

# General Fund Financial Status

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The General Fund Financial Status provides a summary of the State's financial condition including the impact of the Governor's budget recommendations for FY 2014-15 and the 2015-2017 biennium. 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 2014. The net receipts projected for the following biennium were presented to the Tax Rate Review Committee in November of 2014 by the Legislative Fiscal Office.

Certain transfers are proposed to the General Fund in FY 2014-15 and in the 2015-2017 biennium. A transfer of \$17.2 million from the Cash Reserve Fund to pay federal disallowances is proposed in FY 2014-15. Certain transfers are proposed in FY 2015-16: Securities Act Cash Fund - \$23.0 million; Tobacco Products Administration Cash Fund - \$13.0 million, Insurance Cash Fund - \$6.0 million; Charitable Gaming Operations Fund - \$2.0 million, Convention Center Support Fund - \$150,000 and Severance Tax Administration Fund - \$150,000. Certain transfers are proposed in FY 2016-17: Securities Act Cash Fund - \$23.0 million; Tobacco Products Administration Cash Fund - \$10.0 million; Insurance Cash Fund - \$6.0 million; and Severance Tax Administration Cash Fund - \$150,000.

The Governor recommends transfers from the General Fund in both FY 2015-16 and FY 2016-17: Property Tax Credit Cash Fund - \$198.0 million; Water Sustainability Cash Fund - \$11.0 million; Water Resources Cash Fund - \$3.3 million; and Cultural Preservation Endowment - \$750,000.

The appropriations shown for the current fiscal year 2014-15 are those adopted during the 2013 regular session and further amended during the 2014 regular session of the 103rd Legislature. The Status also reflects a recommended reduction of \$1.5 million in FY 2014-15 reappropriations, an increase of \$28.4 million in FY 2014-15 appropriations, and a \$2.2 million allocation for the 2015 claims bill for consideration during the 2015 session of the 104th Legislature. The Governor's budget recommendations for FY 2015-16 and FY 2016-17 of the next biennium are also shown. The Governor's recommendations provide for a two year average General Fund increase of 3.1%. The General Fund balance for the 2015-2017 biennium exceeds the minimum reserve requirement by \$22.5 million.

The planning estimates for the following biennium 2017-2019 set future allowable spending growth at 3.5% and leave a General Fund balance in excess of the minimum reserve requirement.

## General Fund Financial Status

	Current FY2014-15	Next Biennium		Following Biennium	
		FY2015-16	FY2016-17	FY2017-18	FY2018-19
<b><u>Beginning Balance</u></b>					
Beginning Cash Balance	\$673,683,437	\$299,545,237	\$226,734,527	\$282,036,183	\$323,437,839
Cash Reserve Fund transfer-Automatic	(96,721,232)	(61,500,000)			
Net Reappropriations from FY2013-14	(303,875,124)				
Lapse FY2013-14 reappropriations	1,511,800				
Allocation for potential deficits		(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Unobligated Beginning Balance	274,598,882	233,045,237	221,734,527	277,036,183	318,437,839
<b><u>Revenues</u></b>					
Net Receipts (Certified; Next-NEFAB; Following-LFO Hist Avg)	4,282,000,000	4,418,000,000	4,622,000,000	4,797,000,000	4,955,000,000
General Fund transfers - out (current)	(188,350,000)				
General Fund transfers - in (current)	In Receipts				
Cash Reserve Fund transfers (current)	50,500,000				
General Fund transfers - out (2015 Session)		(153,050,000)	(153,050,000)	(152,300,000)	(152,300,000)
Property Tax Credit Fund transfer increase (2015 Session)		(60,000,000)	(60,000,000)	(60,000,000)	(60,000,000)
General Fund transfers - in (2015 Session)		44,300,000	39,150,000		
Cash Reserve Fund transfers (2015 Session)	17,201,112				
2015 Legislation - Additional Tax Relief			(23,000,000)	(20,000,000)	(20,000,000)
General Fund Net Revenues	4,161,351,112	4,249,250,000	4,425,100,000	4,564,700,000	4,722,700,000
<b><u>Appropriations</u></b>					
Actual Expend./Appropriations (FY15 Base - 2014 Session)	4,105,825,530	4,105,825,530	4,105,825,530	4,105,825,530	4,105,825,530
2015 Session Claims Bill	2,210,995				
2015 Deficit Recommendations	28,368,232				
Operations and State Aid Recommendations		149,789,824	253,671,258	253,671,258	253,671,258
Capital Construction Recommendations		(54,644)	(4,198,444)	(4,198,444)	(4,198,444)
2015 Legislation - Agricultural land value			9,500,000	19,000,000	30,000,000
Following Biennium				144,000,000	292,000,000
General Fund Appropriations	4,136,404,757	4,255,560,710	4,364,798,344	4,518,298,344	4,677,298,344
<b><u>Ending Balance</u></b>					
Dollar ending balance	299,545,237	226,734,527	282,036,183	323,437,839	363,839,495
Minimum Biennial Reserve Requirement			259,584,327		278,721,442
Variance from Minimum Reserve			22,451,856		85,118,053
Biennial Reserve (%)			3.3%		4.0%
Annual % Change - Appropriations (excl. deficits)	--	3.6%	2.6%	3.5%	3.5%
Two Year Average	--	--	3.1%	--	3.5%
Annual % Change - Net Receipts (Nominal)	--	4.2%	4.5%	2.9%	3.3%
Two Year Average	--	--	4.3%	--	3.1%
Structural Receipts v. Approps.		(6,310,710)	60,301,656	46,401,656	45,401,656