

TABLED

CHEROKEE COUNCIL HOUSE
CHEROKEE, NORTH CAROLINA
DEC 07 2023
DATE

ORDINANCE NO. 50 (2023)

WHEREAS, the Eastern Band of Cherokee Indians has established a Revenue Allocation Plan (RAP) which outlines the allocation of net distributable gaming revenue from casino gaming operations; and,

WHEREAS, there is a need to amend the Revenue Allocation Percentages provisions of Section 16C-9 from the distributable net revenue from Harrah's Cherokee Casino Resort to give Cherokee Central School system a 3% share; and,

WHEREAS, Cherokee Central Schools operates on a fiscal year that starts in July of every year that differs from the fiscal year of the Tribe; and,

WHEREAS, this can cause confusion and uneasiness from all parties involved at Cherokee Central Schools; and,

WHEREAS, Cherokee Central Schools is vital to our community on the same level as the Cherokee Indian Hospital and therefore should have an equal funding percentage going forward

NOW THEREFORE BE IT ORDAINED by the Tribal Council of the Eastern Band of Cherokee Indians in Council assembled at which a quorum is present that Tribal Council amends Cherokee Code Chapter 16C Section 16C-9 as listed in the attached EXHIBIT A,

BE IT FINALLY ORDAINED that all ordinances and resolutions that are inconsistent with this ordinance are rescinded, and that this ordinance shall become effective upon ratification of the Principal Chief.

Submitted by: Michael Stamper, Painttown Council Representative

Exhibit A

Sec. 16C-9. Revenue allocation percentages.

(A) Effective October 1, 2015, distributable net revenue shall be distributed to fund per capita distributions, Tribal government operations, and the general welfare funds established under this Chapter as follows:

(1) For Harrah's Cherokee Casino Resort:

- (a) to provide for the general welfare of the Tribe and its members, including (1) payments made for social welfare, medical assistance, education, housing or other similar needs intended to qualify for the General Welfare Exclusion; and (2) Per Capita Distributions (§§ 16C-5, 16C-6 50.00%
- (b) Endowment Fund No. 2
- (c) Debt Service Sinking Fund (§ 16C-14)
- (d) Capital Improvement Program (§ 16C-17)

A portion not to exceed ~~44%~~45.5% of Harrah's Cherokee Casino Resort gaming net revenues as determined in a needs-based budget approach shall be allocated to the following Programs as approved by the Tribal Council in the adoption of the annual budget:

- (e) Tribal General Fund;
- (f) Housing Fund (§ 16C-15);
- (g) Higher Education Fund (§ 16C-16);
- ~~(h) Cherokee Central Schools Assistance Fund (§ 16C-18);~~
- (hi) Kituwah Language Immersion (§ 16C-21).

(2) For Harrah's Cherokee Valley River Casino:

- (a) to provide for the general welfare of the Tribe and its members, including (1) payments made for social welfare, medical assistance, education, housing or other similar needs intended to qualify for the General Welfare Exclusion; and (2) Per Capita Distributions (§§ 16C-5, 16C-6 50.00%

A portion not to exceed ~~44%~~45.5% of Harrah's Cherokee Valley River Casino earning net revenues as determined in a needs-based budget approach shall be allocated to the following programs as approved by the Tribal Council in the adoption of the annual budget:

- (b) Tribal General Fund;
- (c) Health Program Supplemental Fund/PHHS;
- (d) Police and Corrections Fund (§ 16C-20).

(B) In accordance with 130B-13(b) effective October 1, 2016, the Cherokee Indian Hospital Authority shall be funded at a percentage of ~~3%~~4.5% of net distributable gaming revenues from Harrah's Cherokee Casino Resort and Harrah's Cherokee Valley River Casino. This value shall be calculated as a static percentage of net distributable revenues and not a static monetary or budgetary value.

(C) The Cherokee Central School System shall be funded at a percentage of 3% of net distributable gaming revenues from Harrah's Cherokee Casino Resort and Harrah's Cherokee Valley River Casino. This value shall be calculated as a static percentage of net distributable revenues and not a static monetary or budgetary value.

(DE) During the annual budget process, the Finance Office will determine the gaming revenue to be budgeted for the fiscal year and this amount shall be the Baseline Gaming Revenue Amount by property. At all times, 50 percent of the gaming revenues received will be divided and deposited into the general welfare fund listed above. For all funds other than the general welfare fund and the funding of the Cherokee Indian Hospital Authority, if the Gaming Revenue from any Tribal Gaming Operation received from the fiscal year exceeds the Baseline Gaming Revenue Amount that excess shall be distributed as follows:

- (1) Higher Education Endowment Fund 5%
- (2) Endowment Fund No. 2 40%
- (3) Debt Service Sinking Fund 40%
- (4) Cherokee Sovereign Wealth Fund 10%
- (5) Cherokee Central Schools Reserve Account 5%

(ED) A fund balance of at least ten percent and not to exceed 50 percent of the annual Tribal budget shall be maintained in the General Fund to ensure cash flow continuity. Any balance in excess of that amount at the end of each fiscal year shall be distributed to the Endowment and Investment Funds. There are no fund balance limitations for the other governmental operations and general welfare funds established in this Chapter.

(EE) In the event that the gaming revenue available creates a budget shortfall or a rebalancing of Tribal priorities in the budget is needed, the Finance Office will balance the budget utilizing available resources in accordance with limits identified in 16C-9(c).

(Ord. No. 888, 10-13-2005; Ord. No. 457, 9-12-2006; Ord. No. 952, 10-8-2007; Ord. No. 481, 10-3-2008; Ord. No. 873, 9-18-2009; Ord. No. 400, 10-12-2010; Ord. No. 84, 3-23-2012; Ord. No. 33, 12-16-2013; Ord. No. 167, 7-8-2014; Ord. No. 44, 12-15-2015; Ord. No. 487, 3-16-2017; Ord. No. 620, 8-9-2017; Ord. No. 485, 4-2-2019; Ord. No. 190, 9-17-2020; Ord. No. 369, 12-15-2022; Ord. No. 550, 6-9-2023)