

Power Review Board – The Board requested \$6,156 Cash Funds and \$5,346 Personal Services Limitation authority for FY2007-08 and \$12,312 Cash Funds and \$10,692 Personal Services Limitation authority for FY2008-09 in order to provide a pay increase for their Executive Director.

The Governor's recommendation does not include funding for this request.

Wheat Board, Nebraska – The Board requested \$7,082 Personal Services Limitation authority in FY2007-08 and \$21,775 Personal Services Limitation authority for FY2008-09 in order to fund three-fourths of an Assistant Director position in partnership with the Nebraska Wheat Growers Association. The Wheat Growers Association would fund the other one-fourth of this position.

The Assistant Director would perform work for the Nebraska Wheat Board and for the Nebraska Wheat Growers Association.

The Governor's recommendation does not include funding for this request.

Economic Development

Insurance, Department of – The Department requested \$434,430 Cash Funds and \$320,000 in Personal Services Limitation authority for FY2008-09 for five additional positions, including salary adjustments, to accommodate increased work volume from additional insurance company activity in Nebraska. The Department requested one new Life & Health Actuary, one Reinsurance Specialist, one Information Systems Examiner and two Field Examiners.

The Governor's recommendation includes funding for this request.

The agency requested a Personal Services Limitation authority increase of \$67,500 in FY2008-09 to increase the hiring rate for existing open Actuary and Investment Analyst positions, to better approximate market rates for these positions, as well as to provide for a salary increase for an existing Life & Health Actuary position to better reflect current market levels for that position.

The Governor's recommendation does not include funding for this request.

Real Property Appraiser Board –

The Board requested \$51,150 Cash Funds for FY2007-08 for review of demonstration reports submitted by applicants.

The Governor’s recommendation includes \$75,000 Cash Funds for FY2007-08 to meet an unexpected increase in applicants prior to January 1, 2008.

General Government

Auditor – The agency requested \$700 General Funds in FY2007-08 and \$775 General Funds in FY2008-09 for increased health insurance premium costs for the State Auditor based on family plan coverage.

The Governor’s recommendation includes the \$700 General Funds requested for FY2007-08 and increased funding of \$1,415 General Funds for FY2008-09 within Program 010-Salary – State Auditor. Reductions of \$700 General Funds in FY2007-08 and \$1,415 General Funds in FY2008-09 are recommended for Program 506 – State Agency and County Post Audits – to offset the increases to Program 010.

Human Resources Development

Arts Council, Nebraska – The Council requested \$15,028 General Funds for FY2007-08 and \$4,584 General Funds for FY2008-09 to convert the agency’s email system, reprint stationery and equip agency staff with personal communication devices.

The Governor’s recommendation does not include funding for this request.

The Council also requested \$10,496 General Funds for FY2007-08 to replace a computer being used as the agency’s central file server.

The Governor’s recommendation does not include funding for this request.

The Council requested \$7,459 General Funds in both FY2007-08 and FY2008-09 to cover increases in State employee health insurance premiums.

The Governor’s recommendation funds this request in a manner consistent with his enterprise-wide policy on this issue.

Education, Department of – The Governor’s recommendation for the Tax Equity and Educational Opportunities Support Act (TEEOSA School Aid) provides

TEEOSA School Aid Funding Impact

	FY2007-08	FY2008-09	FY2009-10	FY2010-11
	<i>Certified</i>	<i>Sine Die 2007 Est</i>	<i>Sine Die 2007 Est</i>	<i>Sine Die 2007 Est</i>
TEEOSA General Fund (Sine Die 2007)	753,555,548	832,498,267	879,970,261	935,036,175
Annual Change	49,178,335	78,942,719	47,471,994	55,065,914
% Change	7.0%	10.5%	5.7%	6.3%
Insurance Premium Tax	15,058,425	14,803,428	15,173,513	15,552,851
Total TEEOSA State Aid	768,613,973	847,301,695	895,143,774	950,589,026
	<i>Certified</i>	<i>Nov 2007 Est</i>	<i>Nov 2007 Est</i>	<i>Nov 2007 Est</i>
TEEOSA General Fund (Nov 15, 2007 Est)	753,555,548	846,339,639	932,578,249	1,036,973,551
Annual Change	49,178,335	92,784,091	86,238,610	104,395,303
% Change	7.0%	12.3%	10.2%	11.2%
Insurance Premium Tax	15,058,425	15,483,000	15,870,075	16,266,827
Total TEEOSA State Aid	768,613,973	861,822,639	948,448,324	1,053,240,378
	<i>Certified</i>	<i>Dec 2007 Est</i>	<i>Dec 2007 Est</i>	<i>Dec 2007 Est</i>
TEEOSA General Fund (Dec 21, 2007 Est)	753,555,548	885,517,000	984,120,961	1,088,016,270
Annual Change	49,178,335	131,961,452	98,603,960	103,895,310
% Change	7.0%	17.5%	11.1%	10.6%
Insurance Premium Tax	15,058,425	15,483,000	15,870,075	16,266,827
Total TEEOSA State Aid	768,613,973	901,000,000	999,991,036	1,104,283,097
GENERAL FUND - Dec 21, 2007 Increase over Sine Die 2007		53,018,733	104,150,699	152,980,095

additional state funding for TEEOSA school aid for FY2008-09, as estimated by the Department of Education on December 21, 2007. The budget recommendation increases FY2008-09 General Fund State aid to schools under TEEOSA by an additional \$53 million above the appropriation enacted for FY2008-09 during the 2007 legislative session. Ordinarily the Governor's recommendation is based upon the Department's statutorily required November 15th estimate, but the school districts' 2006-07 *Annual Financial Reports*—first available in mid-December—provided clear indication that TEEOSA funding requirements would be significantly higher than estimated in November 2007.

Absent legislative change, TEEOSA General Fund aid is projected to increase an average of 13.0% and \$111 million per year over the next three years (FY2008-09 through FY2010-11), surpassing \$1 billion in FY2010-11. These revised estimates represent annual increases of 17.5%, 11.1% and 10.6%, respectively, over the next three years.

The \$132.0 million increase in General Fund TEEOSA school aid for FY2008-09 is attributed as follows:

- About 40%, or \$52.7 million is related to the difference between 6.7% growth in school spending compared to slower growth in other financial resources.
- About 24%, or \$32.3 million is due to the expiration of the aid adjustment factor.
- About 37%, or \$47.0 million is a result of legislative changes in the TEEOSA school financing formula.

The additional \$53.0 million in General Fund TEEOSA school aid estimated in December 2007 is attributed as follows:

- About \$27.0 million reflects higher than expected growth in school spending.
- About \$4.8 million is for lower than expected growth in other local receipts.
- \$21.2 million is related to anticipated student enrollment growth and recent legislative changes to the TEEOSA school finance formula.

The Department also requested additional funding for Special Education aid

of \$3,485,604 General Funds in FY2007-08 and \$7,250,055 General Funds for FY2008-09. The request implies a need to reconsider the biennial appropriation made in the 2007 legislative session, which currently provides for a 3% annual increase over both years. If funded, this request would produce a 5% annual increase for this aid program.

The Governor's recommendation does not include funding for this additional request.

The Department requested \$254,126 General Funds, \$8,669 Cash Funds and \$519,838 Federal Funds for FY2007-08, and \$532,663 General Funds, \$18,265 Cash Funds, and \$1,122,615 Federal Funds for FY2008-09 to provide funding for salary increases in addition to those already agreed to in its labor contract. The Department also requested the related Personal Services Limitation authority of \$673,070 for FY2007-08 and \$1,438,820 for FY2008-09.

The Governor's recommendation does not include funding for this request.

The Department requested additional Personal Services Limitation authority of \$915 for FY2007-08 to provide for the additional salary increase awarded by Professional Practices Commission above the FY2007-08 appropriation.

The Governor's recommendation does not include funding for this request.

The Department requested \$279,926 General Funds in FY2007-08 to fund reimbursements requested under the option enrollment transportation program.

The Governor's recommendation does not include funding for this request.

The Department requested \$106,799 General Funds and \$96,539 Personal Services Limitation authority in FY2007-08 to fund retirement leave payouts for six retiring staff members.

The Governor's recommendation does not include funding for this request.

