

**TO APPROVE ADDITIONAL FUNDING OF A MEAT PROCESSING FACILITY
TO BE LOCATED NEAR OCTAVIA, OKLAHOMA**

IN THE TRIBAL COUNCIL OF THE CHOCTAW NATION

RONALD PERRY INTRODUCED THE FOLLOWING COUNCIL BILL

A COUNCIL BILL

TO APPROVE Additional Funding of a Meat Processing Facility to be Located near Octavia, Oklahoma.

WHEREAS, in accordance with Article IX, Section 6 of the Constitution of the Choctaw Nation of Oklahoma (the "Nation"), the Tribal Council of the Nation (the "Council") shall make decisions pertaining to the acquisition, leasing, disposition, and management of tribal property;

WHEREAS, the Council recognizes the need for food security within the Nation's reservation;

WHEREAS, under CB-70-21 and CB-36-23, the Council approved funding of an entity (the "Entity") that will build and operate a new meat processing facility (the "New Facility") near Octavia, Oklahoma, which New Facility can be used to process the Nation's livestock assets and increase the level of food security within the Nation's reservation;

WHEREAS, the Council has determined that it is in the best interests of the Nation to provide up to Six Hundred Thousand Dollars (\$600,000) in additional funding (the "Additional Funding") in and to the Entity for the final construction of the New Facility and to pay operating costs;

WHEREAS, the Council has determined that it is in the best interests of the Nation that the Additional Funding shall be in the form of debt issued to the Entity on such terms and conditions as determined by the Chief of the Nation; and

WHEREAS, the Council has determined that it is in the best interests of the Nation to fund the Additional Funding from unrestricted funds.

THEREFORE, BE IT ENACTED by the Council that this Bill be cited as approval of the Additional Funding in and to the Entity.


BE IT FURTHER ENACTED by the Council that this Bill be cited as approval that the Additional Funding shall be issued in the form of debt to the Entity on such terms and conditions as determined by the Chief of the Nation;

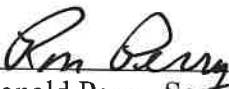
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BE IT FURTHER ENACTED by the Council that this Bill be cited as approval that the Additional Funding shall be funded from unrestricted funds.

CERTIFICATION

I, the undersigned, as speaker of the Tribal Council of the Choctaw Nation of Oklahoma, do hereby certify that the Tribal Council is composed of twelve (12) seats. Eight (8) members must be present to constitute a quorum. I further certify that twelve (12) members answered roll call and that a quorum was present at the Regular Session of the Tribal Council at Tuskahoma, Oklahoma, on January 13, 2024. I further certify that the foregoing Council Bill CB- 21 -24 was adopted at such meeting by the affirmative vote of twelve (12) members, zero (0) negative votes, and zero (0) abstaining.


Thomas Williston, Speaker
Choctaw Nation Tribal Council


Ronald Perry, Secretary
Choctaw Nation Tribal Council


Gary Bolton, Chief
Choctaw Nation of Oklahoma

Date: 1-18-24

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Purpose of Council Bill: In CB-70-21 and CB-36-23, the Tribal Council approved funding of an entity (the "Entity") that will build and operate a new meat processing facility (the "New Facility") near Octavia, Oklahoma, which New Facility can be used to process the Nation's livestock assets and increase the level of food security within the Nation's reservation. This Council Bill approves additional funding in and to the Entity for the construction and operation of the New Facility. The New Facility will address food security issues and be able to process the Nation's livestock. The additional funding will consist of debt on such terms and conditions as agreed to by the Chief of the Nation. This Council Bill supports the Nation's Tribal Strategy: Strengthen Financial Growth and Economic Sustainability.

Title of Council Bill: To Approve Additional Funding of a Meat Processing Facility to be Located near Octavia, Oklahoma.

Agency: Division of Commerce

Budget: Up to \$600,000

Requestor: Janie Dillard, Senior Executive Officer, Division of Commerce

Jeanne Porter

From: Jack Austin Jr.
Sent: Tuesday, January 9, 2024 8:21 AM
To: Tammye Gwin; Jeanne Porter
Cc: Janie Dillard
Subject: Re: CB- Three Rivers 2024 Funding Updated Request Summary and Financial Model

Including Jeanne on this for her awareness to forward to council for consideration this Saturday.
Thank you ladies for working on this.

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From: Tammye Gwin <tgwin@choctawnation.com>
Sent: Tuesday, January 9, 2024 7:10:15 AM
To: Jack Austin Jr. <jackaustin@choctawnation.com>
Cc: Janie Dillard <JDillard@choctawnation.com>
Subject: CB- Three Rivers 2024 Funding Updated Request Summary and Financial Model

Tribal Leadership,

At your request is updated model for the Three Rivers Meat Company. Janie has reviewed and approves. Please review and let us know if you concur to send to Council.

Project Name: Strategic Partnership-Three Rivers Meat Company, LLC
Strategic Objective: 8.0.7 (Ag Choctaw Farm to Table)
Strategy: Strengthen Financial Growth and Economic Sustainability (ROV)
Total Development Cost: \$10,021,000

Due to Construction increase on this project (fire suppression system) and working capital needs, Commerce leadership is requesting additional CB Funding for \$600,000.

Three Rivers Meat Company, LLC previous CB's for Funding were passed as follows:

CB History

CB-70-21	\$1,800,000
CB-36-23	\$6,144,000
Previously approved	\$7,944,000

New CB Request **\$ 600,000**

New CNO Capital at Risk \$8,544,000

Capital Structure

CNO Equity	\$1,600,000
Long Term Loan	\$6,044,000
Prepaid Processing	\$ 900,000

Deal Terms

No payments due within the first 3 years of operations (Interest deferred)

Interest Rate	2.0 %
Long Term Loan	20.0 Years
Equity Payback	10.3 Years
Prepaid Processing	16.0 Years
10 Year Cash on Cash	1.4 %
CNO Ownership	56% (84% Cash Invested)
Three Rivers Ownership	44%

Attached financial models have been updated to reflect the request along with changes resulting from the operating agreement. Please email or call if you have any questions or concerns.

Yakoke,