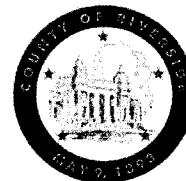


**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM
3.4
(ID # 10055)**

MEETING DATE:

Tuesday, June 11, 2019

FROM : EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: Health and Mental Health Realignment Fund Budget Adjustment for FY 2018/19; All Districts. [\$4,000,000 - 100% State Health Realignment Funds] (4/5 vote required)

RECOMMENDED MOTION: That the Board of Supervisors:


1. Approve and direct the Auditor-Controller to make the budget adjustments, as shown on the attached Schedule A.

ACTION: 4/5 Vote Required, Policy

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: June 11, 2019
xc: E.O., Auditor

Kecia Harper
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 4,000,000	\$	\$ 4,000,000	\$
NET COUNTY COST	\$	\$	\$	\$
SOURCE OF FUNDS: State Health Realignment Funds			Budget Adjustment:	Yes
			For Fiscal Year:	18/19

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The Health and Mental Health Realignment budget established in 1992 is a pass-thru fund administered by the Executive Office and disbursed to various social services programs by the Auditor-Controller. Revenue is received on a monthly basis and has been trending higher than anticipated this fiscal year, therefore a budget adjustment is needed to increase revenue and expenditures. Once funds are received, the Auditor-Controller disburses these funds to various county departments. The funds are used to offset the cost within health and human services as a result of AB 8, approved in 1991 which transferred state responsibility for community-based mental health programs, state hospital services for county patients, institutions for mental diseases, and the AB 8 county health services to the counties as part of a "realignment" of state and local programs. There were also changes to the county cost-sharing ratio for the California Children's Services, and various Social Services programs.

The realignment measures increased county expenditure requirements in California by a total of \$2.2 billion the first year. The legislation included a component to increase the state sales tax and Vehicle License Fees (VLF), which are earmarked for supporting these financial obligations of the counties.

On June 27, 2013, AB 85 went into effect, which provided a mechanism for the state to redirect 1991 State Health Realignment funding to fund social service programs. This legislation however did not change the half cent increase in sales tax or the 74.9 percent of VLF to be distributed to these programs. It did change the allocation of revenue in the growth account by decreasing the amount that is disbursed to health services from 52 percent to 18.45 percent and redirecting the remaining growth to social services programs. Growth was expected be lower in FY 18/19, however is based on the economy and VLF and sales tax revenue in FY 18/19 is higher than anticipated. A budget adjustment is needed to receive the revenue and increase appropriations for distribution to the various departments.

Additional Fiscal Information

Revenue is higher than anticipated in FY 18/19, therefore a budget adjustment is needed to increase revenues and appropriations. There is no general fund being used for this adjustment.

SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA

ATTACHMENTS:



SCHEDULE A. BUDGET ADJUSTMENT

Increase estimated revenue:

10000-1101400000-750250	CA-Realignment from VLF	\$4,000,000
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Increase appropriations:

10000-1101400000-536100	Realignments	4,000,000
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Misley Wang, Supervising Accountant	Alex Gann
6/5/2019	6/5/2019