

Oneida Nation

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Oneida, WI 54155

BC Resolution # 09-13-17-A

Adoption of Budget Contingency Plan in Conformance with the Budget Control and Management and Control Law

- WHEREAS,** the Oneida Nation is a federally recognized Indian government and a treaty tribe recognized by the laws of the United States of America; and
- WHEREAS,** the Oneida General Tribal Council is the governing body of the Oneida Nation; and
- WHEREAS,** the Oneida Business Committee has been delegated the authority of Article IV, Section 1, of the Oneida Tribal Constitution by the Oneida General Tribal Council; and
- WHEREAS,** the Oneida Business Committee adopted resolution # BC-10-08-08-A, *Adopting Expenditure Authorization and Reporting Requirements*, which set forth requirements for reporting to the General Tribal Council regarding expenditures and budget related actions; and
- WHEREAS,** the Oneida Business Committee adopted resolution # BC-02-11-15-A, *Budget Initiative for Fiscal Years 2016, 2017, and 2018*, which identified the goals of “promoting economic stability, good governance, social progress and a rising standard of living for all enrolled Oneidas” and set the following budget goal:
The end in mind is “Sustainability.” Assessment guidelines will be the path for the Tribal organization to develop a Fiscal Year 2016 budget so that we may begin to implement strategies for growth in Fiscal Year 2017 and Fiscal Year 2018 to support the Oneida Tribe overall, *Resolve #1*; and
- WHEREAS,** the Oneida Business Committee has continued to support the assessment, implement, and review by adoption of resolutions regarding the budget development such as resolution # BC-12-09-15-A, *Guidance for Implementing Fiscal Year 2016 Budget and Developing Fiscal Year 2017 and Fiscal Year 2018 Budget*,
that tribal operations, at all levels, are expected to know and understand the objectives and budget initiatives for guiding actions during Fiscal Year 2016 and developing the Fiscal Year 2017 and 2018 budgets; and more specifically tribal operations are directed to create a more effective workforce based on Strategic Workforce Planning proposal as approved by the Oneida Business Committee on October 22, 2014, *Resolve #1*
the Oneida Business Committee continues to support Fiscal Year 2017 as a “Year of Action” and directs the organization to continue implementing their Fiscal Year 2016 transition and efficiency plans, while focusing on Community Development, New Revenues, Reducing Debt, and Improving Employment Programs, *Resolve # 2*; and
- WHEREAS,** the Oneida Business Committee recommitted to development of a budget and finance law for the Oneida Nation to guide how budgets are developed and expenditures are authorized; and

WHEREAS, the Oneida Business Committee adopted resolution # BC-02-08-17-C, *Adoption of the Budget Management and Control Law*, with an implementation date of October 1, 2017, which sets forth directives and guidance regarding short term and long term financial planning through budgeting and contingency planning; and

WHEREAS, the Budget Management and Control Law, in section 121.4-3, requires the development of a Budget Contingency Plan "which provides a strategy for the Nation to respond to extreme financial distress that could negatively impact the Nation;" and


WHEREAS, the Treasurer has worked with the Chief Financial Officer, the Assistant Chief Financial Officer, Division Directors, and the Finance Committee to identify contingency planning options and goals to present to the Oneida Business Committee for review and approval to comply with section 121.4-3 in anticipation of the implementation date of the Budget Management and Control Law; and

NOW THEREFORE BE IT RESOLVED, Tribal operations are required to develop contingency plans for their respective areas, and update them by the first (1st) of March on an annual basis. Contingency plans shall be developed by Tribal operations and by each subsection of the operations supervised by the direct report or appropriate Chairperson of Tribal Boards, Committees, and Commissions. Each direct report or appropriate Chairperson shall be responsible for receiving, reviewing, approving, and maintaining the contingency plans for each subsection of the operations supervised by the direct report or appropriate Chairperson. Direct reports or appropriate Chairperson shall submit their high-level contingency plans to the officers of the Oneida Business Committee.

BE IT FURTHER RESOLVED, the Oneida Business Committee does hereby adopt the attached *Budget Contingency Plan*.

CERTIFICATION

I, the undersigned, as Secretary of the Oneida Business Committee, hereby certify that the Oneida Business Committee is composed of 9 members of whom 5 members constitute a quorum; 5 members were present at a meeting duly called, noticed and held on the 13th day of September, 2017; that the forgoing resolution was duly adopted at such meeting by a vote of 4 members for, 0 members against, and 0 members not voting; and that said resolution has not been rescinded or amended in any way.



Lisa Summers, Tribal Secretary
Oneida Business Committee

*According to the By-Laws, Article I, Section 1, the Chair votes "only in the case of a tie."



The purpose of the Budget Contingency Plan is to establish a guideline and general approach to respond to financial distress and conditions that could negatively impact the Oneida Nation’s fiscal health. The primary goals established in this plan will be the foundation and basis for budgetary decision-making. This plan includes a systematic response to financial distress, as opposed to reactionary decision-making that could have a long-term negative impact to the Nation.

PRIMARY GOALS

The primary goals of the Nation’s Budget Contingency Plan are as follows:

- To protect the integrity and sovereignty of the Nation
- Preserve the Nation’s solvency
- Maintain a balanced budget
- Preserve the Nation’s core services, according to the Budget Management Control Act 121.5-3 (a)
- To ensure there is reliable communication

The Nation will strive to continue providing a balance of services within its financial ability. The plan will include the continued ability to achieve the Nation’s mission to strengthen and protect our people, reclaim our land and enhance the environment by exercising our sovereignty. This will be achieved through fiscal responsibility, attentive planning, and continuous improvement.

