



November 1, 2022

Greetings to the City Attorney and the Authorized Official for the City of Missoula.

We are very pleased to report that the first instalments of opioid settlement funds from the Distributors Litigation will reasonably soon be paid to the State of Montana and its local governments.

We are writing to provide additional details on how the payments will be made and administered and to describe other matters that will require your immediate attention to expedite the process of payment and meet the requirements of the memorandum of understanding that all local governments agreed to as part of the settlements.

A. Administration and Disbursement of Settlement Payments

1. After consultation with representatives of the National Opioid Settlement Administration, the Attorney General's Office has determined that to facilitate and expedite the disbursement of Distributors Settlement funds, the Settlement Administration will make payments to all participating local governments and the State directly according to the agreed upon allocation of 15% to the State, 70% to the Abatement Trust, and 15% directly to participating local governments according to the allocation provided in Exhibit E of the Distributor settlement and confirmed by the MOU (see Exhibit B to the MOU attached).
2. Likewise, the actual amounts paid to the State, the Trust, and local governments will be calculated by the Settlement Administration, and not the State. Before payments are made the Directing Administrator will inform you of that calculation for your approval.
3. The Settlement Administration will also take responsibility for calculating the 5.5% Attorney Fee Backstop amount that will be held back in trust to ensure payment of your private outside counsel fees after the amount your counsel will be entitled to from the Settlement Attorney Fee fund has been


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determined. Once that amount has been determined for outside counsel, the Settlement Administration will make payments from the Backstop directly to your counsel.

B. What Local Governments Will Need to do to Secure Payments from the Settlement Administration

1. The Settlement Administration will soon send email notifications to the Authorized Official for each local government. These emails will have  instructions for establishing accounts in the National Opioid Settlements Portal. The Portal will be the primary means for local governments to submit information to the Settlement Administration.
2. Attached to this letter is Exhibit A provided by the National Opioid Settlement Administration that lists all the participating local governments entitled to direct payments from the 15% local government funds and the name and email address of the Authorized Official that your government entity has designated. **PLEASE REVIEW TO ENSURE THIS INFORMATION IS CORRECT. IF IT IS NOT, PLEASE ADVISE US IMMEDIATELY**
3. After creating Portal accounts, the Authorized Official will complete a Payment Election Form and W-9 Form in the Portal. The Settlement Administration will then create payment instructions for the Settlement Fund Trustee and the Trustee will send payments to local governments according to the payment instructions.

C. The Abatement Trust and Advisory Committee and Management of the 70% of Settlement Funds Allocated to the Trust

1. As part of the agreement to participate in the national opioid settlements with the distributors, McKesson, Cardinal, and Amerisource, and the pharmaceutical company Janssen, every qualified local government agreed to a Memorandum of Understanding (MOU) that set forth Montana specific procedures for the administration and disbursement of 70% of the funds the State will receive from those settlements through the Montana Abatement Trust.

2. The MOU provides that the Trust will be managed by a Trust Advisory Committee. The MOU also provides for nine abatement regions made up of single large counties and five abatement regions made up of multiple smaller counties. The five multi-county abatement regions are based on existing Public Health Regions.
3. To facilitate this a copy of the Exhibit A to the MOU is attached that includes a map of the abatement regions. Your county is one of the nine Metropolitan Region, including Yellowstone, Missoula, Gallatin, Flathead, Cascade, Lewis & Clark, Silver Box, Ravalli, and Lake.
4. The Trust Advisory Committee is made up of an Executive Director and ten voting members. The ten voting members of the Advisory Committee shall comprise equal representation between the State and local governments as follows: three members chosen by the Metropolitan Regions, two members chosen by the Multi-County Regions, two members chosen by the director of the Department of Health and Human Services, and three members chosen by the Attorney General.
5. The MOU provides that the Attorney General shall appoint the executive director in consultation with the Trust Advisory Committee. For the time being before the Trust Advisory Committee is formed, the Attorney General has appointed Rusty Gackle from Yellowstone County to serve as the interim executive director.

