



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

(Approving Cost Containment Measures for Fiscal Year 2007-2008)

WHEREAS, pursuant to Article IV, Section 1(a) of the Constitution of the White Mountain Apache Tribe, *inter alia*, the Tribal Council has the authority to represent the Tribe and act in all matters that concern the welfare of the Tribe and to expend funds according to a budget; and

WHEREAS, the Tribal Council understands that the Tribe should keep within the approved budget levels and is experiencing cash flow shortfalls which may be caused in part by: (i) Fort Apache Timber Company building up its log deck; (ii) approval of various capital expenditures; (iii) Sunrise's summer season which is almost always operating at a loss until it opens for the winter season; (iv) the cost reimbursement basis of drawing down grant funds; and (v) the absence of fiscal control compounded by Tribal Council approval of individual departmental and/or program budgets prior to the approval of Tribal and Enterprise Budgets; and

WHEREAS, the Budget and Finance Committee advised that the Tribal Council compare FY 2007-2008 projected revenues and expenditures to the actual expenditures at six months or October 31, 2007, before capital budgets are allowed; and

WHEREAS, the Tribal Council enacted certain resolutions that impacted the total budget for FY 2007-2008, including the following:

- Creation of new positions, such as additional grant personnel, and increases to certain positions such as the Engineering Director and Division of Education personnel without submission and approval of the overall Tribal Budgets;
- Various capital expenditures without an approved budget;
- Various payments for assistance to certain individuals not budgeted in the Tribal Contribution; and

WHEREAS, that until Tribal Council is certain that the Tribe's Enterprises will generate projected revenues while keeping under the projected expenses, additional budget increases and/or capital budgets shall not be reviewed or approved; and

WHEREAS, the Tribal Council has discussed and reviewed measures intended to restore the Tribe's financial integrity and prepare for future financial obligations which the Tribe must meet such as the logging and bond payments and other long term debt; and

WHEREAS, the Budget and Finance Committee has this day recommended certain measures that include a range of options allowing departments and enterprise managers to reduce expenses in order to best serve the interests of the White Mountain Tribe; and

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WHEREAS, once these measures are in place, Wells Fargo Bank has agreed to amend its agreement for the purposes of increasing the line of credit; and

WHEREAS, the Tribal Council finds that the measures recommended herein by the Budget and Finance Committee are in the best interests of sound fiscal management and the overall financial interests of the Tribe and should be immediately implemented into the operating budget showing improvements to the cash flow; and

WHEREAS, the Tribal Council further finds that all future resolutions conflicting with these cost containment measures be put on hold until the six month review period.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that the following interim budgetary goals and objectives shall be immediately implemented by the programs, departments, divisions, enterprises, by and through the Budget and Finance Committee:

1. Annual leave payments shall not be allowed.
2. Payroll advances and withholding payroll deductions shall not be allowed.
3. Early release of payroll checks shall only be approved for medical emergencies and/or death in the immediate family as defined by the Personnel Policies and Procedures.
4. All travel, conferences, workshops and training are placed on a restricted status, such that only travel deemed absolutely necessary or justified by the Department/Division Head or General Manager as reviewed and approved by the Chairman of the Tribal Council, will be allowed, including federally funded accounts.
5. No further hires of part-time or temporary employees shall be allowed, except for those positions pre-approved and advance funded by a grant. Cost-reimbursement positions shall not be allowed until further notice. Those existing temporary or part-time employees hired for a specific, limited time period shall complete their service, but their employment status shall not be extended, renewed or otherwise changed to permanent status.
6. No overtime shall be allowed, except for Police Department, EMS, Fire Department, Game and Fish Rangers, Wildland Enforcement Officers (Tribal Forestry) and Wild land Fire personnel and such overtime must be reasonable and prudent.
7. Personnel funded under 638 contracts shall not be transferred under the Tribal Budget when their funding is exhausted.
8. All enterprise managers, division, department, and program directors and managers are hereby directed to monitor their budgets and stay within the limits of controllable accounts as set by levels originally approved by Resolution No. 06-2007-254 for Fiscal Year 2007-2008.
9. All individual Tribal gas/fuel cards are hereby limited to a maximum of \$400 per month, except for the Police and Fire Departments, EMS, Game and Fish, Public Works, Land Operations, and Tribal Forestry.
10. All Tribal credit cards with the exception of Tribal forestry personnel shall remain at a maximum credit limit of no more than \$500 per month until further notice. Wild Land Fire personnel shall increase credit limits for the duration of the fire season.
11. Donations to students for athletic programs and academic conferences shall not be allowed.
12. If the Tribe's Chief Financial Officer determines that an improvement has occurred in the Tribe's cash flow, then the CFO is hereby authorized to prioritize certain expenditures for payment.

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13. Any proposed resolutions for capital and non-capital expenditures and allocation of funds shall not be reviewed or approved by the Tribal Council without first being reviewed and approved by the Budget and Finance Committee.
14. No further creating, hiring, or appointing any new positions shall be made by the Tribal Council without first being reviewed and approved by the Budget and Finance Committee.
15. No salary increases or adjustments shall be reviewed or approved by the Tribal Council without first being reviewed and approved by the Budget and Finance Committee.
16. No new capital expenditures for Fiscal Year 2007-2008 shall be made until further notice as determined by the Budget and Finance Committee.
17. The Tribal Council shall not consider or approve any new consultant agreements for technical assistance or studies for any enterprise, division, department, or program without the review and approval of the Budget and Finance Committee.
18. No bonuses shall be approved for any employee until further notice as determined by the Budget and Finance Committee.
19. All Enterprise managers, with the exception of Hon-dah Casino, are directed to finalize a plan to increase the revenue of their respective Enterprise, and report back to the Budget and Finance Committee and the Tribal Council within sixty (60) days and said report must realize an increase in revenue for the respective Enterprise within six (6) months of the date of this Resolution or the Enterprise will face a Reduction in Force.
20. Tribal departments, offices, programs, divisions and enterprises shall not sponsor the travel of another individual, unless the individual is first invited by said department, office, program, division or enterprise, and the individual must fill out a TR100.
21. Donations requiring payroll deductions shall not be allowed.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that all future resolutions conflicting with these cost containment measures be put on hold until the six month review period.

BE IT FINALLY RESOLVED by the Tribal Council of the White Mountain Apache Tribe that the Chairman, or in his absence, the Vice Chairwoman, is hereby authorized to execute any and all document necessary to effectuate the intent of this Resolution.

The foregoing resolution was on June 28, 2007, duly adopted by a vote of EIGHT for and ZERO against by the Tribal Council of the White Mountain Apache Tribe, pursuant to the 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