IDENTIFIED TRIGGERS

The execution of the plan will be anticipated by the identified triggers that influence financial distress circumstances. These circumstances are defined in the Budget Management and Control Act 121.4-3 (c): Natural disasters, human-made disasters, United States government shutdown, Tribal shut down, and economic downturns.

- Natural Disasters
 - Tornadoes
 - Blizzards
 - Extreme weather conditions
 - Ice
 - Any environmental event having an impact on revenue generators
- Human-made Disasters
 - Computers
 - Software breaches
 - Hostage
 - Electricity

- Pandemic
- Water supply becomes contaminated through man made or the land fill fails
- External government influences or changes in policy shift, for example taxation of Gaming
 - United States Government Shutdown
 - Grants – Tribal contribution is impacted
 - Discretionary spending
 - Repeal of Affordable Care Act, change in federal policy
- Tribal Shutdown
 - BC/GTC mandates
- Economic Downturns
 - Gross domestic product declines 3 consecutive quarters
 - Regional downturn
 - Sectors impacting gross domestic product

KEY FUNDAMENTALS

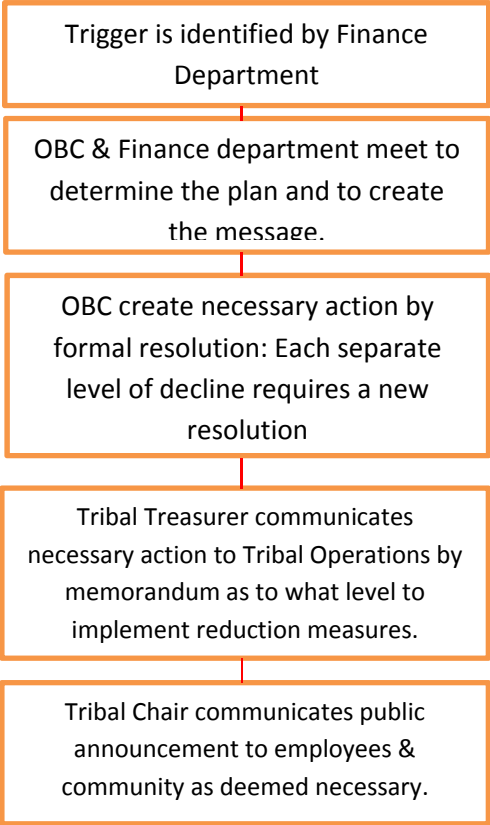
1. Utilize Permanent Executive Contingency Fund
Objective: To assess the type of fiscal challenge. The type of challenge (temporary or permanent) will determine the strategy used based on the CFO's professional assessment
 - a. The type of financial distress will determine the level of utilization of the Permanent Executive Contingency Fund. The following purposes, and only to the extent that alternative funding sources are unavailable are:
 - i. Payments to notes payable to debt service, both principal and interest, and applicable service fees;
 - ii. (2) Employee payroll, including all applicable taxes;
 - iii. (3) Payments to vendors for gaming and retail;
 - iv. (4) Payments to vendors for governmental operations;
 - v. (5) Payments to any other debt; and
 - vi. (6) To sustain any of the Nation's other operations during implementation of the budget contingency plan.
2. Identify Budget Balancing Options
 - a. In the long-term, there are typically two basic budget balancing options:
 - i. Identify alternative funding resources
 - ii. Reduce expenditures
 - b. In the short-term, use of the Executive Permanent Contingency Fund is an option, but is not a long-term solution

3. Strategy – An agreement of the reviewed processes will be established between the Tribal Operations and the CFO’s office. Tribal Operations are responsible for identifying expenditure reduction options that are:
 - i. Realistic and ongoing
 - ii. Reflect the least service impacts
 - iii. Maintain essential needs
4. Preparing Operating Expenditure Reduction Measures
 - a. Reduction measures will be based on priorities. The priorities have been identified as:
 - i. Safety
 - ii. Health
 - iii. Regulatory
5. Capital Improvement (CI) Plan Projects & Capital Expenditures (Cap Ex)
 - a. CI projects needed to maintain existing infrastructure will have a higher priority
 - b. Cap Ex identified as priority
 - c. IT & Technology projects identified as priority
6. Provide Ongoing Monitoring of the Nation’s Fiscal Health
 - a. In effort to keep the lines of communication open for the employees and community, the Finance Office will provide ongoing reporting and monitoring on a quarterly basis or more frequently if the need arises
7. Employee Connection
 - a. Communication efforts shall be made with the employees and community
 - b. This approach is being used as Oneida Nation believes in treating employees with respect which means keeping the employees abreast about the Nation’s plans that could potentially affect them

APPROVAL AND IMPLEMENTATION

The Oneida Business Committee approved this plan for implementation on September 13, 2017. The CFO’s office will closely monitor this plan to ensure the Nation is achieving its goals. The Oneida Business Committee, with the advice from the CFO’s office is responsible for preparing the recommended action plan whereas the O.B.C. shall create necessary action by formal resolution and each separate level of decline shall require a new resolution.

BUDGET REDUCTIONS COMMUNICATION PROCESS



<u>Level of Decline</u>	<u>Definition of Reductions</u> (all actions are with the advisement of the CFO's office)
Tier I	1% - Delaying expenses, deferment
Tier II	2% - Cost containments
Tier III	3% - Tribal Operations & OBC identify and preserve specific core services
Tier IV	4% - Tribal Operations & OBC identify and preserve specific core services
Tier V	5% - The OBC identify mandatory cuts across the Nation