

Oneida Nation

Post Office Box 365

Phone: (920)869-2214



Oneida, WI 54155

BC Resolution # 10-23-19-C

Authorization to Write-off Oneida Golf Enterprise Loan regarding the LPGA Thornberry Creek at Oneida Tournament

- WHEREAS,** the Oneida Nation (*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 (*GTC*) is the governing body of the Oneida Nation; and
- WHEREAS,** the Oneida Business Committee (*OBC*) 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 Golf Enterprise (*OGE*) supported by the OBC presented a proposal to the General Tribal Council in September 2015 to sponsor and host a Ladies Professional Golf Association (*LPGA*) three-year tournament at Thornberry Creek at Oneida; and
- WHEREAS,** the OBC has presented a review of the three-year tournament through an April 23, 2019 correspondence sent to the members and presented at a GTC meeting which documents the proposal and related benefits, and the actual results through two-years of the tournament and through the preparation of the third year of the tournament; and
- WHEREAS,** although the final tournament report is not yet completed, the Chief Financial Officer has identified that because of the failure of the tournament to meet projections in year 1, and the inability of the changes made in the following 2 years to create significant revenue increases, that it is likely OGE will never be able to pay off the loan provided by the Nation; and
- WHEREAS,** the Government Accounting Standards Board, in Statement 34, requires financial statements of governments to accurately report losses, such as the inability to collect receivables like the OGE loan; and
- WHEREAS,** a loss is “probable” when the future event is likely to occur, GASB Statement 62, para. 100; and
- WHEREAS,** a loss is “reportable” when the government has information prior to issuance of the financial statements the loss is probable and the amount of the loss can be reasonably estimated, GASB Statement 62, para. 102; and
- WHEREAS,** the Chief Financial Officer has issued a recommendation that the ability of OGE to repay the loan is highly unlikely and the estimated loss is the total of the loan principal of \$12,500,898.00, plus the related unpaid interest which meets both criteria of a requirement to recognize the loss under GASB Statement 34 and 62; and

WHEREAS, the Treasurer, having reviewed the recommendation and supporting documentation, agrees with the Chief Financial Officer's recommendation to write-off the loan as uncollectable via resolution and has further recommended that the resolution should clearly identify the history of the loan as well as require reports on how to improve this process should issuance of a loan be considered in the future; and

WHEREAS, OBC has reviewed the loan purpose and history as presented to the members in the April 23, 2019 correspondence, the Chief Financial Officer's recommendation, and the Treasurer's recommendation to write-off the loan, document its history and require a white paper report on how to improve the processes to better protect the Nation's assets should loans be issued in the future;

NOW THEREFORE BE IT RESOLVED, that the Oneida Business Committee approves the recommendation to write-off the loan and authorizes the OGE tournament loan approved by resolution # GTC-09-09-2015-A, as amended, estimated at a principal value of \$12,500,898.00 be written-off as uncollectable.

BE IT FINALLY RESOLVED, that the Treasurer is directed to have a white paper report developed which identifies the history of the loan, the procedures used, 'lessons learned', development of or amendments to existing policies or standard operating procedures that address the findings in this report.

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 23rd day of October, 2019; 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, Secretary
Oneida Business Committee

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