

Nebraska Association of County Officials Presentation

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Nebraska State Budget Director

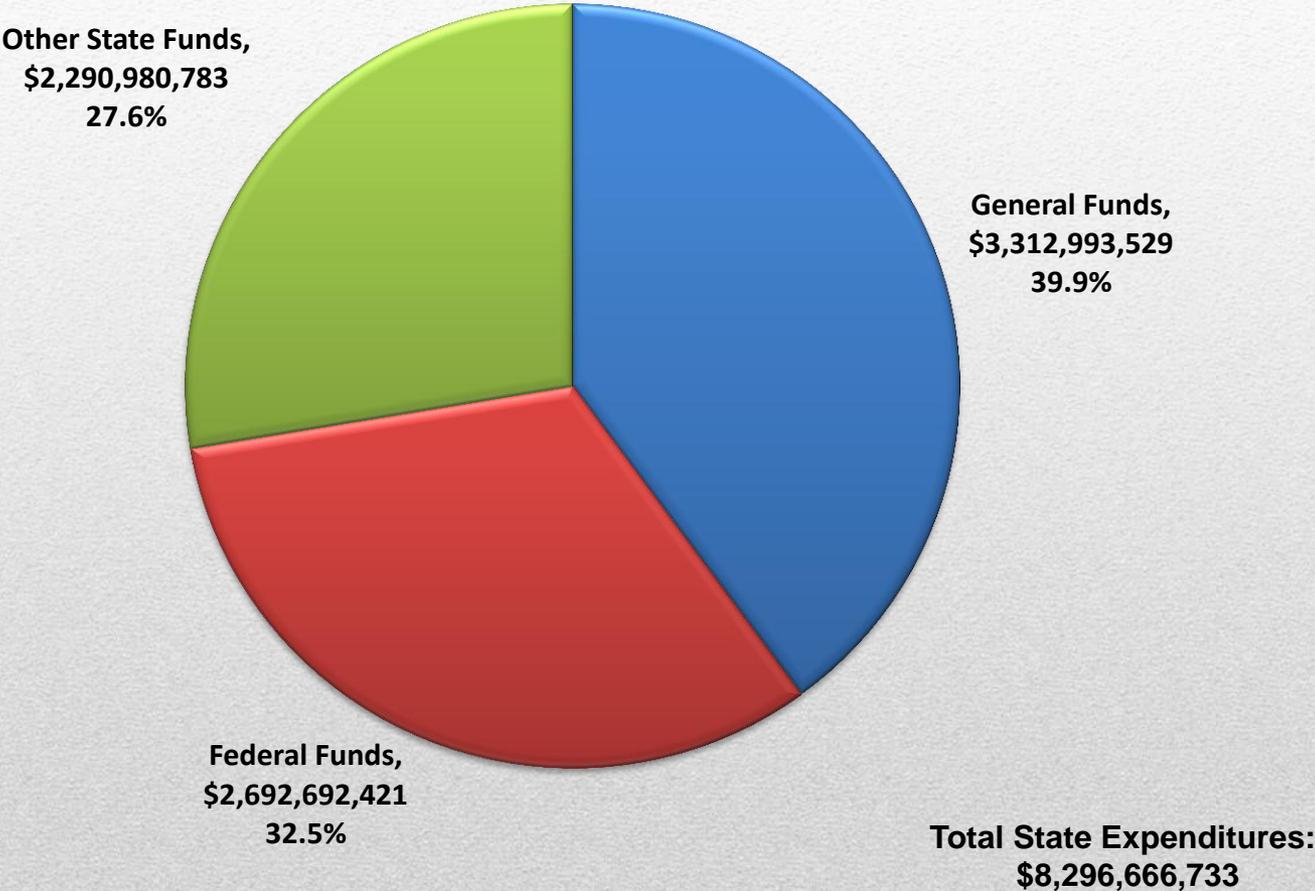
December 9, 2010

State Budget Process in Nebraska

- Biennial Budgeting
 - Consensus Revenue Forecasting
 - Governor Goes First
 - Legislature Appropriates and Taxes
 - Minimum Reserve Requirement
 - Cash Reserve Fund
 - Balanced Budget – No G.O. Debt
-

