

An Act

LEGISLATIVE ACT 17-19

AN ACT AMENDING LEGISLATIVE ACT #22-18 AUTHORIZING THE COMPREHENSIVE OPERATING BUDGET FOR FISCAL YEAR 2019 – Mod. 11A; AND DECLARING AN EMERGENCY

BE IT ENACTED BY THE CHEROKEE NATION:

SECTION 1. TITLE AND CODIFICATION

This legislative act shall be titled and codified as “**An Act Amending Legislative Act #22-18 Authorizing the Comprehensive Operating Budget for FY 2019 – Mod. 11A**”.

SECTION 2. PURPOSE

The purpose of this amendment is to authorize and approve the use of funds, subject to the availability of such funds, in accordance with Section 4, changing the amounts of certain cost centers approved in the “Comprehensive Budget Act for Fiscal Year 2019” or subsequent amendment. The cumulative total of the budget is increased by **\$ 84,214,880** for a total budget authority of **\$ 868,568,962**. The following items are identified as components of such change:

Grants Received & Authorized per LA-22-18 (detail attached)	\$ 6,614,990
Modification Request (see Section 4 below)	<u>77,599,890</u>
Cumulative change in budget authority	<u>\$ 84,214,880</u>

SECTION 3. LEGISLATIVE HISTORY

The provisions of compliance, policy of accountability, authorities and severability provided in Legislative Act #22-18 are applicable to this amendment.

SECTION 4. FUNDING AUTHORIZATIONS

The changes reflect increases to cost centers set forth in the program budget justifications incorporated herein. This modification request changes the total amount of the comprehensive budget authorization by an increase of **\$ 77,599,890** to wit:

- A. An increase in the **General Fund** budget authority of **\$ 5,221,527**.
- B. An increase in the **Enterprise** budget authority of **\$ 7,192**.
- C. An increase in the **DOI PL 102-477** budget authority of **\$ 52,655,118**.
- D. An increase in the **DOI General** budget authority of **\$ 493,568**.

- E. A decrease in the **DOI Self Governance** budget authority of **\$ (1,108).**
- F. An increase in the **USDA** budget authority of **\$ 43,462.**
- G. An increase in the **IHS Self Governance Health** budget authority of **\$ 12,417,011.**
- H. An increase in the **IHS Self Governance TEH** budget authority of **\$ 5,429,786.**
- I. An increase in the **HUD** budget authority of **\$ 1,066,667.**
- J. An increase in the **NAHASDA** budget authority of **\$ 266,667.**

SECTION 5. PROVISIONS AS CUMULATIVE

The provisions of this Act shall be cumulative to existing law.

SECTION 6. SEVERABILITY

The provisions of this Act are severable and if any part or provision hereof shall be held void, the decision of the court so holding shall not affect or impair any of the remaining parts or provisions of this Act.

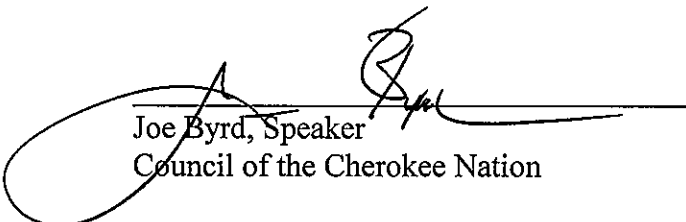
SECTION 7. EFFECTIVE DATE: EMERGENCY DECLARED

It being immediately necessary for the welfare of the Cherokee Nation, the Council hereby declares that an emergency exists, by reason whereof this Act shall take effect immediately upon its approval and signatures.

SECTION 8. SELF-HELP CONTRIBUTIONS

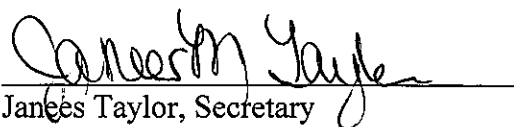
To the extent that this Act involves programs or services to citizens of the Nation or others, self-help contributions shall be required, unless specifically prohibited by the funding agency, or a waiver is granted due to physical or mental incapacity of the participant to contribute.