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6. In developing the MOU in consultation with your counsel, the Attorney General's Office determined that given the diversity of Montana counties and local governments it would be best to allow local governments and the abatements regions in which they belong to determine for themselves how best to choose their representatives.
7. As described above Montana has cleared essentially all of the requirements now to start receiving funds. If you have not already, it is crucial that your county and other metropolitan abatement regions get together soon to choose their representatives to the Trust Advisory Committee. Following the MOU,

these appointed representatives must have a background and/or experience in fields of medicine, public health, mental health, or addiction.

8. Equally important are the provisions of Section 9 of the MOU which is quoted here:

Each Abatement Region shall create its own governance structure for the administration, management, and use of Opioid Remediation funds to ensure all Participating Local Governments within that Region have input and equitable representation regarding regional Opioid Remediation administration and decisions, including representation on the Montana Opioid Abatement Trust Committee, and selection of projects to be funded from the Region's share. That governance structure shall include designation of a fiscal agent within the Region to receive and distribute Settlement Funds allocated to it.

D. What Local Governments Need to do to Provide for Administration, Disbursement, and Local Management of Its Allocated Share of the Abatement Trust Funds

Because as described above settlement funds are expected to be disbursed to Montana entities in the near future, it is critical that the following action items need to be taken and responses submitted back to Rusty Gackle, Interim Director of the Trust by December 1st.

1. Your county is one of nine Metropolitan Regions. Each Metropolitan Region such as yours needs to inform the Trust what the governance structure will be for your region to develop, review, and deliver grant applications to the Trust for your Abatement Region. Please inform Trust Interim Director Gackle of your governance structure.
2. If you have not already done so, the Nine Metropolitan Regions need to collaborate to choose their three representatives to the Trust Advisory Committee. Please confer with the other Metropolitan regions to determine who will be your three representatives. Please inform Trust Interim Director Gackle who they will be.

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Thank you for your patience during this long process and your diligence in collaborating within your multicounty and metropolitan regions to **meet the requirements of the memorandum of understanding that all agreed to as part of the settlement.**

Sincerely,

A handwritten signature in blue ink, appearing to read "Bill Rossbach", with a large, stylized initial "B" and "R".

Bill Rossbach
Special Assistant Attorney General
On Behalf of Austin Knudsen
Attorney General of the State of Montana

[This is Exhibit A to the November 2021 Memorandum of Understanding.]