State of Nebraska

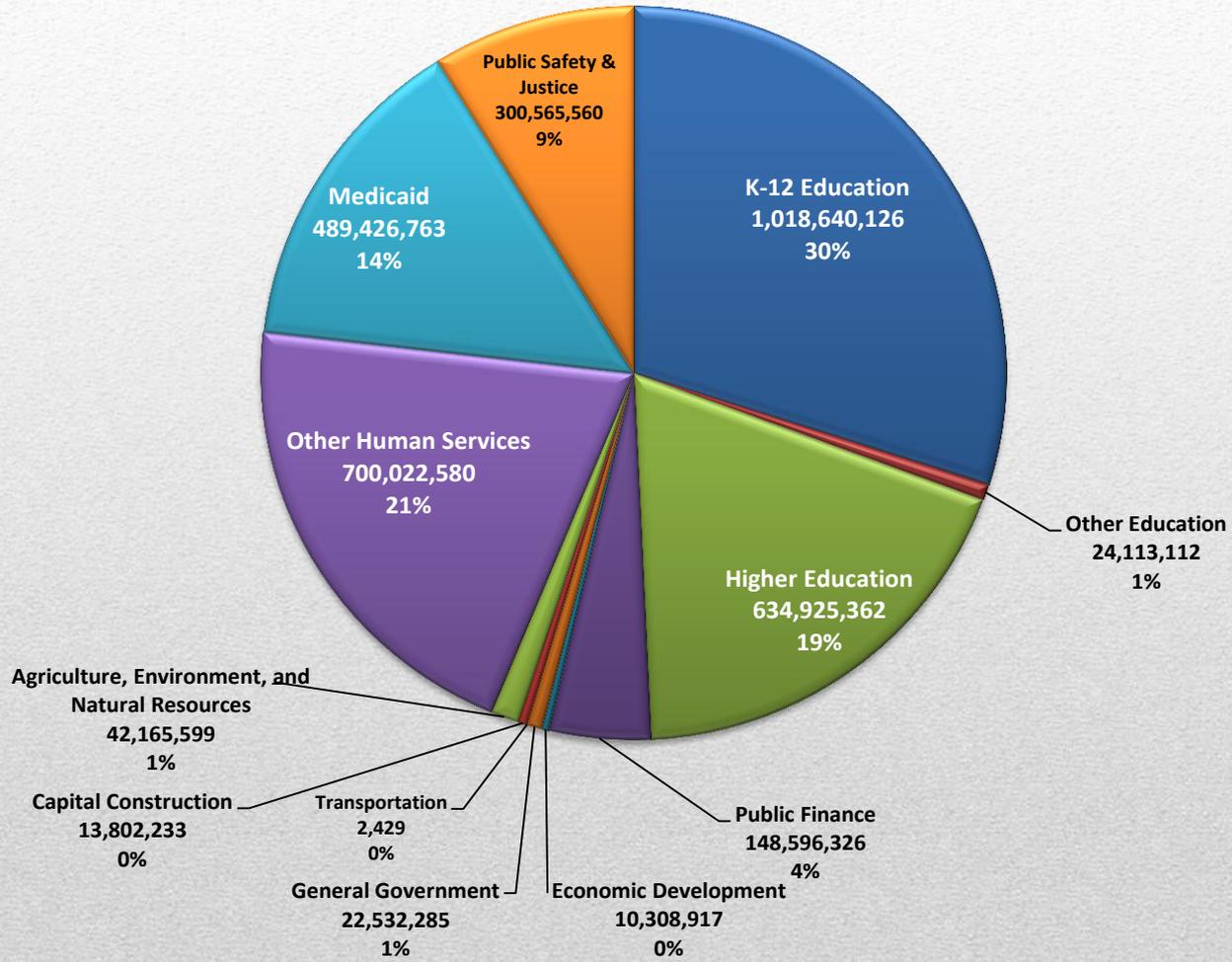
State Expenditures By Funding Source, FY 2010



State of Nebraska

FY2010-11 General Fund Appropriations

(Amount and Percent of Total)

