



Staff Report

Agenda Item:

DESIGNATION OF USE OF PROPOSITION 202 GAMING REVENUES DISTRIBUTED BY THE YAVAPAI-APACHE NATION – Discussion and consideration of the Proposition 202 Gaming Revenues distributed by the Yavapai-Apache Nation.

Staff Contact:

Gayle Mabery, Town Manager

Meeting Date:

March 10, 2009

Background:

The Clarkdale Town Council met on February 10, 2009 to discuss the most recent distribution of Proposition 202 funds from the Yavapai-Apache Nation to the Town. During the meeting, the Council expressed their concern that, while the Nation's desire to fund activities relating to children's recreation and education was evident in the distributions made to Clarkdale, Cottonwood, Camp Verde and Yavapai County, unfortunately, the Town of Clarkdale does not have the right to make donations to outside entities. Furthermore, the request from the Nation for the Town to pass \$14,542 through to the Clarkdale-Jerome School for the establishment of a Native American Club does not seem to be consistent with the requirements of Proposition 202. Proposition 202 requires that the funds be passed through to "*cities, towns, or counties for government services that benefit the general public, including public safety, mitigation of the impacts of gaming, or promotion of commerce and economic development.*"

Following the Clarkdale Town Council's discussion, the Yavapai-Apache Nation invited the Mayors and Managers of the Verde Valley cities and towns, and Supervisor Davis, to a meeting to discuss the Proposition 202 distributions. The meeting was extremely productive, and gave all parties the opportunity to understand the requirements we each face with regard to distribution of these funds. The meeting concluded with the understanding that, while each of the entities that received funding this year would strive to honor the spirit in which the funds were given, each entity was supported in using the funds in whatever way they saw fit. Additionally, it was agreed that a meeting would take place in November of each year so that the cities, towns and county could meet with the Nation and discuss priorities for the Proposition 202 funding.

During the meeting with the Nation, Mayor Von Gausig and Town Manager Mabery informed them that Clarkdale's usual procedure is to determine the use of the funds during our budget deliberations through the spring, and budget for use of the funds in the upcoming Fiscal Year, which for us begins July 1, 2009. The Tribal Council Members in attendance asked that the Town keep them informed as to the use of the funds once a decision has been made as to the final use of this year's distribution.

Recommendation: Staff recommends that the Town Council follow our normal budgeting procedure with the \$14,542 donation, and determine its use during the annual budget cycle.