



Little River Band of Ottawa Indians

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

Resolution # 04-1020-419

Approving the Little River Casino Resort to Maintain Funds Originally Budgeted for Payment of Sinking Fund Obligations to Supplement Costs of the Expansion Project

WHEREAS, the Tribe's status as a federally-recognized Indian tribe was reaffirmed and restored by Congress pursuant to Public Law 103-324, Stat. 2156 (25 U.S.C., 1300k et seq.)(hereinafter "Little River Act"); 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 Tribe adopted amendments to the Constitution on April 26, 2004, which became effective upon approval by the Assistant Secretary-Indian Affairs on May 13, 2004; and

WHEREAS, the Tribal Council, pursuant to Article IV, Section 7(a) of the Constitution, has the power to provide for the general welfare of the Tribe and its members; and

WHEREAS, the Tribal Council, pursuant to Article IV, Section 7 (i)(2) of the Constitution, has the power to manage any funds within the exclusive control of the Tribe and to appropriate such funds for the benefit of the Tribe and its members; and

WHEREAS, the Tribal Council has previously approved a total budget for expansion of the Little River Casino Resort (LRCR) in the amount of \$37,595,396; and

WHEREAS, the funding for the expansion project is projected to come from two sources. The first source, in the amount of \$35,000,000, to be funded through the credit facility previously approved through National City Bank. The second source, in the amount of \$2,595,396, to be funded from earnings of the LRCR; and

WHEREAS, the LRCR has identified that funds obligated in their fiscal year 2004 budget, for payment of sinking fund obligations on the previous financing instrument, are no longer required for this purpose because of both the favorable outcome of the TOMAC litigation and the refinancing of the debt instruments that took place in July 2004; and

WHEREAS, the amount of funds originally budgeted for the sinking fund obligation that will not be utilized is projected to be in excess of \$5.5 million; and

WHEREAS, without specific Tribal Council action any portion of the originally budgeted funds, that were obligated for payment to the sinking fund, that are not utilized for this purpose will automatically be included in amounts to be distributed to the tribal government as part of the normal distribution calculation; and

WHEREAS, the management of the LRCR, and the Development Committee responsible for the expansion project, desire that a portion of the funds originally budgeted for payment of sinking fund obligations be utilized to cover the \$2,595,396 in approved expenses for the expansion project; and

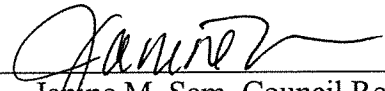
WHEREAS, the \$2,595,396 can be made available prior to December 2004 based on the original budget projections in the approved fiscal year 2004 operating budget of the LRCR.

NOW THEREFORE IT IS RESOLVED THAT the LRCR is hereby authorized to place the amount of \$2,595,396 in the segregated construction account to be utilized to supplement the cost of the expansion project; and

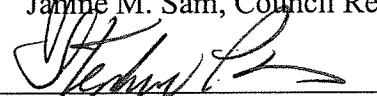
BE IT FURHTER RESOLVED THAT the LRCR is directed to revise their operating budget for fiscal year 2004 to reflect the use of these funds for the expansion project and to exclude them from normal tribal distributions.

CERTIFICATE OF ADOPTION

I do hereby certify that the foregoing resolution was duly presented and adopted by the Tribal Council with 6 FOR, 2 AGAINST, 0 ABSTAINING, and 1 ABSENT, at a Regular Session of the Little River Band of Ottawa Indians Tribal Council held on October 20, 2004, at the Little River Band's Dome Room in Manistee, Michigan, with a quorum being present for such vote.



Janne M. Sam, Council Recorder



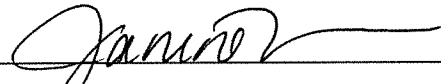
Stephen Parsons, Council Speaker

Attest:

Presentation of Resolution Budget Modification to Tribal Ogema:

Pursuant to Article V, Section 5(a)(6) and Section 5(c) of the Tribal Constitution, the foregoing Resolution modifying the Operating Budget for Fiscal Year 2004 as set forth in Resolution #04-1217-424, has been presented to the Tribal Ogema by the Tribal Council Recorder for his/her approval.

Date delivered to Tribal Ogema: 10-22-04

Signature of Council Recorder: 

Action by the Tribal Ogema: Approved Disapproved (attach comments)

Date: 10/25/04

Signature of Ogema: 

Distribution: Council Records
Tribal Ogema