

Item Title: Approve a Budget Transfer for Salaries and Benefits to the Finance Department

Specific Action Requested:

That the Board of Commissioners approves the budget transfer of \$1,318,459 to the Finance Department from the Public Health/Social Services Department to fund 11.00 FTE's transferred as part of the July 1st, 2025 Health & Human Services reorganization.

Item Summary:

Purpose: In accordance with the North Carolina Local Government Budget and Fiscal Control Act, the Board of Commissioners must approve all amendments that increase the budget for a fund.

Background: On July 1, 2025, the Health & Human Services (HHS) Department was reorganized into two new departments, Public Health and Social Services. As part of this reorganization, 30.00 FTEs from the Finance Division of HHS were moved to the central Finance Department. Due to potential loss of reimbursement funding from the State, the budget for the 30 FTEs remained in Public Health and Social Services. After further evaluation, 11.00 of the FTEs are considered administrative and have minimal effect on the monthly cost reimbursement with the State. Budget transfer covers the salary and benefits for all eleven positions and will move the funding into a new division in the Finance Department budget for these positions to enable reporting.

Strategic Plan: This action supports routine County operations.

Fiscal Impact: The FY2026 expenditures related to this effort are estimated to be \$1,318,459. This amount of budget will be transferred from Public Health and Social Services to Finance. The ongoing costs are \$1,318,459 and will be included in future year budgets. This is a cost-neutral change and requires no net resource increase.

Additional Information:

None.

Attachments:

1. Budget Memo – FY2026 General Government
2. Budget Memo – FY2026 Human Services