

Resolution No. 04-2005-123

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

(Approving the fiscal year 2005-2006 Tribal Enterprise Budgets with conditions)

WHEREAS, the Tribal Council of the White Mountain Apache Tribe has reviewed the entire proposed fiscal year 2005-2006 budget for the Tribal Enterprises; and

WHEREAS, the Tribal Council has decided upon necessary adjustments to the proposed budget to maintain a budget which is in balance with projected revenues; and

WHEREAS, the Tribal Enterprise Budgets with the recommended adjustments, is ready for immediate implementation; and

WHEREAS, the Tribal Council hereby directs the Enterprise General Managers to provide quarterly reports to the Tribal Council on the status of the Tribal Enterprises' Operating Budget; and

WHEREAS, the Tribal Council further directs that the Controller's Office has the authority to request further documentation and written justification of any Tribal departments or programs regarding the approved budget.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby:

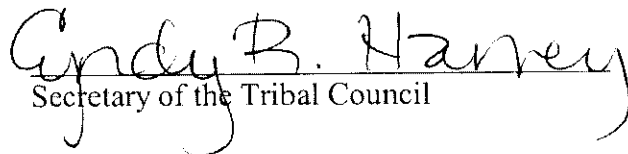
1. Approves the fiscal year 2005-2006 Tribal Enterprise Budget with a total income of \$101,551,310 and total expenses of \$89,978,158, resulting in total net income of \$11,573,152 as shown in attachment A, provided that any salary increases, new positions, and capital budgets are pending further review, except for those that have been pre-approved by the Tribal Council; and
2. Directs Enterprise Director and Enterprise General Managers to meet with the Finance and Budget Committee to re-evaluate each enterprise independently for justification and consideration of possible merit increases, new positions, and capital budgets if funds are available to cover these costs. The evaluation shall include the Enterprise Director's salary increase as well. Upon final review and evaluation, the Finance and Budget Committee, along with the Enterprise General Managers, will again present their requests for staff merit increases, new positions and capital budgets to the Tribal Council for their review and approval; and
3. Directs the Enterprise Director and General Managers to follow the recommendations of the Independent Auditor's Management Letter for the fiscal year ended April 30, 2004 by addressing and correcting any and all deficiencies to improve management of the enterprises and increase profits; and

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4. Directs the Enterprise General Managers and the Finance and Budget Committee to provide the Tribal Council with quarterly reports on the status of each enterprise budget.

The foregoing resolution was on April 28, 2005, duly adopted by a vote of FOUR for, ZERO against and TWO abstentions 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


Secretary of the Tribal Council

FISCAL YEAR 2005/2006 PROJECTED OPERATING ENTERPRISE BUDGETS

| Enterprise | Projected Revenue | Projected Expenses | Projected Net profit (Loss) |
|---------------------------------|--------------------------------------|--------------------|-----------------------------|
| Apache Enterprises | 11,227,677 | 11,379,298 | (151,621) |
| Agriculture | 244,990 | 407,694 | (162,704) |
| CBQ Commercial Center | 1,416,300 | 1,686,083 | (269,783) |
| Cellular One | 240,000 | 170,195 | 69,805 |
| FATCO | 18,805,703 | 20,018,238 | (1,212,535) |
| Hondah Casino | 50,812,113 | 32,790,461 | 18,021,652 |
| Hondah Home Center | 2,831,000 | 2,796,518 | 34,482 |
| Sunrise Ski Resort | 8,645,039 | 7,524,514 | 1,120,525 |
| Whiteriver Commercial Center | 4,344,138 | 4,407,198 | (63,060) |
| Wildlife and Outdoor Recreation | 2,984,350 | 2,793,083 | 191,267 |
| TOTAL | 101,551,310 | 83,973,282 | 17,578,028 |
| | TOTAL ENTERPRISE DEPRECIATION | | 6,004,876 |
| | NET PROFIT (LOSS) | | 11,573,152 |

NOTE: Total enterprise depreciation for the fiscal year amounts to \$6,004,876 and *is not* included in the budget amounts because depreciation is not a cash outflow but rather an accounting entry (does not affect cash in any way). Budgets estimate the cash outflows and inflows. Depreciation will show on the balance sheet and income statements (showing a overall net income of \$11,573,152).