The Department requested \$30,000 Cash Funds in FY2007-08 to contract to produce a DVD and teaching guide addressing common ethical issues faced by teachers.

The Governor's recommendation includes funding for this request.

School Spending in Focus

FY2006-07 school spending—the primary source of Formula Need growth over the long run—grew significantly, although not evenly among schools:

- Schools in the Standard Cost Group – 170 school systems accounting for 89.4% of statewide public school spending – increased spending an average of 6.7% over FY2005-06.
- The 18 schools in the Standard Cost Group reporting over \$20 million in FY2006-07 General Fund Operating Expenditures increased spending by an average of 7.9%, accounting for over three-quarters of all spending growth in the Standard Cost Group. These schools include: Bellevue, Columbus, Elkhorn, Fremont, Grand Island, Hastings, Kearney, Lexington, Lincoln, Millard, Norfolk, North Platte, Omaha, Omaha Westside, Papillion-La Vista, Ralston, Scottsbluff, and South Sioux City.
- The 152 schools in the Standard Cost Group with less than \$20 million General Fund Operating Expenditures in FY2006-07 averaged 4.7% spending growth.
- The 53 schools classified as Sparse reported average spending growth of 4.4%, while the 28 Very Sparse schools reported a 6.2% spending growth.
- These high spending growth rates have occurred despite the fact that on their face, current budget lids limit spending growth to 6.5% (i.e., the sum of the 2.5% basic allowable growth rate, the “extra 1%” available by super-majority of the local school board, and the maximum 3% applicable allowable growth rate), after Special Education and other statutorily allowed lid exclusions are considered.

School Spending in the Standard Cost Group, FY2005-06 and FY2006-07

Standard Cost Group Schools Over \$20 million	General Fund Operating Expenditures			
	FY2005-06	FY2006-07	\$ Increase	% Increase
Omaha Public Schools	362,820,292	395,988,891	33,168,599	9.1%
Lincoln Public Schools	242,294,970	261,126,856	18,831,886	7.8%
Millard Public Schools	146,495,081	154,668,679	8,173,598	5.6%
Bellevue Public Schools	70,541,943	76,947,388	6,405,445	9.1%
Papillion-La Vista Public Schs	63,190,070	68,132,156	4,942,086	7.8%
Grand Island Public Schools	54,170,834	56,986,298	2,815,464	5.2%
Westside Community Schools	50,086,116	52,334,102	2,247,986	4.5%
Kearney Public Schools	33,199,603	37,491,711	4,292,108	12.9%
Fremont Public Schools	31,388,967	33,758,646	2,369,679	7.5%
Norfolk Public Schools	32,565,087	33,328,720	763,633	2.3%
North Platte Public Schools	29,346,558	32,355,564	3,009,006	10.3%
Elkhorn Public Schools	28,032,360	31,010,900	2,978,540	10.6%
So Sioux City Community Schs	25,745,225	28,661,772	2,916,547	11.3%
Columbus Public Schools	23,984,732	26,395,950	2,411,218	10.1%
Hastings Public Schools	23,971,538	24,870,903	899,365	3.8%
Ralston Public Schools	22,785,516	24,261,126	1,475,610	6.5%
Scottsbluff Public Schools	22,017,599	22,472,328	454,729	2.1%
Lexington Public Schools	19,467,107	22,409,880	2,942,773	15.1%
Standard Cost Group Schools Over \$20 million	1,282,103,598	1,383,201,870	101,098,272	7.9%
% of Standard Cost Group	64.6%	65.3%	75.5%	
Standard Cost Group Schools Under \$20 million	<u>701,136,355</u>	<u>733,949,333</u>	<u>32,812,978</u>	<u>4.7%</u>
All Schools in the Standard Cost Group	1,983,239,953	2,117,151,203	133,911,250	6.8%

SOURCE: Nebraska Department of Education, preliminary Annual Financial Reports, December 21, 2007. Calculations by DAS-Budget Division.

The Governor’s recommendations also include a reduction of \$128,070 General Funds in FY2007-08 and \$121,930 General Funds in FY2008-09 related to the Nebraska Transcript Project. Subsequent to receiving a General Fund appropriation for the project in the 2007 legislative session, the Department learned it would receive a three-year, \$3.4 million Federal

grant providing funds for this project and further development of the Nebraska Staff and Student Record System.

The Department requested \$31,241 General Funds in FY2007-08 and \$93,721 General Funds in FY2008-09 to cover increases in State employee health insurance premiums.

The Governor's recommendation funds this request in a manner consistent with his enterprise-wide policy on this issue.

Educational Telecommunications Commission, Nebraska – The Nebraska Telecommunications Commission requested a Personal Services Limitation authority increase of \$75,000 for FY2007-08 to cover a payroll encumbrance shortfall.

The Governor's recommendation includes this adjustment to Personal Service Limitation authority.

The Governor's recommendation allows the Commission to redirect excess Nebraska Capital Construction Fund appropriations estimated at \$464,000 in FY2008-09 from the Carpenter Building Renovation Project for media improvements at the State Capitol Building. The Legislative Council, Supreme Court, and the Office of the Chief Information Officer (CIO) will also provide funding for these improvements from existing appropriations.

The Commission requested that the Cash Fund reappropriation contained in Program 919 for Digital Television Conversion be reduced by \$557,000.

The Governor's recommendation includes this adjustment in reappropriation.

The Commission requested that the Federal Fund reappropriation in Program 919 for Digital Television Conversion be reduced by \$2,073,647.

The Governor's recommendation includes this adjustment in reappropriation.

The Commission requested that the Cash Fund appropriation contained in Program 922 for Final Digital Television Conversion be increased by \$1,557,500 in FY2007-08.

The Governor's recommendation includes this adjustment in appropriation.

The Commission requested that the Federal Fund appropriation contained in Program 922 for Final Digital Television Conversion be increased by \$288,850 in FY2007-08.

The Governor's recommendation includes this adjustment in appropriation.

Health & Human Services, Department of – The Department requested a reduction of \$74,510 General Funds for the operations of the State's four veterans' homes. The agency requests that this reduction be offset with an increase in Cash Fund spending authority of \$37,255 and an increase of Federal Fund spending authority of \$37,255. The increased Cash and Federal Fund revenue is a result of Federal legislation that provides for an increase in benefits for veterans residing in state veterans homes.

This recommendation does not reduce the operating budgets of the four veterans' homes. It also provides the funding necessary to add a Veterans' Affairs Service Officer to the Department of Veterans' Affairs.

Historical Society, Nebraska State – The Governor's recommendation includes a budget adjustment reducing General Funds \$28,000 and Personal Services Limitation authority \$22,400 in FY2007-08 and FY2008-09, to reflect savings resulting from the agency's decision to forego hiring a Chief Financial Officer replacement, reassign internal control responsibilities to remaining senior staff and create a new facility manager position.

Indian Affairs, Nebraska Commission on – The Commission requested \$3,523 General Funds and \$3,060 Personal Services Limitation authority for FY2007-08 and FY2008-09 to provide for an additional salary increase that the Commission authorized for the Director above that funded by the Legislature.

The Governor's recommendation includes \$3,060 Personal Services Limitation authority for both FY2007-08 and FY2008-09. No additional General Funds are recommended.

The Commission also requested \$1,442 Cash Funds in FY2007-08 for general operations.

The Governor's recommendation includes an additional \$1,600 Cash Funds and reduces \$1,600 General Funds in FY2007-08.

Postsecondary Education, Coordinating Commission for – The Coordinating Commission for Postsecondary Education requested \$15,000 Cash Funds for FY2007-08 and \$15,000 Cash Funds for FY2008-09 for administrative costs in the State Scholars Incentive program.

The Governor's recommendation includes the requested \$15,000 Cash Funds for FY2007-08 and the requested \$15,000 Cash Funds for FY2008-09. The Governor's recommendation also includes an offsetting reduction of \$15,000 General Funds in FY2007-08 and an offsetting reduction of \$15,000 General Funds in FY2008-09.

The Commission requested an additional \$65,500 General Funds for FY2008-09 for the Access College Early Program.

