



**FROM THE DESK OF
REBECCA L. OIEN, TRIBAL MANAGER**

MEMO

TO: Tribal Council
FROM: Becky L. Oien, Tribal Manager & Ken Thelen, CFO
CC: File
DATE: March 31, 2021
RE: FY 2022 PROPOSED BUDGET

Attached you will find the final Fiscal Year 2022 budget for tribal government operations discretionary programs. These programs are funded with Bureau of Indian Affairs & Indian Health Service self-governance funding, reimbursements from the GTB Economic Development Corporation and with tribal resources. This is a balanced budget that contains \$47,917,363 in spending authority for FY 2022. The sources of revenues for the FY 2022 budget are as follows:

Projected Revenue Allocation Ordinance (RAO) Funding	\$ 24,000,000
Indian Health Service Annual Funding Agreement	4,453,532
Bureau of Indian Affairs Annual Funding Agreement	4,685,390
Reimbursement from GTB Economic Development Corp	1,824,993
Housing Non-Program Income	0
Third Party Revenues/Program Income	3,050,330
Government Ops Investment	5,109,296
Sales Tax Revenue	529,841
Tobacco Tax Revenues	30,820
Other: Communication Revenues	34,940
Other: Fund Balance	997,898
Other: Misc Revenue	17,761
Other: Rights Protection Initiative	943,726
Other: Pooled Charges	2,238,836
Total Revenues	\$ 47,917,363

This FY 2022 budget is based upon several estimates of revenues and timing of revenue receipts. If monthly RAO revenues fall below projected estimates during the fiscal year, programs funded by 25% RAO monies will need to be examined to determine an appropriate reallocation of available RAO resources for the balance of the fiscal year.

Grand Traverse Band
2605 N. West Bay Shore Dr.
Peshawbestown, MI 49682

Chief Financial Officer

MEMO

DATE: March 31, 2021
TO: Tribal Council
FROM: Ken Thelen, CFO
SUBJECT: **PROPOSED FISCAL YEAR 2022 BUDGET**

Attached are the Proposed Fiscal Year 2022 Budgets for governmental operations for the period starting October 1, 2021 thru September 30, 2022. The attached proposed budget has been prepared for the government operations programs that are funded by the Revenue Allocation Ordinance, Bureau of Indian Affairs, Indian Health Service funding, Internal Service Programs or are Self-supporting. The 2022 Budget has been prepared assuming that RAO revenues in fiscal year 2022 will total \$24,000,000. This will result in approximately \$6,000,000 available for government operations in FY 2022. We will be watching our spending closely and review the budgets when the final figures are announced.

Attachment "A" to this memo provides you with the major assumptions and adjustments that have been used to prepare the FY 2022 budget.

Included with this memo you will find the following documents:

1. Composite Budget (by line item)
2. Department Summary Budgets (by program & line item)

During your final review of the individual program budgets, please keep in mind the following:

This is a balanced budget and any changes to individual program budgets may adversely affect other programs.

The I.H.S. & BIA budgets have been adjusted in FY 2022 to collect the maximum amount of I.H.S. & BIA Contract Support Costs by shifting all available funds to the Wages & Fringes line items.

Again, as stated above, this is the final presentation of the proposed budget for Fiscal Year 2022. It is a balanced budget and it is now presented to you as the proposed budget for the formal governmental review process. Over the next four (4) months, we will review the individual programs, hold at least three (3) public hearings to obtain membership comments and to hold such other meetings, hearings and discussion with the various Department Managers and Program Directors to finalize the budget.

Attached is a proposed FY 2022 “List of Activities” of the formal budget review process. (Attachment B).

If you have any questions or need additional information, please contact me at Ext. 7240.

