



Council of the Cherokee Nation

Meeting Minutes Executive and Finance Committee

Thursday, April 24, 2008

3:00 PM

Legislative Conference Room

CALL TO ORDER

Chair Jack Baker called the meeting to order at 3:04 p.m.

INVOCATION

Councilor Snell gave the invocation.

ROLL CALL

Present 17 - Bill John Baker; S. Joe Crittenden; David Thornton Sr. ; Don Garvin; Meredith Frailey; Cara Cowan Watts; Buel Anglen; Jack D. Baker; Tina Glory Jordan; Jodie Fishinghawk; Janelle Fullbright; Harley Buzzard; Curtis Snell; Chris Soap; Bradley Cobb; Chuck Hoskin, Jr. and Julia Coates

APPROVAL OF MINUTES

Councilor Cowan Watts moved for the approval of the minutes of the March 27th regular session. Councilor Thornton seconded the motion. Motion carried.

Councilor Anglen made a motion to move the new business prior to reports to allow those to attend the meetings in Catoosa beginning at 4:00 p.m.

Councilor Cowan Watts seconded the motion. Councilor Bill John Baker made a friendly amendment to also move forward the consent items that affect the budget mod. Councilor Anglen accepted the amendment. Chair Jack Baker stated the request would move the reports to the end. Councilor Glory-Jordan made a motion for an amendment to the budget mod to add \$25,000 from gen fund for \$1500 per councilor and an additional \$500 if more than one county is covered to hold annual meetings. Chair Baker stated this motion would be more appropriate once in discussion of the budget mod. Councilor Bill John Baker called for the question. Motion carried to amend the agenda with a friendly amendment to consider the consent items and then new business item 1 before reports.

CEMETERY RESTORATION ASSISTANCE APPLICATIONS

Chair Jack Baker stated there are 12 applications in the packet and 12 additional applications handed out today for consideration. Councilor Bill John Baker made a motion to approve the applications for Barber, Downing, Miller, Swimmer, Beahunter, and Keener cemeteries. Councilor Glory Jordan seconded the motion. Councilor Bill John Baker requested Gray cemetery be moved to District 6. Councilor Soap agreed to place Gray cemetery in District 6 if it does in fact lie in Mayes County. Chair Jack Baker stated the motion for District 1 is to approve all but Gray cemetery. Motion carried for District 1 cemeteries. Councilor Crittenden moved to approve Reese, Ketcher and Killer cemeteries in District 2 along with Fodder cemetery but only for \$500.

Councilor Cowan Watts seconded the motion. Motion carried. Councilor Fullbright moved for the approval of Buffington Cemetery Association and the Flute Springs Community Organization to be approved. Councilor Thornton seconded the motion. Motion carried. Councilor Garvin made a motion to approve the Juliette Taylor cemetery in District 4. Councilor Anglen seconded the motion. Motion carried. Councilor Buzzard made a motion to approve the Round Springs, O'Field, Piney and Clouds Creek cemeteries in District 5. Councilor Cowan Watts seconded the motion. Motion carried. Councilor Soap made a motion to approve the Ballou, Old Benge and Gray cemeteries in District 6. Councilor Cowan Watts seconded the motion. Motion carried. Councilor Anglen moved for the approval of the Chisolm and Spybuck cemeteries in District 8. Councilor Cowan Watts seconded the motion. Motion carried. Councilor Hoskin Jr. moved for the approval of the Blackfeather and Bezion cemeteries in District 9. Councilor Thornton seconded the motion. Motion carried.

T.E.R.O. CERTIFICATIONS

Councilor Buzzard made a motion for approval as submitted with the exception of Rod Henry Construction which is still lacking verification of ownership and the Phil Givens Company. Councilor Crittenden seconded the motion. Motion carried with Councilor Bill John Baker Abstaining.