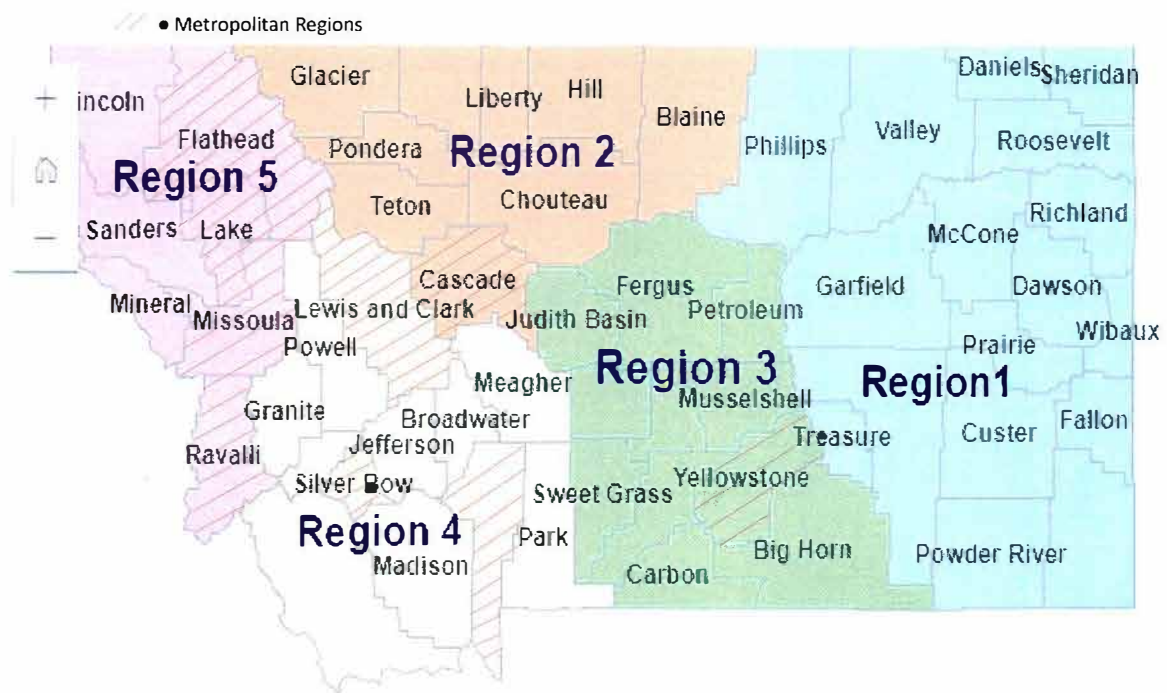


Exhibit B

[This is Exhibit B to the November 2021 Memorandum of Understanding which is derived from Exhibit E to the Distributors' settlement.]

DRAFT - 8/13/2021

Subject to Revision

MT1	Anaconda-Deer Lodge County, Montana	1.4480190514%
MT2	Beaverhead County, Montana	0.6841480225%
MT3	Big Horn County, Montana	0.8504903609%
MT4	Billings City, Montana	9.1331142413%
MT5	Blaine County, Montana	0.3691094337%
MT6	Bozeman City, Montana	2.0161886507%
MT7	Broadwater County, Montana	0.4143251264%
MT8	Butte-Silver Bow, Montana	5.6101260434%
MT9	Carbon County, Montana	0.7105360522%
MT10	Carter County, Montana	0.0374679104%
MT11	Cascade County, Montana	3.8993050480%
MT12	Chouteau County, Montana	0.4053063424%
MT13	Custer County, Montana	1.5139056450%
MT14	Daniels County, Montana	0.1787602908%
MT15	Dawson County, Montana	0.7800682133%
MT16	Fallon County, Montana	0.1543582011%
MT17	Fergus County, Montana	0.8667027669%
MT18	Flathead County, Montana	8.0141785369%
MT19	Gallatin County, Montana	4.0205572717%
MT20	Garfield County, Montana	0.0398838599%
MT21	Glacier County, Montana	1.5230709367%
MT22	Golden Valley County, Montana	0.0264303648%
MT23	Granite County, Montana	0.1831398237%
MT24	Great Falls City, Montana	4.3577779784%
MT25	Helena City, Montana	1.7360655042%
MT26	Hill County, Montana	1.8438532922%
MT27	Jefferson County, Montana	0.7770843087%
MT28	Judith Basin County, Montana	0.0614804228%
MT29	Kalispell City, Montana	2.4735432710%
MT30	Lake County, Montana	3.6175099064%
MT31	Lewis and Clark County, Montana	4.9326712334%
MT32	Liberty County, Montana	0.1210395973%
MT33	Lincoln County, Montana	2.1915597624%
MT34	Madison County, Montana	0.5498047673%
MT35	McCone County, Montana	0.0823035394%
MT36	Meagher County, Montana	0.0912086373%
MT37	Mineral County, Montana	0.7546909914%
MT38	Missoula City, Montana	4.4312558575%
MT39	Missoula County, Montana	8.0272833629%
MT40	Musselshell County, Montana	0.3895510594%
MT41	Park County, Montana	2.0831835653%
MT42	Petroleum County, Montana	0.0144742922%
MT43	Phillips County, Montana	0.2085622347%
MT44	Pondera County, Montana	0.4003873948%
MT45	Powder River County, Montana	0.1504386452%
MT46	Powell County, Montana	0.8872723490%
MT47	Prairie County, Montana	0.0572069653%
MT48	Ravalli County, Montana	3.6906819270%

