

Bois Forte Reservation Tribal Government Update October 9, 2025

On Wednesday, October 8, 2025, the Bois Forte Reservation Tribal Council approved the **Financial Contingency Plan** in response to the **Federal Government Shutdown**, via poll. The Tribal Government will be implementing cost containment measures, and **Phase I of the Financial Contingency Plan** is tentatively set to begin on **October 20, 2025**.

Phase I – Minor: ≤ 10% Cuts and/or 30 Days or Less

- **Hiring Freeze** on non-critical vacant positions. Senior Management will determine which vacancies are critical and must have justification available for those determinations.
- **No new positions** in Indirect Cost or Tribal Funds.
- **No non-essential business travel or training** (training required by grant agreements will continue if essential).
- **Strict overtime policies** for non-exempt employees—flex time must be used whenever possible.
- **Review all upcoming capital projects** to ensure adequate funding; consider delaying Tribal Funded projects.
- **Evaluate all open independent contract agreements** for potential penalties.
- **Cross-train grant employees** to fill vacancies and staffing needs.
- **Ensure all fees and charges for services** are billed and collected (including but not limited to monthly service charges, third-party billings, TERO fees, and service reimbursements).
- **If reducing staff hours**, Senior Management will determine reductions and notify Tribal Council and Human Resources.

The **Senior Management Team** continues to meet daily with available Council Members. They are currently reviewing their budgets to determine how their programs will absorb the 10% reduction outlined in Phase I. The primary goal during the federal government shutdown is **maintaining program service continuity**, and Senior Management is considering service availability when determining necessary adjustments.

Although the Financial Contingency Plan applies to the entire Tribal Government, **each department's implementation will vary** based on the specific impact of federal funding in their area.

An **All-Staff Meeting** will be held on **Monday, October 13, 2025**, to present the plan in detail, including department-specific responses to the cost containment measures. Each department will be impacted differently, and those details will be shared at that time.

Tentative Implementation Dates by Phase

Phase	Level	Tentative Start Date
Phase I	Minor	October 20, 2025
Phase II	Moderate	November 17, 2025
Phase III	Severe	December 15, 2025
Phase IV	Catastrophic	January 12, 2026

As stated in the Financial Contingency Plan, **updates will be provided every two weeks**—or sooner if significant changes occur.

The full Financial Contingency Plan can be found on the website www.boisforte.com

BOIS FORTE DEVELOPMENT CORPORATION PLAN

The Bois Forte Development Corporation has assessed the potential impact of the ongoing federal government shutdown on our operations and the broader community economy. While our businesses don't directly rely on federal funding, we understand that an extended shutdown could still influence customer spending habits, tourism flow, and vendor payments, particularly in our remote northern Minnesota region.

Our top priorities are to safeguard revenue, maintain liquidity, and ensure business operations continue smoothly across all sectors. To that end, we are taking the following proactive steps:

1. Protecting Cash Flow

- Non-essential spending and discretionary purchases are being put on hold for now.
- We have implemented a zero percent increase for salaries employees and a modest 2% increase for hourly employees.
- We have also announced a hiring freeze, unless a position is absolutely necessary. This shows that our team is on board to be doing more with less moving forward.
- We're evaluating vendor payment schedules to ensure essential operations and payroll are prioritized.

2. Stabilizing Revenue

- We're launching joint promotions across our casino, resort, golf course, and cannabis businesses to boost local and regional visitor traffic. This will be an ongoing effort as we transition into winter tourism, including snowmobiling, ice fishing, holiday parties and larger events such as the Fun Run and Never Surrender Blizzard Tour. The former is a very large fundraiser that helps area snowmobile club efforts in grooming the trails, while the latter is a fundraiser to combat ALS.
- Marketing efforts are being redirected to reach regional audiences who are less likely to be affected by federal payroll disruptions. This includes a more aggressive advertising campaign, while also ensuring the dollars we spend are getting a maximum Return On Investment.

- We're reviewing lodging strategies to keep occupancy up during slower periods. This includes offering room specials; reaching out to bus groups to ramp up midweek occupancy for our resort, dining options, and casino; reaching out to corporate/other tribal groups to make sure we are doing what we can to bring in more guests/clients to our property.

3. Enhancing Operational Readiness

- We're speeding up the rollout of shared services in HR, IT, and Accounting to improve efficiency and lower costs.
- Energy and purchasing audits are underway to find areas where we can reduce spending quickly.