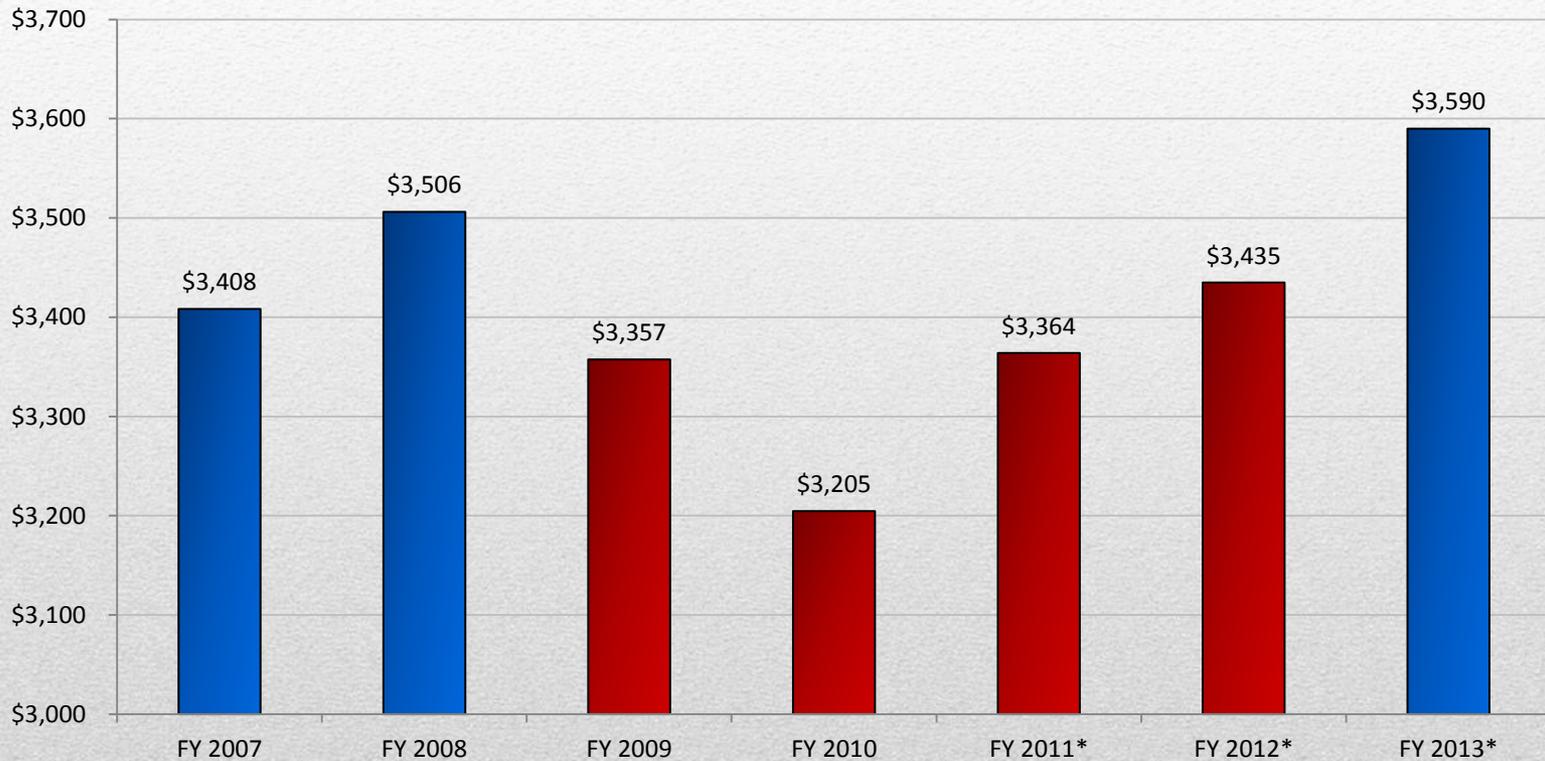


State of Nebraska
FY 2011 General Fund Appropriations by Category

| <u>Aid Category</u> | <u>FY2010-11</u> | <u>% of Total</u> |
|--|-------------------------|--------------------------|
| Aid to Local Governments | 1,210,048,306 | 35.5% |
| Aid for Individuals | 770,592,812 | 22.6% |
| Aid to Other | 186,494,569 | 5.5% |
| State Aid Total | 2,167,135,687 | 63.6% |
| Operations | 1,224,163,372 | 36.0% |
| Capital Construction | 13,802,233 | 0.4% |
| Total General Fund Appropriations | 3,405,101,292 | |

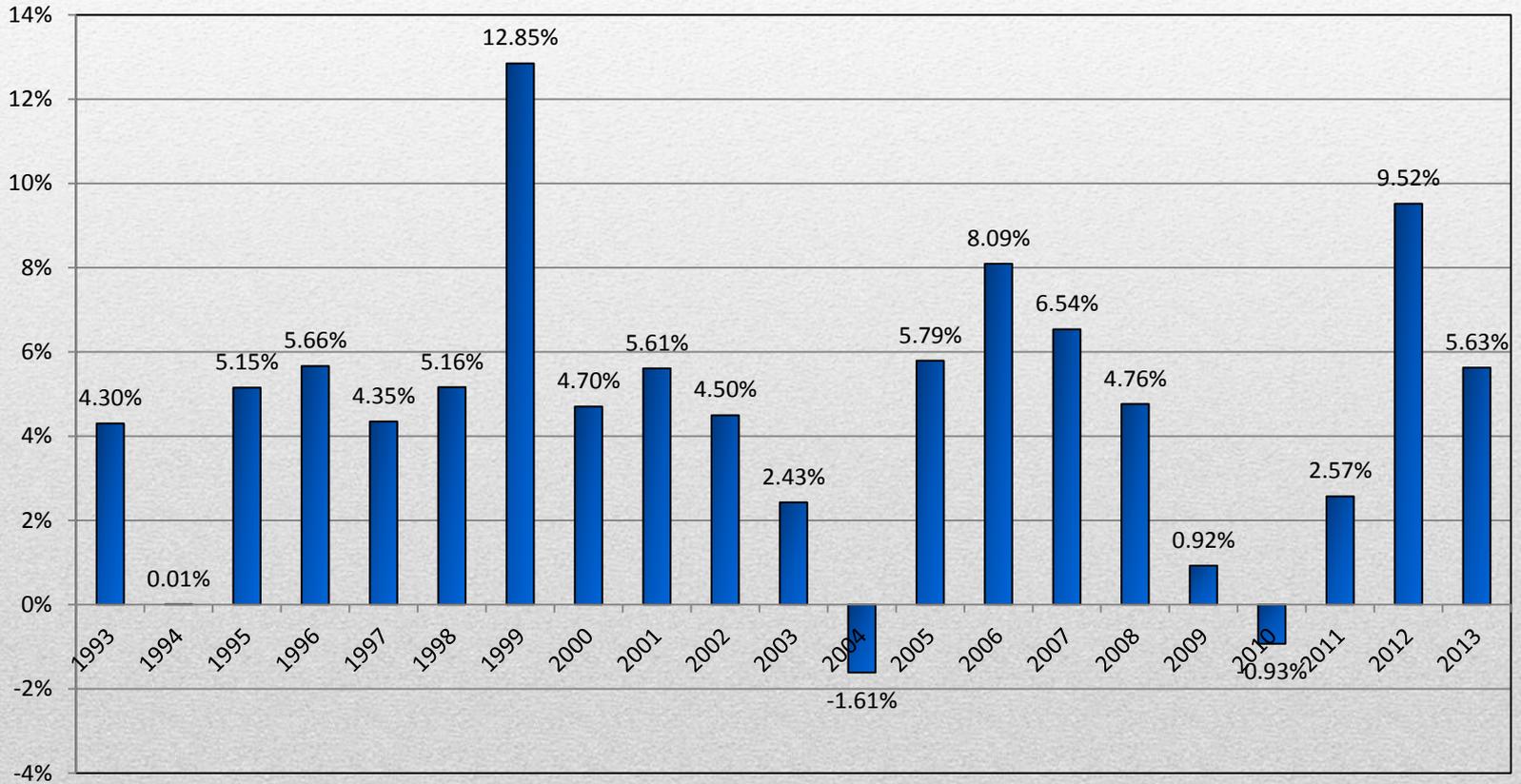
State of Nebraska

General Fund Revenue: FY 2007 - FY 2011 (in millions)



