

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
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Agenda Number:
Prepared on: 11/23/04
Department Name: Public Health
Department No.: 041
Agenda Date: 12/14/04
Placement: Departmental
Estimate Time: 30 minutes
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Roger E. Heroux, MPA
Public Health Department Director

STAFF CONTACT: Michele Mickiewicz
Public Health Department Deputy Director, x5446

SUBJECT: Tobacco Settlement Advisory Committee (TSAC) Funding Recommendations
for FY 2005-06 for consideration during budget deliberations

Recommendation(s):

That the Board of Supervisors:

- A. Receive recommendations from the Tobacco Settlement Advisory Committee (TSAC) for allocation of the FY 2005-06 tobacco settlement revenues (estimated at \$4,340,234) plus interest projected to be earned in FY 2004-05 (estimated at \$57,815 for a total of \$4,398,049) as follows:

FY 05-06 Final Recommendation

1. ADMHS - Alcohol and Drug Program	\$80,000
2. ADMHS – Children’s System of Care (formerly MISC)	100,000
3. ADMHS - Psychiatric Crisis and Recovery Services	317,374
4. DSS - Adult and Aging Network.....	75,000
5. Council on Alcohol and Drug Abuse – Detox Treatment	75,000
6. Dental Care	100,000
7. Emergency Room Physician Care	220,000
8. Family Service Agency - 211 After Hours Web Based Access.....	92,675
9. Hospital/Emergency Room Care	950,000
10. SB County Public Authority - In-Home Supportive Services	200,000
11. PHD – TB/Communicable Disease Isolation Facility	50,000
12. Primary & Specialty Care	850,000
13. Project Clean Water	37,000
14. Santa Barbara Neighborhood Clinics – Outreach and Hep C.....	100,000
15. Santa Barbara Regional Health Authority Foundation – Healthy KIDS ...	200,000
16. Tobacco Prevention Settlement Program	811,000
17. <u>TSAC Administration Overhead and Evaluation</u>	140,000
Grand Total.....	4,398,049
Total Projected Amount Available for FY 04-05	4,398,049

- B. Receive a recommendation to decrease funding proportionately for allocations recommended in Section A in the event that the funding received for FY 2005-06 tobacco settlement is less than \$4,398,049;
- C. Receive a recommendation to allocate to infrastructure for the Public Health and Alcohol, Drug and Mental Health Departments, any funding received above projected revenues or any unexpended funding;
- D. Adopt the following change to the membership of the Tobacco Settlement Advisory Committee (TSAC):
 - 1. The Chair of the Children & Families Commission, or her designee will be changed to be the Board of Supervisors representative to the Children and Families Commission, or his/her designee.

These recommendations from the Tobacco Settlement Advisory Committee (TSAC) are submitted for consideration during the budget deliberations for Fiscal Year 2005-06.

Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with:

Goal No. 2. A Safe and Healthy Community in Which to Live, Work, and Visit

Goal No. 5. A High Quality of Life for All Residents, and

Goal No. 7. A Community that Fosters the Safety and Well-Being of Families and Children.

Executive Summary and Discussion:

Tobacco settlement funding is received by Santa Barbara County as a result of litigation against the tobacco industry to recover the costs of tobacco-related illness. These funds were directed by your Board to be used for county health needs and programs. Your Board approved the recommendations from the Tobacco Settlement Advisory Committee (TSAC) for FY 2000-01, FY 2001-02, FY 2002-03, FY 2003-04 and FY 2004-05.

TSAC met on October 28, 2004 and on November 10, 2004 to hear presentations on current health needs in our County and to develop funding recommendations for FY 2005-06. A comparison of allocations for FY 2000-01 through FY 2004-05 and recommended allocations for FY 2005-06 is provided in Attachment 1.

In prior years, your Board has approved a TSAC recommendation to set aside 20% of the Tobacco Settlement revenues for an endowment for future health needs. For FY 2005-06, TSAC did not include such a recommendation. An estimated \$4,398,049 in tobacco settlement funding is expected to be received in the current year and the TSAC recommendations above allocate 100% of this funding to meet the current health needs in Santa Barbara County in 2005-06. The endowment balance is estimated to be \$4,373,745 by June 30, 2006.

Mandates and Service Levels:

There are no mandates regarding the allocation and use of tobacco settlement funds. TSAC allocations will enhance access to needed medical and mental health services (specialty, dental, psychiatric crisis, hospital and emergency room care), case management services for children, advocacy for older adults, in-home care services for elderly and vulnerable populations, access to care for children, access to after-hours crisis information, tuberculosis care facilities, tobacco cessation, education, and prevention services, drug abuse treatment services, and watershed education services. These services are monitored through the performance measures in each contract or Memorandum of Understanding.

Fiscal and Facilities Impacts:

Approval of this action will not increase the Public Health Department's use of General Fund or Special Revenue Fund resources. In addition, the direct and indirect costs for the administration of the Tobacco Settlement Funds are estimated at \$140,000 for FY 2005-06. These costs will be fully funded through Tobacco Settlement funds.

Attachment 2 is a spreadsheet that describes the Tobacco Settlement funds and allocations for FY 2005-06. Zero dollars from revenues received will be added to the Endowment. Projected interest will bring the Endowment balance to approximately \$4,373,745 by June 30, 2006. Approximately \$4.4 million will be available for programs in FY 2005-06.

As mentioned in the Executive Summary, should the amounts made available during FY 2004-05 for the proposed FY 2005-06 TSAC allocations fall below \$4,398,049, the funding recommendations listed in item A will be decreased accordingly. Should the amounts made available be more than \$4,398,049 the funds will be allocated for the infrastructure needs of the Public Health and Alcohol, Drug and Mental Health departments.

