

12/31/03 (PL)

Resolution No. 12-2003-283

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

WHEREAS, the Tribe is experiencing severe cash flow limitations caused in part by the lack of snow at Sunrise Park Resort and substantial losses at the Fort Apache Timber Company; and

WHEREAS, many of the other Tribe's enterprises have failed to generate revenues in excess of operating costs; and

WHEREAS, the Tribal Council has received a briefing detailing the Tribe's outstanding unpaid financial obligations, including accounts payable, upcoming lease and finance charges, and biweekly payrolls; and

WHEREAS, the Tribal Council has been advised that the consolidated operating results from Tribe's Enterprise Division have fallen more than \$3.6 million below projected budget targets and more than \$1.1 million in additional losses when compared to last year's results; and

WHEREAS, the Tribal Council has the obligation on behalf of the people of the Tribe to preserve Tribal assets and promote the economic well-being of the Tribe; and

WHEREAS, the Tribal Council must act to fulfill this obligation on behalf of its people; and

WHEREAS, on this date the Tribal Council has discussed measures intended to restore the Tribe's financial integrity and prepare for future financial obligations which the Tribe must meet; and

WHEREAS, these measures include a range of options to allow department managers to tailor the expense and spending restrictions to meet the requirements of the departments in order to best serve the interests of the White Mountain Apache Tribe.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that in light of the current cash restrictions, until further notice, the Tribal Council implements the following and immediate restrictions for all departments, programs and enterprises:

1. No travel except for absolutely essential matters and then only as authorized by the Tribal Chairman.
2. No hiring for new positions.
3. No further logging for Fort Apache Timber Company until after FATCO management presents to the Council and receives Council approval for a plan to address its severe budget shortages and operational losses.
4. No new capital expenditures, except for those expenditures and projects which have already been approved through a Central Tribe purchase order.

5. No leave transfers.
6. No meeting pay for any Tribal committee attended by Tribal employees during working hours.
7. No cash payments for annual leave or cash advances.
8. No salary increases or adjustments.
9. All Tribal vehicles must be turned in at the end of each business day and cannot be driven home, and during working hours Tribal vehicle use shall be strictly limited to essential business purposes only; provided that use by elected Tribal officials, essential public safety positions, and as necessary for Hon Dah Casino and Sunrise staff transportation shall be the sole exceptions for Tribal vehicle use after assigned business hours.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it appoints Acting Controller Michelle Austin, Acting Business Manager Hugh Lee, Tribal Treasurer Cathy Tate, and Yvette Larzelere Yazzie, Budget Analyst as a review committee to review all spending by Tribal Departments, enterprises and programs with authorization to review and restrict all such spending as deemed in the best interest of the Tribe and as consistent with the parameters of this resolution.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that in order to address the severe shortcomings in the budget projections which have made these measures necessary, any Tribal enterprise which is not meeting its budgeted financial results (identified in the attached financial summary) are hereby directed to present a plan to the Review Committee by 5:00 pm, January 5, 2004, detailing how the enterprise will reduce and eliminate its year-to-date shortfall, and after Review Committee approval shall be presented by the enterprise manager to the Tribal Council by January 12 for approval and immediate implementation, and further that the Council hereby permanently eliminates the position of Enterprise Director.

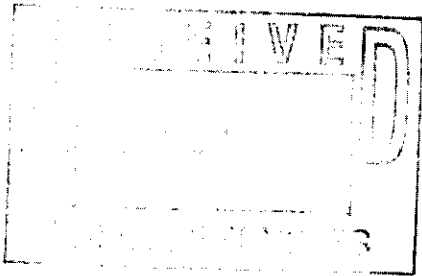
BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that all Tribal departments and programs must prepare and submit to the Review Committee by 5:00 pm, Monday, December 22, a 10% reduction in the department or program budget for the remainder of the budget year effective December 28, 2003, and in the event the approved budget reduction plan is not timely submitted the cost savings will be achieved through an automatic reduction to a 72 hour pay period for all employees through a reduction of hours for all employees for that department and/or enterprise or program.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that all federally funded programs, whether financed through grant or 638 contract, shall not be subject to these restrictions provided the program is in compliance with all material grant or contract conditions and maintaining actual eligibility for current and up-to-date federal reimbursement for all program expenditures.

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BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that these restrictions shall remain in place until further Council review and action and may be lifted in part as conditions improve or as needs dictate.

The foregoing resolution was on December 15, 2003 duly adopted by a vote of SEVEN for and TWO against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by Article IV, Section 1 (a), (i), (k),(s), (t), and (u) of the Constitution of the Tribe, ratified by the Tribe September 30, 1993, and approved by the Secretary of the Interior on November 12, 1993, pursuant to Section 16 of the Act of June 18, 1934 (48 Stat. 984).




Chairman of the Tribal Council

ACTING 
Secretary of the Tribal Council