

DELAWARE NATION

REVENUE ALLOCATION ECONOMIC DEVELOPMENT (RAED) PLAN

ARTICLE I – DECLARATION OF PUBLIC POLICY AND PURPOSE

Delaware Nation of Oklahoma, (“the Nation”) is the owner of Delaware Nation Economic Development Authority. The primary purpose of this RAED Plan is to improve the economic condition of citizens of the Nation. Revenue generated from DNEDA shall be utilized to fund tribal government operations and programs for the moral, cultural, educational and well-being of the Delaware Nation and its citizens, as provided for in this RAED Plan.

Delaware Nation hereby formalizes its RAED Plan for the allocation of Net Economic Development Revenues both, for general tribal government/social services programs and for Per Capita Distributions to enrolled citizens of Delaware Nation as set forth in this plan.

ARTICLE II – INTENT

As stewards of the Nation, the Executive Committee’s intent is to act prudently to maximize the opportunity to build a strong and diversified economic and financial base for the Nation and its citizens that will serve the needs of the people in perpetuity.

This RAED Plan is a living document with the flexibility to be modified as deemed necessary. The amounts available within this RAED Plan will be budgeted and administered in such a way as to provide funding for the highest priorities of the Nation as determined by the Executive Committee in consultation with the General Council.

ARTICLE III – DEFINITIONS

As used in this RAED Plan, the following words shall have the following meanings unless the context clearly requires otherwise:

- a. **“Board”** means the Board of Directors of the DNEDA.
- b. **“Delaware Nation Economic Development Authority (DNEDA)”** means the wholly owned company of Delaware Nation.
- c. **“Earnings before Interest and Taxes (EBIT)”** is a company’s net income before income and tax expense and interest expenses are deducted. EBIT is used to analyze the performance of a company’s core operations without the cost of the capital structure and tax expenses impacting profit.
- d. **“Eligible Tribal Citizen”** means any living enrolled citizen of the Nation who is in good standing, and has not forfeited or waived his/her right to receive Per Capita Payments from the Nation’s Net Economic Development Revenue through disenrollment, and who is not excluded by this Plan from receiving such payments.

- e. **"Executive Committee"** means the six-member Committee, (elected by the Delaware Nation's General Council and comprised of the President, Vice President, Secretary, Treasurer and two Committeemen), of the Nation which exercise powers of the Nation pursuant to the Constitution and By-Laws of Delaware Nation.
- f. **"General Council"** means all enrolled citizens of Delaware Nation, eighteen years of age and older.
- g. **"The Nation"** means the Delaware Nation, a federally recognized Indian Tribe exercising its jurisdiction over the land set aside from the former reservation, for its respective use, and other Indian lands they currently possess or may come to possess.
- h. **"Net Economic Development Revenue"** means revenue received from DNEDA remaining at the end of each calendar year: (i) after disbursement of expenses and dues, (ii) equipment costs, (iii) adequate contingency reserves, (iv) supplies, wages, salaries, fees, etc.; (v) all principal and interest payments on indebtedness of the Company and all other sums paid to lenders; (vi) all cash expenditures incurred incident to the normal operation of the Company's business; (vii) such cash reserves as if applicable, for that year.
- i. **"Per Capita Payment or Per Capita Distribution"** means those payments made or distributed from a specified portion of the Nation's net Economic Development Revenues to all eligible tribal citizens of Delaware Nation.
- j. **"Per Capita Pay Period"** means that period of time established by the Executive Committee that is used to calculate Net Economic Development Revenue available for per Capita Payments.
- k. **"Tribal Citizen"** means any enrolled citizen of Delaware Nation.
- l. **"Tribal Elder"** means an enrolled citizen of Delaware Nation at least 60 years of age

ARTICLE IV – DISTRIBUTIONS

4.1 Distributions

All distributions of cash or other property shall be made to the Nation no less than annually, as the sole Owner, on the record date of such distribution. Except as provided in Section 4.2, all distributions of Revenue shall be made in such amounts and at such time as determined by the DNEDA Board, in accordance with the Revenue Allocation Economic Plan (RAED) approved by the Nation. The operating agreement allows the company to retain enough cash for growth of business with an initial default level set at **Twenty-five percent (25%)** of EBIT.