Possible facilities impact includes the possible configuration of trailer space on the Calle Real campus for a Tuberculosis Isolation facility.

Special Instructions:

None.

Concurrences:

None required.

Attachment 1: TSAC Recommended Allocation for FY 2005-06

Attachment 2: TSAC Projected Allocation for FY 2004-05

**Santa Barbara County Public Health Department
TSAC Projected Allocation for Fiscal Year 2004-2005**

**Tobacco Settlement Fund-0046
10/04/04**

	<u>Fund 0046</u>		<u>Endowment</u>
	<u>Projection</u>		<u>Projection</u>
Allocations for 2004-2005	3,707,160.00	Note 1 56,030.00	4,204,817.00
Expected Distributions for 2004-2005	Note 2 <u>3,707,160.00</u>	<u>56,030.00</u>	<u>-</u>
Projected Balance of 2004 Allocations	<u>-</u>	<u>-</u>	<u>4,204,817.00</u>
Projected Master Settlement Allocations for 2005	Note 3 4,340,234.00		-
Projected Interest Earned	Note 4 57,815.00		168,928.00
Unexpended for 2004-2005	<u>-</u>		<u>-</u>
Total Projected Available Amount for FY 2005-2006	Note 5 <u>4,398,049.00</u>		
Total Projected Balance of Endowment	-		<u><u>4,373,745.00</u></u>

Notes:

- Note 1:** \$56,030.00 is the remaining balance at the close of FY 2003-2004, distributed to infrastructure in FY 2004-2005, 60% (\$33,618) to Public Health and 40% (\$22,412) to Alcohol, Drug & Mental Health.
- Note 2:** Distribution: All allocations are expected to be distributed in full.
- Note 3:** Projected Master Settlement Allocation for 2005 is 100% of Attorney General's total 2005 Projected Allocation of \$4,340,234.00.
- Note 4:** Projected interest earned on Tobacco Settlement over the course of FY 2004-2005.
- Note 5:** Total Projected Available Amount for 2005-2006 consist of: \$4,340,234.00 which is 100% of Attorney General's Projected Allocation, and \$57,815.00 Projected Interest Earned.

Comparison of TSAC Allocations for FY 00-01 to FY 04-05 and Recommended Allocations for FY 05-06

Description	00-01 Allocation	01-02 Allocation	02-03 Allocation	03-04 Allocation	04-05 Allocation	05-06 Rec. Allocation
Allocations:						
Administration/Overhead	140,000	140,000	140,000	136,076	130,000	140,000
DSS-Adult & Aging Network	100,000	100,000	50,000	48,598	40,000	75,000
Air Pollution Control District	85,000	85,000	85,000	82,617	30,000	-
Dental Care	100,000	100,000	100,000	97,197	100,000	100,000
Emergency Room Physicians	-	-	100,000	194,394	180,000	220,000
Hospital & ER	500,000	500,000	500,000	777,575	730,000	950,000
ADMHS-Children's System of Care (formerly MISC)	500,000	500,000	500,000	437,386	280,000	100,000
Project Clean Water	600,000	600,000	259,000	50,542	37,000	37,000
PHD-TB/Communicable Disease Isolation Facility	-	-	-	-	-	50,000
SB Neighborhood Clinics (Hep C)	-	-	50,000	48,598	47,500	50,000
SB Neighborhood Clinics (Outreach)	-	-	50,000	48,598	47,500	50,000
SB Public Authority-In-Home Supportive Services (IHSS)*	-	-	-	194,394	-	200,000
Primary & Specialty Care**	-	-	-	777,575	730,000	850,000
Specialty Care Testing	-	-	150,000	-	-	-
Specialty Medical Care	500,000	500,000	500,000	-	-	-
ADMHS-Substance Abuse Treatment Court***	170,000	170,000	150,000	145,795	80,000	80,000
PHD-Tobacco Prevention & Education	815,000	815,000	806,000	783,407	811,000	811,000
ADMHS-Psychiatric Crisis and Recovery Services	-	-	-	-	150,000	317,374
Council on Alcoholism & Drug Abuse-Detox Ctr	-	-	-	-	40,000	75,000
Family Service Agency 211 Web-based Access	-	-	-	-	40,000	92,675
SB Regional Health Authority-Healthy KIDS	-	-	-	-	39,766	200,000
Allocations Total	\$ 3,510,000	\$ 3,510,000	\$ 3,440,000	\$ 3,822,752	3,512,766	4,398,049
Infrastructure:****						
Alcohol, Drug, & Mental Health Services	626,362	140,203	315,470	291,592	22,412	-
Public Health Department	939,542	210,304	359,205	53,458	33,618	-
Infrastructure Total	\$ 1,565,904	\$ 350,507	\$ 674,675	\$ 345,050	\$ 56,030	\$ -
Endowment:	\$ 802,495	\$ 856,440	\$ 947,567	\$ 1,006,062	\$ 850,426	\$ -

* The allocation for IHSS for FY 03-04 was rolled over to FY 04-05

** Allocations previously specified for Specialty Medical Care and Specialty Care Testing have now been grouped with Primary & Specialty Care.

*** ADMHS Substance Abuse Court Program is now incorporated into an allocation for ADMHS Alcohol and Drug Program

**** FY 00-01 Infrastructure was a one-time allocation.

FY 01-02 Infrastructure was allocated from surplus funds at the close of FY 00-01.

FY 02-03 Infrastructure included \$76,000 to ADMHS directly with the balance allocated from surplus funds at the close of FY 01-02.

FY 04-05 Infrastructure was allocated from surplus funds at the close of FY 03-04.