

An Act

LEGISLATIVE ACT 08-17

AN ACT AMENDING LEGISLATIVE ACT #23-16 AUTHORIZING THE COMPREHENSIVE OPERATING BUDGET FOR FISCAL YEAR 2017 – Mod. 4; 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 #23-16 Authorizing the Comprehensive Operating Budget for FY 2017 – Mod. 4”.

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 2017” or subsequent amendment. The cumulative total of the budget is increased by **\$ 2,181,428** for a total budget authority of **\$ 666,691,816**. The following items are identified as components of such change:

Grants Received & Authorized per LA-23-16 (detail attached)	\$ 314,385
Modification Request (see Section 4 below)	<u>1,867,043</u>
Cumulative change in budget authority	<u>\$ 2,181,428</u>

SECTION 3. LEGISLATIVE HISTORY

The provisions of compliance, policy of accountability, authorities and severability provided in Legislative Act #23-16 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 **\$ 1,867,043** to wit:

- A. A decrease in the **General Fund** budget authority of **\$ (92,800)**.
- B. An increase in the **Indirect Cost Pool** budget authority of **\$ 175,725**.
- C. An increase in the **Motor Vehicle Tax** budget authority of **\$ 1,108,777**.
- D. An increase in the **DOI – Self Governance** budget authority of **\$ 323,996**.

E. An increase in the **IHS Self Governance Health** budget authority of **\$ 5,000.**

F. An increase in the **IHS – Self Governance - TEH** budget authority of **\$ 346,345.**

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.

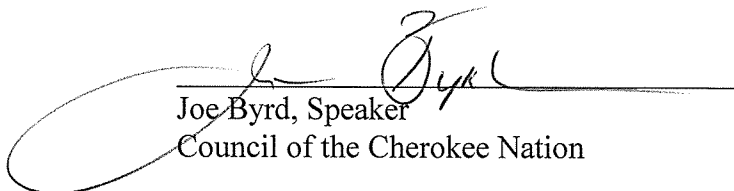
SECTION 7. EFFECTIVE DATE: EMERGENCY DECLARED

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.

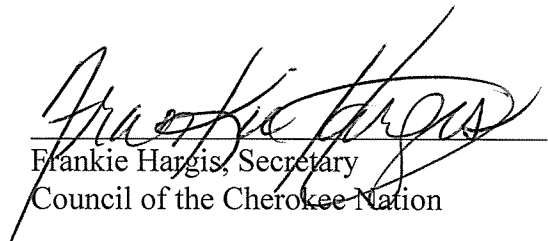
SECTION 8. SELF-HELP CONTRIBUTIONS

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 21st day of February, 2017


Joe Byrd, Speaker
Council of the Cherokee Nation


ATTEST:


Frankie Hargis, Secretary
Council of the Cherokee Nation

Approved and signed by the Principal Chief this 23 day of February, 2017


Bill John Baker, Principal Chief
Cherokee Nation

ATTEST:



Chuck Hoskin, Jr., Secretary of State
Cherokee Nation

YEAS AND NAYS AS RECORDED:

Rex Jordan	<u>Yea</u>	Janees Taylor	<u>Yea</u>
David Walkingstick	<u>Yea</u>	Dick Lay	<u>Yea</u>
Joe Byrd	<u>Yea</u>	Buel Anglen	<u>Yea</u>
Shawn Crittenden	<u>Yea</u>	Harley Buzzard	<u>Yea</u>
Bryan Warner	<u>Yea</u>	Frankie Hargis	<u>Yea</u>
David W. Thornton, Sr.	<u>Yea</u>	Victoria Vazquez	<u>Yea</u>
Don Garvin	<u>Yea</u>	Wanda Hatfield	<u>Yea</u>
Keith Austin	<u>Yea</u>	Jack D. Baker	<u>Yea</u>
Curtis G. Snell	<u>Yea</u>		

