



THE MILLE LACS BAND OF  
**OJIBWE INDIANS**

*Legislative Branch of Tribal Government*

**RESOLUTION 15-04-247-13**

**A RESOLUTION AMENDING PREVIOUSLY ADOPTED RESOLUTION NUMBERED 15-03-228-13, REGARDING THE ST. PAUL HOTEL PROPERTIES, TO CHANGE PERCENTAGE THAT WILL BE USED TO FUND CAPITAL EXPENDITURES IN ORDER TO MAINTAIN THE HOTEL PROPERTIES**

- WHEREAS, the Mille Lacs Band Assembly is the duly-elected governing body of the Mille Lacs Band of Ojibwe, a federally-recognized Indian Tribe; and
- WHEREAS, the Band Assembly is authorized under 3 MLBSA sec. 2(b) to appropriate all Band revenue regardless of source; and
- WHEREAS, the Band Assembly is also authorized under 3 MLBSA sec. 2(d) to adopt resolutions to promote the general welfare of the people; and
- WHEREAS, the Mille Lacs Band of Ojibwe assisted its corporate entity known as the Corporate Commission, a corporate body politic, in the purchase of two (2) hotels located in St. Paul, MN; and
- WHEREAS, the Band Assembly acknowledges that a formal repayment plan is in place that requires the Corporate Commission to pay the mortgage debt plus interest; and
- WHEREAS, the Band Assembly further acknowledges that a formula was needed to deal with the earnings from the operation of the St. Paul hotel properties and a written formula was adopted through Resolution 15-03-228-13 dated July 2, 2013; and
- WHEREAS, the Band Assembly now wishes to amend the percentage that is to be deducted from the Annual Net Income to fund capital expenditures to maintain the hotel properties so as to be consistent with the Corporate Commission's franchise agreement; and
- WHEREAS, in consideration of the need for this percentage change, the Band Assembly now mandates that the Corporate Commission shall deduct (a) the scheduled annual principal payment on the hotel acquisition loan (the "Annual Principal Payment") and (b) five and one-half percent (5 ½ %) of Annual Revenues, net of depreciation expense, to be used exclusively to fund capital expenditures to maintain the hotel properties (the "Maintenance Fund Contribution") from any annual net income of the properties shown on the financial statements of the properties prepared by the Corporate Commission or its subsidiary operating entities in accordance with Generally Accepted Accounting Principles ("Annual Net Income"), beginning from the date of its initial operation, and shall deliver on

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a quarterly basis to the Band's OMB for deposit into a non-gaming related Economic Development Fund, the balance of any Annual Net Income after the aforesaid deductions.

NOW, THEREFORE, BE IT RESOLVED, the Mille Lacs Band Assembly hereby mandates that the Corporate Commission shall deliver on a quarterly basis the balance of Annual Net Income from the operation of the two (2) St. Paul hotel properties to the Band's Office of Management and Budget (OMB) for deposit into a non-gaming Economic Development Fund after deduction of (a) the Annual Principal Payment and (b) the Maintenance Fund Contribution.

WE DO HEREBY CERTIFY, that the foregoing resolution was duly concurred with and adopted at a regular session of the Band Assembly in Legislative Council assembled, a quorum of legislators being present held on the 8<sup>th</sup> day of August, 2013 at Vineland, Minnesota by a vote of 3 FOR, 0 AGAINST, 0 SILENT.

IN WITNESS WHEREOF, we, the Band Assembly hereunto cause to have set the signature of the Speaker of the Assembly to be affixed to this resolution.



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Curt Kalk, Speaker of the Assembly

**OFFICIAL SEAL OF THE BAND**