

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 386

Introduced by Erdman, 47.

Read first time January 17, 2019

Committee: Government, Military and Veterans Affairs

- 1 A BILL FOR AN ACT relating to the Nebraska Budget Act; to amend section
- 2 13-504, Revised Statutes Cumulative Supplement, 2018; to change
- 3 provisions relating to cash reserves; to provide an operative date;
- 4 to repeal the original section; and to declare an emergency.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-504, Revised Statutes Cumulative Supplement,
2 2018, is amended to read:

3 13-504 (1) Each governing body shall annually or biennially, as the
4 case may be, prepare a proposed budget statement on forms prescribed and
5 furnished by the auditor. The proposed budget statement shall be made
6 available to the public by the political subdivision prior to publication
7 of the notice of the hearing on the proposed budget statement pursuant to
8 section 13-506. A proposed budget statement shall contain the following
9 information, except as provided by state law:

10 (a) For the immediately preceding fiscal year or biennial period,
11 the revenue from all sources, including motor vehicle taxes, other than
12 revenue received from personal and real property taxation, allocated to
13 the funds and separately stated as to each such source: The unencumbered
14 cash balance at the beginning and end of the year or biennial period; the
15 amount received by taxation of personal and real property; and the amount
16 of actual expenditures;

17 (b) For the current fiscal year or biennial period, actual and
18 estimated revenue from all sources, including motor vehicle taxes,
19 allocated to the funds and separately stated as to each such source: The
20 actual unencumbered cash balance available at the beginning of the year
21 or biennial period; the amount received from personal and real property
22 taxation; and the amount of actual and estimated expenditures, whichever
23 is applicable. Such statement shall contain the cash reserve for each
24 fiscal year or biennial period and shall note whether or not such reserve
25 is encumbered. Such cash reserve projections shall be based upon the
26 actual experience of prior years or biennial periods. The cash reserve
27 shall not exceed fifty percent of the total amount received from personal
28 and real property taxation ~~budget adopted~~ exclusive of capital outlay
29 items;

30 (c) For the immediately ensuing fiscal year or biennial period, an
31 estimate of revenue from all sources, including motor vehicle taxes,

1 other than revenue to be received from taxation of personal and real
2 property, separately stated as to each such source: The actual or
3 estimated unencumbered cash balances, whichever is applicable, to be
4 available at the beginning of the year or biennial period; the amounts
5 proposed to be expended during the year or biennial period; and the
6 amount of cash reserve, based on actual experience of prior years or
7 biennial periods, which cash reserve shall not exceed fifty percent of
8 the total amount received from personal and real property taxation budget
9 ~~adopted~~ exclusive of capital outlay items;

10 (d) A statement setting out separately the amount sought to be
11 raised from the levy of a tax on the taxable value of real property (i)
12 for the purpose of paying the principal or interest on bonds issued by
13 the governing body and (ii) for all other purposes;

14 (e) A uniform summary of the proposed budget statement, including
15 each proprietary function fund included in a separate proprietary budget
16 statement prepared pursuant to the Municipal Proprietary Function Act,
17 and a grand total of all funds maintained by the governing body;

18 (f) For municipalities, a list of the proprietary functions which
19 are not included in the budget statement. Such proprietary functions
20 shall have a separate budget statement which is approved by the city
21 council or village board as provided in the Municipal Proprietary
22 Function Act; and

23 (g) For school districts and educational service units, a separate
24 identification and description of all current and future costs to the
25 school district or educational service unit which are reasonably
26 anticipated as a result of any contract, and any adopted amendments
27 thereto, for superintendent services to be rendered to such school
28 district or administrator services to be rendered to such educational
29 service unit.

30 (2) The actual or estimated unencumbered cash balance required to be
31 included in the budget statement by this section shall include deposits

1 and investments of the political subdivision as well as any funds held by
2 the county treasurer for the political subdivision and shall be
3 accurately stated on the proposed budget statement.

4 (3) The political subdivision shall correct any material errors in
5 the budget statement detected by the auditor or by other sources.

6 Sec. 2. This act becomes operative on July 1, 2019.

7 Sec. 3. Original section 13-504, Revised Statutes Cumulative
8 Supplement, 2018, is repealed.

9 Sec. 4. Since an emergency exists, this act takes effect when
10 passed and approved according to law.