

Mayor and Council Communication

DATE: 04/11/23

M&C FILE NUMBER: M&C 23-0255

LOG NAME: 13OPIOID ABATEMENT FUND COUNCIL SETTLEMENT ONE

SUBJECT

(ALL) Adopt Appropriation Ordinance Increasing Receipts and Appropriations in the Grants Operating Other Fund in the Amount of \$665,760.73 for Allowable Expenses Related to Core Strategies and Broader Approved Uses as Provided by the Texas Opioid Abatement Fund Council for the TX Opioid Abatement Fund Project for the Purpose of Mitigating Harms Caused by Opioid Distribution and Use

RECOMMENDATION:

It is recommended that the City Council adopt the attached appropriation ordinance to increase estimated receipts and appropriations in the Grants Operating Other Fund, subject to receipt of the grant, in the amount of \$665,760.73 for the purpose of funding the TX Opioid Abatement Fund project (City Project No. 104782)

DISCUSSION:

The State of Texas (State) and certain Political Subdivisions, through their elected representatives and counsel, seek to hold the entities responsible for the opioid use and distribution within the State of Texas accountable for damage caused and share a common desire to abate and alleviate the impacts of the opioid epidemic throughout the State of Texas.

Through the adoption of Resolution 5499-11-2021 adopted November 9, 2021, City Council joined the opioid settlement negotiated by the Texas Attorney General, affirmed its support for the adoption and approval of the *Texas Opioid Abatement Fund Council and Settlement Allocation Term Sheet* (Term Sheet) in its entirety, and found that there is a substantial need for repayment of opioid-related expenditures and payment to abate opioid-related harms in and about Fort Worth.

On March 1, 2023, the City received the first settlement payment from the Opioid Abatement Fund Council in the amount of \$665,760.73. The Opioid Abatement Fund Council has provided a *List of Opioid Remediation Uses* including both core strategies and broader approved uses for the settlement funding. The Neighborhood Services Department will coordinate with additional departments to develop detailed budgets and programs to address abatement efforts needed by the City. Additional details will be forthcoming from the Neighborhood Services Department through Informal Reports to Council as programs are developed.

This program is expected to cover a period of 18 years, and it is estimated that the City will receive \$2.589 million dollars from the initial settlement, plus an additional \$1.998 million dollars from a subsequent settlement. Additional settlement payments will be distributed as received by the Opioid Abatement Fund Council, however, payment dates, amounts and any reporting requirements are unknown at this time.

ALL COUNCIL DISTRICTS are affected and included.

A Form 1295 is not required because: This contract will be with a governmental entity, state agency or public institution of higher education: State of Texas Office of Attorney General

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation and the attached appropriation ordinance, funds will be available in the current operating budget, as appropriated, of the Grants Operating Other Fund. The Neighborhood Services Department (and Financial Management Services) will be responsible for the collection and deposit of funds due to the City. Prior to an expenditure being incurred, the Neighborhood Services Department has the responsibility to validate the availability of funds and ensure only expenditures allowable under the program guidelines are charged to this funding source.

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