



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Cherokee Agency
Cherokee, North Carolina 28719

IN REPLY REFER TO.

Michell Hicks, Principal Chief
Eastern Band of Cherokee Indians
P.O. Box 455
88 Council House Loop Cherokee, NC 28719

Dear Chief Hicks:

Attached is signed Tribal Council Resolution/Ordinance No. 33 introduced on November 5, 2013 and Passed on December 5, 2013. Should you have any questions regarding this matter please contact me at (828) 497-3360.

Sincerely,


Superintendent

TABLED
AMENDED
PASSED

DEC 05 2013

CHEROKEE COUNCIL HOUSE
CHEROKEE, NORTH CAROLINA
DATE NOV 05 2013

ORDINANCE NO. 33 (2013)

WHEREAS, Section 16C-9(b) of the Cherokee Code provides for a Budget Stabilization line item in the General Fund to provide for stability for future fluctuations in revenue and budgets, and

WHEREAS, Section 16C-9(b) further provides that the Budget Stabilization line item be funded from excess gaming revenues when gaming revenues exceed the amount budgeted for a given fiscal year, and

WHEREAS, the purpose of the Budget Stabilization fund is to provide stability, ensure fiscal management of fund balances, and to maintain compliance with Governmental Accounting Standards Board requirements for designation and use of fund balance, and

WHEREAS, there is a need to amend Section 16C-9(b) to effectively exempt outside entities from the Budget Stabilization limitations, including the Cherokee Indian Hospital Authority and Cherokee Central Schools Assistance Fund, and

WHEREAS, there is a need to establish reserve accounts for said outside entities in order to provide for operating costs and capital improvements, to be funded by excess gaming revenues and the levels established in Section 16C-9(a) for the Cherokee Indian Hospital Authority and Cherokee Central Schools Assistance Fund.

NOW THEREFORE BE IT ORDAINED by the Tribal Council of the Eastern Band of Cherokee Indians in council assembled, at which a quorum is present, that Section 16C-9(b) is hereby amended to read as attached.

BE IT FURTHER ORDAINED there is hereby established a Cherokee Indian Hospital Authority Reserve Account under the heading Section 16C-22 and a Cherokee Central Schools Reserve Account under the heading Section 16C-23 for the operating and capital needs of each, to read as attached.

BE IT STILL FURTHER ORDAINED any resolution or ordinance that may be in conflict with this ordinance is hereby rescinded.

BE IT FINALLY ORDAINED this ordinance shall become effective for the 2014 fiscal year beginning on October 1, 2013, as ratified by the Principal Chief.

Submitted By: Cory M. Blankenship, Office of Budget & Finance

Sec. 16C-9. - Revenue allocation percentages.

- (a) Effective October 1, 2010, distributable net revenue shall be distributed to fund per capita distributions, Tribal government operations, and the general welfare funds established under this Chapter as follows:

Per Capita Distributions (§§ 16C-5, -6)	50.00%
Tribal General Fund	21.50%
Endowment and Investment Funds (§ 16C-10)	4.30%
(1.5% to Endowment Fund No. 1 and 2.8% to Endowment Fund No. 2)	
Debt Service Sinking Fund (§ 16C-14)	6.00%
Housing Fund (§ 16C-15)	3.80%
Higher Education Fund (§ 16C-16)	2.40%
Capital Improvement Program (§ 16C-17)	2.40%
Cherokee Central Schools Assistance Fund (§ 16C-18)	2.00%
Health Program Supplement Fund (§ 16C-19)	2.40%
Cherokee Indian Hospital Authority (§ 16C-19)	3.40%
Police and Corrections Fund (§ 16C-20)	1.20%
Kituwah Language Immersion (§ 16C-21)	0.60%
TOTAL	100.00%