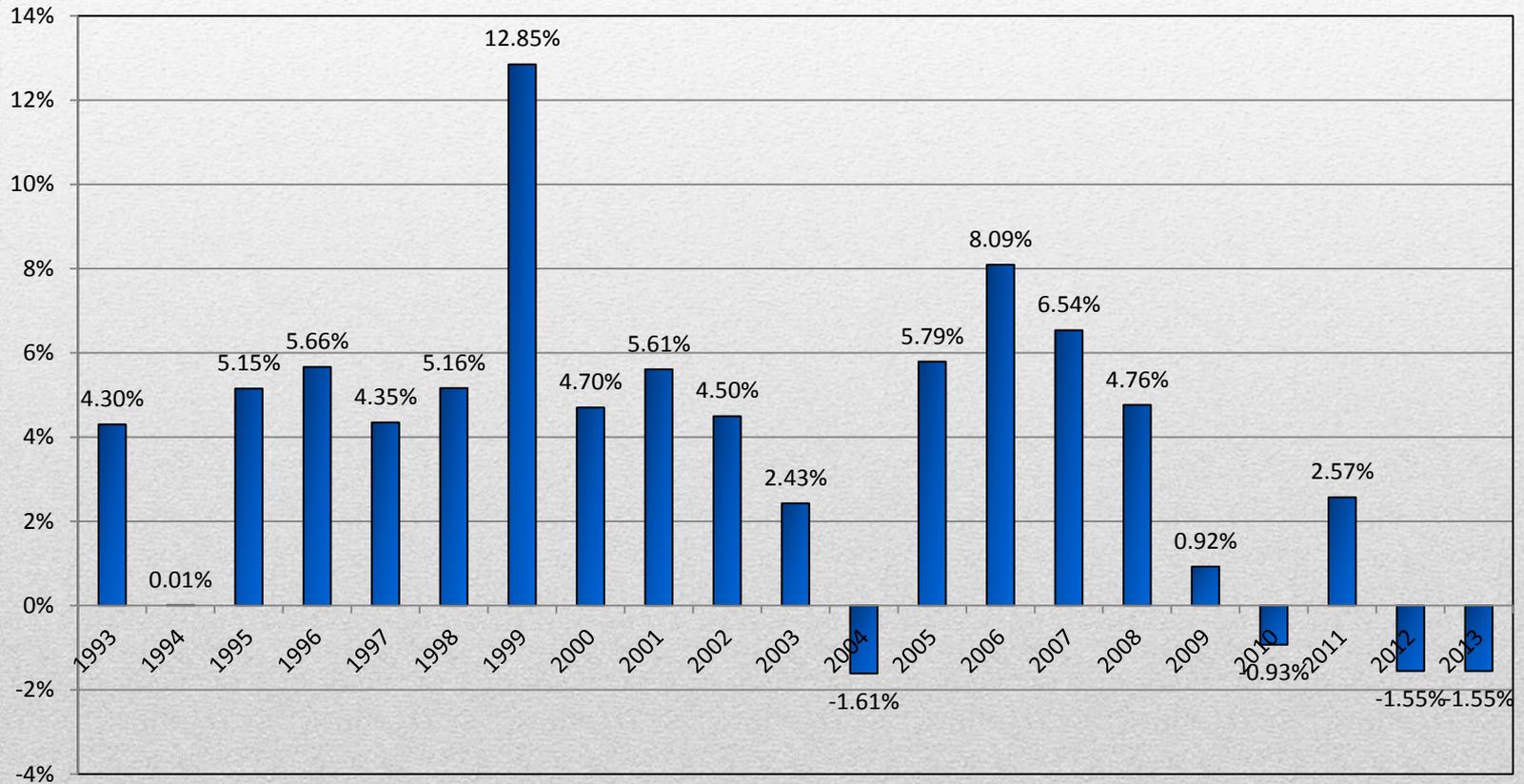
* FY 2007 through FY 2010 are actual. FY 2011 through FY 2013 are projected.

State of Nebraska
General Fund Appropriations
Annual % Change
(2012 & 2013 - 11/16/10 Legislative Fiscal Office Projections)