MT49	Richland County, Montana	0.7541525281%
MT50	Roosevelt County, Montana	0.8182976782%
MT51	Rosebud County, Montana	0.5641981949%
MT52	Sanders County, Montana	1.0679134558%
MT53	Sheridan County, Montana	0.2700355225%
MT54	Stillwater County, Montana	0.5055604014%
MT55	Sweet Grass County, Montana	0.2836540766%
MT56	Teton County, Montana	0.5735903832%
MT57	Toole County, Montana	0.3258040487%
MT58	Treasure County, Montana	0.0226554138%
MT59	Valley County, Montana	0.5598291268%
MT60	Wheatland County, Montana	0.0720998508%
MT61	Wibaux County, Montana	0.0630373047%
MT62	Yellowstone County, Montana	7.3090889550%

National Opioid Settlements



Exhibit A [From the National Settlement Administration]

Row	BG Entity ID	Subdivision Name	County	Name of Authorized Official	Email Address of Authorized Official	Lawsuit Filed?	Dismissal Filed and Entered?
1.	6534	Anaconda-Deer Lodge County	Deer Lodge	Justin Stalpes	justin@becklawyers.com	2/6/2019	dismissed
2.	6522	Beaverhead County	Beaverhead	Michael J. McGinley	cdecker@beaverheadcounty.org		
3.	6518	Big Horn County	Big Horn	Larry Vandersloot	lvandersloot@bighorncounty.gov		
4.	6582	Billings City	Yellowstone	William Cole	coleb@billingsmt.gov		
5.	6520	Blaine County	Blaine	Frank DePriest	fdepriest@blainecounty-mt.gov		
6.	6538	Bozeman City	Gallatin	Jeff Mihelich	jmihelich@bozeman.net		
7.	6523	Broadwater County	Broadwater	Michael L. Delger	mdelger@co.broadwater.mt.us		
8.	6569	Butte-Silver Bow	Silver Bow	J.P. Gallagher	jgallagher@bsb.mt.gov		
9.	6519	Carbon County	Carbon	Bill Bullock	bbullock@co.carbon.mt.us		
10.	6524	Carter County	Carter	Corbit S. Harrington	charrington@cartercounty.us		
11.	6525	Cascade County	Cascade	Justin Stalpes	justin@becklawyers.com	1/16/2018	dismissed
12.	6527	Chouteau County	Chouteau	Robert J Pasha	bobccc13@gmail.com		
13.	6530	Custer County	Custer	Jason Strouf	j.strouf@co.custer.mt.us		
14.	6532	Daniels County	Daniels	Lee Humbert	lolson@danielscomt.us		
15.	6528	Dawson County	Dawson	joe sharbono	sharbonoj@dawsoncountymontana.com		
16.	6533	Fallon County	Fallon	Darcy L. Wassmann	darcywassmann@midrivers.com		
17.	6535	Fergus County	Fergus	Sandra K. Youngbauer	commissioners@co.fergus.mt.us		
18.	6529	Flathead County	Flathead	Peter Melnick	pmelnick@flathead.mt.gov		
19.	6537	Gallatin County	Gallatin	Justin Stalpes	justin@becklawyers.com	1/16/2018	dismissed
20.	6536	Garfield County	Garfield	Gary Ryder	gryder@rangeweb.net		
21.	6540	Glacier County	Glacier	Terryl Matt	terrylm@mattlawoffice.com		
22.	6541	Golden Valley County	Golden Valley	Rebecca Korell	rebecca@goldenvalleymt.org		
23.	6539	Granite County	Granite	Charles Hinkle	commissioner@co.granite.mt.us		
24.	6526	Great Falls City	Cascade	Justin Stalpes	justin@becklawyers.com	2/6/2019	dismissed
25.	6548	Helena City	Lewis And Clark	Rachel Harlow-Schalk	rschalk@helcnamt.gov		
26.	6543	Hill County	Hill	Jake Strissel	strissel@hillcounty.us		
27.	6542	Jefferson County	Jefferson	Steven C. Haddon	shaddon@jeffersoncounty-mt.gov		
28.	6544	Judith Basin County	Judith Basin	Heather Perry	hperry@jibcounty.org		
29.	6531	Kalispell City	Flathead	Doug Russell	drussell@kalispell.com		
30.	6546	Lake County	Lake	Justin Stalpes	justin@becklawyers.com	2/6/2019	dismissed

