



**STATE OF NEVADA
GOVERNOR'S FINANCE OFFICE**

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ALL AGENCY MEMORANDUM #2020 – 20

November 3, 2020

To: All Agencies
From: 
Susan Brown, Director
Subject: Recommendations for Proposed Budget Reserves 2021-2023 Biennium

The Governor's Finance Office (GFO) requested budget reserves for Fiscal Years 2020 and 2021 earlier this calendar year due to our state's unprecedented and unfortunate economic situation. It is necessary to prepare for future declines in General Fund revenues for the 2021-2023 biennium. Agencies are being asked to prepare proposed budget reserves of **12%** for each year of the upcoming biennium. These reserve proposals are for budget planning purposes.

These budget reserve proposals need to be entered into the Nevada Executive Budget System (NEBS) and the Position Elimination Summary form submitted to the GFO by the close of business on **November 20, 2020**. This will not only allow all departments to consolidate and prioritize recommended budget reserves in one location, but it will also allow the GFO to effectively coordinate the compilation of recommendations for the Governor's consideration.

Please note, per NRS 353.205, the recommended budget remains confidential and should not be disclosed. This includes any budget reserves, which will not be made public until the Governor approves a final plan. Any details of budget reserves should remain only within the Executive Branch.

The GFO has established a new version in NEBS and labeled this version A01R – Budget Reserves Proposals. Agencies should enter their recommended budget reserves in the A01R version. To facilitate entries into NEBS, we have initialized a range of decision units: **E680 – E685 Staffing and Operations and E686 – E690 Program Reserves**. These reserve proposals are for budget planning purposes. Agency Appropriation targets have been developed for this exercise and are included with this memo.

The notes and attachments for each budget reserve decision unit must be complete and concise and must include a description of what is being recommended for reserve as well as the consequences of that recommendation.

Agencies may propose the elimination of positions or deferring the start date for new or vacant positions. Attached to this memo is a Position Elimination Summary form to be completed for proposed elimination of positions for this purpose. The form requests information relating to potential layoffs, possible Public Employees Retirement System (PERS) buyouts and terminal leave costs (only related to positions being eliminated that will result in a layoff). Please contact Kara Sullivan 775-684-0133 at the Division of Human Resources Management for questions related to the layoff process if necessary, under the budget reduction proposals. Please contact PERS at 775-687-4200 or 702-486-3900 for questions regarding possible PERS buyouts. The information collected on the Position Elimination Summary forms will be kept confidential until a final plan has been approved by the Governor. Upon approval of a final plan, only information related to the positions approved for elimination will be released.

Should you have any questions regarding how to enter or present specific information, please contact your assigned Executive Branch Budget Officer in the Budget Division

Thank you for your continued cooperation during this difficult time.