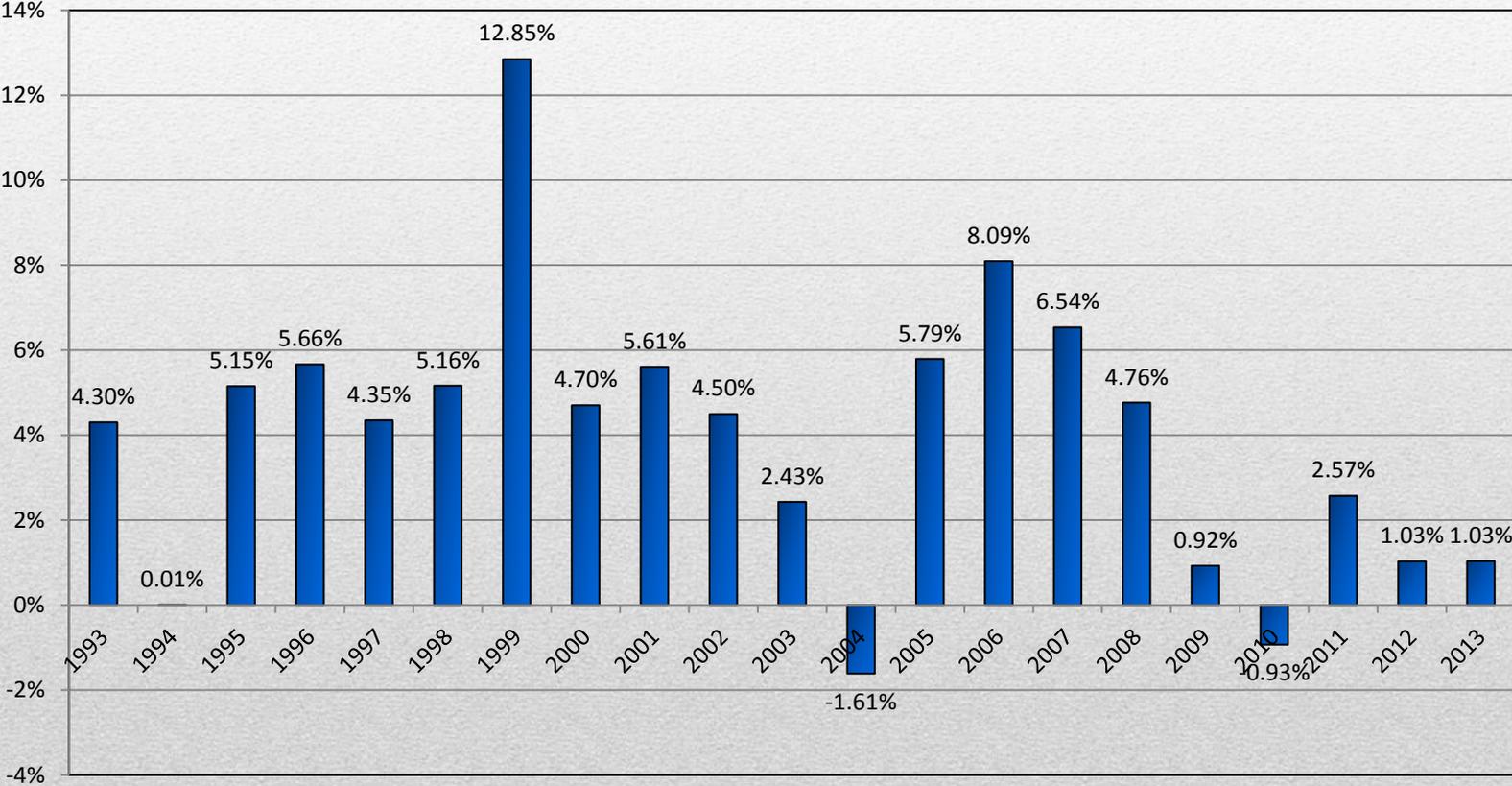
State of Nebraska General Fund Appropriations Annual % Change

(2012 & 2013 - Amounts Allowed w/ Available General Fund Revenue)