Enacted by the Council of the Cherokee Nation on the 16th day of September, 2019



Joe Byrd, Speaker
Council of the Cherokee Nation

ATTEST:



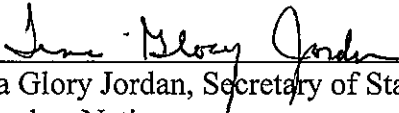
Janes Taylor, Secretary
Council of the Cherokee Nation

Approved and signed by the Principal Chief this 19 day of September, 2019



Chuck Hoskin Jr., Principal Chief
Cherokee Nation

ATTEST:



Tina Glory Jordan, Secretary of State
Cherokee Nation

YEAS AND NAYS AS RECORDED:

Rex Jordan	<u>Yea</u>	Harley Buzzard	<u>Yea</u>
Joe Byrd	<u>Yea</u>	Victoria Vazquez	<u>Yea</u>
Wes Nofire	<u>Yea</u>	Dora Smith Patzkowski	<u>Yea</u>
Dr. Mike Dobbins	<u>Yea</u>	Joe Deere	<u>Yea</u>
E.O. "Jr." Smith	<u>Yea</u>	Keith Austin	<u>Yea</u>
Daryl Legg	<u>Yea</u>	Janees Taylor	<u>Yea</u>
Canaan Duncan	<u>Yea</u>	Mary Baker Shaw	<u>Yea</u>
Shawn Crittenden	<u>Yea</u>	Julia Coates	<u>Yea</u>
Mike Shambaugh	<u>Yea</u>		

CHEROKEE NATION
PROPOSED FY 2019 AMENDMENT
Sorted by Funding Source

				Data		
Funding Source	Ref # by FS	Program/Purpose	FY 2019 Prior LA	Amend. Change to Sources	Amend. Expenses Total Change	Net Change
01-Cherokee Nation	1	1010315 Cash Match for Grants	Feb Grants	-	-	\$ -
01-Cherokee Nation Total				\$ -	\$ -	\$ -
20-DOI - General	2	3209000 CS Tero Fire	LA 22-18	33,986	33,986	\$ -
20-DOI - General Total				\$ 33,986	\$ 33,986	\$ -
40-DHHS-General	3	3401450 CN Project Sunale	New	521,619	521,619	\$ -
	4	3402500 Substance Abuse	LA 22-18	78,666	78,666	\$ -
40-DHHS-General Total				\$ 600,285	\$ 600,285	\$ -
45-USDA	5	3453451 Food Distribution - Other	LA 22-18	288,294	288,294	\$ -
	6	3453500 WIC Administration	LA 22-18	242,622	242,622	\$ -
	7	3453502 WIC Nutrition ED	LA 22-18	65,090	65,090	\$ -
	8	3453503 WIC Breastfeeding	LA 22-18	30,000	30,000	\$ -
	9	3453504 WIC Operation Adj	July Grants	166,912	166,912	\$ -
10	3453505 WIC Food	June Grants	529,743	529,743	\$ -	
45-USDA Total				\$ 1,322,661	\$ 1,322,661	\$ -
62-EPA	11	3622370 SuperFund	Jan Grants	20,100	20,100	\$ -
62-EPA Total				\$ 20,100	\$ 20,100	\$ -
70-US Department of Labor	12	3702500 TLJC Operations	New	4,117,832	4,117,832	\$ -
	13	3702510 TLJC Capital Projects	New	60,504	60,504	\$ -
	14	3702520 TLJC OACTS	New	387,778	387,778	\$ -
70-US Department of Labor Total				\$ 4,566,114	\$ 4,566,114	\$ -
75-Federal Other	15	3756000 Arts on the Avenue NEA	New	20,000	20,000	\$ -
75-Federal Other Total				\$ 20,000	\$ 20,000	\$ -
85-Private	16	3856400 Wounded Warrior Family Support	New	51,844	51,844	\$ -
85-Private Total				\$ 51,844	\$ 51,844	\$ -
Grand Total				\$ 6,614,990	\$ 6,614,990	\$ -