National Opioid Settlements



Row	BG Entity ID	Subdivision Name	County	Name of Authorized Official	Email Address of Authorized Official	Lawsuit Filed?	Dismissal Filed and Entered?
31.	6545	Lewis And Clark County	Lewis And Clark	Ann McCauley	amccauley@lccountymt.gov		
32.	6547	Liberty County	Liberty	Joette Woods	com@libertycountymt.gov		
33.	6549	Lincoln County	Lincoln	Brent Teske	bteske@libby.org		
34.	6550	Madison County	Madison	Justin R. Ekwall	jekwall@madisoncountymt.gov		
35.	6552	McCone County	McCone	John T. Hrubes	jthrubes@gmail.com		
36.	6551	Meagher County	Meagher	Dayna Ogle	dogle@meagherco.net		
37.	6555	Mineral County	Mineral	Roman Zylawy	dterrill@co.mineral.mt.us		
38.	6554	Missoula City	Missoula	Justin Stalpes	justin@becklawyers.com	2/6/2019	dismissed
39.	6553	Missoula County	Missoula	David Strohmiaer	dstrohmaier@missoulacounty.us	1/22/2019	dismissed
40.	6559	Musselshell County	Musselshell	mike goffena	mgoffena@co.musselshell.mt.us		
41.	6558	Park County	Park	Steve Caldwell	scaldwell@parkcounty.org		
42.	6556	Petroleum County	Petroleum	William Cassell	bcassell@petroleumcountymt.org		
43.	6557	Phillips County	Phillips	John Carnahan	commissioners@phillipscounty.mt.gov		
44.	6563	Pondera County	Pondera	Dale Seifert	pococo@3rivers.net		
45.	6565	Powder River County	Powder River	Lee Randall	lrاندall@prco.mt.gov		
46.	6562	Powell County	Powell	Kathryn McEnery	kmcenery@powellcountymt.gov		
47.	6560	Prairie County	Prairie	Daniel Z. Rice	pcatty@prairiecounty.org		
48.	6561	Ravalli County	Ravalli	Jeff Burrows	ctaggart@rc.mt.gov		
49.	6564	Richland County	Richland	Janet Christoffersen	janet.christoffersen@richland.org		
50.	6566	Roosevelt County	Roosevelt	Gordon Oelkers	commissioner@rosseveltcounty.org		
51.	6567	Rosebud County	Rosebud	Robert E. Lee	rcc@rosebudcountymt.com		
52.	6568	Sanders County	Sanders	Naomi R. Leisz	Nleisz@co.sanders.mt.us		
53.	6574	Sheridan County	Sheridan	Chris Westergard	cwestergard@co.sheridan.mt.us		
54.	6571	Stillwater County	Stillwater	Nancy L. Rohde	nrohde@stillwatercountymt.gov		
55.	6570	Sweet Grass County	Sweet Grass	Melanie Roe	sgcommish@itstriangle.com		
56.	6573	Teton County	Teton	Joe Coble	jcoble@tetoncountymt.gov		
57.	6572	Toole County	Toole	Merle Raph	tooleca@3rivers.net		
58.	6575	Treasure County	Treasure	Hanna Schantz	hannaschantzlaw@gmail.com		
59.	6576	Valley County	Valley	John Fahlgren	jfahlgren@valleycountymt.gov		
60.	6580	Wheatland County	Wheatland	Adam B Jones	jones4montana@gmail.com		
61.	6577	Wibaux County	Wibaux	Jodee Chaffee	recorder@wibauxcounty.net		
62.	6578	Yellowstone County	Yellowstone	Jeana R. Lervick	jlervick@yellowstonecountymt.gov		