

REDDING RANCHERIA TRIBAL GOVERNMENT POLICIES

Chapter TP 4-346

Facilities Internal Service Fund Authorization



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SECTION 1: PURPOSE

To provide for a Facilities Internal Service Fund, to provide for a separate accounting fund to account for all resources associated with facilities utilized in the operation of Tribal government programs and services.

SECTION 2: BACKGROUND AND INTENT

It is the intent of the Tribal Council that the Fund be maintained to account for the assets, liabilities, revenue, and expenditures for each facility in sufficient detail to ensure that the costs of each facility can be identified and utilized to support reimbursement through indirect costs, rental agreements, and other sources. It is also intended that the resources associated with each facility as applicable shall remain in the fund to provide for the future improvement, maintenance, and repair of facilities.

SECTION 3: DEFINITIONS (Reserved)

SECTION 4: DELEGATED AUTHORITY

SECTION 5: AUTHORIZED PROGRAMS AND SERVICES (Reserved)

SECTION 6: GENERAL POLICY

(a) Fund Authorization

There is hereby authorized the Redding Rancheria Tribal "Facilities Internal Service" (Fund). The Fund shall be utilized to account for all resources derived from rental charges, charges to tribal departments and entities for the purpose of operating facilities. The Fund shall be accounted for and reported as an internal service fund.

(b) Contributions to the Fund

Primary contributions to the Fund shall be through revenues derived from lease and rental agreements, charges to departments, indirect cost reimbursements and other sources to fully cover the costs of facilities including debt service, depreciation, operations, and maintenance on an ongoing basis. Contributions may also include appropriations or grants (equity contributions) associated with construction or improvement of new or existing facilities. The Chief Financial Officer shall establish appropriate accounting to identify the assets, liabilities, revenue, and expenses associated with each facility, and shall establish a process to ensure that the full allowable expenses of each facility are fully reimbursed on an

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annual basis. In the absence of adequate Fund reserves, the Tribal Council may, from time to time, make direct appropriations to provide capital repairs and improvements, or to contribute to new facilities.

(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 placed in the Fund shall be managed in accordance with an investment policy adopted by the Tribal Council for Working Capital. Earnings on assets held in the Fund shall be credited to the General Fund of the Tribe.

(e) Authorized Uses of the Fund

The only normal authorized use of the Fund shall be to provide for operations and maintenance, debt service, and for capital improvements of facilities accounted for within the Fund. Amounts accumulated through depreciation and otherwise, in excess of operations and maintenance and normal debt service, shall be reserved in the Fund for major capital maintenance and improvements, and debt retirement. Amounts may also be used for construction of new facilities consistent with the purpose of the fund.

(f) Appropriation Procedures

Budget estimates for each facility shall be incorporated as part of the annual budget. The Tribal Council shall appropriate amounts required for necessary expenditure consistent with the proper operation and maintenance of each facility along with any debt service. Capital expenditures associated with major repairs or improvements may be through the annual budget or by separate resolution.

(g) Margin Borrowing and Leveraging of Fund Assets

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- (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.

(h) Reports on the Fund

The Chief Executive Officer shall provide an accounting of the fund, its receipts, disbursements, and obligated and unobligated fund balance on a quarterly basis to the Tribal Council.

(i) Restrictions on Spending

The fund shall be utilized only to provide for operation and maintenance of tribal facilities and related debt services. Major capital expenditures, including new construction, not authorized through the annual budget shall require Tribal Council approval. The Tribal Council shall not authorize expenditures with respect to any facility beyond amounts available within the fund.

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(j) Minimum Target Fund Balance

Amounts available within the fund with respect to each facility shall be reserved for capital expenditures for major repairs or improvements.

(k) Implementation

This policy is to be implemented immediately upon its adoption. The Chief Executive Officer shall establish appropriate accounting to identify the assets, liabilities, revenue, and expenses associated with each facility, and shall establish a process to ensure that the full allowable expenses of each facility are fully reimbursed on an annual basis.

(l) Review

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” as provided above.

Legislative History:

Originally Adopted by Tribal Council Resolution #082-09-09-25, dated September 9, 2025.