August Operating Grants - Reporting Only

CHEROKEE NATION
PROPOSED FY 2019 AMENDMENT
Sorted by Funding Source

Funding Source	Ref # by FS	Program/Purpose	Data		
			Amend. Change to Sources	Amend. Expenses Total Change	Net Change
01-Cherokee Nation	1	1010147 ICW Child Protection	-	50,805	\$ (50,805)
	2	1010280 General Fund Operations	7,192	-	\$ 7,192
	3	1010296 Unappropriated Reserves	-	-	\$ -
	4	1010432 Community Water & Sewer	-	-	\$ -
	5	1010533 Tribal Summer Youth	-	(56,000)	\$ 56,000
	6	1010555 Tribal Training Services	-	56,000	\$ (56,000)
	7	1010575 Community Technical Assistance	30,000	30,000	\$ -
	8	1010580 Adult Language Program	2,000	2,000	\$ -
	9	1011010 Tax Commission - Revenue & Taxation	5,800,000	5,063,722	\$ 736,278
	20	1010461 Human Service Emergency Asst	-	75,000	\$ (75,000)
01-Cherokee Nation Total			\$ 5,839,192	\$ 5,221,527	\$ 617,665
10-Enterprise	10	4103900 Title VI Loan Fund	7,192	7,192	\$ -
10-Enterprise Total			\$ 7,192	\$ 7,192	\$ -
20-DOI - General	11	3200000 SHS Education Admin	493,568	493,568	\$ -
20-DOI - General Total			\$ 493,568	\$ 493,568	\$ -
22-DOI - Self Governance	12	3221900 Competitive Projects	(1,108)	(1,108)	\$ -
22-DOI - Self Governance Total			\$ (1,108)	\$ (1,108)	\$ -
23-DOI-PL 102-477	13	3230000 PL 102-477 Child Care	52,655,118	52,655,118	\$ -
23-DOI-PL 102-477 Total			\$ 52,655,118	\$ 52,655,118	\$ -
32-IHS - Self Governance Health	14	3326300 HIV Elimination Program	1,499,927	1,499,927	\$ -
	15	3329060 Health Clinic Con Debt Service	10,917,084	10,917,084	\$ -
32-IHS - Self Governance Health Total			\$ 12,417,011	\$ 12,417,011	\$ -
33-IHS-Self Governance-T E H	16	3332000 EHS Projects	5,429,786	5,429,786	\$ -
33-IHS-Self Governance-T E H Total			\$ 5,429,786	\$ 5,429,786	\$ -
45-USDA	17	3455200 Rural Community Development Initiative	43,462	43,462	\$ -
45-USDA Total			\$ 43,462	\$ 43,462	\$ -
55-HUD	18	3552700 CN Housing Rehab - Elderly	1,066,667	1,066,667	\$ -
55-HUD Total			\$ 1,066,667	\$ 1,066,667	\$ -
56-NAHASDA	19	3566099 NAHASDA Revenue 60	266,667	266,667	\$ -
56-NAHASDA Total			\$ 266,667	\$ 266,667	\$ -
Grand Total			\$ 78,217,555	\$ 77,599,890	\$ 617,665