The Governor's recommendation does not include the requested \$65,500 General Funds for FY2008-09 for the Access College Early Program. Section 85-2105 provides that the Commission "shall make such payments...until funds are inadequate to fulfill any remaining scholarships." This limitation was noted in the fiscal note for LB 192 (2007 Session) and no A-Bill accompanied LB 192 as this program was to utilize existing appropriations provided to the Commission for the current biennium.

State College System – The Board of Trustees of the Nebraska State Colleges requested an additional \$116,037 General Funds for FY2007-08 and \$232,074 General Funds for FY2008-09 for salary increases.

The Governor's recommendation does not include funding for this request.

The Board requested \$52,075 General Funds and \$37,500 Personal Services Limitation authority for FY2008-09 for the Director's salary and operating costs at the South Sioux City Education Center.

The Governor's recommendation does not include funding for this request.

The Board requested \$8,900,000 General Funds for FY2008-09 for the ac-

quisition of a Student Information System with additional components for the financial and human resource business functions of the State College System.

The University of Nebraska and the Nebraska State College System subsequently submitted a deficit request of \$22,153,000 General Funds for a combined student information and administrative /financial system. This is \$2,747,000 less than the \$24,900,000 sum of the previously submitted independent requests for separate Student Information Systems for the University and State Colleges and a new and separate financial and human resource system for the State College System.

The Governor's recommendation includes \$10 million General Funds to the University of Nebraska in the current biennium for the initial funding of this combined Student Information System.

The Board requested \$605,000 General Funds for operating costs for FY2008-09 for the proposed new systems.

The joint request submitted by the University and State Colleges did not include a request related to ongoing costs and associated savings.

The Governor's recommendation does not include adjustments for such costs or savings.

University of Nebraska – The Board of Regents of the University of Nebraska requested an additional \$1,300,000 General Funds for FY2007-08 for continued environmental clean-up at the Agricultural Research and Development Center near Mead.

The Governor's recommendation does not include additional General Fund appropriations for this request. Federal indirect cost revenue along with other University funding sources are available to fund this cost.

The Board requested \$16,000,000 General Funds for FY2008-09 for a Student Information System.

The University of Nebraska and the Nebraska State College System subsequently submitted a deficit request of \$22,153,000 General Funds for a combined student information and administrative /financial system. This is \$2,747,000 less than the \$24,900,000 sum of the previously submitted independent requests for separate Student Information Systems for the

University and State Colleges and a new and separate financial and human resource system for the State College System.

The Governor's recommendation includes \$10 million General Funds in the current biennium for the initial funding of this combined Student Information System.

Veterans' Affairs, Department of

– The Department requested \$74,510 General Funds and \$34,000 Personal Services Limitation authority in FY2008-09 for an additional Veterans Affairs Service Officer position and associated operating costs for the purpose of assisting veterans in applying for federal and other benefits with special emphasis on serving veterans residing in veterans' homes.

The Governor's recommendation includes funding for this request.

Public Finance

Administrative Services – The Legislature adjourned in May 2007 without having the opportunity to finalize the financing of NAPE/AFSCME covered employee pay increases as there was not a salary agreement with NAPE/AFSCME for FY2007-08 and FY2008-09. Using the information available at the time, the Legislature included appropriations and Personal Services Limitation authority in each agency program appropriation to finance a 2.5% annual salary increase.

The Legislature also appropriated \$2.6 million General Funds in FY2007-08 and \$5.6 million General Funds in FY2008-09 to a program within the Department of Administrative Services to accommodate the eventual resolution of a salary agreement within the General Fund biennial budget. This placeholder appropriation in Administrative Services represented the estimated additional General Fund cost of the Special Master ruling, which was subsequently affirmed by the Commission of Industrial Relations (CIR) on August 14, 2007, compared to the 2.5% appropriation increase included in the program appropriations of each agency for financing NAPE/AFSCME covered employee pay increases. The placeholder appropriation in Administrative Services did not address Cash, Federal, and Revolving fund type re-

quirements for financing these salary increases.

The Governor's recommendation allocates the General Fund placeholder appropriation in Administrative Services to agency program budgets for FY2007-08 and FY2008-09. The Cash, Federal, and Revolving fund type appropriations and Personal Services Limitation authority necessary to finance the implementation of the CIR ruling are also included in the recommendation for FY2007-08 and FY2008-09.

In agencies employing workers represented by NAPE/AFSCME, the implementation of the CIR ruling has created pay compression and pay equity issues typified by an employee making as much or more than the employee's supervisor, or employees in the same job classification having substantially different rates of pay based solely on whether or not the job is covered by the NAPE/AFSCME labor contract. This situation is having a detrimental impact on employee recruitment, retention, and workforce morale that needs to be addressed.

The Governor's recommendation for FY2008-09 includes financing for agencies covered by the State Classified System Personnel Rules and Regulations to address pay equity issues. The Governor recommends that the FY2008-09 pay plan for rules-covered employees include a pay comparability component designed to treat rules-covered employees in a manner similar to the way affected NAPE/AFSCME employees are treated under the CIR ruling. Recommended pay adjustments include a 2.0% general increase for permanent rules-covered employees and a comparability adjustment that varies in amount depending on each eligible employee's job classification. The comparability increase for employees is capped at the maximum pay amount established for each job classification. July 1, 2008 is the effective date for both the general increase and the comparability adjustments included in the Governor's recommendation.

The additional appropriations, above the 2.5% each year currently appropriated, necessary to finance the provisions of the CIR ruling and the rules-covered employee increases are as follows:

	FY2007-08	FY2008-09
General Funds	1,954,984	5,490,869
General Fund Placeholder	(2,555,772)	(5,601,722)
Net General Funds	(600,788)	(110,853)
Cash Funds	2,934,657	8,793,855
Federal Funds	897,998	2,359,847
Revolving Funds	(90,786)	58,734
Total	3,141,081	11,101,583

The Governor's recommendation eliminates the placeholder appropriation in Administrative Services and allocates these amounts to each affected agency and budget program.

During the 2007 legislative session the Legislature appropriated amounts to agency program budgets necessary to finance estimated health benefit plan cost increases of 10% for each calendar year within the FY2007-09 biennium. Administrative Services has since finalized the health plans and premiums necessary to finance the program for the 2008 plan year. The Governor's recommendation includes the additional state agency funding necessary to finance the State's portion of the increased health benefit costs for FY2007-08 and FY2008-09. The amounts appropriated to agency budgets for the State's portion of the increase are as follows:

	FY2007-08	FY2008-09
General Funds	1,265,498	2,657,567
Cash Funds	707,550	1,485,871
Federal Funds	503,234	1,056,798
Revolving Funds	91,597	192,357
Total	2,567,879	5,392,593

Investment Council, Nebraska –

The Council has requested an increase of \$50,000 Cash Funds for FY2007-08 to complete a legislative study.

The Governor's recommendation does not include funding this request.

The Council requested \$132,598 Cash Funds for FY2008-09 and \$80,000 Personal Services Limitation authority for FY2008-09 to add an Investment Securities Analyst.

The Governor's recommendation does not include funding this request.

Retirement System, Nebraska

Public Employees' – The agency has requested a net increase of \$196,658 General Funds for FY2008-09 in the following manner:

A reduction of \$448,139 General Funds for FY2008-09 for the State Patrol retirement plan. The annual actuarial valuation of the defined benefit plans indicates there is a current funding surplus in the Patrol plan of \$448,139.

An increase of \$517,510 General Funds for FY2008-09 to finance the State's match of 7/10th of one percent of annual compensation under the state School Employees' retirement plan.

An increase of \$168,596 General Funds for FY2008-09 to finance the State's match of 7/10th of one percent of annual compensation under the Class V School Employees' retirement plan.

A reduction of \$41,309 General Funds for FY2008-09 to finance the State's contribution for the service annuity benefit under the Class V School Employees' retirement plan.

The Governor's recommendation includes the above requested adjustments in appropriations.

The agency requested \$48,500 Cash Funds in FY2008-09 for an audit of the actuarial services for plan valuations and assumptions.

The Governor's recommendation provides this amount in FY2007-08.

The agency requested \$35,000 Cash Funds in FY2008-09 to contract for legal services and pay fees for IRS Plan Determination letters. This includes the costs associated with the State Patrol DROP plan determination.

The Governor's recommendation includes this amount in FY2007-08.