4.2 Limitations Upon Distributions

No distribution shall be declared and paid if:

- a. an Accredited Audit of the Company has not been completed; or
- b. the Company (DNEDA) would be unable to pay its debts as they become due in the usual course of business after the distribution is made; or
- c. the Company's (DNEDA) total assets would be less than the sum of its total liabilities; or
- d. Accounts Payable (AP) and distribution together exceeds working capital.

4.3 Accounting Principles

The profits and losses of the Company (DNEDA) shall be determined in accordance with generally accepted accounting principles (GAAP) applied on a consistent basis under the accrual method of accounting.

ARTICLE V – ALLOCATION PLAN

5.1 Allocation

The Nation intends to dedicate its Net Economic Development Revenue to the following purposes/programs and, in the percentages set forth in this Article V as follows:

- a. **Thirty-four percent (34%) of Net Economic Development Revenue** shall be used for distribution of Per Capita Payments to eligible Delaware Nation citizens.
- b. **Eighteen percent (18%) of Net Economic Development Revenue** shall be used to fund Tribal Government Operations/Administration.
- c. **Eighteen percent (18%) of Net Economic Development Revenue** shall be used for distribution to provide additional funding for Social Services, Higher Education, Vocational Training and Prescription Assistance Program for the Nation's eligible citizens.
- d. **Fifteen percent (15%) of Net Economic Development Revenue** shall be used for Elder Care for eligible citizens at least 60 years of age.
- e. **Ten percent (10%) of Net Economic Development Revenue** shall be used for a Rainy-Day Fund to be utilized for budget shortfalls and/or a building fund.
- f. **Five percent (5%) of Net Economic Development Revenue** shall be used for a Natural Disaster Fund with approved guidelines, with a cap of \$5,000 per tribal household. Should a balance of one million dollars (\$1,000,000) be accumulated, any overage shall be divided with 50% to Social Services (5.1c) and 50% to Elder Care (5.1d).

5.2 Approved Changes to Allocation

Except in the case of funding provided in 5.1 (a) above for Per Capita Distribution, which amount shall remain constant at **thirty-four percent (34%)**, the Executive Committee shall have the authority to move not more than **ten percent (10%)** per funding cycle of the funding provided in the remaining categories [5.1 (b) through (f)] if the funding in the category from which the money is being taken is not necessary for the stated purposes, and if the funding is required for the category into which the money is being transferred, as determined by the Executive Committee. Otherwise, the purposes and proportions for the expenditure of Net Economic Development Revenue may be changed **only** by a majority vote of the General Council through ballot voting, as provide in Article IX, 9.2 herein relating to Amendments.

5.3 Records

The Executive Committee shall ensure that a yearly accounting is made of Net Economic Development Revenue, the appropriate percentages of such Net Economic Development Revenue are earmarked and set aside for the expenditures described in Article V, 5.1 (a) through (f).

ARTICLE VI – ELIGIBILITY FOR PER CAPITA PAYMENTS

6.1 Eligibility Requirements

Every living person who is an enrolled citizen of the Nation is eligible to receive a full Per Capita Payment, unless:

- a. Said person is found guilty or pleads guilty or no contest in a court of competent jurisdiction, to an offense involving theft, conversion, embezzlement or extortion against the Delaware Nation he/she forfeits his/her rights to any per capita payment until said time restitution is realized by the Court.
- b. Said person becomes disenrolled or withdraws his/her citizenship during a Per Capita Pay Period prior to the date of distribution, in which case such person shall not receive a Per Capita Payment for the Pay Period.

6.2 Pro-rated Payment for Deceased Citizen

In the event that an eligible Delaware Nation citizen dies on, or prior to the date set for distribution of the Per Capita Payment, that citizen's final Per Capita Payment shall be made to that person's estate or heir. The amount of Per Capita will be pro-rated in exact proportion to the number of calendar days that person was alive during the last Per Capita Pay Period (Total amount of Per Capita owed divided by total number of calendar days times total number of days of citizen's life up to the day of the death of the citizen).

6.3 Citizenship List

Distribution shall be based on the latest citizenship list, developed in accordance with Article III of the Delaware Nation Constitution, approved by the Executive Committee and certified by the Delaware Nation Enrollment Specialist.

ARTICLE VII – CALCULATION AND DISBURSEMENT OF PER CAPITA PAYMENTS

7.1 Per Capita Allocation

This RAED Plan is set out to establish all Net Economic Development Revenues in the percentages as shown in Article V, 5.1 (a) which provides that every eligible Delaware Nation citizen receives an equal share of the **thirty-four percent (34%)** of Net Economic Development Revenue allocated for per capita payments.

