



County Manager's INTERIM Budget Message:

FY2020-2021

Due to the current State of Emergency caused by the novel coronavirus and COVID-19, the Montgomery County Board of Commissioners is adopting a continuation budget to start the FY2021 fiscal year. This decision was made after consultation with municipal leaders, the Local Government Commission, and County attorneys. An interim budget will allow County operations to continue, consistent with current year fiscal expenditures, while allowing additional time for County and municipal leaders to better gauge the economic consequences of the pandemic. Given the Governor's cautious approach for reopening the economy, the County deems it prudent to delay any budget decisions for the new fiscal year until signs emerge that revenues may support those activities.

While the Board's decision is to delay the adoption of the next year's fiscal budget, it must, by North Carolina General Statutes, pass a budget ordinance for County operations to continue. That ordinance, calling for an interim continuation of the current fiscal year expenditures, is attached to this budget message. Pursuant to Statute, the County will hold a public hearing on this continuation budget, as well as public hearings for each of the three County fire tax districts, on June 16, 2020. All four public hearings will contain similar continuation budget proposals and will not authorize new expenditures or set new tax rates.

Interim budgets do not authorize new functions, activities, or projects. The attached continuation budget for the County allows for the paying of salaries, debt service payments, and the usual ordinary expenses, as prescribed for by North Carolina General Statute. This budget allows for a continuation of activities previously authorized by the governing Board of Commissioners prior to June 30, 2020. The interim budget does not include revenues as the Board has not reached a decision on tax rates to be levied. These decisions will be made after a formal Manager's FY2021 budget is presented and after a duly noticed public hearing is held.

While no statutory directive exists to limit the duration of an interim budget, the County does not intend to operate on an interim budget for longer than September 30, 2020. Any delays past September would be injurious to County operations and on entities dependent on County funding (public school system and College, for example). A new

budget message and recommended budget ordinance will be presented no later than September 1, 2020.

In these unprecedented and difficult times, we ask all our residents to please take as many precautions as possible to protect yourselves and others from the spread of the virus. To-date, Montgomery County has over 100 confirmed cases of the COVID-19 virus, over 60 active cases, and has unfortunately lost four residents. Please adhere to guidelines issued by the Centers for Disease Control and directives issued from the Governor's Office and the Department of Health and Human Services. Residents may contact the Montgomery County Health Department at (910) 572-1393 or www.montgomerycountync.com for more information.

Respectfully Submitted,

Matthew M. Woodard
County Manager