The agency requested \$115,216 Cash Funds and \$61,834 Personal Services Limitation authority for FY2007-08 and \$105,156 Cash Funds and \$61,834 Personal Services Limitation authority for FY2008-09 to add two additional staff positions.

The Governor's recommendation does not include funding this request.

The agency requested \$25,000 Cash Funds for FY2007-08 to contract with an independent accounting firm to assist with

the audit of the change in record keepers made in FY2005-06.

The Governor's recommendation does not include funding for this request.

Revenue, Department of – The Department has indicated that the homestead exemption tax loss experienced by local political subdivisions to be reimbursed by the State is \$7,000,000 less than was appropriated for FY2007-08.

The Governor's recommendation includes a \$7,000,000 General Fund reduction in FY2007-08 to reflect the actual tax loss certifications received from county treasurers.

The Governor's recommendation includes a one-time appropriation of \$500,000 General Funds in FY2007-08 for the Department to enhance tax compliance technological resources such as acquiring lists, software, programming, and computer equipment.

Tax Equalization & Review – The Commission requested \$73,025 General Funds, \$70,000 Cash Funds, and \$30,000 Personal Services Limitation authority in FY2008-09 to contract for mediation of valuation appeals. Contract mediation is needed due to a significant increase in the number of appeals filed by property taxpayers for the 2007 tax year. Such an increase in the number of appeals, while not necessarily a new annual norm, does create workload difficulties for the commission to dispose of appeals in a timely manner.

The Governor's recommendation includes funding for the request to allow the Commission to address the backlog. The Commission is also encouraged to utilize the state's temporary employee pool for the related support staff to limit the long-term impact of the request in the event the number of annual appeals returns to previous levels.

The Commission requested a total of \$10,720 Cash Funds in FY2007-08 for costs related to statutorily required education for new commissioners.

The Governor's recommendation does not include funding for this request.

The Commission requested \$1,164 Cash Funds and \$1,011 Personal Services

Limitation authority to fund the cost of accrued sick and vacation leave for a retiring commissioner.

The Governor's recommendation does not include funding for this request.

Treasurer, State - The Treasurer's Office requested a total of \$39,000 Cash Funds in FY2007-08 to upgrade various Treasury Management software and hardware, including \$10,000 Cash Funds in FY2007-08 to fund the cost of federally required check processing equipment programming updates and \$5,000 Cash Funds in FY2007-08 for the cost of programming related to the daily NIS reconciliation process. The Governor's recommendation includes funding for the check processing equipment updates and the daily NIS reconciliation programming. The Governor's recommendation does not include funding for the remainder of the technology updates.

Subsequent to submission of the deficit request, the Treasurer offered a FY2007-08 reduction of \$10,000 General Funds in the State Disbursement Unit program as an offset for the Treasury Management deficit requests.

The Governor's recommendation includes the General Fund reduction as suggested by the Treasurer and the corresponding reduction of \$25,000 Federal Funds.

The Treasurer's Office requested \$50,000 Cash Funds in FY2007-08 and \$25,000 Cash Funds in FY2008-09 in the event the Treasurer's Office was awarded a State Records Board grant for website development.

The State Records Board has not awarded a grant to the Treasurer's Office and, therefore, the Governor's recommendation does not include funding for this request.

The Treasurer's Office requested \$57,833 Cash Funds in FY2007-08 and \$95,102 Cash Funds in FY2008-09 for the increased asset management assessment charged to the Educational Savings Plan Unit by the Nebraska Investment Council.

The Governor's recommendation includes funding for this request.

Public Safety

Attorney General – The agency requested \$70,000 Cash Funds and \$47,000 Personal Services Limitation authority in FY2007-08 and \$75,108 Cash Funds and \$49,350 Personal Services Limitation authority in FY2008-09 to provide funding for an additional Assistant Attorney General related to the Tobacco Master Settlement Agreement.

The Governor's recommendation does not include funding for this request.

The agency requested \$86,148 General Funds and \$62,000 Personal Services Limitation authority in FY2007-08 and \$93,049 General Funds and \$66,016 Personal Services Limitation authority in FY2008-09 to provide funding for an additional Civil Litigation Bureau Attorney/Litigator and a Law Clerk to handle increased workload of complex civil litigation cases.

The Governor's recommendation does not include funding for this request.

The agency requested \$56,294 General Funds and \$48,887 Personal Services Limitation authority in FY2007-08 and \$59,165 General Funds and \$51,380 Personal Services Limitation authority in FY2008-09 to provide funding for an additional 0.75 FTE Assistant Attorney General to assist with TEEOSA School Finance litigation. Additionally, \$1,200,000 General Funds is being requested in FY2007-08 for outside legal counsel costs required by this litigation.

The Governor's recommendation does not include funding for the additional 0.75 FTE Assistant Attorney General. The Governor's recommendation includes \$1,200,000 General Funds in FY2007-08 for TEEOSA School Finance litigation outside legal counsel costs.

The agency requested \$200,000 General Funds and \$108,000 Personal Services Limitation authority in FY2008-09 to restore a 2007 legislative session General Fund budget reduction. The agency proposes to pay for operational expenses from the General Fund rather than using the State Settlement Cash Fund and to reallocate operating expense appropriation for salary increases.

The Governor's recommendation does not include funding for this request.

The agency requested \$8,000 General Funds and \$1,500 Revolving Funds in FY2007-08 and \$15,000 General Funds and \$3,250 Revolving Funds in FY2008-09 for increased health insurance premium costs.

The Governor's recommendation funds this request in a manner consistent with his enterprise-wide policy on this issue.

Correctional Services, Department of – The Department requested \$250,000 General Funds in FY2007-08 for increased costs related to inmate medical care.

The Governor's recommendation includes funding for this request.

The Department requested \$239,879 Cash Funds in FY2007-08 for the Parole Uniform Data Fund project.

The Governor's recommendation includes funding for this request.

The Department requested a Personal Services Limitation authority increase of \$532,414 in FY2007-08 and \$1,101,783 in FY2008-09 to staff educational services with Department employees instead of contracting for these services.

The Governor's recommendation includes these adjustments in Personal Services Limitation authority.

The Governor's budget recommendation includes a fund source change that reduces the General Fund and increases the Federal Fund by \$215,000 in FY2007-08. This funding change utilizes federal SCAAP (State Criminal Alien Assistance Program) grants available to the agency.

Criminal Justice, Nebraska Commission on Law Enforcement and – The Community Corrections Council requested \$383,854 Cash Funds in FY2008-09 to provide sufficient authority to complete additional Uniform Data projects.

The Governor's recommendation includes \$383,854 Cash Funds in FY2007-08 for this request.

The Council requested \$1,062,098 General Funds in FY2008-09 to provide for two additional day and evening reporting center sites.

The Governor's recommendation does not include funding for this request.

Electrical Board, State – The Board requested \$844 Cash Funds and \$733 Personal Services Limitation authority for FY2007-08 and \$5,747 Cash Funds and \$4,992 Personal Services Limitation authority for FY2008-09 to reduce CIR wage ruling pay compression for the Chief Electrical Inspector's salary.

The Governor's recommendation funds this request in a manner consistent with his enterprise-wide policy on this issue.

The Board requested Cash Funds of \$820 in FY2007-08 and \$1,080 in FY2008-09 to upgrade internet service capabilities.

The Governor's recommendation does not include funding for this request.

Industrial Relations, Commission of – The Commission of Industrial Relations requested \$4,580 General Funds, along with \$3,977 of Personal Services Limitation authority for FY2007-08 and \$18,773 General Funds, along with \$16,303 of Personal Services Limitation authority for FY2008-09 for additional salary increases.

The Governor's recommendation does not include funding for this request. The Governor's recommendation does include \$597 of additional Personal Services Limitation authority for FY2008-09, to allow increases consistent with other agencies without NAPE/AFSCME covered employees.

The Governor's recommendation transfers \$110,447 General Fund appropriation and \$89,300 Personal Services Limitation authority for commissioner per diems and travel for FY2008-09 from Program 531- Administration to a new Program 490 – Commissioner Expenses, in order to account separately for such costs.

State Fire Marshal – The agency requested \$21,354 Cash Funds, \$64,063 Federal Funds and \$50,644 Personal Services Limitation authority in FY2007-08 and \$85,417 Cash Funds, \$256,250 Federal Funds and \$202,575 Personal Services Limitation authority in FY2008-09 to cover additional requirements to inspect all un-

derground storage tanks at not more than three year intervals.