Operating Mod #11A Request

COMPREHENSIVE BUDGET FOR FISCAL YEAR 2019

Funding Source	Revenues	Transfers In	Total	Direct Exp.	Indir. Exp.	Transfers Out	Total	NET
Tribally Funded Funding Source	117,335,444	1,267,372	118,602,816	99,217,586	5,204,175	14,180,448	118,602,209	607
Motor Fuels Tax Funding Srce	9,295,674	17,338,610	26,634,284	18,549,398	107,290	7,977,596	26,634,284	0
Motor Vehicle Tax Funding Srce	32,369,030	1,126,604	33,495,634	31,284,869	625,104	1,585,661	33,495,634	0
Permanent Fund Funding Source	10,100	0	10,100	10,100	0	0	10,100	0
DOI General Funding Source	10,939,395	446,691	11,386,086	10,296,523	1,089,563	0	11,386,086	0
DOI Self Gov Funding Source	14,236,084	79,600	14,315,684	13,005,592	1,257,357	52,735	14,315,684	0
DOI Self Gov Roads Funding Srce	6,650,986	0	6,650,986	6,485,297	111,257	54,432	6,650,986	0
Dept of Transportation Fnd Srce	78,319,668	0	78,319,668	78,027,881	191,944	99,843	78,319,668	0
DOI PL102-477 Funding Source	32,206,606	0	32,206,606	30,934,319	1,272,287	0	32,206,606	0
IHS Self Gov Health Funding Sr	373,330,199	0	373,330,199	320,219,846	26,110,353	27,000,000	373,330,199	0
IHS Self Gov TEH Funding Srce	17,006,563	296,000	17,302,563	17,018,061	284,502	0	17,302,563	0
IHS Self Gov Offic Funding Srce	381,515	0	381,515	339,159	42,356	0	381,515	0
IHS Discretionary Funding Srce	175,000	0	175,000	45,000	0	130,000	175,000	0
DHHS General Funding Source	48,733,619	572,688	49,306,307	45,729,482	3,576,825	0	49,306,307	0
USDA Funding Source	22,410,995	1,067,657	23,478,652	22,623,927	854,725	0	23,478,652	0
Dept of Education Funding Srce	1,263,996	82,222	1,346,218	1,245,817	85,401	15,000	1,346,218	0
HUD Funding Source	33,892,252	266,667	34,158,919	33,253,803	638,449	266,667	34,158,919	0
Housing Proceeds Funding Srce	0	0	0	0	0	0	0	0
EPA Funding Source	2,106,652	0	2,106,652	1,882,338	224,314	0	2,106,652	0
Dept of Labor Funding Source	20,045,221	0	20,045,221	18,375,051	1,670,170	0	20,045,221	0
Federal Other Funding Source	12,162,248	278,098	12,440,346	10,637,734	425,337	1,377,275	12,440,346	0
State of Oklahoma Funding Srce	1,519,970	0	1,519,970	1,393,240	126,730	0	1,519,970	0
Private Funding Source	2,227,282	200,550	2,427,832	2,362,244	65,588	0	2,427,832	0
Indirect Cost Pool Funding Srce	51,091,392	9,184	51,100,576	51,100,576	0	0	51,100,576	0
Fringe Pool Funding Source	0	0	0	0	0	0	0	0
Internal Lease Pool Funding Sr	5,709,873	0	5,709,873	5,709,873	0	0	5,709,873	0
Enterprise Funding Source	3,497,434	2,152,273	5,649,707	5,379,026	270,681	0	5,649,707	0
Other Funding Source	216,768	17,000	233,768	225,408	8,360	0	233,768	0
Debt Service Funding Source	0	0	0	0	0	0	0	0
Capital Projects Funding Source	126,318,186	27,538,441	153,856,627	153,856,627	0	0	153,856,627	0
Total	\$ 1,023,452,152	\$ 52,739,657	\$ 1,076,191,809	\$ 979,208,777	\$ 44,242,768	\$ 52,739,657	\$ 1,076,191,202	\$ 607

Non Grant Requests

CAPITAL RECONCILIATION	
LA 21-18	\$ 167,732,803
Cap Mod #1	111,808,391
Cap Mod #2	952,003
Cap Mod #3	805,933
Cap Mod #4	7,061,159
Total adjustment	40,000 Note 1
Cap Mod#5	(3,773,046)
Total Capital	\$ 284,627,243

Oper Mod #10	3,178,159	08/12 Council
Cap Mod #5	(3,773,046)	08/29 E&F
Oper Mod #11	77,599,890	08/29 E&F
Total after pending Mod's	\$ 1,153,196,205	

Operating (LA 22-18)	868,568,962	Cumulative Oper
Capital (LA 21-18)	284,627,243	Cumulative Cap
Grand Total	\$ 1,153,196,205	

Note 1: Adjustment between operating mod 6 and capital mod 4. Cumulative total adjustment reported in operating mod 8 and capital mod 5.

