### Agenda Item: Resolution Authorizing the Sierra County Auditor to make certain transfers in the 2018/2019 County Budget

**Supportive Documents Attached:**  
- Memo
- Resolution
- Agreement
- Other

**Background Information:** Please see attached Memo

**Funding Source:**
- **General Fund Impact:** No General Fund Impact
- **Other Fund:**
  - **Amount:** $ N/A

**Are Additional Personnel Required?**  
- Yes, -- --
- No

**Is this Item Allocated in the Budget?**  
- Yes
- No

**Is a Budget Transfer Required?**  
- Yes
- No

### Board Action:
- ☐ Approved
- ☐ Approved as amended
- ☐ Adopted
- ☐ Adopted as amended
- ☐ Denied
- ☐ Other
- ☐ No Action Taken

- ☐ Set public hearing
- ☐ For: _________________________
- ☐ Direction to: ________________
- ☐ Referred to: ________________
- ☐ Continued to: ________________
- ☐ Authorization given to: ________________

- Resolution 2019- ____________
- Agreement 2019- ____________
- Ordinance _________________

**Vote:**
- Ayes:
- Noes:
- Abstain:
- Absent:
- ☐ By Consensus

### Comments:
- ____________________________
- ____________________________
- ____________________________
- ____________________________
- ____________________________
- ____________________________
- ____________________________

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Clerk to the Board: ______________________  Date: ______________________
Memorandum

To: Sierra County Board of Supervisors
From: Vickie Clark, Director
Reference: Agenda Item
Date of memo: April 22, 2019
Date of Board Meeting: May 7, 2019

Requested Action: Resolution authorizing the Sierra County Auditor to make certain transfers in the 2018-2019 County Budget.

Mandated by: Government Code §29125

<table>
<thead>
<tr>
<th>Funding</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase Expenditures</td>
<td>$220,276.00</td>
<td>Tobacco Prop 56 Trust Account</td>
</tr>
<tr>
<td>Decrease Expenditures</td>
<td>$220,276.00</td>
<td>Tobacco Prop 98 Trust Account</td>
</tr>
<tr>
<td>Difference</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

Background Information:

The California Healthcare, Research and Prevention Tobacco Tax Act (Proposition 56) was passed by the voters in November 2016 to increase the excise tax rate on cigarettes and electronic cigarettes effective April 1, 2017. Senate Bill 856 appropriated Proposition 56 funds to the Department of Health Care Services (DHCS) for continual use as the nonfederal share of health care expenditures. DHCS appropriated funding to the counties to be used for tobacco prevention programs beginning the 2017/2018 FY. Counties were required to receive the funds.

Sierra County budgeted the transfer authority in the pre-existing Tobacco trust 8915660. The State stipulated that Proposition 56 funds were to be kept in a separate, interest bearing account during the 17/18 Fiscal Year. Funds were transferred into the new account 8915661, however, transfer authority was not.

Potential Issues to consider:

Alternatives or Impacts of disapproval

Sierra County will be out of compliance with a state mandated program.
WHEREAS, pursuant to Government Code §29125, the Board of Supervisors may increase revenues and expenditures;

WHEREAS, transfer authority for the Tobacco Program was consolidated in the Prop 98 Tobacco Trust 8915660 for the 18/19 Fiscal Year;

WHEREAS, the State determined that Proposition 56 funds must be kept in a separate, interest bearing trust account;

NOW THEREFORE BE IT RESOLVED, the Sierra County Board of Supervisors authorizes the Auditor to make the following adjustment to the 2018/2019 County Budget:

Increase Expenditures:  Tobacco Prop 56 Trust Account  8915661-7600    $220,276
Decrease Expenditures:  Tobacco Prop 98 Trust Account 8915660-7600    $220,276

FURTHERMORE, BE IT RESOLVED, the Board hereby specifically authorizes the Auditor to make the transfers listed above on request of appropriate Department.

ADOPTED by the Board of Supervisors of the County of Sierra on the 7th Day of May, 2019.

AYES:  
NOES:  
ABSENT:  
ABSTAIN:  

COUNTY OF SIERRA

_____________________
PAUL ROEN
Chairman

ATTEST:  
APPROVED AS TO FORM:

_____________________
HEATHER FOSTER
Clerk of the Board

_____________________
DAVID PRENTICE
County Counsel