The Governor's recommendation includes funding for this request.

The agency requested \$50,420 Cash Funds and \$30,493 Personal Services Limitation authority in FY2007-08 and \$201,677 Cash Funds, and \$121,970 Personal Services Limitation authority in FY2008-09 to conduct life safety code inspections for Department of Health and Human Services of all health care facilities.

The Governor's recommendation includes funding for this request.

The agency requested a transfer of \$26,670 General Funds in FY2007-08 from Program 193 – Public Protection to Program 340 – Training Division to finance a retirement payout; requested \$12,000 Personal Services Limitation authority for FY2007-08.

The Governor's recommendation includes the funding and Personal Services Limitation authority adjustments as requested.

State Patrol, Nebraska – The CLEIN (Combined Law Enforcement Information Network) was established to provide law enforcement agencies with access to the FBI's National Crime Information Center (NCIC), as well as access to driver history files, vehicle registration information, and a variety of other databases. The State Patrol initiated a study, at the request of other law enforcement agencies and the Nebraska Association of County Officials, to evaluate the business model for this Network. One of the results of this study was a recommendation to shift more of the network costs to the State Patrol and allow network users to purchase line access, computers, connectivity devices, and maintenance contracts at their level and at their cost. This business model change requires increased General Fund appropriation to the State Patrol of \$177,755 in FY2007-08 and of \$119,575 in FY2008-09.

The Governor's recommendation includes funding for this request.

LB 321, Section 281 (2)(f)(2007 Session), identifies a FY2008-09 transfer of funds from the Roads Operation Cash Fund to the Carrier Enforcement Cash Fund of \$7,055,791. This transfer amount was er-

roneously short by \$378,141, which is the amount required for a transfer of funds from the Carrier Enforcement Cash Fund to the Nebraska Public Safety Communication System Cash Fund as called for in LB 321, Section 281 (2)(g)(2007 Session).

The Governor recommends correcting this oversight by increasing the FY2008-09 transfer amount from the Roads Operations Cash Fund to the Carrier Enforcement Cash Fund by \$378,141, for a total transfer amount of \$7,433,932.

Supreme Court – The agency requested a correction of LB 377A (2007 Session) by transferring General Funds from Program 007 - County Court Judges to Program 006 - District Court Judges and increasing the Personal Services Limitation authority to the correct amount. The agency request includes a net increase of \$3,602 General Funds and \$3,147 Personal Services Limitation authority in FY2007-08 as well as a net increase of \$7,915 General Funds and \$7,398 Personal Services Limitation authority in FY2008-09 for Program 006 – District Court Judges.

The Governor's recommendation includes funding for this request.

The agency requested a correction to LB 554A (2007 Session) of \$280,000 Cash Funds in FY2008-09 in order to provide the authority to access the increase in the docket fee as provided in LB 554.

The Governor's recommendation includes funding for this request.

The agency requested \$163,710 Personal Services Limitation authority in FY2007-08 and \$185,369 Personal Services Limitation authority in FY2008-09 to provide adequate Personal Services Limitation authority for the staffing of drug courts.

The Governor's recommendation includes funding for this request.

The agency requested \$126,862 General Funds in both FY2007-08 and FY2008-09 to cover additional costs of interpreter services above previous estimates.

The Governor's recommendation includes funding for this request in FY2007-08 and \$63,431 General Funds in FY2008-09. The intent for funding half of the second year's request is to evaluate the appropriateness of the scope of current le-

gal requirements for the Supreme Court financing these services.

The agency requested \$80,789 General Funds and \$70,167 Personal Services Limitation authority for FY2007-08 as well as \$88,344 General Funds and \$76,729 Personal Services Limitation authority for FY2008-09 to fix a calculation error for salary increases from the 2007 Legislative Session.

The Governor's recommendation includes the change in the Personal Services Limitation authority but does not include additional General Funds.

The agency requested \$41,837 General Funds for FY2007-08 and \$105,789 General Funds for FY2008-09 to cover anticipated increases in State employee health insurance premiums.

The Governor's recommendation funds this request in a manner consistent with his enterprise-wide policy on this issue.

The agency requested \$61,071 Cash Funds in FY2007-08 and \$122,141 Cash Funds in FY2008-09 for upgrades to all leased computing equipment used for accessing JUSTICE and NIS systems.

The Governor's recommendation does not include funding for this request.

The agency requested \$249,600 Cash Funds in FY2007-08 and \$108,108 Cash Funds in FY2008-09 to convert the Douglas County District and Juvenile Courts to the JUSTICE system.

The Governor's recommendation includes \$249,600 Cash Funds in FY2007-08. Any ongoing operational needs related to this project will be revisited during the FY2009-2011 Biennial Budget Request.

The agency requested \$43,680 Cash Funds in FY2008-09 to convert E-mail systems.

The Governor's recommendation includes funding for this request.

The Governor's recommendation also includes \$11,322 Cash Funds in FY2007-08 to enable the Supreme Court to participate in the cost of media improvements in the Supreme Court and Court of Appeals.

Transportation

Highway Construction Funding –

The Governor proposes to transfer \$15 million from the General Fund to the Department of Roads Operations Cash Fund to aid the Department in the financing of a Surface Transportation Program for FY2008-09 during a time of uncertainty regarding the amount of Federal Funds to be made available to Nebraska for highway construction. This transfer will allow the Department of Roads to accomplish needed planned projects across the State during the 2009 construction season.

**Summary of
Mid-Biennium
Budget
Adjustments**

Mid-Biennium Budget Adjustments

Ag#	Agency Name	Prog#	Program Name	Issue Description	Fund	FY2007-08 Request	FY2008-09 Request	FY2007-08 Recommendation	FY2008-09 Recommendation
005	Supreme Court	006	Salaries-District Court Judges	Correct Laws 2007, LB 377A - Judgeships	General	124,877	129,190	124,877	129,190
005	Supreme Court	006	Salaries-District Court Judges	Correct Laws 2007, LB 377A - Judgeships	PSL	117,317	121,568	117,317	121,568
005	Supreme Court	007	Salaries-County Court Judges	Correct Laws 2007, LB 377A - Judgeships	General	(121,275)	(121,275)	(121,275)	(121,275)
005	Supreme Court	007	Salaries-County Court Judges	Correct Laws 2007, LB 377A - Judgeships	PSL	(114,170)	(114,170)	(114,170)	(114,170)
005	Supreme Court	052	Court Operations	Correct Laws 2007, LB 554A - Parenting Act aid	Cash	0	280,000	0	280,000
005	Supreme Court	052	Court Operations	Health Insurance increase	General	17,994	45,500	0	0
005	Supreme Court	052	Court Operations	Interpreter Services	General	126,862	126,862	126,862	63,431
005	Supreme Court	052	Court Operations	Salary increase correction	General	80,789	88,344	0	0
005	Supreme Court	052	Court Operations	Salary increase correction	PSL	70,167	76,729	70,167	76,729
005	Supreme Court	067	Probation	Health Insurance increase	General	17,448	44,119	0	0
005	Supreme Court	420	Civil Indigent Defense	PSL for Drug Courts	PSL	163,710	185,369	163,710	185,369
005	Supreme Court	435	Community Corrections	Health Insurance increase	General	6,395	16,170	0	0
005	Supreme Court	570	Court Automation	Additional JUSTICE System computer leases	Cash	61,071	122,141	0	0
005	Supreme Court	570	Court Automation	Convert Douglas County District/Juvenile Courts to JUSTICE System	Cash	249,600	108,108	249,600	0
005	Supreme Court	570	Court Automation	E-mail system conversion	Cash	0	43,680	0	43,680
005	Supreme Court	570	Court Automation	Media enhancements	Cash	0	0	11,322	0
010	Auditor	010	Salary-State Auditor	Health Insurance increase	General	700	775	700	1,415
010	Auditor	506	State Audits	Health Insurance increase - Offset	General	0	0	(700)	(1,415)

