



# WHITE MOUNTAIN APACHE TRIBE

## A Sovereign Tribal Nation

### (Approving Forest Management Deduction Expenditure Plan 2017-2018, Addendum #1)

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**WHEREAS,** pursuant to Article IV, Section 1(a) and 1(s) of the Constitution of the White Mountain Apache Tribe; and

**WHEREAS,** as per 25 U.S.C. § 3105(c), the White Mountain Apache Tribe is eligible to receive money by withholding sales proceeds from timber harvested and lumber sold on the Fort Apache Indian Reservation; and money generated from such withholdings related to forest land management activities are placed into the Forest Management Deduction Account (FM7628FR8); and

**WHEREAS,** Public Law 101-630, part 163.35, authorizes the establishment of an Indian Forest Land Assistance Account for the White Mountain Apache Tribe and unobligated forestry funds from non-federal sources relating to activities on or for Indian forest land like donations, contributions, user fees and/or funds transferred under Federal Interagency Agreements; and unused funds from such activities are placed into the Indian Forest Land Assistance Account (FL7530700) to be utilized for the purposes they were intended; and

**WHEREAS,** funds collected to pay for the completion of special, contractual requirements (logging road maintenance and construction) for which money was paid by the purchaser (FATCO); and funds were placed in the Forest Projects (Road Maintenance) Account (FP7823FR6); and

**WHEREAS,** the Tribal Council has reviewed the Forest Management Deduction Expenditure Plan Addendum #1, from May 1, 2017 to April 30, 2018, as attached and incorporated by this reference; and

**WHEREAS,** the Tribal Council finds that the addendum to the Plan should be approved and the use of funding sources coincide, respectively, with the accounts identified within the Plan to include any added interest earned during the course of the expenditure plan approval process; and

**BE IT RESOLVED** by the Tribal Council of the White Mountain Apache Tribe that it hereby approves the Forest Management Deduction Expenditure Plan, Addendum #1 of **\$165,703.93** plus any accrued interest earned to date, respectively.

**BE IT FURTHER RESOLVED** that the deferred funds from the Forest Management Deduction Account (FM7628FR8) of **\$301,052.36** will be used to cover the Forest Management Projects (Slash/Burn) Account repayment balance in arrears of **\$159,511.58**. The remaining balance of the Forest Management Deductions will be **\$141,540.78**. This balance will be deferred for future use to cover Forest Management Expenses of Tribal Forestry in FY 2018 through 2019.

**BE IT FURTHER RESOLVED** that **\$159,511.58** will be paid to the lockbox Forest Projects (slash/burning) Account #FP7824FR4, in Atlanta, GA maintained by the Office of Special Trustee (OST)

**Resolution No. 12-2017-276**

for future Slash/Burning expenses.

**BE IT FURTHER RESOLVED** that the Indian Forest Land Assistance Account (FL7530700) of **\$343.53 plus any accrued interest** will be used to pay for a one-time expense for accounting activities incurred by the Tribe. The Tribal Treasure will provide an invoice for reimbursement, not to exceed available amount, for accounting services provided in relation to this resolution.

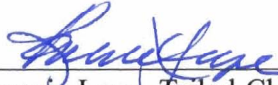
**BE IT FURTHER RESOLVED** that the Forest Projects (Road Maintenance) Account (FP7823FR6) of **\$5,848.82 plus any accrued interest** will be use to pay for WMATCO road maintenance or construction expenses incurred. WMATCO will provide an invoice to the Tribal Treasure for reimbursement, not to exceed available amount, of road maintenance or construction expenses incurred from either Lone Pine or Tonto South Timber Sale contract.

**BE IT FURTHER RESOLVED** by the Tribal Council of the White Mountain Apache Tribe that it hereby directs that in the event this Resolution directly conflicts with the Tribal Constitution, Tribal Ordinances, or any material facts concerning the issues presented are later found to be false, this Resolution shall be deemed null and void and have no legal effect.

**BE IT FURTHER RESOLVED** by the Tribal Council of the White Mountain Apache Tribe that it hereby directs that in the event that this Resolution conflicts with a prior Resolution or Policy, this Resolution shall supersede and govern over the conflicting subject matter.

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

The foregoing resolution was on **DECEMBER 13, 2017** duly adopted by a vote of **ELEVEN** for, **ZERO** against, and **ZERO** abstentions by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it under the enumerated powers listed in Article IV, Section 1 of the WMAT Constitution, so ratified on September 30, 1993, and federally recognized pursuant to Section 16 of the Indian Reorganization Act of June 18, 1934 (48 Stat. 984).

