



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

(Approving Forest Management Deduction Expenditure Plan 2009-2010)

- WHEREAS,** pursuant to Article IV, Section 1(a) and 1(s) 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
- 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 off the Fort Apache Indian Reservation; and
- WHEREAS,** money generated from such withholdings related to forest land management activities are placed in to the Forest Management Deduction Fund; and
- WHEREAS,** the Tribal Council has reviewed the Expenditure Plan for Forest Management Deductions from May 1, 2009 to April 30, 2010, as attached and incorporated by this reference; and
- WHEREAS,** the Tribal Council finds that the Plan should be approved and that the use of Forest Management Deduction Funds should coincide with the current Tribal Forestry Budget, for the Tribal Fiscal Year 2009-2010.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby approves the Forest Management Deduction Expenditure Plan of \$299,902.00 for the Tribal Fiscal Year 2009-2010 as attached and incorporated by this reference.

BE IT FURTHER RESOLVED by the Tribal Council that Forest Management Deductions collected shall be properly deposited and expended on items designated in the Expenditure Plan for Management Deductions and in accordance with 25 U.S.C. 3105.

BE IT FURTHER RESOLVED by the Tribal Council that in the event that this Resolution conflicts with a prior Resolution or Policy, this Resolution shall govern.

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

The foregoing resolution was on JUNE 11, 2009 duly adopted by a vote of SIX for, ONE against, and ONE abstention 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).

Evangelina Gatorwood **ACTING**
Ronnie Lupe, Chairman of the Tribal Council

Cyndy R. Harvey
Cyndy R. Harvey, Secretary of the Tribal Council

EXPENDITURE PLAN FOR
FOREST MANAGEMENT DEDUCTIONS

Fort Apache Reservation **Fort Apache** Agency or Area
Fiscal Year 2009 Effective Period From May 1, 2009 To April 30, 2010
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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 (Page2)</u>	\$ <u>1,077,961.00</u>
PART II- <u>Forestry Activities Covered by this Plan</u>	
A. Forest Production Sale Administration (Page 3)	\$ <u>140,335.00</u>
B. Forest Protection (Page 4)	\$ <u>40,791.00</u>
C. Forest Development (Page 5)	\$ <u>28,714.00</u>
D. Forest Management Inventories and Plans (Page 6)	\$ <u>84,062.00</u>
TOTAL - PART II	\$ <u>293,902.00</u>
PART III - <u>Cost of Accounting for Forestry Activities (Page7)</u>	\$ <u>6,000.00</u>
GRAND TOTAL - PARTS II AND III	\$ <u>299,902.00</u>
PART IV- <u>Transfer of Funds from BIA to Tribal Account (Page7)</u>	\$ <u>299,902.00</u>
PART V - <u>Funds not Transferred - Deferred for Future Use (Page7)</u>	\$ <u>778,059.00</u>

APPROVAL: Adopted by the Tribal Council Resolution No. _____

Superintendent/Trust Officer Date

Tribal Official Date

Regional Director Date

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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): 10,000
The estimated harvest and average value was derived per discussion with FATCO Administration and Timber Operations Staff.
- (2) Value (\$): \$3,090,000.00
Estimated Average Value per MBF = \$309.00.
Total Revenue: 10,000 MBF x \$309.00 = \$3,090,000

B. Forest Management Deductions

- (1) Deductions Anticipated this Fiscal Year \$ 77,961.00
Stumpage @ 29% of total revenue
 $\$3,090,000 \times 0.29 = \$896,100$
Road Suspense Deduction @ 13% of Stumpage
 $\$896,100 \times 0.13 = \$116,493$
Stumpage - Road Suspense Deduction x 10% = Forest Management Deduction
 $\$896,100 - \$116,493 \times .10 = \$77,960.70$
- (2) Estimated Deductions Carried-Over from Previous Years \$ 1,000,000.00

C. Total Available Forest Management Deductions \$ 1,077,961.00

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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.

This year we have determined that the Tribal Forest Manager and Administrative Assistant belong under this program, which emphasizes our commitment to assist the tribe in balancing forest health and forest utilization to provide sustained resources for the White Mountain Apache Tribe.