7.2 Date of Disbursement

Each Per Capita Payment shall be disbursed within **Forty-five days (45)** of receipt of funds.

7.3 Form of Disbursement

Each Per Capita Payment, except in the case of legally incompetents or minors, (see Article VII, 7.4 and 7.5 listed below) shall be made by one of the following forms:

- a. Delaware Nation Check mailed to the address on file in the Enrollment Office.
- b. Direct Deposit to a bank of the Citizen's choice on file in the Finance Office.

7.4 Payment to Legally Incompetent Tribal Citizens

Per Capita Payments to those determined to be Legally Incompetent shall take place as follows:

- a. Upon providing documents from a Court of Competent jurisdiction, the Executive Committee will direct the Finance Department to make Per Capita Checks payable to the Legal Guardian on behalf of the Delaware Nation Citizen.

7.5 Payment to Minors

Per Capita Payments shall be made to minors as follows:

- a. In order to provide for the future health, education, welfare, maintenance and support to the Delaware Nation citizens below the age of **eighteen (18)**, the Executive Committee shall have the Per Capita Payments, designated for enrolled Minors, deposited into a "Minors RAED Trust Fund" established for the protection of the Nation's Minors and, on the behalf of each Minor, in a low-risk interest bearing Trust Account in a Federally Insured Financial Institution or, in a direct obligatory of the United States Government or, in funds invested solely in United States Government Funds.
- b. Payments into the Minor's RAED Trust Fund shall be deposited into an account(s) for each enrolled Minors. Said Minors' RAED Trust Funds shall be separate accounts for each Minor, providing separate accountings for each Minor is kept in the Nation's permanent accounting records. Account balance statements shall be available to the participant, parent, parents, or legal guardian of the enrolled Minor upon request.
- c. The right to the monies accumulated in the "Minors RAED Trust Fund," including all accumulated income, if any, for each enrolled Minor shall vest upon the Minor reaching

the age of **eighteen (18) years**. Application for payment upon attainment of age **eighteen (18)** shall be approved upon sufficient evidence showing eligibility by the person requesting the funds to the Executive Committee. Distribution of any accrued per capita sums and accumulated income thereon shall be made at the end of the quarter in which the Delaware Nation citizen attains age **eighteen (18)** years unless the trust beneficiary elects in writing to leave such funds invested in the trust.

- d. If the enrolled Minor should die before reaching the age of **eighteen (18)** years the money placed into the "Minors RAED Trust Funds" on behalf of the Minor shall be made to that minor's estate or heir. Per Capita Payments shall be all monies accumulated up to the date of death and shall be pro-rated for the year the Minor became deceased in exact proportion to the number of calendar days that person was alive during the last Per Capita Pay Period (Total amount of Per Capita owed divided by total number of calendar days times total number of days of the Minor citizen's life up to the day of the death of Minor citizen).

7.6 Adherence to Federal Law

Delaware Nation will include with each RAED Per Capita Payment a statement reading, "Federal Law requires Delaware Nation to inform each citizen that this Per Capita Payment is subject to Federal Taxation, (25 U.S.C., Section 2710 (b)(3)(d))." Delaware Nation will provide the appropriate annual tax statements to the eligible Delaware Nation citizens by the end of January following the tax year. If Federal law changes to make these RAED Per Capita Payments non-taxable, the Delaware Nation will cease providing such notice and reporting.

7.7 Annual Reporting

The Executive Committee, or their appointee, shall report on an annual basis to the General Council on the status of all expenditures and investments authorized pursuant to this RAED Plan.

ARTICLE VIII – APPEAL

8.1 Appeal

Any and all appeals shall be heard in the courts of the Delaware Nation.

ARTICLE IX – ADOPTION AND AMENDMENT

9.1 Effective Date

This RAED Plan shall become effective upon its approval by a majority vote of the Nation's General Council in a duly called election.

- a. This plan will also be retroactive to include any Economic Dividend Payments plus interest received prior to the approval of this plan.

9.2 Amendment

This RAED Plan may only be amended by majority vote of Delaware Nation's General Council in a duly called election. These amendments become effective when approved.