LAW ENFORCEMENT REQUESTS

Mr. Evans stated in addition to the three district 4 requests of Ft. Gibson, Warner and Porum there is Webber Falls for the same amount of \$2,720 as well as \$4,800 for the Collinsville Police Department from Councilor Anglen. In District 5 Councilors Snell and Buzzard are splitting \$10,557 for the Delaware County Sheriff's office as well as splitting \$7,558 for the Jay Police Department and the Kansas Police Department and \$1,000 for the Grove Police Department. Councilor Cowan Watts moved for the approval. Councilor Fullbright seconded the motion. Motion carried.

COMMUNITY ASSISTANCE

Additions:	Adair Public Schools	\$1500 - Councilor Soap
	Stilwell Public Schools	\$500 - Councilors
Fishinghawk/Crittenden	Westville Public Schools	\$500 - Councilors
Fishinghawk/Crittenden	Cave Springs Public Schools	\$500 - Councilors
Fishinghawk/Crittenden	Watts Public Schools	\$500 - Councilors
Fishinghawk/Crittenden	Fairfield Community Org.	\$1000 – Councilor Fishinghawk
	Rogers County Cherokee Assoc.	\$6725 – Councilor Cowan Watts
	Claremore Senior Center	\$650 – Councilor Cowan Watts
	Hulbert Public Schools	\$2000 – Councilors Baker/Glory-Jordan
	Catoosa Public Schools	\$500 – Councilor Cowan Watts
	Williams Plumbing	\$110 – Councilor Cobb

Councilor Bill John Baker moved for approval of all community assistance. Councilor Crittenden seconded the motion. Motion carried.

ROADS

Mr. Doug Evans stated the Lost City Road project is the only request this month in the amount of \$177,899 to be split between Councilors Bill John Baker and Glory-Jordan. This project will deplete the motor vehicle tax fund for both councilors. Councilor Bill John Baker moved for the approval. Councilor Glory-Jordan seconded the motion. Motion carried.

OLD BUSINESS

None

NEW BUSINESS

AN ACT AMENDING LEGISLATIVE ACT #37-07 AUTHORIZING THE COMPREHENSIVE BUDGET FOR FISCAL YEAR 2008 - MOD 7; AND DECLARING AN EMERGENCY

Sponsors: Councilor Baker And Councilor Cowan Watts

Mr. Doug Evans stated there are several grant adjustments this month. He stated Mod 7 has 17 budgets increasing the budget authority \$8.8ml with a lion's share of that being in the capitol project fund. He gave an overview of his report. He stated out of the 2007 IHP we continue to see significant increases in the administrative budgets associated with that housing plan. He stated this is a little hard to grasp due to the multiple years of IHP's being expended within the same fiscal year for the same purpose. He announced he is working on a reconciliation between the IHP and the comprehensive budget to provide a clearer picture of what funds are being utilized, who is utilizing them and which IHP are the funds coming from. He pointed out a note at the bottom of the report dealing with supplies on this budget. He stated it is his understanding there will be a line item reallocation so there are not supplies going into a capitol project. He stated he didn't find any technical issues with the modification request. Councilor Glory-Jordan made a motion for an amendment to include \$25,000 from the general fund to be divided among the 15 in jurisdiction Councilors for \$1500 per Councilor plus \$500 for Councilor representing multiple counties to hold an annual meeting within their district. She stated this would be a mini version of the At Large picnics. She stated all departments would be invited to attend and set up a booth to provide information to the communities. Councilor Hoskin Jr. seconded the motion with an offer of a friendly amendment to stipulate no funds be used within a month of filing dates of a regular or special election. Councilor Glory-Jordan accepted the friendly amendment. Councilor Soap inquired if there are programs that do these activities. Mr. Doug Evans stated not that he is aware of. Ms. Callie Catcher stated not specifically for this type of meeting. Councilor Cowan Watts requested a friendly amendment to provide an additional \$500 for District with 1 Councilor and multiple counties. Mr. Evans clarified that it is \$1500 per Councilor with an additional \$500 for Councilors Garvin and Hoskin Jr. Councilors Glory-Jordan and Hoskin Jr. accepted the friendly amendment. Mr. Evan inquired if it would be run through the Tribal Council budget with a tracking system similar to community assistance. Councilor Glory-Jordan agreed. Councilor Fullbright stated it should be an additional \$500 for each county therefore Councilor Garvin should receive an additional \$1,000. Councilors Glory-Jordan and Hoskin Jr. agreed. Councilor Glory-Jordan stated the total request would be for \$24,000. Councilor Crittenden expressed concern for the 30 day requirement being to close. Councilor Hoskin Jr. agreed it may be too close and that the idea of setting a time line was to insulate it from just overt political campaigning. The amendment to the mod passed with Councilor Soap in opposition. Councilor Hoskin Jr. suggested a motion to