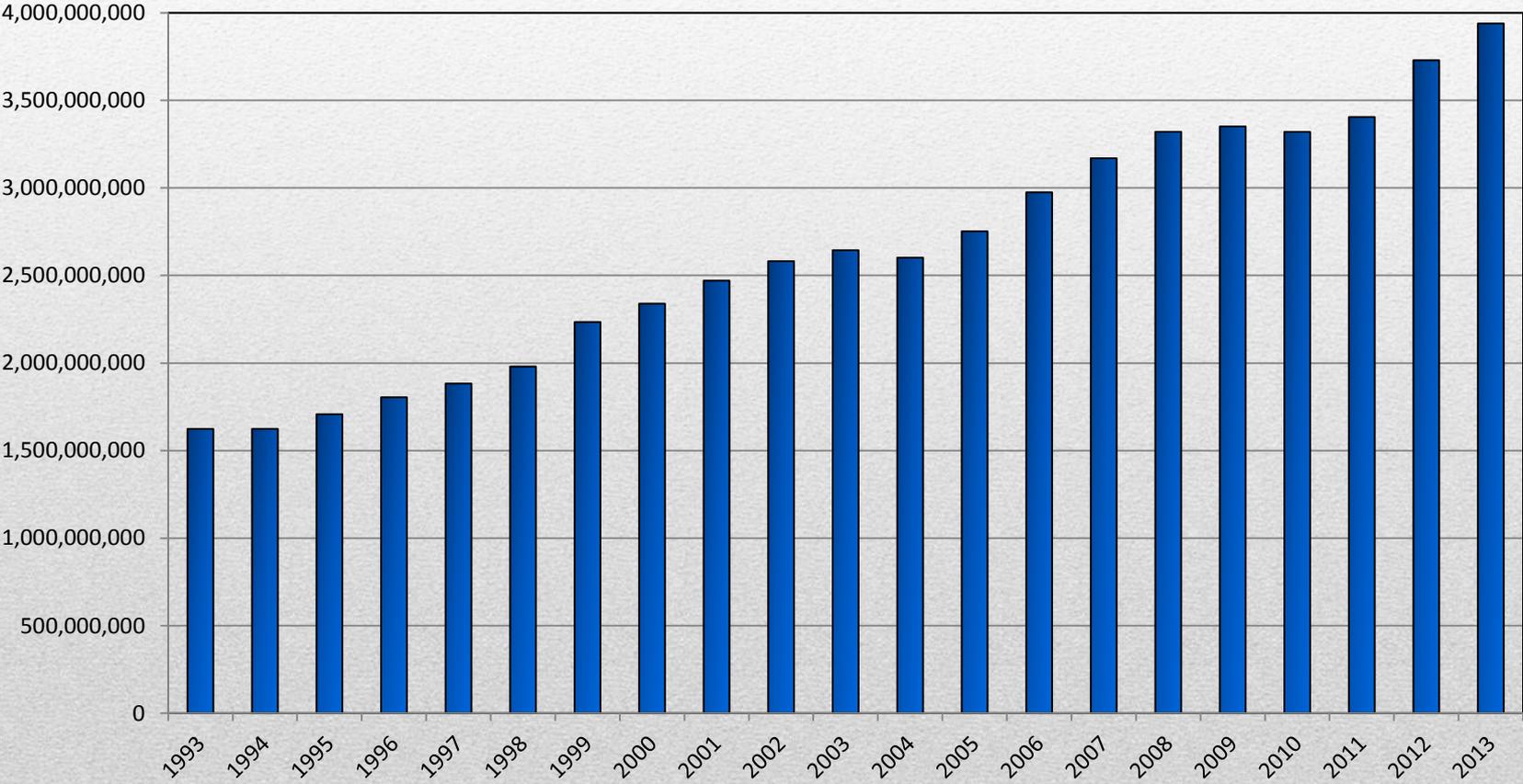


State of Nebraska General Fund Appropriations Annual % Change

(2012 & 2013 - Amounts Allowed w/ Available General Fund Revenue + CRF Transfer)



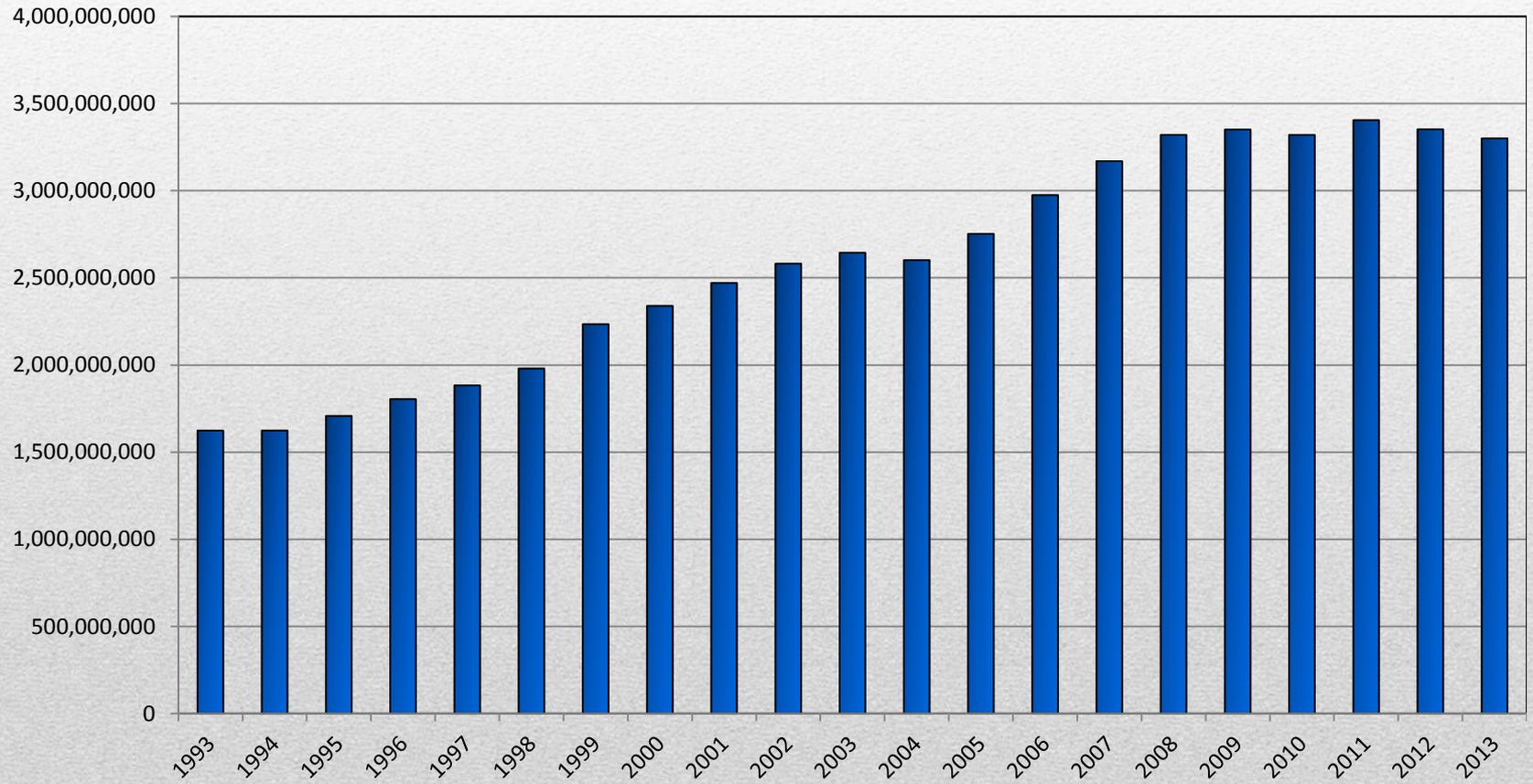
State of Nebraska
General Fund Appropriations
(2012 & 2013 - 11/16/10 Legislative Fiscal Office Projections)