CHEROKEE NATION
 PROPOSED FY 2017 AMENDMENT
 Sorted by Funding Source

				Data		
Funding Source	Ref # by FS	Program/Purpose	FY 2017 Prior LA	Amend. Change to Sources	Amend. Expenses Total Change	Net Change
40-DHHS-General	1	3402500 Substance Abuse		69,818	69,818	\$ -
40-DHHS-General Total				\$ 69,818	\$ 69,818	\$ -
45-USDA	2	3453300 Rural Development Grant	New	224,567	224,567	\$ -
45-USDA Total				\$ 224,567	\$ 224,567	\$ -
85-Private	3	3855600 Smoothie Project	New	20,000	20,000	\$ -
85-Private Total				\$ 20,000	\$ 20,000	\$ -
Grand Total				\$ 314,385	\$ 314,385	\$ -

January Grants - Reporting Only

CHEROKEE NATION
 PROPOSED FY 2017 AMENDMENT
 Sorted by Funding Source

			Data		
Funding Source	Program/Purpose	FY 2017 Prior LA	Amend. Change to Sources	Amend. Expenses Total Change	Net Change
01-Cherokee Nation	1010422 Jay Sewage System	LA 23-16	(92,800)	(92,800)	\$ -
01-Cherokee Nation Total			\$ (92,800)	\$ (92,800)	\$ -
04-Indirect Cost Pool	2040000 Indirect Cost Pool Recovery	LA 23-16	70,290	-	\$ 70,290
	2041043 Auto Maintenance	New	105,435	175,725	\$ (70,290)
04-Indirect Cost Pool Total			\$ 175,725	\$ 175,725	\$ -
05-Vehicle Tax	1051000 MVT Public Schools	LA 23-16	314,956	314,956	\$ -
	1051010 MVT SHS	LA 23-16	(12,817)	(12,817)	\$ -
	1051011 MVT Head Start	LA 23-16	(4,804)	(4,804)	\$ -
	1051012 MVT Immersion	LA 23-16	7,555	7,555	\$ -
	1051020 MVT Public School Coop	LA 23-16	472,085	472,085	\$ -
	1052010 MVT Highways Admin	LA 23-16	268,761	268,761	\$ -
	1054100 MVT Local Law Enforcement	LA 23-16	63,041	63,041	\$ -
05-Vehicle Tax Total			\$ 1,108,777	\$ 1,108,777	\$ -
22-DOI - Self Governance	3221070 Agriculture Noxious Week	LA 23-16	10,496	10,496	\$ -
	3221190 DOI Climate Change	LA 23-16	230,000	230,000	\$ -
	3223080 NRDA Tribal Workshop	New	83,500	83,500	\$ -
22-DOI - Self Governance Total			\$ 323,996	\$ 323,996	\$ -
32-IHS - Self Governance Health	3324400 Dental	LA 23-16	5,000	5,000	\$ -
32-IHS - Self Governance Health Total			\$ 5,000	\$ 5,000	\$ -
33-IHS-Self Governance-T E H	3331000 EHS Administration	LA 23-16	346,345	346,345	\$ -
33-IHS-Self Governance-T E H Total			\$ 346,345	\$ 346,345	\$ -
Grand Total			\$ 1,867,043	\$ 1,867,043	\$ -