amend to correct a clerical error that occurred during the last fiscal year. He stated the last Council approved at the request of his predecessor \$1500 for Oklahoma Union Schools. Our records show the funds being deducted from the District 9 community assistance funds however the check was not cut and no funds were received. He proposed the error be corrected with an additional \$1500. Mr. Evans stated there are a couple of different ways to handle the correction. He stated \$1500 can be appropriated from the Council's budget to address this correction. He stated he could take care of the correction upon a vote of this committee out of our budget without an increase. He stated there is room in the Council budget and if there should become a problem he would make a request at that time. Chair Jack Baker directed Mr. Evans to take care of this correction for District 9. Councilor Glory-Jordan stated policy would need to be developed for the \$24,000 just put into the budget for the in district meetings. Councilor Cowan Watts announced it looks as though Councilor Glory-Jordan volunteered to provide this next month for review. Councilor Garvin inquired about a \$12,000 bridge request. Mr. Evans stated he hasn't seen the request. Councilor Garvin made a motion to approve the request if approved by Michael Lynn. Councilor Cowan Watts accepted. Chair Baker inquired as to the name of the bridge. Councilor Garvin stated the Shady Grove Bridge for \$12,000. Councilor Bill John Baker called for the question.

Councilor Cowan Watts moved to approve. Councilor Garvin seconded the motion. Motion carried.

REPORTS:

1. Financial Report/Treasurer Report - Callie Catcher

Attachments: [Fin Res REPORT FRM 04-08](#)

Callie Catcher provided a written report and copies of the comprehensive annual report.

Councilor Thornton requested Mr. Evans provide a print out of the 10 new initiatives and the funds they have spent to date.

2. Cherokee Nation Enterprises - David Stewart

Attachments: [CNE Executive and Finance comm rpt 04-2008](#)

Mr. Guy Wolcott introduced Doyle Paden who is the Leadership Development Education director. Mr. Paden introduced Heather Dudley as the manager of the LDA program. Mr. Paden stated the program has been in existence for 3 years now and have had 26 people take part in the program with 21 of them completing the program and 3 still in the program. Mr. Rob Thomas announced he begin the program last May and has been doing various rotations through out the Cherokee Nation and CNE. He stated he is currently in a rotation at the casino that he enjoys and hopes to stay. He stated the program has given him a huge in site of Cherokee Nation. Councilor Cowan Watts inquired if he is a Cherokee Nation citizen and what community does he reside. Mr. Thomas stated he is a Cherokee Nation citizen from Claremore. Councilor Bill John Baker inquired if this is the group for succession of the higher positions currently not held by a Cherokee citizen. Mr. Paden stated this program and the other leadership development programs are not part of a succession plan. Councilor Bill John Baker gave appreciation for this group coming today but it was his understanding that it would be the succession plan participants in attendance today. Mr. Shawn Slaton apologized for the miss understanding and would have the succession plan participants at the next committee meeting. He

