



Little River Band of Ottawa Indians

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

Resolution # 05-0720-323

Correcting Resolution # 03-0919-284 to Lower the Working Capital Reserve Requirement to Reflect Current Budgeting Processes and Membership Needs

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 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 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, the Tribal Council is vested with the authority, under Article IV, Section 7(i)(2), to manage the funds of the Tribe; and

WHEREAS, the Tribal Council adopted resolution # 03-0919-284 which set aside funds in a restricted Working Capital Reserve Fund equivalent to approximately four months of Tribal operations based on the current Tribal budget for the purposes of maintaining Tribal operations in the event of a disruption or deficiency in the distribution from the Little River Casino Resort; and

WHEREAS, the Tribal Council finds that the current functional budgeting processes authorized under the Budget and Appropriations Ordinance results in significant unbudgeted funds, which was identified in the FY2005 budget as a cash reserve of \$18 million, including reserve funds; it is currently anticipated in the May 2005 Financial Report that a \$17 million in surplus funds will exist at the conclusion of the fiscal year which includes \$8 million in Working Capital Reserve funding; and that given the estimated excess funds; and finally that no indicators exist which identify an anticipated disruption or deficiency in Little River Casino Resort distributions or federal grant activities; and

WHEREAS, the Tribal Council finds that four months of reserved operational expenses, or one third of a fiscal year budget, compared to the immediate needs for housing by members is both too conservative and restricts the use of funds that should be utilized to benefit Tribal members; and

WHEREAS, the Tribal Council finds that two months of reserved operational expenses is a more appropriate level given the needs of members and the functional budgeting processes of the Tribe;

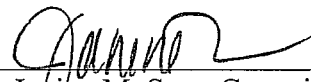
NOW THEREFORE IT IS RESOLVED THAT the Tribal Council of the Little River Band of Ottawa Indians hereby amends Resolution # 03-0910-284 to reduce the Working Capital Reserve requirement to approximately two months of budgeted expenditures in an adopted Tribal budget.

IT IS FURTHER RESOLVED THAT the Tribal Council directs the Consulting Chief Financial Officer to present a resolution transferring excess funds, based on the new requirements set forth in this resolution, to a Housing Stock Reserve Fund from the Working Capital Reserve Fund at the July 27, 2005 Tribal Council meeting.

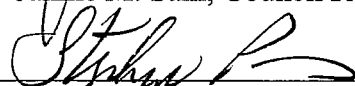
IT IS FURTHER RESOLVED THAT the Tribal Council directs that release of funds from the Housing Stock Reserve Fund shall be made by resolution adopted by the Tribal Council for specific projects.

CERTIFICATE OF ADOPTION

I do hereby certify that the foregoing resolution was duly presented and adopted by the Tribal Council with 7 FOR, 1 AGAINST, 0 ABSTAINING, 0 ABSENT, and 1 VACANT, at a Regular Session of the Little River Band of Ottawa Indians Tribal Council held on July 20, 2005, at the Little River Band's Dome Room in Manistee, Michigan, with a quorum being present for such vote.



Janine M. Sam, Council Recorder



Stephen Parsons, Council Speaker

Attest: