



SQUAXIN ISLAND TRIBE

RESOLUTION NO. 04- LB

of the

SQUAXIN ISLAND TRIBAL COUNCIL

WHEREAS, the Squaxin Island Tribal Council is the Governing Body of the Squaxin Island Tribe, its members, its lands, its enterprises and its agencies by the authority of the Constitution and Bylaws of the Squaxin Island Tribe, as approved and adopted by the General Body and the Secretary of the Interior on July 8, 1965; and

WHEREAS, under the Constitution, Bylaws and inherent sovereignty of the Tribe, the Squaxin Island Tribal Council is charged with the duty of protecting the health, security, education and general welfare of tribal members, and of protecting and managing the lands and treaty resources and rights of the Tribe; and

WHEREAS, the Tribe is a federally-recognized Indian Tribe possessing reserved powers, including the powers of self-government; and

WHEREAS, the Squaxin Island Tribal Council has been entrusted with the creation of ordinances and resolutions in order to fulfill their duty of protecting the health, security, education and general welfare of tribal members, and of protecting and managing the lands and treaty resources of the Tribe; and

WHEREAS, the Squaxin Island Tribal Council seeks to modify the role and responsibilities of Island Enterprises, Inc. in the budget process;

NOW THEREFORE BE IT RESOLVED, that the Squaxin Island Tribal Council hereby adopts the following amendments to the Budget Ordinance:

1. Section 2.36.030, Definitions:

“Enterprise director” means the Tribal employee responsible for the day-to-day operations of all enterprises entities and programs under the Enterprises of the Tribe. The Enterprise Director reports to the Tribal Council and is responsible for the budgeting and financial controls necessary for the operation of Tribal Enterprises.

is deleted in its entirety.

2. Section 2.36.030, Definitions, Squaxin Island Budget Commission, the phrase "Enterprises Director" is deleted.

3. Section 2.36.060(B), the last sentence "Enterprises and the Little Creek Casino will present an overview of their annual budgets at the first budget public hearing" is deleted.

4. Section 2.36.070(E), Public Hearing Required. A last sentence has been added to read:

Island Enterprises, Inc. and the Little Creek Casino-Hotel will present an overview of their annual operating plans at the second public budget hearing.

5. Section 2.36.095(A)(2)(b): the spelling of Kamilche is corrected.

6. Section 2.36.095(A)(2)(d): ", Inc. (IEI)" is added after Island Enterprises; "on a case-by-case basis" is deleted at the end of the last sentence; and "through an annual operating plan developed by IEI." is added at the end of the last sentence.

7. Section 2.36.095(B) is amended, in its entirety, to read:

B. Other Economic Enterprise Distributions. Revenues distributed from economic enterprises coordinated by Island Enterprises, Inc. (IEI) will be distributed as follows:

1. Cigarette excise taxes will be distributed as follows:

a. Fifteen percent (15%) will be distributed to eligible Tribal Members as per capita payments with 75% distributed to seniors apportioned monthly and 25% distributed to non-seniors apportioned annually, except that for FY2005 the amount will be set at \$215 and \$110 respectively and in the future, unless there are extenuating circumstances, not fall below these amounts (beginning in FY2006 the above figures will be a combination of excise and profits).

b. Eighty-five percent (85%) of the revenue will be used for economic development administered by Island Enterprises, Inc. (IEI). Expenditures for economic development will require Tribal Council approval through an annual operating plan developed by IEI.

2. Profits will be distributed by the following formula beginning in FY2006:

a. Each economic venture will establish and maintain a retained earnings balance before further distributions occur. This will generally be set at six (6) months operating expenses, special retained earnings may be set aside for specific purposes, such as expansion.

b. Fifteen percent (15%) as determined will be distributed to eligible Tribal Members as per capita payments with 75% distributed to seniors apportioned monthly and 25% distributed to non-seniors apportioned annually.

c. Fifteen percent (15%) of the revenue will be deposited into interest bearing account(s) to create a long-term account from which the interest income can be utilized for tribal needs. The account will be managed based on the prudent investment standard and managed by the Tribal Finance Department.

d. Twenty percent (20%) of the revenue will be used for government projects and programs with the portion created by Tobacco operations earmarked for education programs. Specific allocations for these funds will be developed by this budget process for adoption by the Tribal Council on an annual basis.

e. Fifty percent (50%) will be used for economic development administered by Island Enterprises, Inc. (IEI). Expenditures for economic development will require Tribal Council approval through an annual operating plan developed by IEI.