ATTACHMENT A

Fiscal Year 2022 Major Budget Adjustments and Assumptions

- A. This FY 2022 budget is based upon RAO revenues totaling \$24,000,000 providing at least \$6,000,000 for government operations which is a decrease from FY 2021.
- B. Current approved vacancies have been included in this budget. Employees and their wages are budgeted at the current levels.
- C. The FY 2022 Indirect Cost rate has been projected to be 25.12%.
- D. The Space Cost rate is set at \$16.80 per sq. foot compared to FY 2021 rate of \$16.80 per sq. foot.
- E. Telephone Costs will remain the same as last year.
- F. The EDC will reimburse 40% of the costs of the Legal Department
- G. The EDC will reimburse 100% of Regulatory & Gaming Commission costs.
- H. It is assumed that the current federal and state grant awards and any amounts contained in their current budgets that will carry forward into FY 2022 do not require Tribal Council approval for the upcoming fiscal year.
- I. The government will pay the actual governmental operation costs of the Information Technology (IT) Department.
- J. This budget does contain a 401k “employer match” funding in FY 2022.
- K. The Fringe Benefits rate charged to programs is 43.495% for full-time employees and 8.369% for Part-time employees due to projected health insurance & unemployment costs.
- L. A total of \$401,000 in 25% RAO revenues have been placed into the Tribal Council RAO Contingency budget to provide funding for grant cash matches and to pay for uncollectible indirect costs for various federal programs, of this, \$360,000 has been set aside for the Head Start/Early Head Start program for their grant year starting June 1, 2021 through May 31, 2022.
- M. BIA funding has been allocated to ensure that all Contract Support (indirect cost) is captured in FY 2022.
- N. Only Revenue Allocation Ordinance (RAO), Bureau of Indian Affairs, Indian Health Service, Sales Tax Revenue, Tobacco Revenue, program income, rental income, and third party reimbursements have been included in the attached budgets. It is assumed that state, private and federal grant funding has already been approved and budgeted and therefore is not included in this discretionary funding budget.
- O. EDC will reimburse salaries at 25% and pay for related EDC costs of the Tribal Council. These costs are outlined in the Indirect Cost Pool – Tribal Council Support worksheet.

- P. 35% of the wages and fringe benefits for the Risk Manager & HR Benefits Manager have been incorporated into the Indirect Cost Pool.
- Q. \$529,841 in Sales Tax Revenues was budgeted in the Police Department Supplement program, Prosecutor, Strongheart, Tribal Court Public Defender and Internal Revenue Department.
- R. \$30,820 in Tobacco Tax Revenue was budgeted into the Clinic and Strongheart programs.
- S. \$34,940 in Communication Tower Revenue was budgeted into the Communication program.

ATTACHMENT B

Fiscal Year 2022 Budget List of Activities/Deadlines

Proposed FY 2022 Budget presented to Tribal Council by February 28, 2021
-February 24, 2021

Tribal Council Schedules Public Hearings -March 17, 2021 at 9:30am Tribal Council Chambers	April 28, 2021
Tribal Council Review of Budget	March – April, 2021
Staff Review of Budget	March – April, 2021
2 nd Draft of FY 2022 Budget prepared	April, 2021
Public Hearings -April 21, 2021 at 9:30 am Tribal Council Chambers -May 19, 2021 at 9:30 am Tribal Council Chambers	April - May, 2021
3 rd Draft of FY 2022 Budget prepared	June 2021
Tribal Council Review of Budget	June 2021
Staff Review of Budget	June 2021
Tribal Council Holds Dept. Mgr Budget Hearings	July, 2021
Final Estimation of FY 2022 RAO Revenues	July, 2021
Final Budget prepared for review by Tribal Council	July, 2021
FY 2022 Budget approval -August 25, 2021	by August 31, 2021

Fiscal Year 2022: Draft Composite Budget

(Based on \$24,000,000 RAO Income)

	\$ 6,000,000
BIA Funding Available	\$ 4,685,390
IHS Funding Available	\$ 4,453,532