CHEROKEE NATION TRIBAL COUNCIL

Jody S. Reece, CPA, CIA, CMA

Executive Director of Financial Oversight



M e m o

To: Janees Taylor, Chairman, Executive & Finance Committee
From: Jody S. Reece
CC: Executive & Finance Committee
Date: 08/29/2019
Re: Review of Operating Budget Modification #11A – Total \$ 84,214,880

Per your request, I have reviewed the administration's budget modification request for this month's Executive & Finance Committee Meeting. Below is a summary of my review:

A. Grant Reporting:

<u>Funding Source</u>	<u># of Budgets</u>	<u>Amount</u>
DOI General	1	\$ 33,986
DHHS General	2	600,285
USDA	6	1,322,661
EPA	1	20,100
DOL	3	4,566,114
Federal Other	1	20,000
Private	1	51,844
Total Grant Reporting		<u>\$ 6,614,990</u>

General Fund Cash Match for Grants (1010315) – Start of Year

Cash Out: Grant Required	\$ 1,878,362
Appropriated for Cash Match (future grants)	<u>1,807,710</u>
Original Total Budget	<u>\$ 3,686,072</u>

Original Appropriated for Cash Match (future grants)	\$ 1,807,710	
Used: 3758200 Pre-Disaster Mitigation Grant	(82,630)	Mod #2
3453458 Nutrition Ed Grant	(7,232)	Mod #3
3405100 Child Support Services – reduced match	13,822	Mod #4
3758500 SHS School Violence Prevention (SVPP)	(157,733)	Mod #5
3753300 Federal Transit Program – reduced match	35,729	Mod #5
3453451 Food Distribution – Other	(72,074)	Mod #11

Balance Available for Future Grant Matching \$ 1,537,592

B. MOD #11A Request - Increase in budget authority - \$ 77,599,890

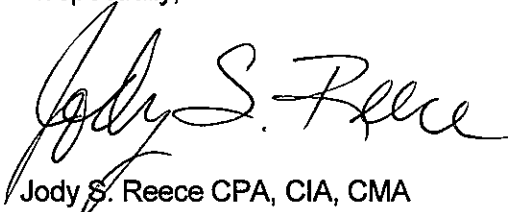
1. ICW Child Protection – 1010147 – General Fund: Modification requesting an increase in expenditure authorization of \$50,805 for additional equipment. The new expenditure total is \$2,350,805.
2. General Fund Operations – 1010280 – General Fund: Modification requesting a \$7,192 transfer in from the Title VI Loan Fund in item 19.
3. Unappropriated Reserves – 1010296 – General Fund: Modification requesting a \$493,568 transfer out to Sequoyah High School in item 10. The new reserved by appropriation total is \$11,838,702. \$11,332,270 of this balance is used in the initial 2020 comprehensive budget.
4. Community Water & Sewer – 1010432 – General Fund: Modification requesting a \$345,000 transfer out as a cash match to EHS Projects in item 15. Funding is provided by a reduction of expenditures within the budget. The expenditure and transfer out total remains at \$1,329,105.
5. Tribal Summer Youth – 1010533 – General Fund: Modification requesting a decrease in expenditure authorization of \$56,000 to provide the funding for Tribal Training Services in item 6. The new expenditure total is \$986,925.
6. Tribal Training Services – 1010555 – General Fund: Modification requesting an increase in expenditure authorization of \$56,000. Funding is provided by the reduction in the Tribal Summer Youth budget in item 5. The new expenditure total is \$767,064.
7. Community Technical Assistance – 1010575 – General Fund: Modification requesting an increase in expenditure authorization of \$30,000. The expenditures total is reduced by \$106,676 and a transfer out for \$136,676 is budgeted that goes to the budget in item 16 below. \$30,000 funding is provided by CNB donation for CCO conference. The net expenditure total remains at \$1,511,373.
8. Adult Language Program – 1010580 – General Fund: Modification requesting an increase in expenditure authorization of \$2,000. Funding provided by a donation from George Washington University volunteer group. The net expenditure total remains at \$550,000.
9. Tax Commission Revenue & Taxation – 1011010 – General Fund: Modification requesting an increase in expenditure authorization of \$5,063,722 for additional tobacco tax rebates. Funding provided by the state passed \$10 per carton tax that in turn flows through us to the retailers. The budgeted net revenue when up based on actual carton sales for ten months of the year and an estimate for the last two months. Our profit remains at 80 cents per carton even with the new higher total rate. The new net revenue total is \$4,324,716 and is mostly attributable to sales tax revenue.
10. SHS Education Admin – 3200000 – DOI General: Modification requesting an increase in expenditure authorization of \$493,568 based on actuals for the grant year close out. Transfer in from the General Fund carryover in item 3 above provides funding. The new total transfer from the General Fund is \$940,259. The new expenditure total is \$5,285,276.