8. Section 2.36.100, Severability, is amended in its entirety, to read:

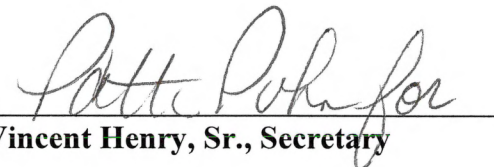
2.36.100 Severability.

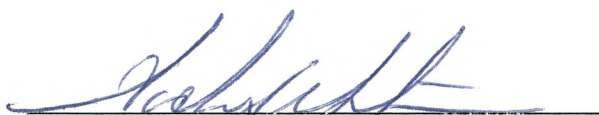
If any part of this chapter is held to be invalid, the remainder shall continue to be in full force and effect. (Res. 02-01 § 11: Res. 99-37 § 10)

CERTIFICATION

The Squaxin Island Tribal Council hereby certifies that the foregoing Resolution was adopted at the regular meeting of the Squaxin Island Tribal Council, held on this 30th day of September, 2004, at which time a quorum was present and was passed by a vote of 4 for and 0 against, with 0 abstentions.


David Lopeman, Chairman

Attested by: 
Vincent Henry, Sr., Secretary


Andy Whitener, Vice Chairman

Chapter 2.36 BUDGET ORDINANCE

Sections:

- 2.36.010 Title.
- 2.36.020 Purpose.
- 2.36.030 Definitions.
- 2.36.040 Review of prior fiscal year.
- 2.36.050 Establishment of budget authority.
- 2.36.060 Collection and prioritization of budget requests.
- 2.36.070 Preparation and consideration of a draft budget.
- 2.36.080 Preparation and approved of a final budget.
- 2.36.090 Regular and emergency budget amendments and over-expenditures.
- 2.36.095 Enterprise revenue distribution.
- 2.36.100 Severability.

2.36.010 Title.

This ordinance shall be known as the "Squaxin Island Budget Ordinance." (Res. 99-37 § 1)

2.36.020 Purpose.

A. The purpose of this chapter is twofold. First, it is established to provide oversight and controls for the budgeting process used by the Tribal Government overseen by the Executive Director, inclusive of independent agencies, such as, the Tribal Gaming Commission.

B. The second purpose of this chapter is to increase the opportunities for members of the Squaxin Island Tribe to participate in the budgeting process and to help set the Tribal priorities for the coming year. The Tribal Council recognizes the importance of the involvement and desires to improve the opportunities for Tribal members to effectively participate in the most crucial of government processes, the fiscal budget. (Res. 99-37 § 2)

2.36.030 Definitions.

"Chairman" means the chairperson of the Squaxin Island Budget Commission, unless otherwise stated.

"Department director" means the Tribal employee responsible for the day-to-day operations of all programs within a Tribal department. The Department Director reports to the Executive Director.

"Executive director" means the Tribal employee responsible for the day-to-day operations of every department within the Tribe, also responsible for carrying out policy directives of the Council. The Executive Director reports to the Council.

Fiscal Year. The fiscal year of the Tribe is from October 1st to September 30th.

"Program manager" means the Tribal employee responsible for the day-to-day operations for specific programs within a department. The Program Manager reports to a Department Director.

"Restricted tribal revenues" means those monies received or reasonably expected to be received by the Council or any of its subsidiary entities that by law, the terms of the grant or contract award, or other binding commitment made by the Council must be expended, obligated, or reserved for specific programs, services, or goods, or for identifiable functional purposes. The term "restricted" applies to limitation on the use of funds, not to the source of the funds. For example, tax dollars are "restricted" if the Council is required by resolution or ordinance to commit the

revenues to a specific purpose. Revenues from the same measure are "unrestricted" if they are not formally committed to a specific use.

