

# **REDDING RANCHERIA TRIBAL GOVERNMENT POLICIES**

## **Chapter TP 4-325**

### **Opioid Settlement Fund Authorization**



**January 30, 2024**

REDDING RANCHERIA TRIBAL GOVERNMENT POLICIES  
Chapter TP 4-325  
Opioid Settlement Fund Authorization

---

**Index**

<b><u>Text</u></b>	<b><u>Page</u></b>
SECTION 1: PURPOSE	2
SECTION 2: BACKGROUND AND INTENT	2
SECTION 3: DEFINITIONS (Reserved)	2
SECTION 4: DELEGATED AUTHORITY (Reserved)	2
SECTION 5: AUTHORIZED PROGRAMS AND SERVICES (Reserved)	2
SECTION 6: POLICY	2

REDDING RANCHERIA TRIBAL GOVERNMENT POLICIES  
Chapter TP 4-325  
Opioid Settlement Fund Authorization

---

SECTION 1: PURPOSE

The purpose of this policy is to provide for an Opioid Settlement Fund for the purpose of accounting for and managing the proceeds of combined settlements of pharmaceutical manufacturers, distributors and retailers, received by the Redding Rancheria pursuant to the opioid settlements.

SECTION 2: BACKGROUND AND INTENT

Pursuant to Tribal Council Resolution No. 043-07-23-23, The Redding Rancheria authorized submission of submission of Tribal Participation Forms to participate in the National Tribal Opioid Settlements addressed through the United States District Court. . The Tribal Abatement Trust Fund was created to oversee distribution of proceeds of the settlements to participating tribes. Under the terms of the opioid settlements, the Tribe will have the right to determine how to use the settlement proceeds for opioid abatement, prevention, treatment, and educational uses as set forth in the Purdue Settlement Schedules B and D. The proceeds of settlements are anticipated to be received over ten or more years beginning in 2023.

It is the intent of the Tribal Council that this fund be established to provide for management and accountability for the proceeds of the settlements, and to provide an appropriate process for their utilization in accordance with the opioid settlement agreements approved by the Tribal Council.

SECTION 3: DEFINITIONS (Reserved)

SECTION 4: DELEGATED AUTHORITY (Reserved)

SECTION 5: AUTHORIZED PROGRAMS AND SERVICES (Reserved)

SECTION 6: POLICY

(a) Fund Authorization

There is hereby authorized the Redding Rancheria "Opioid Settlement Fund" (Fund). The Fund shall be utilized to account for all settlement proceeds received pursuant to the opioid settlements. The Fund is established to provide for the accountability and management of the pending appropriation and use for those programs authorized pursuant to opioid settlement agreements approved by the Tribal Council. The Fund shall be accounted for as a special revenue fund.

(b) Contributions to the Fund

REDDING RANCHERIA TRIBAL GOVERNMENT POLICIES  
Chapter TP 4-325  
Opioid Settlement Fund Authorization

---

Contributions to the Fund shall be through receipt of settlement proceeds. The Fund is authorized to accept such donations or grants to the Fund as are made available by individuals, foundations, and other entities, provided that the use of such donations or grants are restricted only by the policies of the Tribal Council or carry restrictions acceptable to the Tribal Council. Realized investment earnings on the Fund shall be credited to the General Fund and shall not be subject to opioid settlement agreements.

(c) Custody

Contributions, assets and earnings of the Fund shall be custodied in a bank account, brokerage account, or trust account of either an institutional trust company or any combination thereof, approved by the Tribal Council.

(d) Management of Fund Assets

Assets of the Fund shall be managed in accordance with an Investment Policy Statement (IPS) approved and adopted by the Tribal Council for the Working Capital. Amounts may be invested in common with the assets of other funds that are authorized for investment under the same IPS.

(e) Authorized Uses of the Fund

The authorized use of the Fund shall be for the expenditure only for direct and indirect costs of those purposes authorized pursuant to opioid settlement agreements approved by the Tribal Council. Such uses include opioid abatement prevention, treatment, and education, which are set forth in the "Purdue Approved Uses and Tribal Abatement, Schedules B and D". Appropriations from the Fund may be used in conjunction with all other sources of funds.

(f) Appropriation Procedures

The authorization of use of the Fund revenues shall be by appropriation pursuant to annual budget or by special appropriation for specific programs or projects approved by the Tribal Council.

Under normal circumstances, amounts of collections to the Fund shall be available for appropriation beginning in the year(s) following their year of receipt.

REDDING RANCHERIA TRIBAL GOVERNMENT POLICIES  
Chapter TP 4-325  
Opioid Settlement Fund Authorization

---

- (g) Margin Borrowing on or Leveraging of Fund Assets
  - (1) Margin Borrowing: Provided the Fund is custodied in a brokerage account governed by Regulation T limits, margin borrowing against assets of the Fund may be authorized as follows.
    - (A) By Management, to minimize uncollateralized and/or uninsured cash balances in portfolios, while providing for authorized trading, transfers, and wires to and from investment portfolios.
    - (B) By the Tribal Council:
      - (i) In order to invest in short-term secure instruments that have a yield two percent or greater above the margin borrowing rate.
      - (ii) In order to provide short term (less than one year) bridge loans to Tribal projects awaiting other assured funding.
      - (iii) Other important purposes as determined by the Tribal Council.
  - (2) Leverage of Fund Assets: Tribal Council may assign or pledge fund assets to Tribal creditors in order to secure loans for Tribal projects at competitive rates or to provide debt reserves to assure issuance of a required loan.
- (h) Financial and Budget Reports
  - (1) To the Tribal Council - The Director of Finance shall provide an accounting for the fund, its receipts, disbursements and obligated and unobligated fund balance within its quarterly report to the Tribal Council.
  - (2) To the Federal Court - The Chief Executive Officer of the Redding Rancheria operations shall complete and submit the annual Tribal Opioid Abatement Use Reporting Form on the use of the Fund.

REDDING RANCHERIA TRIBAL GOVERNMENT POLICIES  
Chapter TP 4-325  
Opioid Settlement Fund Authorization

---

(i) Restrictions on Spending

The Tribal Council shall not authorize spending of the Fund in advance of receipts, except with regard to obligations for projects to be completed at a future date.

(j) Minimum Target Fund Balance

The unappropriated Fund balance shall incorporate current year collections and amounts received that are earmarked for future projects.

(k) Implementation

This policy shall be implemented immediately upon its adoption. The Chief Executive Officer shall be responsible for providing for all necessary procedures and actions to carry out its provisions.

(l) Review

The Executive Director shall provide for a review of this policy not less than once each year and shall make recommendations for such changes as are consistent with the intent of the Fund.

Legislative History:

Originally Adopted by Tribal Council Resolution #006-01-30-24, dated January 30, 2024.