

RESOLUTION OF THE  
WHITE MOUNTAIN APACHE TRIBE OF THE  
FORT APACHE INDIAN RESERVATION

WHEREAS, the White Mountain Apache owns and operates the Sunrise Motel,  
and

WHEREAS, the Board of Directors of the Sunrise Motel has submitted and  
recommends approval by the Tribal Council of a General and  
Operating Budget for the Sunrise Motel for the Fiscal Year  
May 1, 1973 through April 30, 1974 and said budget has been  
prepared and recommended in accordance with the Plan of Operation  
for the Enterprise, and

WHEREAS, the Plan of Operation of the Sunrise Motel approved May 1, 1972.

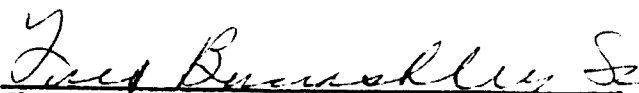
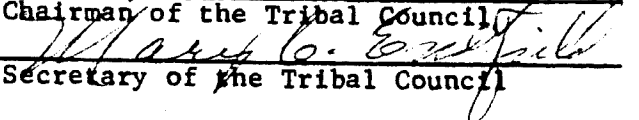
BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe  
that the budget for General Operating Expense in the amount of  
\$708,049.00 and Capital Expenditures amounting to \$19,637.00 is  
hereby approved for the operation of the Sunrise Motel for the  
Fiscal Year beginning May 1, 1973 and ending April 30, 1974.

BE IT FURTHER RESOLVED that:

1. Budget be reviewed every ninety (90) days.
2. Treasurer not to approve expenditures  
unless funds for the expenditures is in  
the Tribal Account.
3. Capital expenditures to be approved only  
when enterprise funds have accumulated  
and funds are in Tribal Account.
4. Monthly beginning and ending expense  
report directly to the Board of Directors.

BE IT FURTHER RESOLVED that no unexpended funds from prior budget will be  
expended.

The foregoing resolution was on April 4, 1973 duly adopted by a vote of  
10 for and 0 against by the Tribal Council of the White Mountain  
Apache Tribe, pursuant to authority vested in it by Article V, Section 1  
(k) of the Amended Constitution and By-Laws of the Tribe, ratified by the  
Tribe June 27, 1958 and approved by the Secretary of the Interior on  
May 29, 1958, pursuant to Section 16 of the Act of June 18, 1934 (48 Stat.  
984).

  
Chairman of the Tribal Council  
  
Secretary of the Tribal Council

BUDGET

SUNRISE PARK HOTEL FY-1973-74

Pro-forma Income - and Cost of Sale Projection

REMARKS	DESCRIPTION	Acc't. Number	Combined Budget Projection	55% Hotel	28% Dinning Rm. Coffee Shop	13% Bar	4% Gift Shop
Note 1)	Room Rental Net			291,564			
Note 2)	Regular Sales				189,612		
	Employee Sales				43,770		
					233,382		
	Less Cost of Sales	09-03-7820	105,021	45%	105,021		
	Gross Profit				128,361		
Note 3)	Regular Sales					63,366	
	Less Cost of Sales	09-03-7810	25,346	40%		25,346	
	Gross Profit					38,020	
Note 4)	Regular Sales						20,170
	Less Cost of Sales			40%			8,068
	Gross Profit	09-03-7830	8,068				12,102
Total Gross Sales			564,712	291,564	189,612	63,366	20,170
Employees			43,770		43,770		
Total Gross Sales			608,482	291,564	233,382	63,366	20,170
Less Budget Expenses			708,049	280,945	299,446	93,493	34,165
Net Profit (Loss)			(99,567)	10,619	(66,064)	(30,127)	(13,995)

FUDGET

SUNRISE PARK HOTEL

Remarks	DESCRIPTION	Acct'. Number	Combined Budget Projection	55% Hotel	28% Dining Rm Coffee Sh.	13% Bar	4% Gift Shop
(Note 1)	Manager Salary	19-03-7110	29,300	16,230	8,258	3,848	1,984
	Hotel Labor	09-03-7102	78,740	78,740			
	Restaurant Labor	09-30-7130	84,394		84,394		
	Bar Labor	09-30-7158	19,940			19,940	
	Gift Shop		10,610				10,610
	Taxes & Pensions	19-03-7258	35,725	15,203	14,829	3,806	1,887
(259009)							
	Liquor License	09-03-7251	200			200	
	Utilities	09-03-7300	12,000	6,600	3,360	1,560	480
	Postage/Telephone	09-03-7348	16,818	9,250	4,709	2,186	673
	Credit Card Dis.	09-03-7400					
	Entertainment	09-03-7350	15,600	8,280	4,368	2,028	624
	Office Supplies	09-03-7410	4,800	2,640	1,344	624	192
	Vehicle Operation	09-03-7422	5,460	3,003	1,528		
	Operation Supply	09-03-7440	2,600	1,980	1,028	468	144
	Linen Supplies	09-03-7441	10,562	5,809	2,958	1,343	422
(Note 2)	Equip. Rental	19-03-7445	11,621	6,480	3,243	1,520	468
	Main. Supplies	09-03-7530	6,200	3,300	1,680	780	240
	Depreciation	09-03-7610	81,144	44,689	22,720	10,549	3,246
	Miscellaneous	09-03-7535	27,800	15,290	7,784	3,614	1,122
	Insurance	09-03-7630	10,000	5,500	2,800	1,300	400
	Advertising	09-03-7701	25,000	13,750	7,000	3,250	1,000
	Per Diem & Travel	09-03-7704	3,500	1,650	840	370	120
	Audit Expense	09-03-7705	5,600	2,950	1,400	650	200
	Central Off. Ex.	09-03-7706	3,500	1,925	980	455	140
	Board Member Comp	09-03-7709	2,100	1,155	588	273	84
	Cash (over)short	09-03-7711					
	Interest	09-03-7712					
	Uniforms	09-03-7715					
	Bar Purchases	09-03-7810	25,346			25,346	
	Restaurant Pur.	09-03-7820	165,021		165,021		
	Gift Shop Pur.	09-03-7830	8,068				8,068
	Ski Lift Promotion	09-03-1050					
(Note 3)	Outside Services		8,000	4,400	2,240	1,040	320
50% day	Employee Lodging		14,560	8,008	4,024	1,893	582
(Note 4)	Employee Meals		43,740	24,043	12,256	5,690	1,751
			708,077	380,945	271,746	118,813	37,573

BUDGET

SUNRISE PARK HOTEL FY-1973-74

Expenses

- |                     |                        |
|---------------------|------------------------|
| 1) Equipment Rental | 3) Telephone & Postage |
| 2) Utilities        | 4) Vehicle Operation   |

DESCRIPTION	MONTHLY	ANNUAL
<u>Equipment Rental:</u>		
1) 1st lease Motorola T.V. Units - (59 Units)	\$394.07	\$4,728.84
2) 2nd lease Motorola T.V. Units - (54 Units) (Note A)	350.27	3,502.70
3) 3rd lease Motorola Programing July 1st (available) (Note B)	54.30	651.60
4) NCR Accounting machine (4200)	234.00	2,808.00
		<hr/>
	TOTAL	<u>\$11,691.40</u>

Utilities Schedule:

Navopache Statement	September	\$881.00
	October	820.00
	November	968.00
	February	<u>995.00</u>

Note adjusted to)  $\$3,664 \div 4 = 916/\text{mo.} \times 12 =$  \$10,992.00  
 12,000 after talking to Navopache 1000/mo.  $\times 12 =$  12,000.00

Telephone & Postage:

Western State Telephone verification average monthly account.

Local Charge fixed	\$674.40/mo.	
Long Distance Average	600.00/mo. =	\$1,274.00/mo. $\times 12 =$
		\$15,288.00

Postage - Estimate annual mailing	- \$9,125 $\times .08 =$	\$730.00
Plus special promotional mailing (s) 1 10K		800.00
		1,530.00

TOTAL ANNUAL \$16,818.00

Vehicle Operation:

1) Bus schedule - 40 miles one way.  
 Sunrise - Whiteriver  $\times 2 = 1$  complete trip  $80 \times 15\text{c} = \$12.00 \times 7 = \$84/\text{wk.} \times 52 =$  \$4,368.00

Contingency funds for extra bus trips or special runs  
 Show Low ect. - 25% of above \$1,092.00

