



Cover Memorandum/Staff Report

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Agenda Date: 11/19/2024

Item #: SP.2.

TO: Mayor and Commissioners
FROM: Jeffrey L. Oris, CEcD
THROUGH: Terrence R. Moore, ICMA-CM
DATE: November 19, 2024

CONSIDERATION OF PROPOSED EXPENDITURE OF OPIOID LITIGATION SETTLEMENT FUNDS AVAILABLE AS OF NOVEMBER 1, 2024

Recommended Action:

Review and consider an expenditure plan for Opioid Litigation Settlement Funds available to the City as of November 1, 2024

Background:

The City of Delray Beach, in addition to other municipalities and counties located throughout the State of Florida, has experienced the devastating effects of the opioid epidemic which arose as a result of the manufacture, distribution, and over-prescribing of opioid analgesics and resulted in opioid overdoses, addictions, and in many cases, death. In response to this epidemic, and to hold manufacturers and distributors of prescription opioids accountable for their respective contributions to the opioid crisis, legal action was filed by the State of Florida and a number of Florida cities and counties seeking damages from the resulting opioid epidemic. As a result of the Opioid Litigation, several named defendants agreed to payment of proceeds to settle various claims, much of which will be distributed over multiple years as part of a global settlement.

The City Commission, at their September 10, 2024 workshop meeting, accepted a suggestion that City Staff come back to the Commission with a recommendation on how to spend the Opioid Litigation Funds dispersed to the City to date and consider the creation of an advisory board to help determine the use of future funding. Since this time, the City Manager's Office has worked with the Police Department and Fire Department to formulate a plan to expend the \$239,554.27 currently available. Several meetings were held to discuss relevant program/project types and determine anticipated costs. As the approved uses for these funds (which can be found in Schedule B of the Florida Opioid Allocation and Statewide Response Agreement which is attached to this agenda item) are centered more around treatment and education, staff was only able to formulate seven (7) project/programs to be included in a Proposed Expenditure Plan (which is attached to this agenda item). In addition to the limitation on uses, further restraint was in order as these dollars were considered as one-time funds and staff considered only projects where recurring costs were avoided or limited to amounts which could be absorbed by the proposing department in future years. This meant that staff was only able to determine potential uses for \$158,000 of the available funds leaving \$81,554.27 available. It is proposed that the remaining funds be included with anticipated funding for FY 2024-25 for use as the Commission sees fit through whatever process is utilized to determine the use of future funding.

If the Commission approves an expenditure plan, staff will need to prepare an Annual Intent of Use for Opioid Litigation Funds for Commission Approval. Upon approval by the Commission, the Annual Intent of use for Opioid Litigation Funds will need to be submitted to the Florida Department of Children and Families.

Funding Source/Financial Impact:

Funding is available through the City's designated Opioid Settlement Fund Account, GL# 001-223-008

Timing of Request:

Approval of this plan will allow Staff to prepare and file with the State of Florida our Intent for Use of Opioid Settlement Funds which will allow the City to begin expending funds.