State of Nebraska

General Fund Appropriations

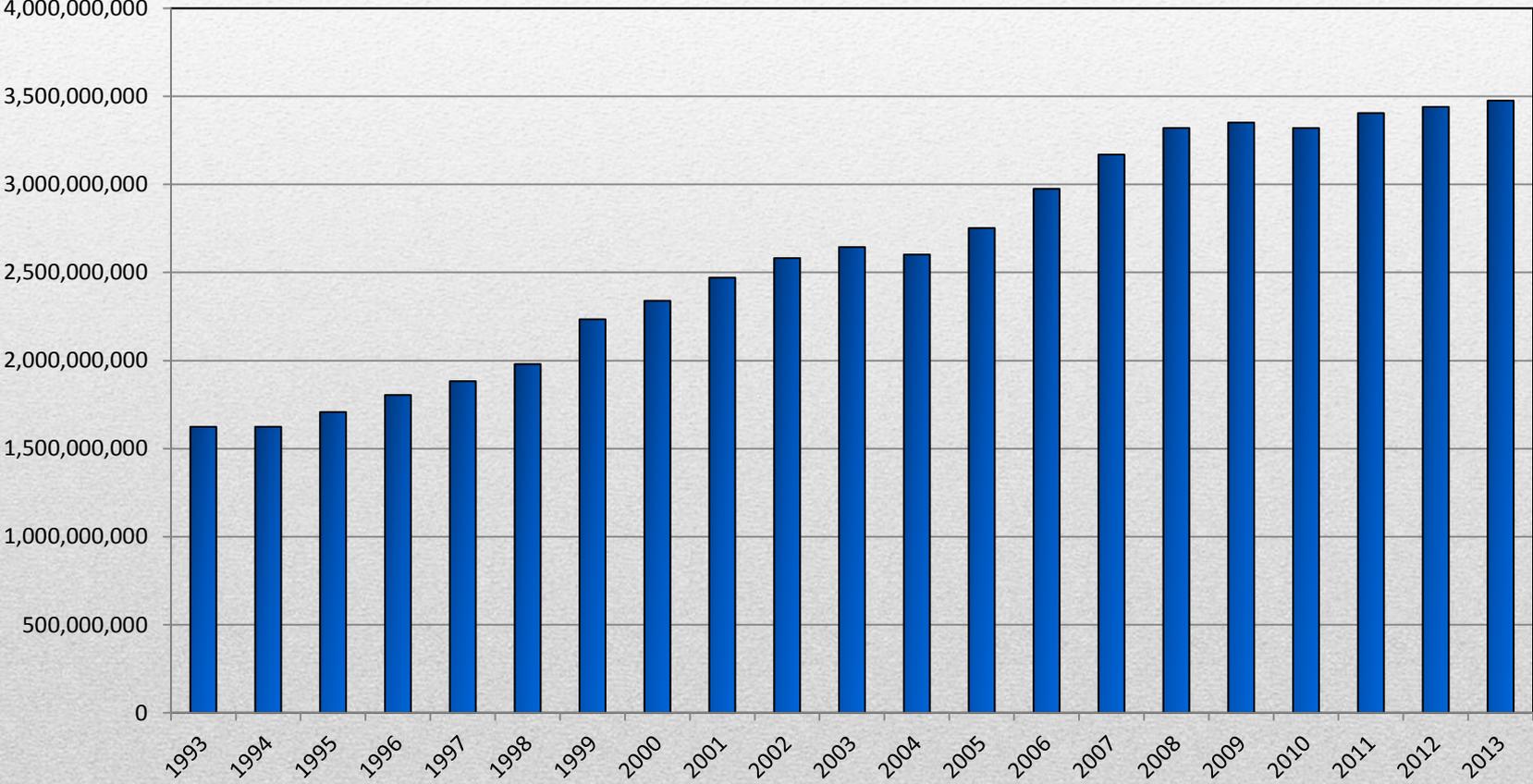
(2012 & 2013 - Amounts Allowed w/ Available General Fund Revenue)