Mid-Biennium Budget Adjustments

Ag#	Agency Name	Prog#	Program Name	Issue Description	Fund	FY2007-08 Request	FY2008-09 Request	FY2007-08 Recommendation	FY2008-09 Recommendation
011	Attorney General	507	Interp. & Appl. Of Law	Add Civil Litigation Attorney	General	70,000	75,108	0	0
011	Attorney General	507	Interp. & Appl. Of Law	Add Civil Litigation Attorney	PSL	47,000	49,350	0	0
011	Attorney General	507	Interp. & Appl. Of Law	Add Civil Litigation Law Clerk	General	16,148	17,941	0	0
011	Attorney General	507	Interp. & Appl. Of Law	Add Civil Litigation Law Clerk	PSL	15,000	16,666	0	0
011	Attorney General	507	Interp. & Appl. Of Law	Add Tobacco Settlement Agreement Attorney	Cash	70,000	75,108	0	0
011	Attorney General	507	Interp. & Appl. Of Law	Add Tobacco Settlement Agreement Attorney	PSL	47,000	49,350	0	0
011	Attorney General	507	Interp. & Appl. Of Law	Health Insurance increase	General	8,000	15,000	0	0
011	Attorney General	507	Interp. & Appl. Of Law	Health Insurance increase	Revolving	1,500	3,250	0	0
011	Attorney General	507	Interp. & Appl. Of Law	Restore Governor's veto - operations	General	0	200,000	0	0
011	Attorney General	507	Interp. & Appl. Of Law	Salary increases	PSL	0	108,000	0	0
011	Attorney General	508	TEEOSA Litigation	Add School Finance Attorney	General	56,294	59,165	0	0
011	Attorney General	508	TEEOSA Litigation	Add School Finance Attorney	PSL	48,887	51,380	0	0
011	Attorney General	508	TEEOSA Litigation	School Finance litigation expenses	General	1,200,000	0	1,200,000	0
012	Treasurer	024	State Disbursement Unit	Reduction to offset Treasury Management increases	General	0	0	(10,000)	0
012	Treasurer	024	State Disbursement Unit	Reduction to offset Treasury Management increases	Federal	0	0	(25,000)	0
012	Treasurer	503	Treasury Management	NIS daily reconciliation updates	Cash	5,000	0	5,000	0
012	Treasurer	503	Treasury Management	Check processing equipment updates	Cash	10,000	0	10,000	0
012	Treasurer	503	Treasury Management	New check encoding machine	Cash	14,000	0	0	0
012	Treasurer	503	Treasury Management	New document imaging software	Cash	10,000	0	0	0

Mid-Biennium Budget Adjustments

Ag#	Agency Name	Prog#	Program Name	Issue Description	Fund	FY2007-08 Request	FY2008-09 Request	FY2007-08 Recommendation	FY2008-09 Recommendation
012	Treasurer	503	Treasury Management	State Records Board grant	Cash	50,000	25,000	0	0
012	Treasurer	505	Educational Savings Plan	Investment Council asset management assessment increase	Cash	57,833	95,102	57,833	95,102
013	Education	025	Departmental Administration	Additional salary increases	General	183,842	382,746	0	0
013	Education	025	Departmental Administration	Additional salary increases	Cash	8,669	18,265	0	0
013	Education	025	Departmental Administration	Additional salary increases	Federal	187,368	421,745	0	0
013	Education	025	Departmental Administration	Additional salary increases	PSL	326,710	707,165	0	0
013	Education	025	Departmental Administration	Health Insurance increase	General	23,123	69,368	0	0
013	Education	025	Departmental Administration	Federal grant supplants need for state funds	General	0	0	(128,070)	(121,930)
013	Education	025	Departmental Administration	Retirement leave payout	General	106,799	0	0	0
013	Education	025	Departmental Administration	Retirement leave payout	PSL	96,539	0	0	0
013	Education	158	Education Aid	Additional Special Education increase	General	3,485,604	7,250,055	0	0
013	Education	158	Education Aid	Dept. of Education TEEOSA estimate (Dec. 2007)	General	0	0	0	53,018,733
013	Education	158	Education Aid	Option Enrollment transportation	General	279,926	0	0	0
013	Education	351	Vocational Rehabilitation	Additional salary increases	General	67,894	144,805	0	0
013	Education	351	Vocational Rehabilitation	Additional salary increases	Federal	256,387	546,755	0	0
013	Education	351	Vocational Rehabilitation	Additional salary increases	PSL	278,874	594,723	0	0
013	Education	351	Vocational Rehabilitation	Health Insurance increase	General	8,118	24,353	0	0
013	Education	352	Disability Determination	Additional salary increases	Federal	76,083	154,115	0	0
013	Education	352	Disability Determination	Additional salary increases	PSL	65,430	132,536	0	0

Mid-Biennium Budget Adjustments

Ag#	Agency Name	Prog#	Program Name	Issue Description	Fund	FY2007-08 Request	FY2008-09 Request	FY2007-08 Recommendation	FY2008-09 Recommendation
013	Education	401	Deaf/Hard of Hearing Services	Additional salary increases	General	1,195	2,556	0	0
013	Education	401	Deaf/Hard of Hearing Services	Additional salary increases	PSL	1,028	2,198	0	0
013	Education	402	School for the Visually Impaired	Additional salary increases	General	1,195	2,556	0	0
013	Education	402	School for the Visually Impaired	Additional salary increases	PSL	1,028	2,198	0	0
013	Education	614	Professional Practices Comm.	Additional salary increases	PSL	915	0	0	0
013	Education	614	Professional Practices Comm.	Ethics education for teachers	Cash	30,000	0	30,000	0
016	Revenue	102	Revenue Administration	Enhanced Enforcement technical resources	General	0	0	500,000	0
016	Revenue	108	Homestead Exemption	Homestead Exemption program certification excess	General	0	0	(7,000,000)	0
021	Fire Marshal	193	Public Protection	Increased federal inspection requirements - Fuel Safety	Cash	21,354	85,417	21,354	85,417
021	Fire Marshal	193	Public Protection	Increased federal inspection requirements - Fuel Safety	Federal	64,063	256,250	64,063	256,250
021	Fire Marshal	193	Public Protection	Increased federal inspection requirements - Fuel Safety	PSL	50,644	202,575	50,644	202,575
021	Fire Marshal	193	Public Protection	Increased federal inspection requirements - Health Facilities	Cash	50,420	201,677	50,420	201,677
021	Fire Marshal	193	Public Protection	Increased federal inspection requirements - Health Facilities	PSL	30,493	121,970	30,493	121,970
021	Fire Marshal	193	Public Protection	Retirement leave payout-offset	General	(26,670)	0	(26,670)	0
021	Fire Marshal	340	Training Division	Retirement leave payout	General	26,670	0	26,670	0
021	Fire Marshal	340	Training Division	Retirement leave payout	PSL	12,000	0	12,000	0
022	Insurance	069	Insurance Standards	Add Information Systems Examiner	Cash	0	59,550	0	59,550
022	Insurance	069	Insurance Standards	Add Information Systems Examiner	PSL	0	40,000	0	40,000

Mid-Biennium Budget Adjustments

Ag#	Agency Name	Prog#	Program Name	Issue Description	Fund	FY2007-08 Request	FY2008-09 Request	FY2007-08 Recommendation	FY2008-09 Recommendation
022	Insurance	069	Insurance Standards	Add Insurance Examiners	Cash	0	119,280	0	119,280
022	Insurance	069	Insurance Standards	Add Insurance Examiners	PSL	0	80,000	0	80,000
022	Insurance	069	Insurance Standards	Add Life and Health Actuary	Cash	0	150,000	0	150,000
022	Insurance	069	Insurance Standards	Add Life and Health Actuary	PSL	0	120,000	0	120,000
022	Insurance	069	Insurance Standards	Add Reinsurance Specialist	Cash	0	105,600	0	105,600
022	Insurance	069	Insurance Standards	Add Reinsurance Specialist	PSL	0	80,000	0	80,000
022	Insurance	069	Insurance Standards	Examiner salary increases	PSL	0	67,500	0	0
025	Health & Human Services	519	Nebraska Veterans Homes	Increase federal and patient receipts	General	0	(74,510)	0	(74,510)
025	Health & Human Services	519	Nebraska Veterans Homes	Increase federal and patient receipts	Cash	0	37,255	0	37,255
025	Health & Human Services	519	Nebraska Veterans Homes	Increase federal and patient receipts	Federal	0	37,255	0	37,255
028	Veterans Affairs	036	Departmental Administration	Add Veterans Service Officer - disability determination	General	0	74,510	0	74,510
028	Veterans Affairs	036	Departmental Administration	Add Veterans Service Officer - disability determination	PSL	0	34,000	0	34,000
030	Electrical Board	197	Public Protection	Additional salary increase-pay compression	Cash	844	5,747	0	0
030	Electrical Board	197	Public Protection	Additional salary increase-pay compression	PSL	733	4,992	0	0
030	Electrical Board	197	Public Protection	Internet Service Upgrade	Cash	820	1,080	0	0
033	Game and Parks	967	Improvements to State Parks	Correct Laws 2007, LB 320 - reappropriation	Cash	1,710,511	0	1,710,511	0
033	Game and Parks	968	State Historical Parks Improv.	Correct Laws 2007, LB 320 - reappropriation	Cash	184,117	0	184,117	0
046	Correctional Services	200	Adult Services	Additional inmate medical costs	General	250,000	0	250,000	0
046	Correctional Services	200	Adult Services	Self Operate Educational Services	PSL	532,414	1,101,783	532,414	1,101,783