Delaware Nation

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Anadarko, OK 73005
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Telephone Poll

May 18, 2022

A telephone poll was conducted at the request of President Debbie Dotson;

After speaking with our attorney, he advises that the Executive Committee needs to approve moving forward with the RAED Distribution for the \$14,175,858.16 funds today, and approving the RAED Distribution Resolution #2022-109 on Tuesday, May 24, 2022.

Please submit your vote as soon as possible.

The vote of the Executive Committee was as follows:

President Debbie Dotson	Yes
Vice President Michael McLane	Yes
Secretary Ann Brower	Yes
Treasurer Barbara Nixon	Yes
Committee Person Terry Williams	Yes
Committee Person Reynolds French	Yes

The vote passed 5-0-0.

ATTEST:



Ann Brower, Secretary



Delaware Nation

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Resolution #2022-109

RAED DISTRIBUTION RESOLUTION

WHEREAS, the Delaware Nation is a federally-recognized Indian Tribe that operates in accordance with its Constitution, as ratified on April 21, 1973, as amended from time to time, and recognized by the Secretary of Interior; and

WHEREAS, according to Article VI – Powers of the Constitution, “the Executive Committee shall have specific authority...to promulgate and enforce ordinances and codes governing law and order to protect the peace, health, safety, and general welfare of Delaware tribal citizens...”, and generally “shall have full authority to act on behalf of the Nation in all other matters upon which the Nation is empowered to act...”; and

WHEREAS, the Delaware Nation Election Committee conducted a special election on November 20, 2021 for the Revenue Allocation Economic Development (RAED) Plan Percentages as follows:

- 34% of Net Economic Dev. Revenue for Per-Capita Payments
- 18% of Net Economic Dev. Revenue for Tribal Government Operations
- 18% of Net Economic Dev. Revenue for Social Services Tribal Assistance Program
- 15% of Net Economic Dev. Revenue for Elder Care Program
- 10% of Net Economic Dev. Revenue for the Rainy Day Fund
- 5% of Net Economic Dev. Revenue for the Natural Disaster Fund; and

WHEREAS, on the November 20, 2021 Election Day the eligible Delaware Nation General Council voted to approve the Revenue Allocation Economic Development (RAED) Plan Percentages with a vote of 172 yes votes (46 live & 132 absentee) and 19 no votes (6 live & 13 absentee); and

WHEREAS, on May, 9, 2022, a decision on Case No. CIV-2021-005 was received from the Delaware Nation District Court ‘that the Defendant’s December 7, 2021, decision to vacate the results of the November 20, 2021 referendum election is hereby vacated. This matter is remanded to Defendant, Election Committee, with instructions to certify the results of the November 20, 2021, referendum election that approved the RAED plan’; and

WHEREAS, the Delaware Nation Executive Committee is required to distribute the total RAED funds received to date in the amount of \$14,175,858.16 as follows:

- 34% of Net Economic Dev. Revenue in the amount of \$4,819,791.77 for the RAED Per Capita Fund Account (31-22-342-0)
- 18% of Net Economic Dev. Revenue in the amount of \$2,551,654.47 for the RAED Tribal Government Operation Fund Account (31-22-343-0)
- 18% of Net Economic Dev. Revenue in the amount of \$2,551,654.47 for the RAED Social Services Tribal Assistance Program Fund Account (31-22-344-0)
- 15% of Net Economic Dev. Revenue in the amount of \$2,126,378.72 for the RAED Elder Care Program Fund Account (31-22-345-0)
- 10% of Net Economic Dev. Revenue in the amount of \$1,417,585.82 for the RAED Tribal Rainy-Day Fund Account (31-22-346-0)
- 5% of Net Economic Dev. Revenue in the amount of \$708,792.91 in the RAED Natural Disaster Fund Account (31-22-347-0)

NOW THEREFORE BE IT RESOLVED by the Delaware Nation Executive Committee that the distribution for all RAED funds received to date in the amount of \$14,175,858.16 will be disbursed in the following percentages as listed above.

CERTIFICATION

The foregoing resolution was adopted by the Delaware Nation Executive Committee at a duly called Executive Committee meeting held on May 24, 2022, by a vote of 6 For, 0 Against, 0 Abstentions, a quorum being present.

ATTEST:

Ann Brower

Ann Brower, Secretary

Barbara Nixon

Barbara Nixon, Treasurer



APPROVED:

Deborah Dotson

Deborah Dotson, President