- (b) During the Annual Budget Process, the Finance Office will determine the Gaming Revenue to be budgeted for the fiscal year and this amount shall be the Baseline Gaming Revenue Amount. At all times, 50% of the gaming revenues received will be deposited into the Per Capita Distribution fund listed above. For all funds other than the Per Capita Distribution, Cherokee Indian Hospital Authority and Cherokee Central Schools Assistance Fund, if the Gaming Revenue received from the fiscal year exceeds the Baseline Gaming Revenue Amount by more than 5%, that excess shall be distributed to the Budget Stabilization Line item in the General Fund to provide stability for future fluctuations in revenue and budgets. Excess funds shall be distributed to a designated reserve account for the Cherokee Indian Hospital Authority and Cherokee Central Schools Assistance fund as provided for in Section 16C-22 and Section 16C-23 respectively. For all funds other than the Per Capita Distribution, if the Gaming Revenue received for the fiscal year is less than the Baseline Gaming Revenue Amount by more than 5%, that deficiency shall be distributed out of the Budget Stabilization Line item in the General Fund to the extent of available resources in the Budget Stabilization Line item and in accordance with 16C-9(d). In the event that resources are not available in the Budget Stabilization Line item, the Finance Office will obtain direction from Executive and Tribal Council

on how to prioritize and reallocate resources within the Tribal Budget and such direction shall be approved by resolution of the Tribal Council.

- (c) A fund balance of at least 10 percent and not to exceed 50 percent of the Annual Tribal Budget shall be maintained in the General Fund to ensure cash flow continuity. Any balance in excess of that amount at the end of each fiscal year shall be distributed to the Endowment and Investment Funds. There are no fund balance limitations for the other governmental operations and general welfare funds established in this Chapter.
- (d) A fund balance for Budget Stabilization Fund shall be established as outlined in 16C-9(b). The fund shall only be utilized when revenue realized is significantly less than projected revenue and shall require a Tribal Council resolution defining how much will be utilized and why it is needed to be utilized. The Budget Stabilization Fund shall be managed by the Finance Office and reported to Tribal Council annually.
- (e) In the event that the Gaming Revenue available creates a budget shortfall or a rebalancing of Tribal priorities in the budget is needed, the Finance Office will balance the budget utilizing available resources in accordance with limits identified in 16C-9(c).

Sec. 16C-22. – Cherokee Indian Hospital Authority Reserve Account.

The Tribal Council hereby establishes the Cherokee Indian Hospital Authority Reserve Account for use by the Cherokee Indian Hospital to fund operations and capital improvements. This account shall be funded by excess revenues from gaming distribution designated for the Cherokee Indian Hospital Authority in Section 16C-9, effectively exempting the Cherokee Indian Hospital from the Budget Stabilization line item requirements.

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Sec. 16C-23. – Cherokee Central Schools Reserve Account.

The Tribal Council hereby establishes the Cherokee Central Schools Reserve Account for use by the Cherokee Central Schools to fund operations and capital improvements. This- account shall be funded by excess revenues from gaming distribution designated for the Cherokee Central Schools in Section 16C-9, effectively exempting the Cherokee Central Schools from the Budget Stabilization line item requirements.

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(Ord. No. 888, 10-13-2005; Ord. No. 457, 9-12-2006; Ord. No. 952, 10-8-2007; Ord. No. 481, 10-3-2008; Ord. No. 873, 9-18-2009; Ord. No. 400, 10-12-2010; Ord. No. 84, 3-23-2012)

Amendment; Add a Be It Further Ordained that it is imperative that anyh requests for the use of the funds shall be submitted to the Finance Office for review and submission to the Tribal Budget Committee for review and final approval prior to expenditure of funds.

The attached Resolution/Ordinance No. 33 dated December 5, 2013 was:

PASSED (x)

KILLED ()

and ratified in open Council on December 5, 2013 by 80 voting for the act and 0 members voting against it as follows:

VOTE	FOR	AGAINST	ABSTAIN	ABSENT
Teresa McCoy	X			
Perry Shell				X
Tunney Crowe	X			
B Ensley				X
David Wolfe	X			
Bill Taylor	X			
Terri Henry	X			
Brandon Jones	X			
Adam Wachacha				X
Bo Crowe	X			
Albert Rose	X			
Tommye Saunooke	X			
	80	0	0	20

Drew Stury

TRIBAL COUNCIL CHAIRMAN

Michelle Thompson

ENGLISH CLERK

Michael Hill

PRINCIPAL CHIEF

APPROVED (✓) VETOED ()

VETO UPHeld () VETO DENIED ()

DATE: 12-16-13

I hereby certify that the foregoing act of the Council was duly:

PASSED (X)
KILLED ()

and ratified in open Council after the same has been interpreted by the Official Interpreter and has been fully and freely discussed.

In testimony, whereof, I have hereunto set my hand and affixed the seal of the said Band of Indians. Superintendent, Cherokee Indian Agency.

Darlene Whittee

OMITTED ()

INTERPRETED ()