



Little River Band of Ottawa Indians

375 River Street
Manistee, MI 49660
(231) 723-8288

Resolution # 03-0910-284

Authorizing Set-Aside of Restricted Working Capital Reserve

WHEREAS, the status of the *Gaá Čhíng Ziibi Daáwaa Aníshinaábek* (Little River Band of Ottawa Indians) as a sovereign and Treaty-making power is confirmed in numerous treaties, from agreements with the initial colonial powers on this land, to various treaties with the United States; and

WHEREAS, the Little River Band of Ottawa Indians (Tribe) is descended from, and is the political successor to, the Grand River Ottawa Bands, signatories of the 1836 Treaty of Washington (7 Stat. 491) with the United States, as reaffirmed by federal law in P.L. 103-324, enacted in 1994; and

WHEREAS, the Tribe adopted a new Constitution, pursuant to a vote of the membership on May 27, 1998, which Constitution became effective upon its approval by the Assistant Secretary-Indian Affairs on July 10, 1998; and

WHEREAS, the Tribal Council is authorized under Article IV, Section 7(a) to provide for the public health, peace, morals, education and general welfare of the Little River Band and its members; and

WHEREAS pursuant to the Tribal Constitution, Art. IV, Section 7(i)(2), the Tribal Council is authorized to manage any funds within the exclusive control of the Little River Band and to appropriate these funds for the benefit of the Tribe and its members; and

WHEREAS the Tribal Ogema has identified a need to establish a Working Capital Reserve to ensure sufficient funds to permit the Tribal government to maintain normal and ongoing operations at all times, and to provide sufficient cash flow reserves in the event of any disruption or deficiencies in the distribution of revenues from Casino operations; and

WHEREAS the Tribal Ogema, upon the advice and consultation with the Tribe's Chief Financial Officer, recommends a Working Capital Reserve equivalent to 4 months estimated expenditures; and

WHEREAS the Tribal Council, on 2/26/03, by Resolution #01-0226-55, approved the 2003 Tribal Operations Budget, which included an amount of \$20,064,444 funded by Tribal funds; and

WHEREAS the monthly budgeted expenses of Tribal funds for FY2003 accordingly are \$1,672,037;

NOW THEREFORE the Tribal Council resolves that a Working Capital Reserve of \$6,400,000, equivalent to approximately 4 months budgeted expenditures in the adopted 2003 Tribal budget, shall be set aside from Casino cash distributions; and

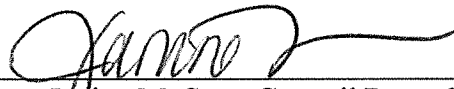
THE TRIBAL COUNCIL FURTHER RESOLVES that the Working Capital Reserve shall be designated as "Restricted" in the Fund Balance section of the Tribal governmental financial statements, in accordance with Generally Accepted Accounting Principles and shall be subject to approving resolution of Tribal Council prior to accessing the reserve; and

THE TRIBAL COUNCIL FURTHER RESOLVES that the Working Capital Reserve annually shall be adjusted to equal 4 months budgeted expenses, rounded to the nearest \$100,000 increment, at the beginning of each fiscal year, upon approval of each year's Tribal Budget; and

THE TRIBAL COUNCIL RESOLVES FURTHER that the funds available in the Working Capital Reserve in any year shall not be diminished from the previous fiscal year, but shall be increased upwards to reflect annual Tribal budgetary increases.

CERTIFICATE OF ADOPTION

I do hereby certify that the foregoing resolution was duly presented and adopted by the Tribal Council with 8 FOR, 1 AGAINST, 0 ABSTAINING, and 0 ABSENT, at a Regular Session of the Little River Band of Ottawa Indians Tribal Council held on September 10, 2003, at the Little River Band's Community Center in Manistee, Michigan, with a quorum being present for such vote.



Jarline M. Sam, Council Recorder



Stephen Parsons, Council Speaker

Attest:

Distribution: Council Records
Tribal Ogema
Tribal Court
Legal Department