(2) Summary of Anticipated Obligations/Expenditures

(a) Personal Services (Salaries & EBC) FTE	\$ <u>108,835.00</u>
(b) Travel (employee travel, vehicles, etc.)	\$ <u>7,500.00</u>
(c) Contractual Services Insurance	\$ <u>12,000.00</u>
(d) Rents, Communications, and Utilities	\$ <u>9,000.00</u>
(e) Supplies & Materials	\$ <u>3,000.00</u>
(f) Equipment (itemize major equipment purchases)	\$ <u>0.00</u>
(g) Other (Itemize)	\$ <u>0.00</u>

(3) **SUBTOTAL** - Forest Production Sale Administration \$ 140,335.00

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B. Forest Protection

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

A law enforcement officer to patrol the reservation and enforce wood product violations.

(2) Summary of anticipated Obligations/Expenditures

(a) Personal Services (Salaries & EBC) FTE (1.3)	\$ <u>36,791.00</u>
(b) Travel (employee travel, vehicles, etc.)	\$ <u>3,000.00</u>
(c) Contractual Services	\$ <u>0.00</u>
(d) Rents, Communications, and Utilities	\$ <u>0.00</u>
(e) Supplies & Materials	\$ <u>1,000.00</u>
(f) Equipment (itemize major equipment purchases)	\$ <u>0.00</u>
(g) Other (Itemize)	\$ <u>0.00</u>

(3) **SUBTOTAL** - Forest Protection \$ 40,791.00

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C. Forest Development

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

The emphasis in Tribal Forestry in this area is shifting, with an emphasis on using these funds to attract additional monies to help manage tribal forest resources and tribal forestry employees. The funds will be used for developing grants and contracts to expand the overall funding base to the Tribal Forestry program.

Employees under this funding source will continue to be involved with traditional forest development activities such as reforestation which is a major need for the Tribe.

(2) Summary of anticipated Obligations/Expenditures

(a) Personal Services (Salaries & EBC) FTE (1.0)	\$ <u>25,714.00</u>
(b) Travel (employee travel, vehicles, etc.)	\$ <u>2,000.00</u>
(c) Contractual Services	\$ <u>0.00</u>
(d) Rents, Communications, and Utilities	\$ <u>0.00</u>
(e) Supplies & Materials	\$ <u>1,000.00</u>
(f) Equipment (itemize major equipment purchases)	\$ <u>0.00</u>
(g) Other (Itemize)	\$ <u>0.00</u>
(3) <u>SUBTOTAL</u> - Forest Development	\$ <u>28,714.00</u>

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C. 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.

This program area will be used for the continual development of the tribal GIS program. Portions of the program will be charged to other projects, but this provides a base funding to get this project off the ground. The GIS portion will not only work on timber sales, but all forest management activities including forest development, fuels management and fire management.

(2) Summary of anticipated Obligations/Expenditures

(a) Personal Services (Salaries & EBC) FTE (1.3)	\$ <u>80,062.00</u>
(b) Travel (employee travel, vehicles, etc.)	\$ <u>2,000.00</u>
(c) Contractual Services	\$ <u>0.00</u>
(d) Rents, Communications, and Utilities	\$ <u>0.00</u>
(e) Supplies & Materials	\$ <u>2,000.00</u>
(f) Equipment (itemize major equipment purchases)	\$ <u>0.00</u>
(g) Other (Itemize)	\$ <u>0.00</u>

(3) **SUBTOTAL** -Forest Management Inventories and Plans \$ 84,062.00

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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 \$6,000 for FY2008-09 to reimburse them for administrative assistance provided to the tribal forestry program. Funds will be paid to the tribe at a rate of \$500 per month from 001-082-7706 account. For the amount indicated, the tribe will provide accounting, personnel, and other support services needed.

B. Accounting Cost \$ 6,000.00

PART IV - Transfer of funds from BIA to Tribal Account \$ 299,902.00

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.

Each month the tribe submits a voucher for expenditures, signed by the tribal treasurer, which is eligible for reimbursement from forest management deduction monies held in an agency IIM account. The voucher is usually received the second week of the following month. After the voucher is verified for accuracy the forest manager signs the voucher and submits it to the agency superintendent, who then directs the finance office to prepare a wire transfer to the tribal government account.

PART V - Funds Not Transferred - Deferred for Future Use. \$ 778,058.00
\$1,077,961.00-\$299,902=\$778,058.00

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

As timber prices continue to decline and the FMD monies decline as well, the deferred funds will need to be used this year to support our basic activities described in pages 3-6 of this document. We are requesting to utilize the amount of \$221,941 from the deferred fund for this Fiscal year and this amount is included in Part IV above. It is our hope to keep the rest of these funds in reserve for emergency assistance only and this year qualifies as an emergency. Our annual harvest volumes are decreasing and prices continue to show a decline as well. These two factors combined require us to request funds from this source.