Squaxin Island Budget Commission. The Squaxin Island Budget Commission shall consist of the Tribal Council Treasurer, the Executive Director, the Comptroller, the Deputy Director, and two at-large representatives and two alternates of the Tribal membership whose selections shall be made by the Tribal Council for three-year terms. The Tribal Council Treasurer shall serve as Chair.

"Unrestricted tribal revenues" means those monies received or reasonably expected to be received by the Council or any of its subsidiary entities that are not encumbered by any legal requirements for their expenditure by the Tribe. (Res. 99-37 §§ 3.1--3.9)

2.36.040 Review of prior fiscal year.

A. Department Reports. Not later than October 15th, each department director of every Tribal entity utilizing any funds requiring the approval or authority of the Tribal Council shall submit a final report to the Executive Director. These reports shall summarize the department's goals and objectives for the previous fiscal year and cite its achievements. Department expenditures from all sources will be included.

B. Annual Reports from Tribal Administration to Community. The Executive Director shall review, summarize, and compile individual department reports into an annual report for the community. This report shall be published and made available to the community during the Annual General Council Meeting. (Res. 99-37 §§ 4.1, 4.2)

2.36.050 Establishment of budget authority.

A. Identification of Expected Available Funds. Upon completion of the President's budget (Green Book), and the Congressional appropriation levels established by both the Senate and the House of Representatives, the Executive Director shall provide a report to the Squaxin Island Budget Commission describing the extent and nature of all Tribal revenues, under his or her span of control, anticipated to be received in the following fiscal year from every source, including but not limited to: grants and contracts from governmental or private sources; Tribal taxes and fees; income from the lease of Tribal assets; earned interest; collection of court judgments in favor of the Tribe; Tribal utility revenues; Tribal Enterprise disbursements to the Tribe; and all other appropriate Tribal revenues. This should usually occur in May of each year, however the congressional schedule may fluctuate.

B. Identification of Obligations on These Funds. The Executive Director shall also identify known obligation or restrictions on the use of each of the revenues identified in subsection A of this section and include this information with the report required in that section.

C. Cooperation of all Tribal Employees Required. The directors, program managers or other employees shall offer his or her complete cooperation in providing in a timely manner the revenue and obligations information needed by the Council and Executive Director to prepare the reports required in this section.

D. Identification of Unrestricted Funds. The Squaxin Island Budget Commission shall prepare a report to the Tribal Council identifying the source and extent of funds anticipated to be available for unrestricted obligation by the Tribal Council in the following fiscal year.

E. Reserve Requirement for Contingencies. In order to decrease the financial impacts of emergency over-expenditures and emergency budget amendments the comprehensive budget shall include a reserve account for contingencies. The reserve account shall be set at five percent of the two major funding sources, known as BIA and IHS Self-Governance Compacts.

F. Establishment by Tribal Resolution. The Tribal Council shall review all materials submitted under this section, and formally adopt a resolution setting out the total authorized expenditure of Tribal funds. This resolution shall specifically identify the source of all funds included in the budget authorization and shall also identify whether or not there are restrictions on their use and, if they are restricted, the resolution shall identify those restrictions. Authority for the actual expenditure of the budgeted funds shall not become valid, however, until the projected revenues have been, or are reasonably certain to be realized and the final budget approved. The resolution enacted under this section shall be called the Budget Authority Resolution.

G. Allowance for Prior Obligations. The amount and nature of otherwise unrestricted Tribal funds required to meet previous Tribal obligations or requirements that are expected to come due during the coming fiscal year shall be noted in the Budget Authority Resolution and reserved from appropriation for any other purpose.