stated the program is the Executive Development Program. Mr. Mark Wheeler stated he was a former participant in the LDA program and is currently employed at the Cherokee Casino in Ft. Gibson as a shift manager. He stated the LDA program gave him the opportunity to move back home and work for this tribe. He stated he is a Cherokee citizen from Tahlequah. Councilor Buzzard inquired of the 21 who completed the program how many have been placed with the Cherokee Nation or CNE. Mr. Paden stated all of them. Mr. Guy Wolcott commended Rob Thomas whom is in the Business Consulting Group and has a monumental project up ahead of implementing the casino system. He stated it is a multi million dollar system that links together all of the slot and table games and player tracking under one system for all locations. Mr. Wolcott stated he is pleased to report CNE recognized a record month of consolidated revenues for the month of March totaling \$40.7ml. This is a 3% increase from March of 2007. The quarter ending March 31, 2008 is up 5.5% over the second quarter of 2007. Year to date for the first six months of operation revenues are up 6.2% over the first half of FY2007. The net income is \$11.6ml this is a 5.5% increase over March 2007. Quarter ending March 31st the net income is up 8.1% from 2007. The revenues trail the year to date by approximately 3% however management is making aggressive in roads to close the gap. He announced at the end of March CNE has 3118 employees for a net decrease of 16 employees for the month and 86 employees quarter end. This is largely in part due to efforts of cost containment and the margin of improvement to close the gap just mentioned. The Cherokee employment is 58% with a combined Native American employment of 71%. He reminded the Council of their invitation to the TERO vendor fair and events at the Catoosa Casino this evening. Councilor Soap requested additional information regarding the compensation and benefits overage on the budget compared to the actual. Mr. Wolcott stated it is up over prior years largely in part to 2 waives of the minimum wage increase and the annual standard merit increases. He stated there is also a significant increase in medical, health and welfare costs year after year. He stated not only has there been an increase in participation of the health benefits but also the 401K benefits which increase the employer contributions. Mr. Evans stated year to date for 6 months CNE is performing at an approximate 5% higher operating level than last year for an approximate \$2.7ml. He inquired about the loss of \$1.8ml in net income due to other expense. Mr. Wolcott stated \$1.2ml of this is due to the Columbia Fund and stated he would get an update on the remaining portion and provide it at a later date. Councilor Fishinghawk stated approximately 3 months ago she had requested a breakdown of where the Cherokee's are, where the other Native Americans are as well as their bonus, salaries and positions.

3. Cherokee Nation Industries - Dennis McLemore

: Mr. Dennis McLemore stated in February they had \$10ml cash, \$11.8ml in A/R, inventory of \$5ml, A/P was \$11.7ml and debt of \$13.7ml. He stated in March this debt transferred in as an infusion from CNB. This debt will be gone in the March report and show in the equity section. The net worth at this time is \$8.6ml and sales year to date is \$35ml. At this time they are operating at a net loss of \$1ml. Councilor Fishinghawk inquired if during the next CNI board meeting at Stilwell if some of the Council could tour the Wal-Mart facility. Mr. Bryan Collins agreed to the request and stated they just began the move last week. Councilor Bill John Baker inquired if in the near future the numbers would be better. Mr. McLemore stated they are seeing a turn around in the manufacturing. He stated over the last several months they are seeing the net loss decrease. He stated they lost a major contract in Germany last year by non renewal which contained a lot of profit. Councilor Bill John Baker stated \$42ml in sales was reported and we don't know what the bottom line is. Mr. McLemore inquired as to what was meant by not knowing the bottom line. Councilor Bill John Baker stated when asked at the Council meeting the reply was the numbers were not with him at that time. Mr. McLemore stated typically for the Council meeting they just give the sales figures due to the public forum and the net income is provided

in this meeting. He stated he would provide the information to Mr. Collins in the future. Councilor Bill John Baker stated if he was busy trying to turn a company around he would know exactly where the company was. Mr. Bryan Collins stated he didn't have the answer in front of him and he wasn't going to make a guess when the books hadn't been closed. He stated they would do a better job of providing those numbers at the Council meeting as well if necessary. Councilor Fishinghawk inquired when the hiring would begin. Mr. McLemore stated they have hired approximately 70 people in the last 3 months.