DEPARTMENTS	Department 1	Department 2	Department 3	Department 4	Department 5	Department 6	Department 7	Department 8	Department 9	Department 10	Department 11	Department 12	Department 13	2022 TOTALS
	ELDERS	PUBLIC SAFETY	TRIBAL MANAGEMENT	FACILITIES MANAGEMENT	CONSERVATION	MEMBERSHIP	HUMAN SERVICES	HEALTH SERVICES	TRIBAL COURT	NATURAL RESOURCES	REGULATORY	EDUCATION	LEGAL	
Revenues														
3010.1 BIA		1,334,469	146,953		280,520	232,394	840,016		983,449	92,935		655,327	119,327	4,685,390
3010.2 IHS			140,000				362,840	3,749,449				201,243		4,453,532
3010.4 Prior Year-RPI funds										943,726				943,726
3030 RAO - 10% Long Term Invest			2,400,000											2,400,000
3030 RAO - 50% Per Capita			12,000,000											12,000,000
3030.1 RAO - 25%	1,071,376	430,380	1,281,253		148,875	30,395	237,222		212,619	238,157		1,517,192	832,531	6,000,000
3030.2 RAO - 15% EDC			3,600,000											3,600,000
3100 Reimbursement-EDC			414,334								897,029		513,630	1,824,993
3100 Reimbursement			9,000											9,000
3110 Fishing License														-
3110 Fines & Fees			1,200						75,000					76,200
3120 Third Party Collections		200	374,000	7,087		1,800		1,275,142	5,000		50,000	32,000		1,745,229
3120 Program Participants														-
3130 Sales Revenue			5,000											5,000
3140 Rent Revenue			74,272											74,272
3141 Rent Revenue Unrestricted														-
3150 MEPA Admin Fee			785											785
3170 Water & Sewer Revenue			1,139,844											1,139,844
3300 Sales Tax Revenue		35,500	382,242						88,226			23,873		529,841
3310 Tobacco Tax Revenue								10,820				20,000		30,820
3410 Pooled Cost Charges				2,238,836										2,238,836
3415 Fund Raising Revenue			10,148				500					500		11,148
4910 Other: Govt Ops			2,138,736					2,970,560						5,109,296
4910 Other: RPI														-
4910 Ramah Funds-Govt Ops														-
4910 Fisheries Trust														-
4910 Communication Tower			34,940											34,940
4910 Spend Fund Balance			997,898											997,898
State of Michigan CCF reimbursement									6,613					6,613
Total Revenues	1,071,376	1,800,549	25,150,605	2,245,923	429,395	264,589	1,440,578	8,005,971	1,370,907	1,274,818	947,029	2,450,135	1,465,488	47,917,363
Expenditures														
5010 Salaries & Wages	238,558	743,259	1,856,266	667,140	156,241	129,437	597,395	1,725,041	477,488	487,009	459,214	625,226	563,598	8,725,872
5020 Salaries & Wages-Temp			55,731	35,880				145,764	132,146			32,355		401,876
5110 Fringe Benefits	103,763	323,285	807,402	290,178	67,958	56,299	259,841	750,322	155,210	211,828	199,738	271,948	245,139	3,742,911
5120 Fringe Benefits-Temp			4,666	3,003				12,200	21,158			2,709		43,736
5310 Cost of Goods Sold			175,000											175,000
5510 Office Supplies	5,950	4,980	18,620	3,000	1,600	1,914	5,999	7,988	2,500	3,250	3,600	2,915	1,500	63,816
5520 Uniform and Related Equipment		28,950	2,600		3,500				800					35,850
5530 Program Materials	38,100	54,480	194,803	86,000	14,000	6,800	5,900	183,771	12,868	28,261	15,600	125,904	19,400	785,887
5540 Mailing, Printing, Advertising, Copying	1,000	2,725	32,410	350	200	1,640	1,500	5,025	2,650	5,620	2,400	3,926	1,500	60,946
5560 Food	27,700	1,750	62,125				62,700		400	500	400	37,850		193,425
5570 Cultural Supplies			18,550		500									19,050
5600 Telephone	7,500	14,310	26,322	5,430	2,370	1,740	14,131	19,890	9,825	7,320	8,232	14,040	3,960	135,070
5700 Travel	23,884	31,414	77,852	1,000	10,640		13,890	22,194	42,408	11,360	18,130	6,442	9,000	268,214
5710 Gasoline	20,000	39,750	36,300	18,000	12,000		800		12,100			19,000		157,950
5730 Training and Conference	1,500	15,407	22,695	2,000	3,200		6,168		6,925	6,250	7,150	7,808	1,955	81,058
5800 Background Checks											14,000			14,000
6110 Stipends		4,752	44,800							20,800	17,400			87,752
6200 Client Support Cost	366,894		272,400				33,105		35,539			9,025		716,963
6210 Emergency Client Services							60,000							60,000
6240 Down Pymt														-
6250.2 Detention Costs-Other									62,000					62,000
6260 Placement Cost							15,000		20,000					35,000
6270 Student Services Costs												186,725		186,725
6280 Tuition												525,000		525,000
6300 Management Service		18,971												18,971
6300 Billings Svc Part b								627,744						627,744
6310 Contractual Services	2,850	35,330	1,110,200	81,000	1,600		105,800	778,716	123,526	203,445		72,739	25,000	2,540,206

Fiscal Year 2022: Draft Composite Budget

(Based on \$24,000,000 RAO Income)