4. Communicating with Employees and the Community

- Department managers have been informed and are sharing accurate updates with staff to maintain morale and stability. We have told our managers and directors that we need to run this business as if it is their own—that means watching staffing levels, fully understanding the difference between wants and needs, and just pulling together in these uncertain times.
- Public communications are focused on letting the community know that services will continue without interruption. Our leaders also have a wonderful opportunity to spend time with our loyal guests at next week's Guest Appreciation party to let them know how much we value their business, while also showing empathy to those whose livelihoods may be impacted by this unfortunate government shutdown.

The Bois Forte Development Corporation remains on solid financial footing and is acting with foresight. We're committed to keeping operations running, protecting our workforce, and securing enterprise revenue for the Band. We will continue to closely monitor the situation and adapt as needed to protect the Band's long-term well-being, while keeping you informed of the progress we are making.

If you have questions or would like more information regarding the Tribal Government, please contact:

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If you have questions or would like more information regarding the Bois Forte Development Corporation, please contact:

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Miigwech for your patience and understanding during this challenging time.

Bois Forte Reservation Tribal Council

FINANCIAL CONTINGENCY PLAN FOR BOIS FORTE RESERVATION TRIBAL COUNCIL

Updated: October 6, 2025

Effective Date:

Approved by:

1. Purpose & Scope of Potential Risks

The purpose of this Financial Contingency Plan (the “Plan”) is to help ensure financial and operational resilience during emergencies, natural disasters, economic downturns, disruptions (such as Federal Government Shutdowns or Freezes), or known/presumed reductions in planned revenue sources and covers financial and operational responses to crises.

Risk Potential

- Cash Flow Disruption due to shutdowns.
- Federal/State Funding Cuts
- Decreased distributions from Enterprises.
- Increased costs due to the increase in Band Members seeking services.
- Service disruption due to natural disaster.

2. Governance and Roles

Parties responsible include, but are not limited to:

Tribal Council

Role: Final decision-making authority during financial emergencies. Reviews recommendations and approves contingency actions.

Responsibility: Ensures alignment with Tribal priorities and sovereignty.

Secretary/Treasurer

Role: Liaison between Executive Team and Tribal Council.

Responsibility: Meets with Council to present recommendations and financial updates.

Executive Director

Role: Oversees implementation of Council decisions.

Responsibility: Communicates decisions to departments and ensures operational execution.

Executive Team

-Human Resources Director

Manage staffing adjustments, hiring freezes, and employee support.

-Information Technology Director

Ensures continuity of digital infrastructure and cybersecurity.

-Health and Human Services CEO

Oversee critical health services and adapts service delivery during crises.

-Chief Financial Officer

Leads financial planning, cash flow management, and reporting.

Finance Department Leadership & Staff

- Chief Financial Officer

Develop financial strategies and oversees budget adjustments.

- Comptroller

Manages accounting operations and ensures compliance.

- Accounting Managers

Monitor program budgets and coordinate with departments on spending.

Emergency Management Specialist

- **Role:** Coordinates emergency response planning and implementation.
- **Responsibility:** Ensures integration of financial contingency measures with broader emergency protocols.

- **Chain of command**

- Executive Team makes recommendations to Secretary/Treasurer
- Secretary/Treasurer meets with Council.
- Council makes decision.
- Executive Director share communications

3. Continuity of Operations

Critical services and operations, of highest priority are as follows:

- Health Services
 - Access to Providers (Medical, Dental, Behavior Health, Community Health)
 - Access to Prescriptions
- Public Safety – Law Enforcement, Ambulance, Fire Department, Conservation Enforcement, and Forestry Fire Fighters
- Utilities – Water, Sewer, and Solid Waste
- Housing
- Enterprises
- Administration

- Accounting will draw all available cash per funding requirements.
 - Federal Grants that can be drawn every two weeks will be done after the biweekly payroll is posted.

 - Major construction projects, we will draw the week the payment is to be made to follow federal cash on hand requirements but not using Bands cash reserves. Accounts Payable staff will notify Program Accountants about large pay.

 - Need to plan for cash need for some of the large capital construction projects and draw the funds for the blackout periods of the federal financial systems for Fiscal Year End maintenance.

- Program Accounts will prepare a list of non-federally funded programs in preparation for phases in Section 4 of the Plan.

4. Cost Containment Measures & Average Spend

In the event of an economic downturn, revenue reductions, or government shutdown, the following Cost Containment Measures should go into effect as considered necessary, and these may be structured in Phases, dependent upon severity and which programs are funded. Will be different for each funding source.