H. Permanent Fiscal Year Budget Package, Exceeding this Authority Prohibited. Once enacted, the Budget Authority Resolution shall become a permanent part of the Tribe's budget and the Tribal Council, its officers, staff, and all other persons authorized to budget, spend, or otherwise obligate Tribal funds are prohibited from budgeting, obligating, or disbursing any funds not authorized under this budget authority or any duly approved amendments to this authority. (Res. 99-37 §§ 5.1--5.8)

2.36.060 Collection and prioritization of budget requests.

A. Departments Develop Needs/Priorities Plans. Each Tribal department director shall after receiving their budget authorization, develop a department plan which outlines the needs and priorities of their department for the next fiscal year. The Executive Director shall establish the schedule for completion.

B. Community Input to the Needs/Priorities Plan. The Chairman shall call for the First Budget Public Hearing before completion of the draft department budgets to hear community concerns related to the approved budget authority, requests for additional or different service from the Tribal government, Tribal policies that might require funds to implement and/or enforce, or other matters having an affect on the use of Tribal moneys or the need to increase Tribal revenues.

C. Prioritization of Community Needs. The Tribal Council shall discuss problems or issues facing the Tribal community and shall rank these issues and the proposed actions to resolve the issues. This ranking of issues and actions shall be used by the Tribal Council, the Squaxin Island Budget Commission, and the Executive Director to prioritize the budgeting of financial, human, and other Tribal resources for the preparation of the draft budgets. (Res. 99-37 §§ 6.1--6.3)

2.36.070 Preparation and consideration of a draft budget.

A. Draft Budgets Prepared by Tribal Departments. The director of each Tribal department, upon receiving instructions from the Comptroller, shall prepare and update work plans, goals and objectives, dollar budgets, budget narratives and cost justifications, list of anticipated sources and amounts of restricted use funds (e.g. grants, utility user fees, etc.), all anticipated venture or program revenues and, if necessary, a request for unrestricted Tribal funds. These proposed budgets shall be presented to the Executive Director. The Executive Director shall review these budget requests for completeness and accuracy, prepare recommendations concerning these budget requests, and submit the budget proposal package to the Squaxin Island Budget Commission.

B. Draft Budget Prepared by the Squaxin Island Budget Commission. The Squaxin Island Budget Commission shall prepare and recommend for approval by the Tribal Council budgets for the expenditure or reserve of all restricted and unrestricted funds expected to become available to the Tribe in the coming fiscal year. The Squaxin Island Budget Commission shall give full consideration to the priorities established by the Tribal Council and Tribal Community input, and shall attempt to fully utilize all available grants and other non-Tribal resources to maximize the effectiveness of Tribal resources.

C. Draft Budget Reviewed and Approved by Tribal Council. The Tribal Council shall review, amend, and approve the Squaxin Island Budget Commission's recommendations as a draft budget at a duly called regular or special meeting. This meeting shall be held to allow sufficient notice prior to the second budget public hearing, as described in the following paragraphs.

D. Draft Budget Published. The Chairman shall have the draft budget published and made available for review by the Tribal Community within seven days of its approval by the Tribal Council.

E. Public Hearing Required. The Chairman shall schedule the second budget public hearing prior to the end of August, unless there are significant delays in the federal appropriations process, to provide members of the Squaxin Island Tribe an opportunity to comment on the Tribal Council's draft budget. (Res. 99-37 §§ 7.1--7.5). [Island Enterprises, Inc. and the Little Creek Casino-Hotel will present an overview of their annual operating plans at the second public budget hearing.](#)

2.36.080 Preparation and approved of a final budget.

A. Squaxin Island Budget Commission Prepared Final Budget. The Squaxin Island Budget Commission shall meet following the public hearing for the draft budget to provide advice to the Executive Director to incorporate public comments and adjustments where appropriate into a revised budget. The revised budget will also reconcile the corrected appropriation amounts from the federal budget when it is completed. The Squaxin Island Budget Commission shall then prepare a recommended final budget for presentation to the Tribal Council.

B. Approval of Final Budget by Tribal Council. The Tribal Council shall review the Squaxin Island Budget Commission's recommended final budget and, if necessary, schedule a special meeting(s) with the Squaxin Island Budget Commission to discuss desired changes, additions, or deletions to the recommended final budget. The Tribal Council shall strive to approve a final budget prior to October 1st, however if Congress has failed to act on appropriations, the Tribal Council may extend the budget authority with spending safeguards as are appropriate for the situation.

