



Council of the Cherokee Nation

Meeting Minutes

Executive and Finance Committee

Thursday, August 27, 2009

3:00 PM

Legislative Conference Room

CALL TO ORDER

Chair Jack D. Baker called the meeting to order at 3:25 p.m.

INVOCATION

Councilor Buzzard gave the invocation.

ROLL CALL

Present 14 - Bill John Baker; S. Joe Crittenden; David Thornton Sr. ; Don Garvin; Cara Cowan Watts; Buel Anglen; Jack D. Baker; Tina Glory Jordan; Janelle Fullbright; Harley Buzzard; Curtis Snell; Chris Soap; Chuck Hoskin, Jr. and Julia Coates

Absent 1 - Bradley Cobb

Late Arrival 2 - Meredith Frailey and Jodie Fishinghawk

APPROVAL OF MINUTES

Councilor Cowan Watts moved to approve the July 30th regular session minutes. Councilor Thornton seconded the motion. Motion carried.

REPORTS:

Financial Report/Treasurer Report - Callie Catcher

Tamyse Leake offered to answer question from Callie Catcher's written report.

Cherokee Nation Entertainment - David Stewart

Mr. Stewart stated the results June were challenging at best. He stated in their research they have noticed a State wide decrease. The opening of Hard Rock has yielded some good results. He stated the trend is back up for this month. The West Siloam ground breaking for the hotel is scheduled for 10:00 a.m. on Wednesday the 2nd of September. He extended an invitation to the Council to attend. He announced the natural gas line in West Siloam should be in by October. He provided a handout regarding the succession planning program at CNE. Essentially the way the plan works is the Vice Presidents have a mandate to have Cherokee replacements under them. They are pushing down these requirements deeper into the organization. Councilor Glory-Jordan requested a summary of positions in

training without listing individual names.

Cherokee Nation Businesses - David Stewart

Mr. Stewart announced they are in the middle of the budget process. They have met with all of the subsidiaries and received their budgets and placed them in consolidated form to be approved in the September board meeting. CCRC has been awarded a contract which will begin over the next month. He stated their numbers are positive and on budget. APSE is on budget. The Boeing contract has gone out to RFP and is key to APSE's work load. CSG has just received two sole source contracts with CNI. They are in the final stages in the acquisition of the IT company and will provide updates as they become available. Mr. Stewart provided handouts and gave an overview regarding the governance and strategy of CNB. He stated they now only look at businesses that they have some expertise in, have resources to provide, and in some way make that business profitable. They have pulled back and been more conservative with the recession. Councilor Hoskin Jr. requested an update on the new market tax credit program next month. Councilor Buzzard requested a projected date as to when the casino debt would be paid in full. Mr. Stewart stated in approximately twelve months with the assumption of maxing out their credit line they have enough built into the budget to make acquisitions. He stated they wouldn't pay it down within one year but have enough within their current capacity to spend about \$30ml in diversification of other companies. Councilor Fishinghawk inquired if the entire \$225ml had been utilized. Mr. Stewart stated the debt is \$125ml with a \$25ml addition but they have to go back out to the market place. The \$125ml is used for bonding.

Councilor Fishinghawk requested Ms. Leake read Section 19 of the TERO Act where it states prohibition on brokering and fronting services. Upon completion of reading this section Councilor Fishinghawk inquired if meant a TERO vendor couldn't front for someone. Councilor Cowan Watts called point of order voicing concern as to why it was being addressed to Ms. Leake and not Diane Kelley within the TERO office. Councilor Fishinghawk stated Ms. Catcher is over procurement. Chair Jack D. Baker inquired if this is a confidential matter. Councilor Fishinghawk stated it wasn't. She requested Ms. Leake find out from Ms. Catcher how she reads and interprets this section. Ms. Leake stated she would pass the question along to Ms. Catcher.

Cherokee Nation Industries - Robert Drvostep

Mr. Drvostep reported for the month of July their actual revenue was \$9.2ml versus a budget of \$12.3ml versus prior year of \$7.5ml. The loss for the month totaled \$100,000 versus a budgeted profit of \$129,000. Their loss last year was \$329,000 therefore there is a \$229,000 improvement on profitability although short on budget. Their Native American employment rate is 83% while Cherokee specific employment is 79%. Councilor Glory-Jordan inquired as to reasoning of the percentage of Native American employees is decreasing. She stated this is the opposite of the other entities. Mr. Drvostep stated he would look at the historical trend and report back. He stated the 79% is for the total company employees. Mr. Bryan Collins stated for the last three and a half years he has been with CNI the percentage has been going up. Councilor Glory-Jordan stated she could remember a time when the Native American employment at CNI was almost 100%. Mr. Collins stated he would provide historical facts next month. Councilor Glory-Jordan inquired if the issues with the Bixby project been resolved. Mr. Collins stated they are pending but should have information next week.

