

# **REDDING RANCHERIA TRIBAL GOVERNMENT POLICIES**

## **Chapter TP 4-360**

### **Burial Trust Fund Authorization**



**February 12, 2019**

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SECTION 1: PURPOSE

To provide for a Tribal Burial Assistance Trust Fund, for the purpose of ensuring availability of resources to provide financial assistance to Tribal members.

SECTION 2: BACKGROUND AND INTENT

It is the intent of the Tribal Council that this fund be a permanent trust fund, and that it grow to a level at which it will become self-sustaining to provide for all needed payments from earnings of the fund.

The traditional practices of the members of the Redding Rancheria have involved the Tribal community in the funerals and burial of members of the Tribe and other closely related individuals. In keeping with this tradition, the Tribal Council has established a funeral/burial benefit program to assist Tribal members and their families with the financial burdens associated with the passing of loved ones.

Until now, any benefit available has been based on available BIA or State funding and limited only to qualifying individuals. The Tribal Council has recommended and the General Council has approved adequate amounts to be placed in this fund to fully finance future benefits from earnings, without using the principal of the fund. A benefit program has been established, and the Tribal Council has established an appropriate level of benefit through the Tribal budget. It is anticipated that the level of benefit will need to be revisited from time to time as inflation impacts on the purchasing power of the Fund. The Tribal Council has made provisions to ensure the growth of the Fund and review of its balances to ensure that it will be available permanently to provide needed benefits.

SECTION 3: DEFINITIONS (Reserved)

SECTION 4: DELEGATED AUTHORITY (Reserved)

SECTION 5: AUTHORIZED PROGRAMS AND SERVICES (Reserved)

SECTION 6: GENERAL POLICY

(a) Fund Authorization

There is hereby authorized the Redding Rancheria "Tribal Burial Trust Fund" (Fund). The Fund shall be utilized to account for all resources contributed to it, including revenues earned on fund assets. The Fund is established for the purpose of ensuring the availability of resources to finance burial assistance benefits to augment the services provided by Federal and other available resources. The Fund shall be accounted for as a permanent fund.

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(b) Contributions to the Fund

Primary contributions to the fund shall be by appropriation of the Tribal Council of Tribal revenues together with all earnings thereon from the time of such contribution. 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 Tribal Self-Sufficiency Funds, in such a manner as to provide optimum return on investments, without unnecessarily risking the principle of the Fund. 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 only normal authorized use of the Fund shall be to provide funeral benefits authorized pursuant to Tribal policy. Amounts so authorized shall be the net available revenues of the Fund, which shall be the sum of the average anticipated earnings of the fund less the rate of inflation as described in this policy.

(f) Appropriation Procedures

The Tribal Council shall determine the amount of anticipated revenue and the requirements of Fund and shall authorize expenditures and benefit levels pursuant to the annual Tribal budget. The extent that expenditures are or are expected to be required, in excess of amounts available from the Fund, the Tribal Council shall provide supplemental appropriations from other available revenues or shall adjust benefits from the Fund to ensure that the fund is not diminished for future generations.

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(g) Restrictions on Spending

The Tribal Council shall not authorize use of the Fund when the total amount in the fund is less than the "target fund balance" as provided below, except for emergency use. Expenditures from the Fund in any single year shall not exceed an amount that is equal to the average annual projected earnings of the Fund as stated within the appropriate investment policy statement minus the rate of inflation for the proceeding year. Inflation shall be measured based on the change in the Consumer Price Index, U.S. City Average for All Urban Consumers, published by the United States Department of Labor.

(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.

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(i) Emergency Use of the Fund

In the event that the Tribal Council determines that a financial emergency exists the severity of which threatens life, property or the financial stability of the Tribe, the Tribal Council may, by resolution adopted by unanimous vote of not less than six members of the Tribal Council, declare an emergency and approve emergency expenditures from the Fund. If an emergency is declared, the Tribal Council may authorize expenditures directly from the Fund, or for transfer to the General Fund for disbursement. The Tribal Council may authorize additional expenditures for authorized benefits in excess of net available revenues of the Fund if, in the judgment of the Tribal Council, adequate revenues will be available in the near future to provide replacement contributions to the Fund.

In the event that emergency expenditures are made from the Fund, the Tribal Council shall appropriate or recommend appropriations from available Tribal revenues to reimburse the Fund, as soon as such revenues are available.

(j) Restrictions on Spending

The Tribal Council shall not authorize use of the Fund when the total amount in the fund is less than the "Target Fund balance" as provided below, except for emergency use. Thereafter, the amount expended annually shall not exceed the sum of the Funds annual average earnings less the rate of inflation.

(k) Target Fund Balance

The Target Fund balance for the Fund shall be an amount which would permit earnings of sufficient amount to finance needed benefit payments and allow for growth of the Fund to keep pace with inflation and population increases. Such amount shall be measured based on actuarial analysis, adjusted for local conditions.

(l) Implementation

This policy is to be implemented immediately upon its adoption. The Chief Executive Officer shall be responsible to 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 "target fund balance" as provided above. In addition, an informal actuarial analysis shall be prepared every third year to

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estimate future benefit payments from the fund and to update the target fund balance. Target Fund balance and future contributions shall be recommended as a part of each year's budget. The Chief Executive Officer shall also review the level of the benefit and its purchasing power and shall recommend adjustments to the benefit as appropriate.

Legislative History

Adopted by Tribal Council pursuant to Res. No. 04-29-98-B on April 29, 1998.

Amended pursuant to Res. No. 022-09-10-02 on September 10, 2002.

Amended by Tribal Council Res. No. 014-02-12-19, dated February 12, 2019.