C. Balanced Budget Required. The Squaxin Island Budget Commission is prohibited from submitting a Tribal budget that proposes to spend more Tribal funds than are reasonably expected to become available to the Tribe during that fiscal year.

D. Periodic Budget Reviews and Adjustments Required. The Squaxin Island Budget Commission shall review and, when necessary, make recommendations to the Tribal Council to maintain a balanced budget throughout the year. The Squaxin Island Budget Commission shall meet, at least quarterly and as often as may be necessary to insure efficient operations of the Tribal programs.

E. Expenditure of Unrealized Funds Prohibited. No Tribal funds, including funds identified in an approved budget, may be obligated or expended until the funds have been actually received by the Tribe or for which a valid and enforceable contract for delivery of the funds has

been made and the funds are reasonably expected to be received (e.g., a U.S Government cost reimbursement contract). (Res. 99-37 §§ 8.1--8.5)

2.36.090 Regular and emergency budget amendments and over-expenditures.

A. Approved Budget Line Item Over-Expenditures. In no case shall the approved budget be modified except as provided for in this section. However, budgets are recognized as being plans to guide expenditures, to meet stated and specific programs objectives, and that actual circumstances may make minor adjustments necessary to responsibly apply the budgeted funds to the program objectives. Adjustments to line items within the limits set out below are subject to the approval and oversight of the appropriate authority. In any case, no adjustments shall be made to restricted funds without following the regulations attached to those funds.

B. Department Director Authority. The director of a Tribal department shall be authorized to overspend any line item, except line items that exclude indirect, such as; major contracts, capitalized and pass-through expenditures, within a program's budget by the greater of five hundred dollars (\$500.00) or ten (10) percent of the line item without prior approval as long as the total expenditures for that program do not exceed the total authorized budget. All modifications must be justified and submitted to the Executive Director and Comptroller for approval and presented to the Squaxin Island Budget Commission for review at the next meeting.

C. Squaxin Island Budget Commission Authority. The Squaxin Island Budget Commission shall be authorized to approve a Director's request made through the Executive Director and Comptroller to over-spend a budgeted line item within a Tribal programs by not more than twenty-five (25) percent as long as a written plan is presented demonstrating where sufficient savings will be realized in other line items within same programs to avoid exceeding the budget limit for the entire program.

D. Emergency Over-Expenditures or Unbudgeted Expenditures. The Chairman may approve a payment for budget over-expenditures or unbudgeted expenditures requiring full Commission approval, only with the following provisions:

1. The obligation cannot be canceled by returning the goods purchased, lawfully canceling a contract for services, or by releasing the Tribe from the obligation in some other legal manner and nonpayment of the obligation would cause significant harm to either the reputation or credit rating of the Tribal Council or the Squaxin Island Tribe; or

2. At the Chairman's discretion, a threat exists to the health, welfare, and or security of the Tribe and its members that requires an expenditure of budgeted funds in excess of the approved budget amount of funds that have not been budgeted.

The Chairman's approval of such an over-expenditure or unbudgeted expenditure must be in writing and must include his or her rationale for approving the obligation or payment. The Chairman shall also convene a Squaxin Island Budget Commission meeting within seven days of his approval of such an expenditure to prepare an amendment to the budget, incorporating the emergency expenditure and, if necessary, reducing other budgeted expenditures to maintain a balanced budget. The Chairman shall also report the unbudgeted expenditure to the Tribal Council at the next Council meeting.

E. Emergency Amendments. The Tribal Council retains the emergency power to reprogram any Tribal funds if it is determined that a substantial threat exists to the Squaxin Island Tribe, its resources, or its rights. If the Council takes such emergency action, it shall within thirty (30) days, call a special Council session for the purpose of formally recording their action and for amending the budget and budget authority resolution--where necessary--to accommodate their

changes and to authorize an amended balanced budget. Nothing in this chapter shall require the Chairman, the Council, or any other Tribal official, acting during such an emergency, to publicly disclose any information that could adversely impact the legal and/or political standing of the Squaxin Island Tribe.

