



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 2009-2011 budget recommendations. 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 current fiscal year and the next biennium that were adopted by the Economic Forecasting Advisory Board at its meeting in October 2008. The net receipts projected for the following biennium were presented to the Tax Rate Review Committee in November of 2008 by the Legislative Fiscal Office. The Governor's recommendations anticipate possible additional downward revisions of \$99.0 million to the 2009-2011 biennium tax receipt forecasts and the following biennium as shown in this Status.

Certain transfers to the General Fund are proposed in both FY 2009-10 and FY 2010-11: Tobacco Products Administration Cash Fund - \$7.0 million; Securities Act Cash Fund - \$20.0 million; Insurance Cash Fund - \$6.0 million; and Charitable Gaming Operations Cash Fund - \$250,000. The Governor also recommends transfers totaling \$80.0 million from the Cash Reserve Fund to the General Fund for the 2009-2011 budget biennium.

Current law provides for transfers from the General Fund in both FY 2009-10 and FY 2010-11: Ethanol Production Incentive Cash (EPIC) Fund - \$2.5 million and Water Resources Cash Fund - \$2.7 million.

The Governor also recommends transfers from the General Fund in both FY 2009-10 and FY 2010-11: Property Tax Credit Cash Fund - \$112.0 million; Ethanol Production Incentive Cash Fund - \$8.25 million; and Roads Operation Cash Fund - \$7.1 and \$7.2 million respectively.

The appropriations shown for the current fiscal year 2008-09 are those adopted during the 2007 regular session and further amended during the 2008 regular session of the 100th Legislature. The Status also reflects a recommended reduction in FY 2008-09 appropriations of \$65.9 million and an \$87,387 allocation for the 2009 claims bill for consideration during this 2009 session of the 101st Legislature. The Governor's budget recommendations for FY 2009-10 and FY 2010-11 of the next biennium are also shown. The Governor's recommendations provide for a two year average General Fund increase of 1.8%. The General Fund balance for the next biennium exceeds the minimum reserve requirement by \$4.6 million.

The planning estimates for the following biennium 2011-2013 set future allowable spending growth at no greater than 5.5% (historical receipt growth) and leave a General Fund balance in excess of the minimum reserve requirement by \$142.0 million. The Governor's recommendations designate \$200.0 million of the Cash Reserve Fund for contingent budget liabilities and provide a Cash Reserve Fund balance of \$302.5 million at the end of FY 2012-13.

General Fund Financial Status

General Fund Financial Status	Current FY2008-09	Next Biennium FY2009-10 FY2010-11		Following Biennium FY2011-12 FY2012-13	
<u>Beginning Balance</u>					
Beginning Cash Balance	\$584,106,356	\$288,839,623	\$227,768,225	\$219,051,301	\$251,978,109
Cash Reserve Fund transfer-Automatic	(116,976,571)	(14,254,000)			
Carryover obligations from FY2007-08	(243,194,320)				
Allocation for potential deficits	_____	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Unobligated Beginning Balance	223,935,465	269,585,623	222,768,225	214,051,301	246,978,109
<u>Receipts</u>					
Net Receipts (Certified; NEFAB; LFO Hist. Avg. Following)	3,546,000,000	3,595,000,000	3,712,000,000	4,020,000,000	4,323,000,000
Possible Additional Forecast Revisions		(49,000,000)	(50,000,000)	(50,000,000)	(50,000,000)
General Fund transfers - out	(120,200,000)	(132,550,000)	(132,650,000)	(127,400,000)	(124,900,000)
General Fund transfers - in	In Receipts	33,250,000	33,250,000		
Cash Reserve Fund transfers - legislative	54,990,505	40,000,000	40,000,000		
Agency Legislation		160,680	160,680	160,680	160,680
General Fund Net Revenues	3,480,790,505	3,486,860,680	3,602,760,680	3,842,760,680	4,148,260,680
<u>Appropriations</u>					
Appropriations per 2008 Session	3,481,591,981	3,481,591,981	3,481,591,981	3,481,591,981	3,481,591,981
Special Session Appropriation	68,761				
Budget Recommendations		47,621,425	125,421,701	323,778,719	533,044,582
Agency Legislation		(535,328)	(536,078)	(536,828)	(536,828)
Deficit Recommendations	(65,861,782)				
Claims Bill	87,387				
General Fund Appropriations	3,415,886,347	3,528,678,078	3,606,477,604	3,804,833,872	4,014,099,735
<u>Ending Balance</u>					
Dollar ending balance	288,839,623	227,768,225	219,051,301	251,978,109	381,139,054
Minimum Biennial Reserve Requirement	209,743,450	--	214,491,466	--	239,128,330
Variance from Minimum Reserve	79,096,173	--	4,559,835	--	142,010,724
Biennial Reserve (%)	4.3%	--	3.1%	--	4.9%
Annual % Change - Appropriations (excl. deficits)	2.9%	1.4%	2.2%	5.5%	5.5%
Two Year Average	3.6%	--	1.8%	--	5.5%
Annual % Change - Net Receipts (Nominal)	1.1%	0.0%	3.3%	8.4%	7.6%
Two Year Average	2.1%	--	1.6%	--	8.0%
Structural Balance/(Imbalance) - Receipts v. Approps.	9,913,653	(81,817,398)	(43,716,924)	37,926,808	134,160,945