4. Cherokee Nation Businesses - Brad Carson

Mr. Brad Carson provided consolidated numbers for March as \$48.1ml in revenue which lead to \$15.2ml in net income. A dividend of \$3.42ml was paid to the Cherokee Nation. He stated the Thornton report named from Councilor Thornton's monthly request of cash in the bank of the various entities has an increase of \$3ml in cash at CNB for a total in cash holdings of \$90,320,000. He stated they are in the process of closing on the BOA loans. They should be closed by the week of May 6th. Councilor Bill John Baker inquired as to when the first draw on the line of credit would be. Mr. Carson stated the estimate is September of 2008. Councilor Fishinghawk inquired about the status of the leachate pond. Mr. Carson stated the plan is to eliminate the leachate pond and put in a tank system. He stated they are estimating between 4.7ml and 5ml gallons in the leachate pond currently and are carting away approximately 110,000 gallons daily. They are hoping within 90 to 120 days to have the pond eliminated completely. He stated the bids are going out at this time for the tanks. He stated in spite of the rains there haven't been any additional overflows. Councilor Fishinghawk gave appreciation for Ms. Geib and her assistance. Mr. Carson stated they intend to keep the lines of communication open not only with the Council but also the employees. He stated they are eager to move forward with the environmental study and requested anyone with input in regard to the scope of work to please provide it as soon as possible to allow them to move forward.

5. Historical Society - Carey Tilley

Attachments: [Historical Society Ex. Finance - April24,2008](#)

Mr. Carey Tilley announced they are coming out of the slow season. He stated they are up in most of the financial categories. He gave an update from the written report provided. He stated the report shows they owe \$23,852 in long term debt. He proudly announced this debt is now paid in full. He announced the Trail of Tears art show will open with an awards ceremony on May 3 and the gospel singing will be on May 17th with a hog fry. Speaker Frailey inquired if it continues to be necessary for this report monthly with the long term debt being paid in full. She stated they have a very aggressive program scheduled for the year and requested they only report quarterly. Speaker Frailey made a motion to have the Historical Society report quarterly. Councilor Fishinghawk seconded the motion. Motion carried. Chair Jack Baker inquired about the festivities on the 2nd of May. Mr. Tilley invited the Council and guest to the preview of the Trail of Tears art show on Friday the 2nd of May at 6:00 p.m. Councilor Glory-Jordan requested notification of the dates given today be provided to the Council staff for calendar reminders. Councilor Bill John Baker gave appreciation to Mr. Tilley and the staff for their time spent with the college students. He stated they not only came away educated but very inspired. Chair Baker gave appreciation for their hosting the Joint Council hog fry.

6. Career Services/Employment - Diane Kelley

Attachments: [Career Services Emp April 08](#)

Ms. Stephanie Isaacs reported for Diane Kelley while she attended the events in Catoosa. Ms. Isaacs announced May 22nd from 2:00 to 6:30 p.m. at the First Christian Church an information fair will be held for Nowata County. She stated department information will be available and Councilor Hoskin Jr. is scheduled to speak.

7. Commerce - Anna Knight

Attachments: [Commerce 04-08 EF Report](#)

Ms. Shay Smith reported in the absence of Anna Knight. Ms. Smith stated she would answer question regarding the report.

Councilor Buzzard requested a report of the 21 students that completed the LDA program showing where they have been placed and their names. Ms. Gina Olaya inquired if the information could be added to their regular report next month. Councilor Buzzard stated this would be fine.

ANNOUNCEMENTS

ADJOURNMENT

Councilor Bill John Baker moved for adjournment. Councilor Crittenden seconded the motion. Motion carried at 4:24 p.m.

STAFF PRESENT:

<i>Callie Catcher</i>	<i>Doug Evans</i>	<i>Shay Smith</i>
<i>Stephanie Isaacs</i>		

VISITORS PRESENT:

<i>Raymond Vann</i>	<i>Charles Dry</i>	<i>Bryan Collins</i>
<i>Dennis McLemore</i>	<i>Carey Tilley</i>	<i>Jim Ketcher</i>
<i>Guy Wolcott</i>	<i>Todd Hembree</i>	<i>Shawn Slaton</i>
<i>Brad Carson</i>	<i>Gina Olaya</i>	<i>Doyle Paden</i>
<i>Heather Dudley</i>	<i>Rob Thomas</i>	<i>Mike Miller</i>

APPROVAL / DISTRIBUTION

Minutes submitted by: Shelli Brittain, Legal & Legislative Coordinator

Motion to approve minutes made by: _____

Minutes attested and concurred by: _____

Date: _____