Operating Mod #4 Request

COMPREHENSIVE BUDGET FOR FISCAL YEAR 2017

Funding Source	Revenues	Transfers In	Total	Direct Exp.	Indir. Exp.	Transfers Out	Total	NET
Tribally Funded Funding Source	92,340,762	1,491,430	93,832,192	77,393,908	4,276,896	12,161,388	93,832,192	0
Motor Fuels Tax Funding Srce	9,094,252	17,299,025	26,393,277	18,360,434	91,332	7,941,511	26,393,277	0
Motor Vehicle Tax Funding Srce	24,803,219	1,126,604	25,929,823	23,417,717	475,929	2,036,177	25,929,823	0
Permanent Fund Funding Source	10,100	0	10,100	10,100	0	0	10,100	0
DOI General Funding Source	10,392,025	0	10,392,025	9,492,530	899,495	0	10,392,025	0
DOI Self Gov Funding Source	14,567,470	79,600	14,647,070	13,511,924	1,131,646	3,500	14,647,070	0
DOI Self Gov Roads Funding Src	9,386,614	0	9,386,614	9,253,572	112,841	20,201	9,386,614	0
Dept of Transportation Fnd Src	72,048,214	0	72,048,214	71,750,077	198,294	99,843	72,048,214	0
DOI PL102-477 Funding Source	25,723,581	0	25,723,581	24,937,482	786,099	0	25,723,581	0
IHS Self Gov Health Funding Sr	283,690,939	1,300,439	284,991,378	266,366,217	18,531,937	93,224	284,991,378	0
IHS Self Gov TEH Funding Src	7,353,615	0	7,353,615	7,094,460	259,155	0	7,353,615	0
IHS Self Gov Offic Funding Src	322,788	0	322,788	291,326	31,462	0	322,788	0
IHS Discretionary Funding Source	40,000	0	40,000	35,000	0	5,000	40,000	0
DHHS General Funding Source	40,741,365	557,804	41,299,169	37,126,989	2,908,706	1,263,474	41,299,169	0
USDA Funding Source	19,531,137	818,085	20,349,222	19,655,887	693,335	0	20,349,222	0
Dept of Education Funding Srce	1,075,546	63,957	1,139,503	1,088,296	51,207	0	1,139,503	0
HUD Funding Source	41,573,581	1,199,190	42,772,771	40,955,793	717,239	1,099,739	42,772,771	0
Housing Proceeds Funding Src	0	0	0	0	0	0	0	0
EPA Funding Source	1,758,050	0	1,758,050	1,583,819	174,231	0	1,758,050	0
Dept of Labor Funding Source	10,229,719	0	10,229,719	9,416,859	812,860	0	10,229,719	0
Federal Other Funding Source	3,949,942	0	3,949,942	3,514,238	185,704	250,000	3,949,942	0
State of Oklahoma Funding Srce	1,223,946	0	1,223,946	1,128,947	94,999	0	1,223,946	0
Private Funding Source	369,107	159,738	528,845	478,490	50,355	0	528,845	0
Indirect Cost Pool Funding Src	46,575,174	27,900	46,603,074	46,603,074	0	0	46,603,074	0
Fringe Pool Funding Source	0	0	0	0	0	0	0	0
Internal Lease Pool Funding Sr	4,617,237	0	4,617,237	4,617,237	0	0	4,617,237	0
Enterprise Funding Source	3,222,404	934,739	4,157,143	4,023,957	133,186	0	4,157,143	0
Other Funding Source	276,590	17,000	293,590	277,000	16,590	0	293,590	0
Debt Service Funding Source	186,456	12,253,224	12,439,680	12,439,680	0	0	12,439,680	0
Capital Projects Funding Sourc	179,740,643	483,035	180,223,678	167,381,485	4,480	12,837,713	180,223,678	0
Total	\$ 904,844,476	\$ 37,811,770	\$ 942,656,246	\$ 872,206,498	\$ 32,637,978	\$ 37,811,770	\$ 942,656,246	\$ -

Non Grant Requests

Request Type	Amount	Effective Date
Oper Mod #4 Req	1,867,043	01/26 E&F
Cap Mod #2 Req	1,819,222	01/26 E&F

Total after pending Mod's **\$ 946,342,511**

CAPITAL RECONCILIATION

LA-22-16	\$ 277,754,636
Capital Mod # 1	76,837
Capital Mod #2	1,819,222

Total Capital **\$ 279,650,695**

Operating (LA23-16)	\$ 666,691,816	Cumulative Oper
Capital (LA-22-16)	279,650,695	Cumulative Cap
Grand Total	\$ 946,342,511	



CHEROKEE NATION TRIBAL COUNCIL

Jody S. Reece, CPA, CIA, CMA

Executive Director of Financial Oversight

Mem o

To: Janees Taylor, Chairman, Executive & Finance Committee
From: Jody S. Reece
CC: Executive & Finance Committee
Date: 01/12/2017
Re: Review of Operating Budget Modification #4 – **Total \$ 2,181,428**

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 - Reason</u>	<u>Amount</u>
40 – DHHS General	1 – Change in revenue estimate	\$ 69,818
45 – U.S.D.A.	1 – New award	224,567
85 – Private	1 – New award	20,000
TOTAL GRANTS		\$ 314,385

General Fund Cash Match for Grants (1010315) – The original budget of \$2,686,072 included \$2,033,774 in Cash Out: Grant Required and \$652,298 in Appropriated for Cash Match (future grants).