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		ELDERS	PUBLIC SAFETY	TRIBAL MANAGEMENT	FACILITIES MANAGEMENT	CONSERVATION	MEMBERSHIP	HUMAN SERVICES	HEALTH SERVICES	TRIBAL COURT	NATURAL RESOURCES	REGULATORY	EDUCATION	LEGAL	
6320	Legal Services			29,920										359,000	388,920
6360	Dancers and others non-contract			153,925										4,000	157,925
6520	Optical Service								50,000						50,000
6530	Dental Service								100,000						100,000
6550	Patient transport/hearing aid/life Alert								80,700						80,700
6560	Emergency Transportation								5,000						5,000
6570	Billings Svc								2,398,580						2,398,580
7010	Vehicle/Equip Purchase		85,833	22,000	35,000	77,000									219,833
7020	Vehicle/Equip-R&Maintenance	2,500	46,950	121,220	13,684	10,700	2,900		10,057	900	16,000	3,500	6,600	1,576	236,587
7030	Rent and Lease	2,458	752	11,919		876	1,656	3,427	9,052	6,036	9,286		2,852		48,314
7510	Space Costs	142,724	69,319	304,844		8,140	15,545	42,890	412,413	61,081	55,037	32,131	263,767	26,701	1,434,592
7520	Utilities			109,300	450,000						20,400				579,700
7530	Ground Maintenance			1,000	14,000										15,000
7540	Building Repair & Maintenance				150,000										150,000
7550	Property Taxes														-
7570	Insurance		10,407	58,400	120,000	2,549									191,356
7580	Disaster Emergency Fund			1,000											1,000
8020	Attorney Fees														-
8040	Management fees														-
8100	Bank Fees														-
8150	Per Capita Payments			11,934,115											11,934,115
8200	Depreciation			396,474	20,000										416,474
8500/85	Donations/Contingency/ Program Match			521,742											521,742
9510	Indirect Costs	85,995	267,925	666,004	250,258	56,321	46,658	212,832	661,514	197,447	175,552	165,534	233,304	203,159	3,222,503
9910	Long Term Inv/Eco Dev			6,000,000											6,000,000
Total Expenditures		1,071,376	1,800,549	25,150,605	2,245,923	429,395	264,589	1,440,578	8,005,971	1,370,907	1,274,818	947,029	2,450,135	1,465,488	47,917,363

Budget Balance

Grand Traverse Band of Ottawa and Chippewa Indians
Governmental Proposed Budget
Fiscal Year 2022

Long Term Investment 1140	Market Rental Housing 1660	Market Rental Housing-Herkner 1661	MEPA 4230	Museum Operations 8010	Per Capita Distribution 1120	Peshawbestown SBR 1208	Prosecutor Office 2170	Tribal Council 1202	Tribal Council Committees 8160	Tribal Manager Office 1201	Turtle Creek SBR 1400	Vehicle Repair Shop 8110	Grand Total
													146,953
													140,000
				10,012			32,379	331,499	43,663	0		29,938	1,281,253
2,400,000					12,000,000								18,000,000
	9,000							0				0	9,000
	1,200							331,499				82,835	414,334
							0						1,200
				5,000		27,000					132,000	200,000	374,000
	63,906	10,366											5,000
	0												74,272
			785										0
						473,000							785
							297,286				666,844		1,139,844
				2,000						648			382,242
						127,398					870,500		10,148
				300,000			200,000			0		475,162	997,898
2,400,000	74,106	10,366	785	317,012	12,000,000	627,398	529,665	662,998	43,663	648	1,669,344	787,935	25,150,605
	41,270	5,772	437	60,636	30,153	138,248	214,377	291,678			236,321	244,152	34,940
				13,052			26,496			0			1,856,266
	17,955	2,512	190	26,374	13,116	60,132	93,244	126,867			102,789	106,195	55,731
				1,093			2,218			0			807,402
				5,000									4,666
				300		1,100	850	1,250	830	648	1,100	1,200	170,000
												1,200	175,000
	0	0	0	5,195	1,000	30,000	6,445	26,090	15,683			9,000	18,620
	0			500	8,000	840	400	150	350		33,060	9,000	2,600
				650				14,975			600		194,803
				150				3,000					32,410
				1,560	540	3,120	1,560	7,380			3,420	1,512	62,125
				816		2,064	8,542	30,000			1,152		18,550
	0					6,000					3,500	25,000	26,322
						1,800	2,695	4,900			1,600		77,852
	0	0											36,300
									16,800				22,695
													0
	0	0		50,000		71,000	26,700	2,500			863,000		44,800
							19,920		10,000				272,400
													1,110,200
													29,920
						6,000							153,925
						26,500					0	16,000	22,000
				1,089			7,772				43,200	45,000	121,220
				134,922	2,206		33,957	30,066				41,149	11,919
	0	0				49,300					60,000		304,844
						1,000							109,300
	0	0											1,000
	0	0	0			9,200					9,200	40,000	0
					11,934,115			1,000					58,400
													1,000
						171,259					225,215		11,934,115
								18,000					396,474
													18,000
													401,000
													102,742
	14,881	2,082	158	15,675	10,870	49,835	84,489	105,142		0	85,187	86,127	666,004
2,400,000													6,000,000
2,400,000	74,106	10,366	785	317,012	12,000,000	627,398	529,665	662,998	43,663	648	1,669,344	787,935	25,150,605