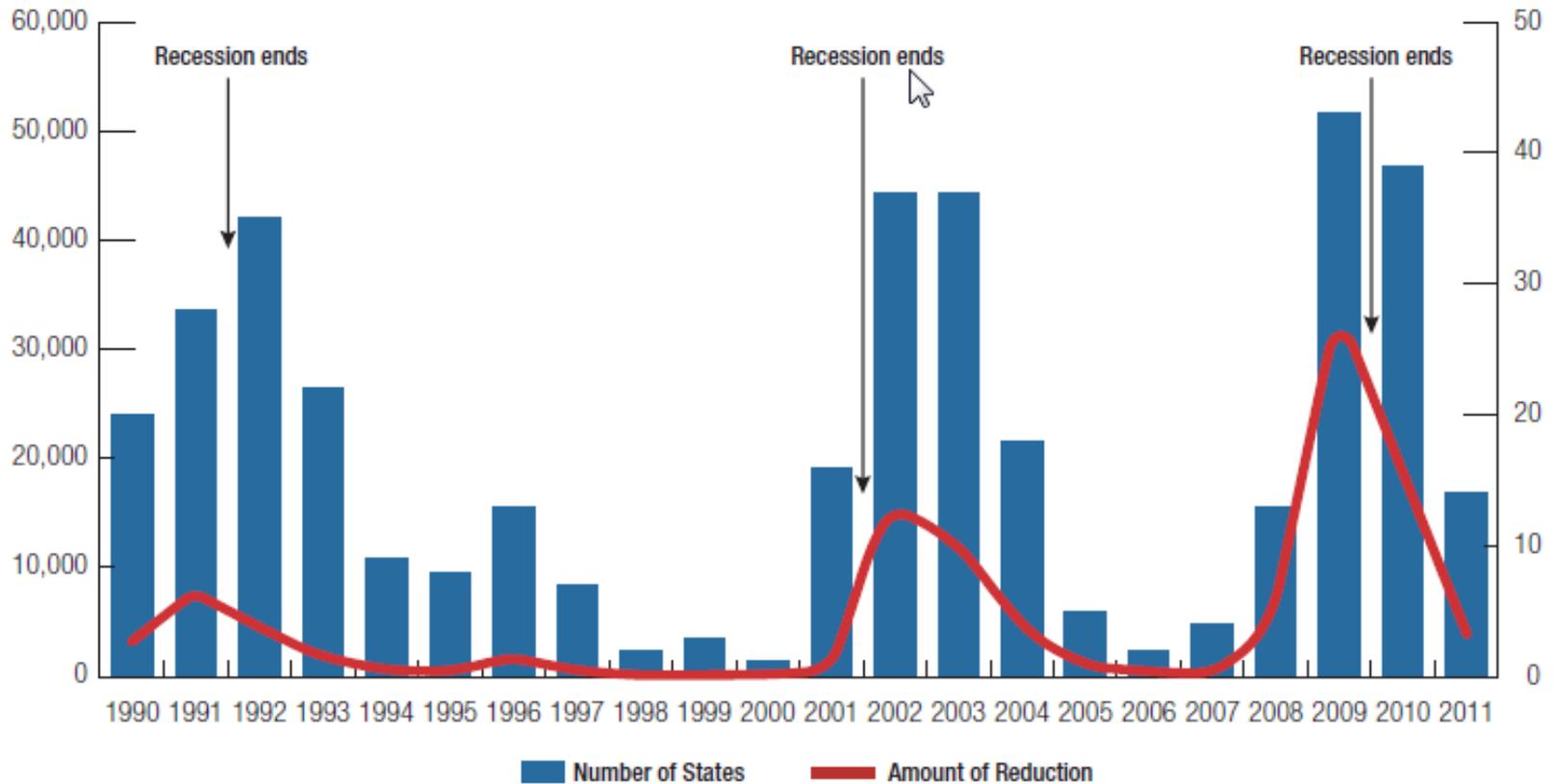
State of Nebraska

General Fund Appropriations

(2012 & 2013 - Amounts Allowed w/ Available General Fund Revenue + CRF Transfer)



Budget Cuts Made After the Budget Passed, Fiscal 1990 to Fiscal 2011 (\$ millions)



SOURCE: National Association of State Budget Officers June 2010 Fiscal Survey of States

General Fund Expenditure Change Nebraska, Bordering States, and U.S. Average

| State | Fiscal 2010 | Fiscal 2011 |
|--------------|----------------|----------------|
| Colorado | -9.2 | 6.9 |
| Iowa | -10.7 | -0.4 |
| Kansas | -10.8 | 4.0 |
| Missouri | -11.0 | 3.0 |
| Nebraska | -0.5 | 2.8 |
| South Dakota | -1.9 | 2.9 |
| Wyoming | 0.0 | -18.1 |
| U.S. Average | -7.30% | 5.30% |

NOTES: **Fiscal 2010 reflects changes from fiscal 2009 expenditures (actual) to fiscal 2010 expenditures (preliminary actual). Fiscal 2011 reflects changes from fiscal 2010 expenditures (preliminary actual) to fiscal 2011 expenditures (appropriated).

SOURCE: National Association of State Budget Officers.

Strategies Used to Reduce or Eliminate Budget Gaps, Fiscal 2010 and 2011

| Strategies | FY 2010 | FY 2011 |
|---|---------|---------|
| User Fees | 13 | 19 |
| Higher Education Related Fees | 14 | 13 |
| Court Related Fees | 11 | 9 |
| Transportation/Motor Vehicle Related Fees | 11 | 10 |
| Business Related Fees | 9 | 11 |
| Layoffs | 25 | 24 |
| Furloughs | 22 | 16 |
| Early Retirement | 7 | 6 |
| Salary Reductions | 7 | 9 |
| Cuts to State Employee Benefits | 10 | 13 |
| Across-the-Board % Cuts | 26 | 25 |
| Targeted Cuts | 33 | 35 |
| Reduce Local Aid | 20 | 19 |
| Reorganize Agencies | 11 | 14 |
| Privatization | 2 | 4 |
| Rainy Day Fund | 23 | 13 |
| Lottery Expansion | 2 | 5 |
| Gaming/Gambling Expansion | 2 | 3 |
| Other (Specify) | 23 | 21 |
| Tax and Fee Increases (Net Positive) | ? | 23 |

Source: "The Fiscal Survey of States: Fall 2010," National Association of State Budget Officers.



State Budget Division – State of Nebraska

On the web: www.budget.ne.gov
