



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 2013-2015 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 2012. The net receipts projected for the following biennium were presented to the Tax Rate Review Committee in November of 2012 by the Legislative Fiscal Office.

Certain transfers to the General Fund are proposed in both FY 2013-14 and FY 2014-15: Tobacco Products Administration Cash Fund - \$10.0 million; Securities Act Cash Fund - \$24.0 million; and Insurance Cash Fund - \$6.0 million. The Governor recommends that no transfers be made from the Cash Reserve Fund to the General Fund to support the general operations and aid budget for the 2013-2015 biennium.

The Governor recommends transfers from the General Fund in both FY 2013-14 and FY 2014-15: Property Tax Credit Cash Fund - \$113.0 million and Water Resources Cash Fund - \$3.3 million. The Governor recommends no other transfers be made from the General Fund during the 2013-15 biennium.

The appropriations shown for the current fiscal year 2012-13 are those adopted during the 2011 regular session and further amended during the 2011 special session and 2012 regular session of the 102nd Legislature. The Status also reflects a recommended reduction of \$5.0 million in FY 2012-13 re-appropriations, an increase of \$1.5 million in FY 2012-13 appropriations, and a \$522,809 allocation for the 2013 claims bill for consideration during the 2013 session of the 103rd Legislature. The Governor's budget recommendations for FY 2013-14 and FY 2014-15 of the next biennium are also shown. The Governor's recommendations provide for a two year average General Fund increase of 4.9%. The General Fund balance for the next biennium exceeds the minimum reserve requirement by \$14.8 million.

The planning estimates for the following biennium 2015-2017 set future allowable spending growth at 5.0% and leave a General Fund balance in excess of the minimum reserve requirement. The planning estimates include a recommendation that \$47.0 million be transferred from the General Fund to the Cash Reserve Fund to reimburse Cash Reserve Fund financing of the construction of a new Central Nebraska Veterans' Home recommended by the Governor during this 2013 legislative session.

General Fund Financial Status

	Current FY2012-13	Next Biennium		Following Biennium	
		FY2013-14	FY2014-15	FY2015-16	FY2016-17
<u>Beginning Balance</u>					
Beginning Cash Balance	\$498,526,358	\$284,832,422	\$249,829,306	\$249,997,327	\$273,238,749
Cash Reserve Fund transfer-Automatic	(104,789,781)	(57,934,000)			
Carryover obligations from FY2011-12	(267,812,760)				
Lapse FY2011-12 reappropriations	5,046,613				
Allocation for potential deficits		(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Unobligated Beginning Balance	130,970,430	221,898,422	244,829,306	244,997,327	268,238,749
<u>Revenues</u>					
Net Receipts (Certified; NEFAB; LFO Hist Avg)	3,825,000,000	3,922,000,000	4,080,000,000	4,343,000,000	4,593,000,000
General Fund transfers - out	(114,700,000)	(116,300,000)	(116,300,000)	(116,300,000)	(116,300,000)
General Fund transfers - in	In Receipts	40,000,000	40,000,000		
Cash Reserve Fund transfers	78,000,000				(47,015,459)
General Fund Net Revenues	3,788,300,000	3,845,700,000	4,003,700,000	4,226,700,000	4,429,684,541
<u>Appropriations</u>					
Actual Expenditures/Appropriations (2012 Session)	3,632,423,755	3,632,423,755	3,632,423,755	3,632,423,755	3,632,423,755
2013 Claims Bill	522,809				
2013 Deficit Recommendations	1,491,444				
Operations/Aid Budget Recommendations		184,326,570	364,521,457	364,521,457	364,521,457
Capital Construction Budget Recommendations		1,018,791	1,586,767	1,586,767	1,586,767
Following Biennium				199,926,599	409,849,528
General Fund Appropriations	3,634,438,008	3,817,769,116	3,998,531,979	4,198,458,578	4,408,381,507
<u>Ending Balance</u>					
Dollar ending balance	284,832,422	249,829,306	249,997,327	273,238,749	289,541,783
Minimum Biennial Reserve Requirement			235,231,993		259,409,181
Variance from Minimum Reserve			14,765,334		30,132,602
Biennial Reserve (%)			3.2%		3.4%
Annual % Change - Appropriations (excl. deficits)	--	5.1%	4.7%	5.0%	5.0%
Two Year Average	--	--	4.9%	--	5.0%
Annual % Change - Net Receipts (Nominal)	--	3.6%	4.0%	5.5%	5.8%
Two Year Average	--	--	3.8%	--	5.6%