



**CITY OF HARRISONBURG**  
**OFFICE OF THE**  
**CITY MANAGER**

ALEXANDER "ANDE" BANKS, VI, CITY MANAGER  
409 SOUTH MAIN STREET, HARRISONBURG, VA 22801  
OFFICE (540) 432-7701 • FAX (540) 432-7778

**To: Ande Banks, City Manager**

**From: Luke Morgan, Grants Program Manager**

**Subject: Resolution Authorizing the Gold Standard Incentive from the Virginia Opioid Abatement Authority**

**Date: April 18, 2023**

**Summary:** The mission of the Virginia Opioid Abatement Authority (OAA) is to abate and remediate the opioid epidemic in the Commonwealth through financial support in the form of grants, donations, or other assistance. Financial assistance offered through the OAA to cities or counties consists of settlement funds paid to Virginia by prescription opioid manufacturers and companies in the prescription opioid distribution network. In addition to the OAA Individual Distribution, each participating city and county, including the City of Harrisonburg, will receive annual Direct Distributions directly from the settling companies. For each fiscal year that a participating city or county agrees to use and report their Direct Distribution funds according to the same standards they are required to use and report their OAA Individual Distribution funds (i.e., the Gold Standard), the OAA will increase that city or county's Individual Distribution by 25% above the base amount for that same fiscal year. By adopting this resolution the City Council commits the City of Harrisonburg to these voluntary standards for FY2023 and FY2024 and thereby makes the City eligible for the 25% "Gold Standard" incentive.

**Background:**

Cities and counties are eligible to apply annually for Individual Distribution funding from the OAA for eligible projects. The annual amount of Individual Distribution funding available to a city or county is determined by the OAA based on the settlement funds received by the Commonwealth. Individual Distributions are subject to a set of terms and conditions set by the OAA and State statute.

In addition to the OAA Individual Distribution, each participating city and county, including the City of Harrisonburg, will also receive annual distributions directly from the settling companies ("Direct Distributions"). The use and reporting requirements of the Direct Distribution are outlined in nationally negotiated settlement agreements and not through State statute.

To encourage participating cities and counties to use all Direct Distribution funds fully for remediation and abatement, and to encourage participating cities and counties to report the use of their Direct Distribution funds to the OAA for the purpose of ensuring statewide adherence to the various settlement agreements, the OAA offers a voluntary financial incentive to each participating city and county. For each fiscal year that a participating city or county agrees to use and report their Direct Distribution funds according to the same standards they are required to use and report their OAA Individual Distribution funds (i.e., the Gold Standard), the city or county's OAA Individual Distribution will increase by 25% above the base amount for that same fiscal year.

To qualify for the incentive, the city or county must:

- Create and maintain separate accounting records for funds received from the OAA Individual Distribution and from Direct Distribution in accordance with relevant guidance published by the Auditor of Public Accounts;



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- Utilize OAA Individual Distributions to fund efforts designed to treat, prevent, or reduce opioid use disorder or the misuse of opioids through evidence-based or evidence-informed methods, programs, or strategies;
- Not supplant funding of an existing program nor collect indirect costs;
- Provide the OAA with information on implementation of said methods, programs, or strategies and allow such monitoring and review as may be required by the OAA; and,
- Agree to certain base terms and conditions established by the OAA Board of Directors before receiving any OAA Distributions.

**Key Issues:** Authorizes the City Manager to execute the Incentive application to the Virginia Opioid Abatement Authority, and to execute all documents in connection therewith.

**Environmental Impact:** None

**Fiscal Impact:** Increases the City of Harrisonburg's Individual Distribution from the OAA by 25%

**Alternatives:** (a) Adopt the Resolution; or,  
(b) or decline to support the Resolution

**Community Engagement:** None