TOTAL VEHICLE \$5,460.00



(Note 1 are %)

BUDGET  
SUNRISE PARK HOTEL  
Organization Chart

Remarks	Description	Acct'. Number	Combined Budget Projection	55% Hotel	28% Dining Rm. & Coffee Sh.	13% Bar	4% Gift Shop
(Note 2)	Manager	09-03-7110	20,000	11,000	5,600	2,600	800
	Asst. Manager		9,600	5,280	2,688	1,248	384
	HOTEL	09-03-7120					
	Front Office:						
2 <sup>00</sup> /hr.	2 Desk Clerks		9,984	9,984			
	1 Night Auditor		4,992	4,992			
2 <sup>50</sup> /hr.	1 Accountant		6,240	3,432	1,747	811	250
1 <sup>45</sup> /hr.	1 Bellman		4,368	4,368			
	HOUSE-KEEPING						
1 <sup>40</sup> /hr.	5 Housekeepers (5)		21,715	19,494	2,221		
(Note 3)	4 Housekeepers (5)		14,143	11,143			
	RESTAURANT	09-03-7130					
	Head Chef		9,600		9,600		
	2 Cooks		12,000		12,000		
2 <sup>00</sup> /hr.	2 Kitchen Help		9,984		9,984		
1/2 Wage	1 Part Time Cook		3,000		3,000		
	COFFEE SHOP						
1 <sup>15</sup> /hr.	2 Waitress		5,740		5,740		
	1 Hostess/Waitress		5,400		5,400		
1 <sup>15</sup> /hr.	1 Bus Boy		2,870		2,870		
	DINING ROOM						
1 <sup>15</sup> /hr.	3 Waitress		8,610		8,610		
	1 Hostess/Waitress		5,400		5,400		
1 <sup>15</sup> /hr.	2 Bus Boys		5,740		5,740		
	BAR	09-03-7150					
	Bartender/Mgr.		7,800			4,500	
1/2 wage	Part Time Bar		3,200			3,200	
1 <sup>15</sup> /hr.	Waitress		2,870		717	2,153	
	GIFT SHOP						
2 <sup>00</sup> /hr.	1-8 hr. Shift		4,992				4,992
1 <sup>15</sup> /hr.	1-6 hr. Shift		2,744				2,744

- 1) Linen Supply Expense
- 2) Entertainment
- 3) Employee Meals
- 4) Employee Lodging

██████████ BUDGET  
SUNRISE PARK HOTEL

<b>I LINEN SUPPLY EXPENSE</b>					
August	1,173.65	X 12 mo =	14,083.80	or 1173.65/mo.	
September	733.61		75%		
October	633.88		10,562		10,562
November	547.85				
December	622.31				
January	933.65				
February	489.65	4,316.45 ÷ 7 =	616.64	(Average)	
<b>II ENTERTAINMENT</b>					
Allowance	300/week (3-4 days music)	X 52 weeks			15,600
<b>III EMPLOYEE MEAL CALCULATIONS</b>					
24 Employees classed full time					
17 Live-in @ Hotel resort = 3 meals/day					
(3 X 1.85 = 5.55 X 17 = 94.35 X 7 = 660.45 X 52 =					11,343
7-Commute Whiteriver resort = 2 meals/day					
(2 X 1.85 = 3.70 X 7 = 25.90 X 7 = 181.30 X 52 =					9,427
24 Employees =			<b>TOTAL</b>		<b>13,770</b>
<b>IV EMPLOYEE LODGING CALCULATION</b>					
8 Rooms dedicated to Employees @ \$5.00/Room					
(5.00 X 8 = 40.00 X 7 = 280 X 52 =					14,560

~~██████████~~ BUDGET

SUNRISE PARK HOTEL FY-1973-74

Notes and comments pertinent to proposed budget

Pro-forma Income and Cost of Sales Projections:

(Note 1) Room Rental Income projected - basis of 60% occupancy.  
Return \$15.00 per room (\$21.00 less \$6.00 (Promotion) =  
\$15.00 Net).

