

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
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Agenda Number:
Prepared on: 10/22/02
Department Name: Public Health
Department No.: 041
Agenda Date: 11/05/02
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Roger E. Heroux, Chair
Tobacco Settlement Advisory Committee (TSAC)

STAFF CONTACT: Michele Mickiewicz
681-5446

SUBJECT: Tobacco Settlement Advisory Committee (TSAC) Funding Recommendations for FY 2003-2004

Recommendation(s):

That the Board of Supervisors accept the following recommendations from the Tobacco Settlement Advisory Committee (TSAC):

- A. That 20% of FY 2003-04 tobacco settlement revenues be placed into the TSAC endowment. (Total TSAC revenues in FY 2003-04 are estimated to be \$5,183,000. The 20% distribution to the TSAC endowment would be \$1,036,600).
- B. That the balance of FY 2003-04 tobacco settlement revenues (estimated at \$4,146,400) plus interest projected to be earned in FY 2002-03 (estimated at \$141,667 for a total of \$4,288,067) be allocated as follows¹:
 1. \$806,000 for Tobacco Prevention, Treatment, and Education
 2. \$800,000 for Hospital and Emergency Room Care
 3. \$450,000 for MISC (Multi-agency Integrated System of Care)
 4. \$800,000 for Primary and Specialty Medical Care
 5. \$52,000 for Project Clean Water
 6. \$150,000 for ADMHS Alcohol and Drug Program
 7. \$200,000 In-Home Supportive Services (IHSS)
 8. \$100,000 for Dental Care
 9. \$200,000 for Emergency Room Physicians
 10. \$85,000 for the Air Pollution Control District
 11. \$50,000 for the Adult and Aging Network
 12. \$50,000 for Santa Barbara Neighborhood Clinics – Hepatitis C
 13. \$50,000 for Santa Barbara Neighborhood Clinics – Outreach

¹\$67 of estimated revenues was not allocated.

14. \$300,000 for Alcohol, Drug, & Mental Health Services Infrastructure
 15. \$55,000 for Public Health Department Infrastructure
 16. \$140,000 to cover Administrative Overhead and Evaluation
- C. That in the event the tobacco settlement funding received for FY 2003-04 is less than \$4,288,067, the funding recommended in items B1-B16 above be decreased proportionately.
- D. That in the event the tobacco settlement funding received for FY 2003-04 is more than \$4,288,067, the additional funding will be allocated to infrastructure for the Public Health and Alcohol, Drug, and Mental Health Departments.

Alignment with Board Strategic Plan:

The recommendations 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 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. On June 6, 2000, your Board approved the first recommendations from TSAC for tobacco settlement funding received in FY 1999-2000. Your Board has subsequently approved the TSAC allocation recommendations for FY 01-02 and 02-03.

In Fiscal Year 2003-04, Santa Barbara County will receive an estimated \$5,183,000 in tobacco settlement funding. TSAC met on September 30 to begin developing funding allocation recommendations for FY 2003-04, and to hear presentations from community representatives on current health needs in our County. In a subsequent meeting on October 14, TSAC completed the funding allocation recommendations listed on pages 1 and 2, items A-D. A comparison of allocations for FY 00-01 through 02-03 and recommended allocations for FY 03-04 is provided in Attachment 1.

Mandates and Service Levels:

There are no mandates regarding the allocation and use of tobacco settlement funds. TSAC allocations will enhance specialty care, dental care, hospital and emergency room care, case management services for children and older adults, in-home care visits for the elderly and vulnerable populations, tobacco cessation, education, and prevention services, drug abuse treatment services, and environmental monitoring and water testing. These services will be monitored through the performance measures in each specific 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 FY03/04. These costs will be fully funded through Tobacco Settlement funds.

Attachment 2 details projections for tobacco settlement funding from which FY 03-04 allocations would be made. Approximately \$1,036,600 will be added to the Endowment. This amount, along with projected interest, will bring the Endowment balance to more than \$4 million by 6/30/03. Approximately \$4.2 million will be available for programs and infrastructure for FY 03-04.

As is mentioned in the Executive summary, should the amounts available for the proposed FY 03/04 TSAC allocations fall below \$4,288,067, the funding recommendations listed in items B1-B16 will be decreased

accordingly. Should the amounts available be more than \$4,288,067 the funds will be allocated for the infrastructure needs of the Public Health and Alcohol, Drug, and Mental Health departments.

Expenditure appropriation for FY 03/04 will be budgeted as part of the FY 03/04 recommended budget in: Fund 0046, Department 041, Programs Various, Accounts Various.

Revenues will be budgeted as part of the FY 03/04 recommended budget in: Fund 0042, Department 041, Programs Various, Account 5900.

There will be no facilities impact from this action specifically, as there is currently suitable workspace available for TSAC staff in the Public Health Department.

Special Instructions:

None