

See LA 34-06, 3-07  
4-07, 5-07, 6-07, 16-07

## An Act

### Legislative Act 26-06

#### AN ACT AUTHORIZING AND APPROVING THE FISCAL YEAR 2007 BUDGET; AND DECLARING AN EMERGENCY

#### BE IT ENACTED BY THE COUNCIL OF THE CHEROKEE NATION:

##### Section 1. Title and Codification

This act shall be titled and codified as "The Comprehensive Budget for Fiscal Year 2007."

**Section 2. Purpose:** To comply with the Constitution and laws of the Cherokee Nation, to authorize funding for governmental operations and to provide full disclosure of finances, expenditures and revenues.

- A. The purpose of this enactment is intended to review, authorize, approve and ratify appropriations and planned expenditures from all sources in compliance with the specific laws governing appropriations (62 CNCA 31 & 32).
- B. The use of such funds shall be subject to public disclosure.
- C. The funding sources are to provide budget authority for expenditures of the Cherokee Nation's Executive, Judicial and Legislative Departments (Branches), including any authorized Commissions, Boards, Authorities and Enterprises operated by the Nation.
- D. The funding sources include funds from compacts, grants, contracts, miscellaneous sources and contributions, dividends, revenues of enterprises, taxes, special and general fund sources, indirect costs or trust funds.
- E. This enactment shall govern the proper use of all funds during the course of business for Fiscal Year 2007. No other expenditure or use is authorized except as provided herein or as provided by subsequent amendments to this authorization.

##### Section 3. Policy of Accountability:

- A. All funds under the care of the Cherokee Nation shall only be expended as authorized by this enactment unless amended.
- B. Any official who intentionally and willfully misuses, misapplies, diverts or embezzles the application or use of any public funds entrusted to the care of the Cherokee Nation from any sources may be prosecuted according to applicable criminal statutes.
- C. The enactment of this Act or any part thereof, does not ratify, condone or legalize any prior expenditures which may be incurred contrary to Cherokee law. Any unauthorized expenditures, misappropriations, or other illegal acts involving the finances of the Cherokee Nation or any of its subsidiaries may be prosecuted under applicable law or other appropriate administrative or legal remedies.

##### Section 4. Legislative History

- A. The Constitution and laws (Title 62 of the Cherokee Nation Code) provides the requirements for appropriations, review and authorization for the use of all funds.
- B. The budget estimates of revenues and expenditures for Fiscal Year 2007 to document funding availability and provide justifications for expenditures are incorporated herein.

- C. All previous resolutions, statutes and relevant Court Decisions as may be applicable are acknowledged.

**Section 5. Legal Authorities Governing the Use of Funds.**

- A. The Constitution of the Cherokee Nation.
- B. Applicable Cherokee Nation Statutes and the Cherokee Nation Code Annotated (CNCA).
- C. Applicable Federal law and regulations regarding contracts, compacts, grants and use of trust funds.

**Section 6. Funding Allocations and Justifications**

- A. The allocations from all sources of revenues have been proposed as estimates and justified by the Principal Chief for the Executive, the Chief Justice of the Judicial Appeals Tribunal for the Judiciary and by the Chairman and/or Co-Chair of the Executive and Finance committee for the Council of the Cherokee Nation, for the Legislative Branch.
- B. These proposed allocations for funding are hereby approved and incorporated herein as set forth in the justifications contained in the "Comprehensive Budget Estimates (Blue Book) for Fiscal Year 2007" submitted by the Secretary-Treasurer as revised and approved by the Council of the Cherokee Nation after hearings before the Executive and Finance Committee. The approved allocations from all sources are subject to the availability of funds as projected and estimated.

**Section 7. Amounts Authorized and Required Reports to the Council.**

- A. The budget authority for the Fiscal Year 2007 budget is \$360,807,184. The Executive, Judicial and Legislative Branches are authorized to expend such funds as set forth in the justifications subject to the continued availability of revenues.
- B. The Executive Branch shall provide monthly and annual financial reports in compliance with the Cherokee Constitution and laws and as the Tribal Council directs.
- C. Budget authority is also provided for financial obligations associated with debt service that are not shown as expenses in the Budget Justifications. Total budget authority is set forth and documented in the Principal Chief's budget estimates—incorporated herein, as revised by the Tribal Council through budget hearings and attached as Exhibit A incorporated herein. Authority to expend grant funds as a result of future awards during FY2007 is authorized, provided that budget amendments adding new accounting units or adjustments to existing accounting units incorporated in the Comprehensive Budget for FY2007 are submitted to the Council within thirty days of the receipts of any such award or notice of funding adjustment.
- D. Indirect cost pool expenditures are limited to a rate approved by the Inspector General for use in Fiscal Year 2007.

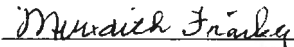
**Section 8 Severability**

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 (code section) 8. 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 and be in full force after its passage and approval.

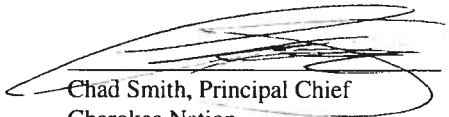
Enacted by the Council of the Cherokee Nation on the 21<sup>st</sup> day of September, 2006.