Career Services/Employment - Diane Kelley

Ms. Kelley offered to answer questions from her report and announced they had submitted the certified Indian owned business report for the third quarter. Councilor Cowan Watts commended Ms. Kelley on the format of the report and stated the results are outstanding. Ms. Kelley reported Larry Ketcher is the Employment Training Director and has been detailed to the monitoring. Councilor Buzzard inquired about the status of the Jay tag office. Ms. Kelley stated they are working ten hour days and should finish in mid October. Councilor Buzzard inquired about the status of the day worker program. Ms. Kelley stated it kicked off last Thursday in Delaware County. Councilor Glory-Jordan inquired about Section 3 certifications. Ms. Kelley stated the business doesn't have to be Indian owned however a majority of their employees must live in Indian housing and be low income. Ms. Kelley invited everyone to their open house on Friday and Saturday from 1:00 to 4:00 at Southgate during the Cherokee holiday.

Commerce - Anna Knight

Ms. Knight announced they have loaned over \$2ml in business loans and have \$405,000 available. They will \$477,000 going to the board this month. They will receive \$500,000 within the next few months from CDFI fund.

CONSENT ITEMS:

T.E.R.O. CERTIFICATIONS

Councilor Cowan Watts gave clarification for the record that they are not certifying the Section 3 as a TERO certified Indian owned business, that it is listed for information only. Chair Jack D. Baker announced there are two TERO certification lists to be approved. Councilor Cowan Watts moved to approve. Councilor Anglen seconded the motion. Motion carried with Councilor Bill John Baker abstaining.

CEMETERY RESTORATION ASSISTANCE APPLICATIONS

Mr. Doug Evans announced in addition to the list there is Clear Springs Cemetery in Adair County and Bryan Chapel Cemetery in Mayes County to be approved. Councilor Cowan Watts moved to approve. Councilor Frailey seconded the motion. Motion carried.

LAW ENFORCEMENT REQUESTS

Mr. Evans announced there is one request from Councilor Soap for Sportsman Acres in the amount of \$732. Councilor Soap moved to approve. Councilor Garvin seconded the motion. Motion carried.

COMMUNITY ASSISTANCE

Chair Jack D. Baker announced an updated list has been provided to include the additions. Mr. Evans announced one additional request to the Welch Bluejacket Youth Organization for \$250 from Councilor Hoskin Jr. Councilor Frailey requested a correction for the City of Spavinaw instead of Spavinaw Police. Councilor Fishinghawk stated she and Councilor Crittenden want to give the balance of their accounts to the Greasy Community Building. Councilor Bill John Baker stated he would give the remainder of his funds to the Greasy Community Building. Councilors

Glory-Jordan, Frailey, Buzzard, Snell and Hoskin Jr. agreed to give \$500 each to the Greasy Community Building. Councilor Bill John Baker made a motion to approve. Councilor Cowan Watts seconded the motion. Motion carried.

ROADS

Councilor Cowan Watts moved to approve the amended handout. Councilor Fishinghawk seconded the motion. Motion carried.

OLD BUSINESS

1.

AN ACT REPEALING AND SUPERSEDING CHEROKEE NATION LAW REGARDING LABOR AND THE EMPLOYMENT RIGHTS ORDINANCE AND DECLARING AN EMERGENCY

Sponsors: Councilor Cara Cowan Watts and Councilor Jodie Fishinghawk

Councilor Cowan Watts moved to table for one month. Councilor Glory-Jordan seconded the motion. Motion carried.

NEW BUSINESS

1.

AN ACT AMENDING LEGISLATIVE ACT #19-08 AUTHORIZING THE COMPREHENSIVE BUDGET FOR FISCAL YEAR 2009 - MOD 11; AND DECLARING AN EMERGENCY

Sponsors: Councilor Jack D. Baker and Councilor Cara Cowan Watts

Councilor Cowan Watts moved to approve. Councilor Coates seconded the motion. Motion carried by acclamation.

ANNOUNCEMENTS

Chair Jack D. Baker announced the budget hearing for FY2010 will begin at 1:00 p.m. on the 9th of September.

ADJOURNMENT

Councilor Cowan Watts made a motion to adjourn. Councilor Soap seconded the motion. Motion carried at 4:30 p.m.

STAFF PRESENT:

*Tamyse Leake
Diane Kelley*

*Anna Knight
Jon Overacker*

Mike Miller

VISITORS PRESENT:

*Rob Drvostep
Shawn Slaton*

*Gina Olaya
Bryan Collins*

*David Stewart
Darren Buzzard*

APPROVAL / DISTRIBUTION

Minutes submitted by: Shelli Brittain, Legal & Legislative Coordinator

Motion to approve minutes made by: _____

Minutes attested and concurred by: Jack R. Baker

Date: 9/24/09