  
\_\_\_\_\_  
Ronnie Lupe, Tribal Chairman

12/20/17  
Date

  
\_\_\_\_\_  
Doreen T. Numkena, Tribal Secretary

12/21/2017  
Date

EXPENDITURE PLAN FOR  
FOREST MANAGEMENT DEDUCTIONS

Fort Apache Indian Reservation  
Fiscal Year 2017 Addendum #1

Fort Apache Agency or Area  
Effective Period From May 1, 2017 to April 30, 2018  
Page 1

SUMMARY

NOTE: Pursuant to policy concerning the handling of Forest Management Deductions, it is intended that the tribe and BIA work together to determine the requirements of the reservation forestry program and develop the following expenditure plan for use of the deductions to meet these requirements. The approval of this plan by the authorized tribal representative constitutes allocation of tribal funds for Indian forest land management activities. Approval of the expenditure plan by the secretary shall constitute authority for crediting of forest management deductions to tribal account(s) as provided in 25 CFR 163.25 (f)(1). **This page is the expenditure plan. Pages 2 through 7 are worksheets used to develop the plan and aid in the review of activities planned.**

PART I – <u>Total Available Forest Management Deductions</u> (Page 2)	\$ <u>392,844.71</u>
PART II – <u>Forestry Activities Covered by this Plan</u>	
A. Forest Production Sale Administration (Page 3)	\$ <u>165,360.40</u>
B. Forest Protection (Page 4)	\$ <u>0</u>
C. Forest Development (Page 5)	\$ <u>0</u>
D. Forest Management Inventories and Plans (Page 6)	\$ <u>0</u>
TOTAL – PART II	\$ <u>165,360.40</u>
PART III – <u>Cost of Accounting for Forestry Activities</u> (Page 7)	\$ <u>343.53</u>
GRAND TOTAL – PARTS II AND III	\$ <u>165,703.93</u>
PART IV – <u>Transfer of funds from BIA to Tribal Account</u> (Page 7)	\$ <u>165,703.93</u>
PART V – <u>Funds not Transferred – Deferred for Future Use</u> (Page 7)	\$ <u>227,140.78</u>

**APPROVAL:**      Adopted by White Mountain Tribal Council Resolution No: XX-2017-XX

\_\_\_\_\_  
Superintendent/Trust Officer      Date      \_\_\_\_\_      Tribal Official      Date

\_\_\_\_\_  
Regional Director      Date

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Fort Apache Indian Reservation  
Fiscal Year 2017 Addendum #1

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Effective Period From May 1, 2017 to April 30, 2018  
Page 2

PART I – Total Available Forest Management Deductions

Briefly detail source and computation of Total Forest Management Deductions for this expenditure plan. Include volume and value by sale for anticipated deductions, the total is recorded in A(1) and (2). Note account number, account balance, and Balance date for amount entered in B(2).

A. Anticipated Volume and Value of Timber Cut in this Fiscal Year

(1) Volume (MBF): 20,000

*The estimated harvest and average value was derived per discussion with WMATCO Administration and Timber Operations Staff.*

(2) Value (\$): \$7,200,000

*Estimated Average Value per MBF = \$360.00.*

B. Forest Management Deductions

(1) Deductions Anticipated this Fiscal Year \$ 334,860.22

*(\$249,260.22 + \$85,600)*

*FMD is based on the gross receipts for lumber & byproducts sold multiplied by 10%; e.g. \$7,200,000 X 10% = \$720,000.00.*

*(The Tribe's New Market Tax Credit Agreement only allows \$85,600 be paid towards the FMD account annually.)*

(2) Estimated Deductions Carried-Over from Previous Years \$ 57,984.49

*[Forest Management Deductions (FMD) = \$51,792.14 (#FM7628FR8);*

*Indian Forest Land Assistance (IFLA) = \$343.53 (#FL7530700; &*

*Forest Projects-Road Maintenance (FPRM) = \$5,848.82 (#FP7823FR6)]*

C. Total Available Forest Management Deductions \$ 392,844.71

*[ B(1) + B(2) = C ]*

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FOREST MANAGEMENT DEDUCTIONS

Fort Apache Indian Reservation  
Fiscal Year 2017 Addendum #1

Fort Apache Agency or Area  
Effective Period From May 1, 2017 to April 30, 2018  
Page 3

Part II – Forest Land Management Activities Covered by this Plan

A. Forest Product Sale Administration

- (1) Narrative (Briefly describe those activities to be performed by tribal employees or contractors funded from this category. Identify actual or proposed sales by name when known. See 25 CFR 163.1, the definition of Forest Land Management activities.)

*Two activities are scheduled for payments:*

- i. \$159,511.58 will be withdrawn from the Forest Management Deductions Account (#FM7628FR8) to pay for FATCO Slash expenditure in arrears.*
- ii. \$5,848.82 (plus any accrued interest) will be withdrawn from the Forest Project/Road Maintenance Account (#FP7823FR6) for WMATCO road maintenance/construction expenses on either Lone Pine or Tonto South Timber Sale.*

(2) Summary of Anticipated Obligations/Expenditures

a. Personnel Services (Salaries & EBC) FTE	\$ <u>0</u>
b. Travel (employee travel, vehicles, etc.)	\$ <u>0</u>
c. Contractual Services Insurance	\$ <u>0</u>
d. Rents, Communications, and Utilities	\$ <u>0</u>
e. Supplies & Materials	\$ <u>0</u>
f. Equipment (itemize major equipment purchase)	\$ <u>0</u>
g. Other (Itemize) (Slash payment = \$159,511.58 & Road Maintenance/Construction = \$5,848.82)	\$ <u>165,360.40</u>
(3) <u>SUBTOTAL</u> – Forest Production Sale Administration	\$ <u>165,360.40</u>

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FOREST MANAGEMENT DEDUCTIONS

Fort Apache Indian Reservation  
Fiscal Year 2017 Addendum #1

Fort Apache Agency or Area  
Effective Period From May 1, 2017 to April 30, 2018  
Page 4

B. Forest Protection

(1) Narrative (Briefly describe those activities to be funded from this category. See 25 CFR 163.1, The definition of forest land management activities.)

