

REDDING RANCHERIA TRIBAL GOVERNMENT POLICIES

Chapter TP 4-330

Disaster Recovery Fund Authorization



May 4, 2021

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Index

<u>Text</u>	<u>Page</u>
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: GENERAL POLICY	3

REDDING RANCHERIA TRIBAL GOVERNMENT POLICIES
Chapter TP 4–330
Disaster Recovery Fund Authorization

SECTION 1: PURPOSE

To provide for a Disaster Recovery Fund to ensure the availability of resources to assist members of the Redding Rancheria during a declared Disaster.

SECTION 2: BACKGROUND AND INTENT

The Tribal Council has considered the economic and financial security of the membership a high priority, and recognizes that many members rely on regular payments of income from distributions of gaming resources and other income in making decisions and commitments to necessary housing, transportation and living expenses. The Tribal Council recognizes that, in a Disaster from natural or other causes, such revenue streams can be unavailable. The Tribal Council has determined that the economic well-being and self-sufficiency of the membership will be enhanced by providing for a fund that can be accessed to replace income during such a Disaster.

The Tribal Council has set an initial target for the fund of an amount sufficient to provide adult members of the Tribe with household assistance equal to no less than six months of “net” per capita during a declared Disaster. The General Membership has approved contributions to the fund through the annual budget process, with the expectation that contributions will be planned for future years as needed.

In adopting this policy, the Tribal Council intends to limit uses of the fund to ensure that it would be in place in the future for its intended purpose. Provisions have been made to ensure that the Fund is routinely measured against its target, and that contributions are considered each year in conjunction with budget to ensure adequate resources in the fund for its intended purpose.

SECTION 3: DEFINITIONS

As used within this policy, the following terms shall mean:

- (a) Disaster: An event resulting from natural or other causes that disrupts income or otherwise causes immediate financial needs to ensure the well-being of the Redding Rancheria membership.
- (b) Net Per Capita: The Net Per Capita payment after deduction of required tax withholding.

SECTION 4: DELEGATED AUTHORITY (Reserved)

SECTION 5: AUTHORIZED PROGRAMS AND SERVICES (Reserved)

REDDING RANCHERIA TRIBAL GOVERNMENT POLICIES
Chapter TP 4–330
Disaster Recovery Fund Authorization

SECTION 6: GENERAL POLICY

(a) Fund Authorization

There is hereby authorized the Redding Rancheria "Disaster Recovery Fund" (Fund). The Fund shall be utilized to account for all resources contributed to it. The Fund is established for the purpose of ensuring the availability of resources to finance general welfare payments in event of a Disaster. The Fund shall be accounted for as a Fund within the Tribal Programs Account.

(b) Contributions to the Fund

Primary contributions to the fund shall be by appropriation by the Tribal Council. In addition, the Fund is authorized to accept such donations or grants to the fund as are made by individuals, foundations and other entities, provided that the use of such donations or grants are restricted only by policies of the Tribal Council.

(c) Custody

Assets of the Fund shall be custodied in a bank account, institutional 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 placed in the Fund shall be managed pursuant to an investment policy adopted by the Tribal Council for Working Capital. Assets of the fund shall be invested in common with other Tribal funds having similar investment objectives and constraints.

(e) Authorized Uses of the Fund

The use of the Fund shall be limited to distribution of general welfare benefits to members of the Redding Rancheria pursuant to Chapter TP 7-350 "Tribal Member Household Assistance Program" of the Redding Rancheria Tribal Government Policies, during declared Disasters.

(f) Appropriation Procedures

The authorization of use of the fund shall be by appropriation pursuant to Tribal Council resolution.

REDDING RANCHERIA TRIBAL GOVERNMENT POLICIES
Chapter TP 4–330
Disaster Recovery Fund Authorization

(g) Restrictions on Spending

The Tribal Council shall not authorize appropriations from the Fund without first declaring a Disaster, with the expectation that income to members that this fund is intended to replace is suspended. Such declaration shall be made by vote of the Tribal Council.

(h) Margin Borrowing and Leveraging of Fund Assets

(1) Margin Borrowing: provided the Fund is custodied in a brokerage account governed by Regulation T limits on margin borrowing, margin borrowing against assets of the Fund may be authorized as follows:

(A) By the Chief Executive Officer, 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: The 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.

(i) Target Fund Balance

The Target Balance for the fund shall be an amount sufficient to provide six months of payments to each adult member, equal to the average “net” monthly capita payment anticipated for each year as estimated in the budget.

REDDING RANCHERIA TRIBAL GOVERNMENT POLICIES
Chapter TP 4-330
Disaster Recovery Fund Authorization

(j) Implementation

This policy is to be implemented immediately upon its adoption. The Chief Executive Officer shall provide for all necessary procedures to carry out the provisions of this policy. The Chief Executive Officer shall review this policy not less than once each year and shall make recommendations for such changes as are consistent with the intent of the Fund, including the recommended "desired Fund balance" which shall be incorporated within the annual Tribal budget.

Legislative History:

Originally adopted by Tribal Council Resolution #023-05-04-21, dated May 4, 2021.