Mid-Biennium Budget Adjustments

Ag#	Agency Name	Prog#	Program Name	Issue Description	Fund	FY2007-08 Request	FY2008-09 Request	FY2007-08 Recommendation	FY2008-09 Recommendation
046	Correctional Services	200	Adult Services	Utilize one-time available SCAAP funds	General	0	0	(215,000)	0
046	Correctional Services	200	Adult Services	Utilize one-time available SCAAP funds	Federal	0	0	215,000	0
046	Correctional Services	200	Adult Services	Parole Uniform Data Fund Project	Cash	239,879	0	239,879	0
047	Educational Telecomm.	533	Educational Television	Payroll encumbrance shortfall	PSL	75,000	0	75,000	0
047	Educational Telecomm.	913	Carpenter Center Renovation	Excess Carpenter Building Renovation Funds earmarked for media improvements at State Capitol Building	NCCF	0	0	Yes	Yes
047	Educational Telecomm.	919	DTV Construction	Reduce excess reappropriation	Cash	(557,000)	0	(557,000)	0
047	Educational Telecomm.	919	DTV Construction	Reduce excess reappropriation	Federal	(2,073,647)	0	(2,073,647)	0
047	Educational Telecomm.	922	Final DTV Conversion	Additional appropriations necessary to complete project	Cash	1,577,500	0	1,577,500	0
047	Educational Telecomm.	922	Final DTV Conversion	Additional appropriations necessary to complete project	Federal	288,850	0	288,850	0
048	Postsecondary Coord.	640	Administration	Additional funding for operations	General	0	0	(15,000)	(15,000)
048	Postsecondary Coord.	640	Administration	Additional funding for operations	Cash	15,000	15,000	15,000	15,000
048	Postsecondary Coord.	691	Community Scholarship Prog.	Additional funding for Access College Early Program	General	0	65,500	0	0
050	State Colleges	048	Board Office	Salary increases	General	116,037	232,074	0	0
050	State Colleges	048	Board Office	Salary increases	PSL	116,037	232,074	0	0
050	State Colleges	048	Board Office	South Sioux City Education Center - Director's Salary/Operations	General	0	52,075	0	0
050	State Colleges	048	Board Office	South Sioux City Education Center - Director's Salary/Operations	PSL	0	37,500	0	0
051	University of Nebraska	781	University	Mead Clean-up--additional funds	General	1,300,000	0	0	0
051	University of Nebraska	781	University	University and State Colleges - Combined and Revised Student Information System & ERP	General	22,153,000	0	10,000,000	0
053	Real Property Appraisers	079	Appraiser Licensing	Additional payments for demonstration reports reviews	Cash	51,150	0	75,000	0

Mid-Biennium Budget Adjustments

Ag#	Agency Name	Prog#	Program Name	Issue Description	Fund	FY2007-08 Request	FY2008-09 Request	FY2007-08 Recommendation	FY2008-09 Recommendation
054	Historical Society	648	Historical Society	Savings from organizational change	General	0	0	(28,000)	(28,000)
054	Historical Society	648	Historical Society	Savings from organizational change	PSL	0	0	(22,400)	(22,400)
056	Nebraska Wheat Board	381	Nebraska Wheat Board	Add Assistant Director	PSL	7,082	21,775	0	0
064	State Patrol	100	Public Protection	Law Enforcement Intelligence Network costs	General	177,755	119,575	177,755	119,575
064	State Patrol	205	Carrier Enforcement	Correct transfer amount		0	0	Yes	0
065	Administrative Services	609	CIR Ruling Costs	Remove CIR ruling placeholder appropriation	General	0	0	(2,555,772)	(5,601,722)
065	Administrative Services		CIR Ruling Costs	CIR ruling impact on employee salaries	General	0	0	1,954,984	5,490,869
065	Administrative Services		CIR Ruling Costs	CIR ruling impact on employee salaries	Cash	0	0	2,934,657	8,793,855
065	Administrative Services		CIR Ruling Costs	CIR ruling impact on employee salaries	Federal	0	0	897,998	2,359,847
065	Administrative Services		CIR Ruling Costs	CIR ruling impact on employee salaries	Revolving	0	0	(90,786)	58,734
065	Administrative Services		CIR Ruling Costs	CIR ruling impact on employee salaries	PSL	0	0	4,947,844	14,543,127
065	Administrative Services		Health Insurance Costs	Employee health benefit cost increases	General	0	0	1,265,498	2,657,567
065	Administrative Services		Health Insurance Costs	Employee health benefit cost increases	Cash	0	0	707,550	1,485,871
065	Administrative Services		Health Insurance Costs	Employee health benefit cost increases	Federal	0	0	503,234	1,056,798
065	Administrative Services		Health Insurance Costs	Employee health benefit cost increases	Revolving	0	0	91,597	192,357
069	Arts Council	326	Arts Promotion/Development	Convert e-mail system and upgrade equipment	General	15,028	4,584	0	0
069	Arts Council	326	Arts Promotion/Development	Health Insurance increase	General	7,459	7,459	0	0
069	Arts Council	326	Arts Promotion/Development	Replace computer equipment	General	10,496	0	0	0

Mid-Biennium Budget Adjustments

Ag#	Agency Name	Prog#	Program Name	Issue Description	Fund	FY2007-08 Request	FY2008-09 Request	FY2007-08 Recommendation	FY2008-09 Recommendation
074	Power Review Board	072	Enforcement of Standards	Director salary increase	Cash	6,156	12,312	0	0
074	Power Review Board	072	Enforcement of Standards	Director salary increase	PSL	5,346	10,692	0	0
075	Investment Council	610	Investments Administration	Add Investment Securities Analyst	Cash	0	132,598	0	0
075	Investment Council	610	Investments Administration	Add Investment Securities Analyst	PSL	0	80,000	0	0
075	Investment Council	610	Investments Administration	Contract legal services to complete legislative study	Cash	50,000	0	0	0
076	Indian Affairs	584	Commission on Indian Affairs	Additional funding for operations	General	0	0	(1,600)	0
076	Indian Affairs	584	Commission on Indian Affairs	Additional funding for operations	Cash	1,442	0	1,600	0
076	Indian Affairs	584	Commission on Indian Affairs	Director salary increase	General	3,523	3,523	0	0
076	Indian Affairs	584	Commission on Indian Affairs	Director salary increase	PSL	3,060	3,060	3,060	3,060
077	Industrial Relations	490	Commissioner Expenses-NEW	Establish new program for commissioner per diems and travel expenses	General	0	0	0	110,447
077	Industrial Relations	490	Commissioner Expenses-NEW	Establish new program for commissioner per diems and travel expenses	PSL	0	0	0	89,300
077	Industrial Relations	531	Industrial Relations	Transfer appropriation for commissioner per diem and travel expenses	General	0	0	0	(110,447)
077	Industrial Relations	531	Industrial Relations	Transfer appropriation for commissioner per diem and travel expenses	PSL	0	0	0	(89,300)
077	Industrial Relations	531	Industrial Relations	Salary increases	General	4,580	18,773	0	0
077	Industrial Relations	531	Industrial Relations	Salary increases	PSL	3,977	16,303	0	597
078	Crime Commission	220	Community Corrections Council	Uniform Data Fund projects	Cash	0	383,854	383,854	0
078	Crime Commission	220	Community Corrections Council	Expansion of reporting center sites	General	0	1,062,098	0	0
085	Retirement Board	041	Retirement Administration	Add Auditor	Cash	61,711	56,711	0	0
085	Retirement Board	041	Retirement Administration	Add Auditor	PSL	34,507	34,507	0	0