  
Meredith Frailey, Speaker  
Council of the Cherokee Nation


**ATTEST:**

  
Don Garvin, Secretary  
Council of the Cherokee Nation

Approved and signed by the Principal Chief this 28<sup>th</sup> day of September, 2006.

  
Chad Smith, Principal Chief  
Cherokee Nation

**ATTEST:**

  
Melanie Knight, Secretary of State  
Cherokee Nation

**YEAS AND NAYS AS RECORDED:**

Audra Smoke-Conner	<u>Yea</u>	Melvina Shotpouch	<u>Yea</u>
Bill John Baker	<u>Yea</u>	Meredith A. Frailey	<u>Yea</u>
Joe Crittenden	<u>Yea</u>	John F. Keener	<u>Yea</u>
Jackie Bob Martin	<u>Yea</u>	Cara Cowan Watts	<u>Yea</u>
Phyllis Yargee	<u>Yea</u>	Buel Anglen	<u>Yea</u>
David W. Thornton, Sr.	<u>Yea</u>	William G. Johnson	<u>Yea</u>
Don Garvin	<u>Yea</u>	Charles "Chuck" Hoskin	<u>Yea</u>
Linda Hughes-O'Leary	<u>Yea</u>	Taylor Keen	<u>Yea</u>
Jack Baker	<u>Yea</u>		