Original Appropriated for Cash Match (future grants)	\$ 652,298
Used:	0
Balance Available For Future Grant Matching	<u>\$ 652,298</u>

B. MOD #4 Request - (15 budgets) Increase in budget authority - \$ 1,867,043

1. Jay Sewage System – 1010422 – General Fund: Modification requesting a decrease in expenditure authorization of \$92,800 to zero out this budget. Alternate grant funding was received in AU 3453300 – Rural Business Development Grant.

Motor Vehicle Tax Allocation Formulas:

- a. 38% of gross Motor Vehicle Tax Revenue is allocated to eligible public schools. 95% of this total goes to items 3, 4, and 5 for Cherokee Nation school allocations and all other public schools are in budget item 2. 5% of the total goes to the coop program (A-Z) in item 6. An additional matching amount equal to the 5% goes to the coop program (A-Z) from general net revenues.
- b. 20% of gross Motor Vehicle Tax Revenue is allocated to Roads of which 90% is for construction and 10% is for administration. See the Capital Modification Act for construction and for administration see item 7. The construction money is allocated equally to the fifteen in jurisdiction Council Members to allocate.

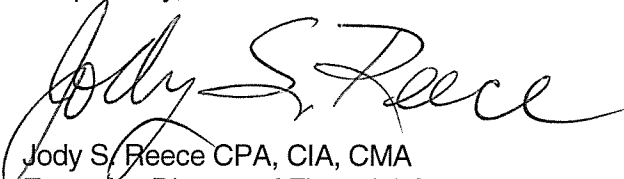
- c. 20% of net Motor Vehicle Tax Revenue is allocated to Law Enforcement and is distributed equally to the fifteen in jurisdiction Council Members to allocate (item 8).
 - d. The fiscal year 2016 residual transfer to the General Fund is \$2,225,643. \$975,182 was previously budgeted this year for the Get Out The Vote and Hunting & Fishing budgets, leaving a net residual amount for the General Fund of \$1,250,461. The \$1.25 million will be part of the General Fund carryover to fiscal year 2017 once the audit is complete.
2. MVT Public Schools – 1051000 – Vehicle Tax: Modification requesting an increase in expenditure authorization of \$314,956 for the allocation of the 2016 Motor Vehicle Taxes. The original budget of \$4,529,095 was an estimate and the new budget total is \$4,844,051. The total MVT allocation continues to increase and for comparative purpose the total last year was \$4,497,380 and the year before was \$3,909,614. The current calculated per student allocation has increased \$1.05 from \$165.43 last year to \$166.48 this year. Expanded jurisdiction tag sales last year were \$2,995,485 and at-large net tag sales were \$570,119. Expanded jurisdiction schools will receive \$638,943 from this budget.
 3. MVT Sequoyah High School – 1051010 – Vehicle Tax: Modification requesting a decrease in expenditure authorization of \$12,817 for the allocation of the 2016 Motor Vehicle Taxes. The original budget of \$169,620 was an estimate and the new budget total is \$156,803. The new budget total includes \$32,278 carryover and \$124,526 current allocation. The current allocation is an increase of \$3,428 over last year's allocation.
 4. MVT Head Start – 1051011 – Vehicle Tax: Modification requesting a decrease in expenditure authorization of \$4,804 for the allocation of the 2016 Motor Vehicle Taxes. The original budget of \$30,109 was an estimate and the new budget total is \$25,305. The new budget total includes less than one dollar carryover and the current allocation. The current allocation is a decrease of \$4,804 from last year's allocation.
 5. MVT Immersion – 1051012 – Vehicle Tax: Modification requesting an increase in expenditure authorization of \$7,555 for the allocation of the 2016 Motor Vehicle Taxes. The original budget of \$31,004 was an estimate and the new budget total is \$38,559. The new budget total includes \$4,931 carryover and \$33,629 current allocation. The current allocation is a decrease of \$781 from last year's allocation.
 6. MVT Public School Coop – 1051020 – Vehicle Tax: Modification requesting an increase in expenditure authorization of \$472,085 for the allocation of the 2016 Motor Vehicle Taxes. The original budget of \$492,435 was an estimate and the new budget total is \$964,520. The new budget total includes \$435,820 carryover and \$528,700 current allocation. The current allocation is an increase of \$36,264 over last year's allocation. Consideration should be made as to the continued growing carryover in this budget. Any reallocation or changes in funding allocation will require a legislative act to change the Motor Vehicle Licensing and Tax Code prior to a budget modification. Any proposed funding changes will need to be reviewed against our compact.
 7. MVT Highways Admin – 1052010 – Vehicle Tax: Modification requesting an increase in expenditure authorization of \$268,761 for the allocation of the 2016 Motor Vehicle Taxes. The original budget of \$535,000 was an estimate and the new budget total is \$688,859. The new budget total includes \$410,596 carryover and \$278,263 current allocation. The current allocation is an increase of \$19,087 over last year's allocation. Expect a budget mod within the next month or two for a one time allocation of carryover from this budget to Roads Construction. This allocation will only require a budget modification as the 90% Construction and 10% Administration allocation is an internal budget allocation and is not a legislative or compact requirement. The highway construction budget is in the capital modification this month.
 8. MVT Local Law Enforcement – 1054100 – Vehicle Tax: Modification requesting an increase in expenditure authorization of \$63,041 for the allocation of the 2016 Motor Vehicle Taxes. The original budget of \$535,000 was an estimate and the new budget total is \$598,041. The new budget total includes \$121,096 carryover and \$476,945 current allocation. The current allocation is an increase of \$22,433 over last year's allocation.