#1

Rent 52 rooms less 8 (Employees) = 44 rooms X \$15.00 = 660/day  
System 660/day X 7 = 4,620 X 52 = 240,240 X 60% = \$144,144\*

54 rooms (10 mos. begin July) = 54 rooms X \$15.00 = 810/day  
810/day X 7 = 5,670 X 52 = 294,840 X 60% = \$176,940  
176,940 ÷ 12 = \$14,742/mo. X 10 mos. = \$147,420\*

Equal 1 year @ \$15.00 Net \$291,564 (+)

#2 44 rooms @ \$21.00 = 924 X 7 = 6,468 X 52 = 336,336 X 60% = \$201,801\*  
Rent 54 rooms @ \$21.00 = 1,134 X 7 = 7,938 X 52 = 412,776 X 60%  
System 247,655 ÷ 12 = \$20,635.75/mo. X 10 mos. = \$206,387#

\$408,188

(Note 1) Reveals the basis for calculation of room rental - identified as room rental Net. \$291,564 represents rentals at per room rate of \$15.00/room - including 10 months of rentals of new unit (begin July 1973) less 8 rooms dedicated to employees, which have been charged to expense at the rate of \$5.00 per day - with - no off-setting income account. Rental Income based on 60% occupancy factor. From experience beginning March 1, 1973, it would appear more realistic to adopt a rental base of \$21.00 per room, which is result of new rates effective March 1, 1973.

While nothing has been projected at a base rental rate of \$21.00 per room - 60% occupancy, calculations on this basis would result in:

Room Rental Total	\$408,188
Less \$15.00/room projection	<u>-291,564</u>
Increased Revenue	\$116,624



It is recommended \$50,000 of this increase should be allocated to special "promotion" including Ski Lift tickets (at \$4.00 not \$6.00) and any other Special Hotel sponsored events developed to create more Hotel activity and occupancy (Special summer - fall programs) allowance of \$50,000 of increased income (\$116,624 less \$50,000) would also contribute to net profits, \$66,624, resulting in following:

Projected Combined Net Loss	(\$99,567)
Less increased Profit (above)	<u>66,624</u>
Net Loss	(\$32,943)
Add Back Depreciation	<u>81,144</u>
Cash Flow	\$48,201

Nothing has been recorded in the budget projections to reflect higher return on room rental, however, facts are thru two rates now prevail which should be the policy in the future, whether or not it is the Ski seasons to accomodate special "package" offering for Hotel guests. Such programs for the summer season are now being developed.

(Note 2) Dining Room and Coffee Shop Sales

Regular Sales	\$189,612
Employees Sales	<u>43,770</u>
	\$233,382

Employee charges also recorded as expenses, see schedule, and included in sales at same price as meal tickets signed to reconcile "cost of sales" - projected sales (regular sales) \$189,612 based on sales for month of August 1972 projected for twelve months - (Dick Becker income statement August 1972 reports sales \$15,801.32 X 12 = \$189,615.84).

Cost of Sales estimate 45% or \$105,021, based on observation of operations for approximately one month (February 15 - March 15 - McEvoy) and food costs including delivery charges and problems which cause food cost to be higher F.O.B. Sunrise Park Hotel.

(Note 3) Bar Sales - \$63,366. Income projected on basis of August 1972 sales projected for twelve months - (Dick Becker Income Statement August 1972 - Sales, \$5,280.52 X 12 = \$63,366.24) - 40% cost of sales will require substantial reduction in costs to attain.

(Note 4) Gift Shop - \$20,170. Income projected on basis of August 1972 Sales projected for twelve months (Dick Becker Income Statement August 1972, sales \$1,680.85 X 12 = \$20,170.00) - we question this projection as very low on gross sales - does not account for Ski Clothing, ect., however to keep projections consistent we use the same source of income figures.

**BUDGET**

SUNRISE PARK HOTEL FY-1973-74

NOTES TO PROPOSED BUDGET

(Note 1) Manager Salary -- \$20,000

Assistant Manager 9,600

Represents projected salaries (A) - to provide adequate basic salary for Manager -(B)- allowance for position of Assistant Manager.

All other salaries defined in organization chart represent minimum base per scale.

(Note 2) Equipment Rental - \$11,691 - (See Schedule).

(Note 3) Outside Service - \$8,000

Allowance for participation with Tribal Police authority for full time Security Guard.

(Note 4) Employee Lodging - \$14,560

Employee Meals - \$43,770  
(See Schedule)