Mid-Biennium Budget Adjustments

Ag#	Agency Name	Prog#	Program Name	Issue Description	Fund	FY2007-08 Request	FY2008-09 Request	FY2007-08 Recommendation	FY2008-09 Recommendation
085	Retirement Board	041	Retirement Administration	Add Retirement Specialist	Cash	53,445	48,445	0	0
085	Retirement Board	041	Retirement Administration	Add Retirement Specialist	PSL	27,327	27,327	0	0
085	Retirement Board	041	Retirement Administration	Contract accounting services for record keeper audit	Cash	25,000	0	0	0
085	Retirement Board	041	Retirement Administration	Contract actuarial services for plan valuations and assumptions audit	Cash	0	48,500	48,500	0
085	Retirement Board	041	Retirement Administration	Contract legal services and fee payment for IRS plan determination letters	Cash	0	35,000	35,000	0
085	Retirement Board	515	Public Employees Retirement	Excess appropriation for Omaha Service Annuity	General	0	(41,309)	0	(41,309)
085	Retirement Board	515	Public Employees Retirement	Excess appropriation for State Patrol Plan contribution	General	0	(448,139)	0	(448,139)
085	Retirement Board	515	Public Employees Retirement	Required 7/10 of 1% contribution - Omaha school employees plan	General	0	168,596	0	168,596
085	Retirement Board	515	Public Employees Retirement	Required 7/10 of 1% contribution - State school employees plan	General	0	517,510	0	517,510
093	Tax Equalization/Review	115	Operations	Contract mediation and add 1.0 FTE support staff for appeals	General	0	73,025	0	73,025
093	Tax Equalization/Review	115	Operations	Contract mediation and add 1.0 FTE support staff for appeals	Cash	0	70,000	0	70,000
093	Tax Equalization/Review	115	Operations	Contract mediation and add 1.0 FTE support staff for appeals	PSL	0	30,000	0	30,000
093	Tax Equalization/Review	115	Operations	New Commissioners education	Cash	10,720	0	0	0
093	Tax Equalization/Review	115	Operations	Retirement leave payout	Cash	1,164	0	0	0
093	Tax Equalization/Review	115	Operations	Retirement leave payout	PSL	1,011	0	0	0
					General	29,799,806	10,408,682	5,525,259	55,861,121
					Cash	4,070,406	2,335,430	7,791,697	11,542,287
					Federal	(1,200,896)	1,416,120	(129,502)	3,710,150
					Revolving	1,500	3,250	811	251,091
					Total	32,670,816	14,163,482	13,188,265	71,364,649
					PSL	2,065,066	4,329,120	5,866,079	16,604,208

General Funds excluding TEEOSA School Aid 5,525,259 2,842,388

Appendices



Budget Division Staff and Their Agency Assignments

Gerry Oligmueller, State Budget Administrator

Lyn Heaton, Deputy State Budget Administrator

Analysts and Their Agency Assignments

Gary Bush – Barber Examiners, Board of Pardons/Parole, Correctional Services, Employees Retirement Board, Engineers & Architects, Examiners Abstracters, Geologists, Investment Council, Land Surveyors, Landscape Architects, Public Accountancy, Racing Commission, Real Property Appraiser Board, Real Estate Commission

Lyn Heaton – Revenue, State Treasurer, Tax Equalization & Review

Elton Larson – Foster Care Review Board, Health & Human Services, Veterans' Affairs

Mike Rindone – Department of Administrative Services – Building Division staff consulted for capital construction related issues

Mike Salzwedel – Agriculture, Brand Committee, Corn Board, Crime Commission, Dairy Industry Development Board, Dry Bean Commission, Educational Lands & Funds, Environmental Quality, Ethanol Board, Game & Parks Commission, Grain Sorghum Board, Natural Resources, Oil & Gas Commission, Power Review Board, Public Advocacy, State Board of Agriculture, Supreme Court, Wheat Board

William Scheideler – Arts Council, Blind & Visually Impaired, Deaf & Hard of Hearing, Education, Historical Society, Indian Commission, Library Commission, Mexican American Commission, Women's Commission

Dave Spatz – Accountability and Disclosure, Aeronautics, Attorney General, Auditor of Public Accounts, Electrical Board, Fire Marshal, Governor, Legislative Council, Lieutenant Governor, Motor Vehicles, Motor Vehicle Licensing Board, Roads, Secretary of State

Dave Wagaman – Community College Aid, Coordinating Commission for Postsecondary Education, Educational Telecommunications Commission, Equal Opportunity Commission, Industrial Relations, State College System, University Systemwide, Workers' Compensation Court

Joe Wilcox – Administrative Services, Banking, Economic Development, Insurance, Labor, Liquor Control Commission, Military, Public Service Commission, State Patrol

Support Staff

Betty Hladky, Business Manager



State Agencies

(In Alphabetical Order)

- 66 Abstracters, Board of Examiners
- 87 Accountability & Disclosure Comm.
- 65 Administrative Services, Department of
- 17 Aeronautics, Department of
- 18 Agriculture, Department of
- 52 Agriculture, State Board of
- 69 Arts Council, Nebraska
- 11 Attorney General
- 10 Auditor of Public Accounts
- 19 Banking and Finance, Department of
- 45 Barber Examiners, Board of
- 81 Blind and Visually Impaired, Comm. for
- 39 Brand Committee, Nebraska
- 83 Community College Aid
- 88 Corn Board, Nebraska
- 46 Correctional Services, Department of
- 78 Criminal Justice, Comm. on Law Enforcement &
- 61 Dairy Industry Development Board, NE
- 82 Deaf & Hard of Hearing, Comm. for the
- 86 Dry Bean Commission
- 72 Economic Development, Department of
- 13 Education, Department of
- 32 Educational Lands & Funds, Board of
- 47 Educational Telecomm. Comm., NE
- 30 Electrical Board, Nebraska
- 58 Engineers & Architects
- 84 Environmental Quality, Department of
- 67 Equal Opportunity Commission
- 60 Ethanol Board, Nebraska
- 21 Fire Marshal, State
- 70 Foster Care Review Board, State
- 33 Game & Parks Commission
- 59 Geologists, Board of
- 07 Governor
- 92 Grain Sorghum Board
- 25 Health & Human Services, Dept. of
- 54 Historical Society, Nebraska State
- 76 Indian Affairs, Commission on
- 77 Industrial Relations, Commission of
- 22 Insurance, Department of
- 75 Investment Council, Nebraska
- 23 Labor, Department of
- 62 Land Surveyors
- 73 Landscape Architects
- 03 Legislative Council
- 34 Library Commission, Nebraska
- 08 Lieutenant Governor
- 35 Liquor Control Commission
- 68 Mexican-American Commission
- 31 Military Department
- 40 Motor Vehicle Industry Licensing Board
- 24 Motor Vehicles, Department of
- 29 Natural Resources, Dept. of
- 57 Oil & Gas Commission
- 15 Parole Board
- 48 Postsecondary Educ., Coord. Comm. for
- 74 Power Review Board
- 63 Public Accountancy, Board of
- 94 Public Advocacy, Nebraska Comm. on
- 14 Public Service Commission
- 36 Racing Commission
- 53 Real Property Appraiser Board
- 41 Real Estate Commission
- 85 Retirement Systems, NE Public Employees'
- 16 Revenue, Department of
- 27 Roads, Department of
- 09 Secretary of State
- 50 State College System
- 64 State Patrol, Nebraska
- 05 Supreme Court
- 93 Tax Equalization & Review Commission
- 12 Treasurer, State
- 51 University of Nebraska System
- 28 Veterans' Affairs, Department of
- 56 Wheat Board, Nebraska
- 38 Women's Commission
- 37 Workers' Compensation Court