

Item Title: Amend FY2025 Opioid Settlement Spending Resolution

Specific Action Requested:

That the Board of Commissioners amends the FY2025 spending resolution to direct the expenditure of opioid settlement funds for Wake County.

Item Summary:

Purpose: The Board of Commissioners is required to approve the use of National Opioid Settlement funds per the North Carolina Memorandum of Agreement. This action will amend the FY2025 spending resolution to align with previous appropriations through the county budgeting process.

Background: Lawsuits aimed at several companies involved in manufacturing and distributing prescription opioid drugs have been settled in federal court. Under the terms of the settlement, North Carolina will receive approximately \$1.4 billion, and Wake County will receive roughly \$67 million over 18 years to address the opioid epidemic. Wake County agreed to be part of the settlement in November 2021.

The settlement rules require the local governing body to approve and maintain a funding plan, which is shared with oversight organizations. The Board of Commissioners approved the FY 2025 spending plan on April 15, 2024. The plan included \$7.5 million to fund selected programs and projects identified through a competitive Request for Proposals (RFP) process conducted in Summer 2024.

The adopted FY 2025 budget included roughly \$12.5 million for these funding commitments. This agenda item is a technical correction to increase the funding plan required by the opioid settlement rules to match the roughly \$12.5 million appropriation. This action keeps Wake County in compliance with opioid settlement rules and expectations. In future budget cycles, staff will better align these parallel budgeting processes.

Strategic Plan: This action supports Community Health and Wellbeing Goal 3: By 2029, 5% more residents asked will indicate low barriers to healthcare and behavioral health services, such as access to providers, insurance coverage, affordability and appointment wait times.

Fiscal Impact: The FY 2025 revenues and expenditures related to this effort are estimated to total \$12,525,000. These funds have all been previously appropriated through the county budgeting process. Future appropriations for the remainder of the 18-year plan will be brought to the Board of Commissioners for consideration.

Additional Information:

In March 2023, the Board appropriated \$5,025,000 along with the FY23 Opioid Settlement Funding Plan. In April 2024, the Board appropriated an additional \$7,500,000 along with the FY2025 funding plan and corresponding spending resolution. Staff have received guidance from CORE-NC, an oversight body that coordinates with the State Attorney General, that previously appropriated funds must have an updated spending resolution prior to being spent. The spending resolution is shared with and tracked by CORE-NC, so this action provides alignment with required reporting.

Wake County conducted a competitive funding process in June 2024 and received 39 project proposals across several key settlement strategies. Applications were reviewed by committee and scored based on key criteria such as organizational capacity to do the work, the ability to meet the requirements of the opioid settlement MOA, the ability for the organization to partner with other organizations, and prioritized initiatives that addressed equity in their efforts. Projects were presented to the Board of Commissioners on August 12, 2024. To complete contracts with funding recipients, an amended spending resolution must be authorized.

The amended spending resolution will include the \$12,525,000 that has already been appropriated by the Board of Commission to support the following strategies:

1. Collaborative strategic planning
2. Evidence-based addiction treatment
3. Recovery support services
4. Recovery housing supports
5. Early intervention
6. Naloxone distribution
7. Criminal justice diversion programs
8. Addiction treatment for incarcerated individuals

Transparency is a key element of the settlement, and there is a requirement for annual reporting by Wake County that includes how the funds were spent and the impact they had in the community. Wake County is working to develop a funding dashboard to show how funds are being invested. The Opioid Settlement Program Manager will provide an in-depth update including implementation progress at a future meeting.

Attachments:

1. Amended Spending Resolution
2. 8-12-24 Work Session Update on Opioid Settlement Funding
3. Description of Funded Programs