F. Limitations on Amendments. No amendment to the Budget Authority Resolution, or to any authorized or proposed budget becomes valid until such funds are realized. In addition, funds which are not contained in an approved fiscal year budget may not be advanced nor expended, including grant matching fund obligations, unless and until an amendment to the budget is adopted in accordance with this chapter. (Res. 99-37 §§ 9.1--9.6)

2.36.095 Enterprise revenue distribution.

A. Gaming Revenue Distribution. Revenues distributed from gaming enterprise revenues will be distributed as follows:

1. Up to the first fifteen (15) percent as determined by the Squaxin Island Tribal Council will be set aside for distribution to eligible Tribal Members as per capita payments.

2. The remainder at a minimum of eighty-five (85) percent will be apportioned with the following formula:

a. Fifteen (15) percent of the revenue will be deposited into interest bearing account(s) to create a long-term account from which the interest income can be utilized for tribal needs. The account will be managed based on the prudent investment standard and managed by the Tribal Finance Department.

b. Fifteen (15) percent of the revenue will be used for purchase of land that is not directly related to programmatic or enterprise needs. Fifty (50) percent of these funds are earmarked for Squaxin Island properties. Off Island properties would include purchases in the "Kamilche corridor," habitat conservation areas, and culturally sensitive sites. These properties could be managed properties with rents applied back to the fund or allowed to remain as purchased.

c. Thirty-five (35) percent of the revenue will be used for government projects and programs. An approximate equal proportion of funds will be for projects and programs. Allocations for these expenditures will be developed by the Budget process for adoption by the Tribal Council on an annual basis.

d. Thirty-five (35) percent of the revenue will be used for economic development administered by Island Enterprises, Inc. (IEI). Expenditures for economic development will require Tribal Council approval through an annual operating plan developed by IEI.

B. Other Economic Enterprise Distributions. Revenues distributed from economic enterprises coordinated by Island Enterprises, Inc. (IEI) will be distributed as follows:

1. Cigarette excise taxes will be distributed as follows:

a. Fifteen percent (15%) will be distributed to eligible Tribal Members as per capita payments with 75% distributed to seniors apportioned monthly and 25% distributed to non-seniors apportioned annually, except that for FY2005 the amount will be set at \$215 and \$110 respectively and in the future, unless there are extenuating circumstances, not fall below these amounts (beginning in FY2006 the above figures will be a combination of excise and profits).

b. Eighty-five percent (85%) of the revenue will be used for economic development administered by Island Enterprises, Inc.(IEI). Expenditures for economic development will require Tribal Council approval through an annual operating plan developed by IEI.

2. Profits will be distributed by the following formula beginning in FY2006:

a. Each economic venture will establish and maintain a retained earnings balance before further distributions occur. This will generally be set at six (6) months operating expenses, special retained earnings may be set aside for specific purposes, such as expansion.

b. Fifteen percent (15%) as determined will be distributed to eligible Tribal Members as per capita payments with 75% distributed to seniors apportioned monthly and 25% distributed to non-seniors apportioned annually.

c. Fifteen percent (15%) of the revenue will be deposited into interest bearing account(s) to create a long-term account from which the interest income can be utilized for tribal needs. The account will be managed based on the prudent investment standard and managed by the Tribal Finance Department.

d. Twenty percent (20%) of the revenue will be used for government projects and programs with the portion created by Tobacco operations earmarked for educational programs. Specific allocations for these funds will be developed by this budget process for adoption by the Tribal Council on an annual basis.

e. Fifty percent (50%) will be used for economic development administered by Island Enterprises, Inc.(IEI). Expenditures for economic development will require Tribal Council approval through an annual operating plan developed by IEI.

(Res. 02-01 §§ 10.1 and 10.2)

2.36.100 Severability.

If any part of this chapter is held to be invalid, the remainder shall continue to be in full force and effect. (Res. 02-01 § 11: Res. 99-37 § 10)