

**Caroline County
Board of Supervisors Agenda
Executive Summary**

Meeting Date: April 14, 2020

Title: New Business – Consideration of Incremental Appropriations
for Fiscal Year 2020/2021

(Check Mark)

<input type="checkbox"/> Consent	<input type="checkbox"/> Closed Meeting
<input checked="" type="checkbox"/> Action	<input type="checkbox"/> Public Hearing
<input type="checkbox"/> No Action (Information Only)	<input type="checkbox"/> Ordinance
<input type="checkbox"/> Resolution	<input type="checkbox"/> PowerPoint Presentation

Summary: At the March 24th Board of Supervisors worksession, there was brief discussion about the possibility of appropriating funds by month in Fiscal Year 2020/2021 (in lieu of the normal annual appropriations) as a result of anticipated revenue reductions and delays in tax payments in the wake of the COVID-19 caused economic downturn.

Since the worksession, staff has had an opportunity to discuss the possibility of monthly appropriations with Treasurer Elizabeth Curran. Both Mrs. Curran and staff fully understand the vital need to monitor revenues and expenditures carefully and to make timely adjustments to expenditures in the event of revenue shortfalls. However, we believe there are better ways to accomplish this than making monthly appropriations.

Several expenditures come due early in the fiscal year, including approximately \$2,700,000 of debt service payments in the first thirty-two (32) days. If appropriations were made monthly, staff would have no legal authority to make debt service payments or pay other bills in the time-period between the end of 30 or 31 days following the last appropriation and the next Board of Supervisors meeting. Quarterly appropriations could be made, but staff and Mrs. Curran believe the desired objective could be more easily accomplished by requiring the Treasurer and Finance Director to provide a monthly revenue and expense summary. This will enable the Board and staff to carefully track the County's overall financial trajectory and make any needed adjustments expeditiously.

Mrs. Curran has also indicated that she can provide a periodic Treasurer's Accountability Report showing cash & fund balances.

Mrs. Curran will be available to participate in the discussion virtually at the April 14 Board meeting.

Budget Impact: Discussed above

Requested Action from Board of Supervisors: Discuss and direct staff