11. Competitive Projects – 3221900 – DOI Self Governance: Modification requesting a decrease in expenditure authorization of \$1,108 to adjust for actual carryover and other income adjustments. The new expenditure total is \$216,892.
12. PL 102-477 Child Care – 3230000 – DOI PL 102-477: Modification requesting an increase in expenditure authorization of \$52,655,118. The expenditure total is increased by \$39,519,642 with \$31.7 million of that total set aside in a capital acquisitions line item for future use. There is also a \$13,135,476 transfer out (see capital budget mod). The capital budgets are \$3+ million for Tahlequah CDC expansion and \$10+ million for Pryor CDC construction. The funding is provided by grant carryover funds and current year grant funds.
13. HIV Elimination Program – 3326300 – IHS Self Governance Health: New budget requesting expenditure authorization of \$1,499,927. Funding provided by special non-recurring funds designated for HIV/AIDS funding per funding amendment 04.
14. Health Clinic Con Debt Service – 3329060 – IHS Self Governance Health: Modification requesting an increase in expenditure authorization of \$10,917,084 to pay off the Vinita Clinic Loan. Funding provided by IHS carryover funds that are freed up in the capital mod – item 1. The new expenditure total is \$15,679,444 and includes payments for the Vinita Clinic and Tahlequah OHC loan.
15. EHS Projects – 3332000 – IHS Self Governance TEH: Modification requesting an increase in expenditure authorization of \$5,429,786. Funding provided by adjustments to actuals for carryover funding, current year funding, and an additional \$345,000 transfer in for General Fund match (see item 4 above). The new expenditure total is \$19,632,805.
16. Rural Community Development Initiative – 3455200 – USDA: Modification requesting an increase in expenditure authorization of \$43,462. Funding provided by a \$136,676 transfer in from item 6 above, a small reduction in grant funds, and the removal of in-kind contributions. The new expenditure total is \$219,582.
17. CN Housing Rehab - Elderly – 3552700 – HUD: New budget requesting expenditure authorization of \$1,067,000. Funding provided by HUD Indian Community Development Block Grant (ICDBG) of \$800,000 and 25% cash match with NAHASDA funds from item 18.
18. NAHASDA Revenue 60 – 3566099 – NAHASDA: Modification requesting an increase in expenditure authorization of \$266,667 for a transfer out to Elderly Housing Rehab in item 17. The new expenditure total is \$533,334.
19. Title VI Loan Fund – 4103900 – Enterprise: Modification requesting an increase in expenditure authorization of \$7,192 to close out the account by a transfer out to General Fund in item 2 above.
20. **Added in 11A** Human Services Emergency Assistance – 1010461 – General Fund: Modification requesting an increase in expenditure authorization of \$75,000 to provide services for the remainder of the fiscal year. The funding is provided by the additional Tax Commission budgeted net revenue from item 9. The new expenditure total is \$300,750.

Summary:

After reviewing the submission of the operating modification by administration, I find no technical issues surrounding these requests, nor do I have any unmentioned concerns related to their respective carryover estimates. If I can provide any additional information, please do not hesitate to contact me.

Respectfully,

A handwritten signature in black ink that reads "Jody S. Reece". The signature is written in a cursive style with a large, sweeping initial "J".

Jody S. Reece CPA, CIA, CMA
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