(2) Summary of Anticipated Obligations/Expenditures

a. Personnel Services (Salaries & EBC) FTE	\$ <u>          0</u>
b. Travel (employee travel, vehicles, etc.)	\$ <u>          0</u>
c. Contractual Services Insurance	\$ <u>          0</u>
d. Rents, Communications, and Utilities	\$ <u>          0</u>
e. Supplies & Materials	\$ <u>          0</u>
f. Equipment (itemize major equipment purchase)	\$ <u>          0</u>
g. Other (Itemize)	\$ <u>          0</u>
(3) <u>SUBTOTAL</u> – Forest Protection	\$ <u>          0</u>

EXPENDITURE PLAN FOR  
FOREST MANAGEMENT DEDUCTIONS

Fort Apache Indian Reservation  
Fiscal Year 2017 Addendum #1

Fort Apache Agency or Area  
Effective Period From May 1, 2017 to April 30, 2018  
Page 5

C. Forest Development

(1) Narrative (Activities to be funded from this category. See 25 CFR 163.1, The definition of forest land management activities.)

(2) Summary of Anticipated Obligations/Expenditures

a. Personnel Services (Salaries & EBC) FTE	\$ <u>0</u>
b. Travel (employee travel, vehicles, etc.)	\$ <u>0</u>
c. Contractual Services Insurance	\$ <u>0</u>
d. Rents, Communications, and Utilities	\$ <u>0</u>
e. Supplies & Materials	\$ <u>0</u>
f. Equipment (itemize major equipment purchase)	\$ <u>0</u>
g. Other (Itemize)	\$ <u>0</u>
(3) <u>SUBTOTAL</u> – Forest Development	\$ <u>0</u>



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Fort Apache Agency or Area  
Effective Period From May 1, 2017 to April 30, 2018  
Page 6

D. Forest Management Inventories and Plans

(1) Narrative (Activities to be funded from this category. See 25 CFR 163.1, The definition of forest land management activities.)

(2) Summary of Anticipated Obligations/Expenditures

a. Personnel Services (Salaries & EBC) FTE	\$	0
b. Travel (employee travel, vehicles, etc.)	\$	0
c. Contractual Services Insurance	\$	0
d. Rents, Communications, and Utilities	\$	0
e. Supplies & Materials	\$	0
f. Equipment (itemize major equipment purchase)	\$	0
g. Other (Itemize)	\$	0
(3) <u>SUBTOTAL – Forest Management Inventories and Plans</u>	\$	0



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Fort Apache Agency or Area  
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Page 7

PART III – Cost of Accounting for Forestry Activities

- A. Narrative: Describe the type and extent of anticipated costs to be incurred by the Tribe to manage, administer and account for activities funded under Part II. These costs shall be a negotiated amount as agreed to between the Bureau and the Tribe, but in no event shall they exceed the amount established through the audit for contracts and grants on the reservation.

*The tribe will be paid \$343.53 for this Addendum for administrative assistance provided to the Tribal Forestry program. Funds will be paid to the tribe at a one-time rate of \$343.53. For the amount indicated, the tribe will provide accounting, personnel, and other support services needed to obligate and track funds as prescribed in this plan.*

- B. Accounting Cost \$ 343.53

*Funds (plus any accrued interest) will be withdrawn from the Indian Forest Land Assistance Account (#FL7530700) for forestry administrative costs.*

PART IV – Transfer of funds from BIA to Tribal Account \$ 165,703.93

Use this section to describe the mechanism for transferring funds from BIA holding account to tribal account(s). Include a description and frequency of tribal reports and frequency and method of transferring funds.

*For this addendum only, the tribe will submit a voucher for expenditure, signed by the Tribal Treasurer, which is eligible for reimbursement from the Forest Management Deduction, Forest Projects/Road Maintenance and Indian Forest Land Assistant accounts, respectively, held in a Bureau trust account on behalf of the White Mountain Apache Tribe. Vouchers will be verified for accuracy by the Tribe. Reimbursement requests will be submitted to the agency superintendent for processing a wire transfer to the tribal government account.*

PART V – Funds Not Transferred – Deferred for Future Use \$ 227,140.78

Briefly describe future projects and/or activities that the deferred funds are reserved for in known. Justification is not required to defer funds for future use.

*Deferred funds will be used to meet Tribal Forest Manager and Secretary salaries, and forestry support costs in managing the Tribal Forestry Program in FY 18.*