9. Indirect Cost Pool Recovery – 2040000 – Indirect Cost Pool: Modification requesting an increase in IDC recovery of \$70,290 related to the new Auto Maintenance budget in item 10. The new budget recovery revenue and expenditure total is \$39,458,272.
10. Auto Maintenance – 2041043 – Indirect Cost Pool: New budget requesting expenditure authorization of \$175,725 with Charges for Services Revenue of \$105,435 for a net expenditure of \$70,290. Two full time equivalent (FTE) positions will be created. See the narrative attached behind the budget for additional program details.
11. Agriculture Noxious Weed – 3221070 – DOI Self Governance: Modification requesting an increase in expenditure authorization of \$10,496 funded from special one-time funding. The new budgeted expenditure total is \$40,496.
12. DOI Climate Control – 3221190 – DOI Self Governance: Modification requesting an increase in expenditure authorization of \$230,000 funded from two special one-time fundings. The new budgeted expenditure total is \$262,500.
13. NRDA Tribal Workshop – 3223080 – DOI Self Governance: New budget requesting expenditure authorization of \$83,500 to host a Natural Resource Damage Assessment and Restoration (NRDAR) Tribal Training Workshop. Funding is provided by a \$65,000 special one-time DOI sponsorship grant and \$18,500 contribution from other Tribes.
14. Dental – 3324400 – IHS Self Governance Health: Modification requesting an increase in expenditure authorization of \$5,000 funded from special one-time funding. The new budgeted expenditure total is \$18,286,075.
15. EHS Administration – 3331000 – IHS Self Governance TEH: Modification requesting an increase in expenditure authorization of \$346,345 based on additional carryover funds and estimated current year funding. The new budgeted expenditure total is \$2,384,194.

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 further information, please do not hesitate to contact me.

Respectfully,



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