**CHEROKEE NATION  
FY2007 BUDGET  
ADJUSTMENTS TO PROPOSAL**

**Exhibit - A**

*Adjustments derived from Legislative Review Hearings:*

#	Program	Division	Funding Src	AU	Impact of adjustments to:			Explanation
					Sources	Uses	Net	
<b>Proposed Budget - From Administration</b>					<b>\$ 350,178,545</b>	<b>\$ 348,292,497</b>	<b>\$ 1,886,048</b>	
1.	Gen Fund Ops - Unapprop. Surplus	Financial Resources	Gen Fund	1010280	12,099,994	-	12,099,994	to recognize FY05/06 undesignated surplus
2.	Gen Fund Ops - Dividend Income	Financial Resources	Gen Fund	1010280	2,000,000	-	2,000,000	to increase dividend estimate closer to '06 actuals
3.	Cancer/Diabetes Treatment - c/o	Health Services	Gen Fund	1010272	1,500,000	1,500,000	-	to recognize the mod-12 item and its carryover
4.	Legistar System c/o	Tribal Council	Gen Fund	1010135	130,000	130,000	-	carryover of legistar implementation
5.	Charitable Contributions	Office of the Chief	Gen Fund	1010042	33,285	(137,555)	170,840	c/o of film festival and reduction of balance
6.	Tribal Bridge Program	Community Services	Gen Fund	1010464	-	225,000	(225,000)	FY07 bridge program funding
7.	Rural Fire Stations	Community Services	Gen Fund	1010465	-	300,000	(300,000)	FY07 rural fire station funding
8.	Individual Water and Sanitation	Community Services	Gen Fund	1010431	-	500,000	(500,000)	FY07 individ water & sanitation
9.	Detox Center	Health Services	Gen Fund	1010258	470,000	470,000	-	detox carryover
10.	Boys & Girls Clubs	Career Services	Gen Fund	1010529	-	100,000	(100,000)	FY07 boys & girls club funding
11.	Gen Fund Ops - Tfr out to 1023030	Financial Services	Gen Fund	1010280	-	1,250,000	(1,250,000)	Tfr out to 1023030
12.	Minor Emergency Housing	Community Services	MFT	1023030	1,250,000	1,250,000	-	Tfr In and FY07 program funding
13.	Gen Fund Ops - Tfr out to 1023065	Financial Resources	Gen Fund	1010280	-	102,000	(102,000)	Tfr out to 1023065
14.	Cemeteries Preservation	Community Services	MFT	1023065	102,000	102,000	-	Tfr In and FY07 cemetery funding - initiative
15.	Clothing/School Supplies for Kids	Human Services	Gen Fund	1010458	-	200,000	(200,000)	FY07 clothing for kids funding
16.	Legislative Branch Expan. Feasibility	Tribal Council	Gen Fund	td	-	100,000	(100,000)	Use balance of FY03 Cap-Ex Bond monies if feasible
17.	SHS Summer Activities	Education Services	Gen Fund	1010172	-	(73,432)	73,432	Budget Correction
18.	7th and 8th Grade	Education Services	Gen Fund	1010173	-	(105,877)	105,877	Budget Correction
19.	Ross Grant	Career Services	HUD	3551x00	360,000	360,000	-	Recognize FY07 Grant Award
20.	Voc Ed Scholarships	Career Services	MFT	1024090	200,000	200,000	-	Carryover from Higher Ed fund
21.	Employee Appreciation Award	Office of the Chief	Gen Fund	1010480	-	2,100,000	(2,100,000)	\$2.1mm divided equally among all CNO employees
22.	National Treasures	Education Services	Gen Fund	td	-	45,000	(45,000)	Cultural Initiative - added in Hearings
23.	Directed Studies (\$850-Dir/10%-Adm)	Education Services	Gen Fund	td	-	935,000	(935,000)	New Initiative included in Budget Hearing on 9/8/06
24.	Gen Fund Ops - Tfr out to 796xxxx	Financial Resources	Gen Fund	1010280	-	250,000	(250,000)	Tfr out to 796xxxx
25.	Cultural Grounds Improvements	Mgmt Resources	Cap Projects	796xxxx	250,000	250,000	-	New Initiative included in Budget Hearing on 9/8/06
26.	Donation - CN Color Guard	Office of the Chief	Gen Fund	1010042	-	10,000	(10,000)	New Donation included in Budget Hearing on 9/8/06
27.	Sallisaw Creek Park	Mgmt Resources	Gen Fund	1012360	-	79,648	(79,648)	increase to \$100k total
28.	Donation - Joint Project-Eastern Band	Office of the Chief	Gen Fund	1010042	-	12,500	(12,500)	Charitable Contribution Recipient
29.	Muskogee Diabetes Program	Office of the Chief	Gen Fund	1010042	-	30,000	(30,000)	Charitable Contribution Recipient
30.	Zoe Institute	Office of the Chief	Gen Fund	1010042	-	38,000	(38,000)	Charitable Contribution Recipient
31.	Gen Fund Ops - Generator	Financial Resources	Gen Fund	1010280	120,000	120,000	-	Bond Carryover & Capital Expenditure
32.	CN Communities at Large	Community Services	Gen Fund	1010543	-	67,473	(67,473)	increase to \$150k
33.	Christmas gift for Employees	Office of the Chief	Gen Fund	1010480	-	105,000	(105,000)	employee appreciation budget (\$50 per empl)
34.	CHS Return to Work	Health Services	Gen Fund	1010266	-	300,000	(300,000)	increase to \$1.3m - FY06 level
35.	Duty Free Port Feasibility	Boards/Commissions	Gen Fund	td	-	100,000	(100,000)	New Initiative included in Budget Hearing on 9/8/06
36.	Cancer & Other Chronic Diseases	Health Services	Gen Fund	1010253	-	1,000,000	(1,000,000)	Increase to \$2m
37.	Tribal Council - Gen Fund	Legislative Branch	Gen Fund	1010700	-	275,930	(275,930)	Increase per hearings (incl. mod-12 c/o \$49k)
38.	Tribal Council - IDC Fund	Legislative Branch	IDC	2041020	-	162,300	(162,300)	Increase per hearings
39.	Indirect Cost Pool Recovery	Financial Resources	IDC	2040000	-	(162,300)	162,300	Increase in IDC Recovery
40.	Elderly transportation program	Human Services	Gen Fund	td	-	50,000	(50,000)	New Initiative included in Budget Hearing on 9/8/06
41.	Helping Hand Donation - CNI	Office of the Chief	Gen Fund	1010042	-	10,000	(10,000)	Charitable Contribution Recipient
42.	Delaware County Star Program	Office of the Chief	Gen Fund	1010042	-	39,000	(39,000)	Charitable Contribution Recipient
43.	After-School Program	Education Services	Gen Fund	td	-	225,000	(225,000)	New Initiative included in Budget Hearing on 9/8/06
<b>Total Adjustments to Proposed Budget</b>					<b>\$ 18,515,279</b>	<b>\$ 12,514,687</b>	<b>\$ 6,000,592</b>	
<b>Total FY2007 Budget After Adjustments</b>					<b>\$ 368,693,824</b>	<b>\$ 360,807,184</b>	<b>\$ 7,886,640</b>	

**Itemized Adjustments by Funding Sources**

General Fund - Proposed	47,507,006	46,608,008	898,998
Adjustments	16,353,279	10,352,687	6,000,592
<b>General Fund - Adjusted</b>	<b>63,860,285</b>	<b>56,960,695</b>	<b>6,899,590</b>
Motor Fuel Tax - Proposed	17,024,804	16,698,173	326,631
Adjustments (# 12, 14 & 20)	1,552,000	1,552,000	-
<b>Motor Fuel Tax - Adjusted</b>	<b>18,576,804</b>	<b>18,250,173</b>	<b>326,631</b>
Indirect Cost Pool - Proposed	95,163	95,163	-
Adjustments (# 38 & 39)	-	-	-
<b>Indirect Cost Pool - Adjusted</b>	<b>95,163</b>	<b>95,163</b>	<b>-</b>
Capital Projects Fund - Proposed	26,205,000	26,205,000	-
Adjustments (# 25)	250,000	250,000	-
<b>Capital Projects Fund - Adjusted</b>	<b>26,455,000</b>	<b>26,455,000</b>	<b>-</b>
HUD - Proposed	35,832,638	35,832,638	-
Adjustments (# 19)	360,000	360,000	-
<b>HUD - Adjusted</b>	<b>36,192,638</b>	<b>36,192,638</b>	<b>-</b>
<b>Total of Adjustments Itemized</b>	<b>\$ 18,515,279</b>	<b>\$ 12,514,687</b>	<b>\$ 6,000,592</b>