Phase 1 – Minor: ≤ 10 % cuts and/or 30 days or less

- **Hiring Freeze on non-critical vacant positions.** Senior Management would be responsible for determining which vacancies are critical and need to be filled. Must have justification available for the determination.
- No new positions in Indirect Cost or Tribal Funds
- No non-essential business travel and training (if required in grant agreement is essential)
- Strict Overtime policies for non-exempt employees. Must flex time as much as possible.
- Review all upcoming capital projects to ensure funds are available, consider delaying projects with tribal funds.
- Evaluate all open independent contract agreements for penalties.
- Cross Train Grant employees to fill vacancies and staffing needs.

- Ensure all fees and charges for services are billed and collected. (Including but not limited to - monthly charges for services, Third Party Billings, TERO fees, Reimbursements for services)
- If Reducing staff hours – Senior Management decides and informs Council & Human Resources

Phase II – Moderate Reductions: 10-25% cuts and/or 30 to 60 Days in length

- Reduction in staffing – Senior Management decides and informs Council.
- Defer Capital Projects and Purchases
- Reduction hours i.e., from 40 hours to 32 hours
- Layoffs – but transfer to vacant critical position first, prior to just being sent home to meet staffing needs if qualified.
- Consolidations of positions and/or services considered.
- The Tribal Council will also reduce hours to match staffs reduced hours
- Reduce the number of sites services are offered.
- Workforce reduction through attrition

Phase III – Severe Reductions: 25 to 50% cuts or 60 to 90 days in length

- Reduce services to core life/safety programs.
- Layoffs of non-grant/compact funded programs
- Renegotiate Indirect Costs for Maximum reimbursement.
- Renegotiate 105(I) Leases for maximum reimbursement.
- Close and sell off- reservations sites that are non-revenue producing.

Phase IV – Catastrophic Reductions: ≥ 50% or 90 days or more

- Suspend all discretionary programs.
- Redirect unrestricted Band funds life and safety only

5. Revenue Generation

- Growth and Revenue Generation
- HHS Third Party Revenue Generation
- Investment Income
- Maximize Indirect Cost Collections
- Maximize 105(I) Lease funds.
- Continuous updated for charges for services
- Continued filing of claims for Contract Support Costs for I H S 3rd Party Revenues
- Complete Carbon Credit Plan Documents and begin inflow of funding
- Continue submitting for grants for future resources

6. Narrative of Financial Contingency Planning

Assess Available Cash Resources and Implement Contingency Plans

Detail cash balances at financial institutions will be provided to the Council weekly.

7. Communication Protocol

During uncertain times, clear and consistent communication is key. Band leadership and citizens need to know what is happening, what is being done to address the challenges, how they will be affected, and what will happen when the crisis is over.

All official communication will come from the Tribal Chair or designated representative.

Frequency of communication – Information will be updated to the public every two weeks, or when a major change has occurred.

Source of information distribution for the community will be live updates on Bois Forte YouTube Channel, social media, KBFT and the Bois Forte News

Internal Communication: Keep Tribal leadership, department heads, and employees informed through regular updates, including:

- The Tribe's financial status and the predicted length of time "status quo" operations can continue by updating cash overview biweekly after payroll has been processed. Operational priorities and any necessary changes in service levels Update cash overview biweekly.
- Plans for addressing the shutdown should the crisis progress longer than expected.
- Support for employees - both critical and non-critical by prioritizing their wellbeing, communicating with them honestly, and giving them access to resources if furloughed. Utilize Smoke Signals for first communication internally access teams for reference.

Citizen & Community Engagement: Transparency builds trust. Use Tribal news outlets, social media, and community meetings to keep Tribal citizens and elected officials informed. Let them know:

- Which programs and services will remain operational and any temporary adjustments, like reduced hours or alternative resources.
- Create a Funding Impact Report and related talking points to inform appointed and elected officials (House and Senate) on how the shutdown is causing impacts. Empower your citizens with these talking points to reach out as well or create video testimonials.
- Work with national Native organizations to lobby Congress and federal agencies for solutions. Highlight the unique challenges Tribes face during shutdowns and push for changes that protect Tribal sovereignty and funding.

Plan for Post-Shutdown Recovery

When the shutdown ends, it is important to do a lookback on what happened, what worked, and what did not. Plan a 90-minute meeting to walk through a debrief and make updates to this plan, as necessary. Within one week.

Evaluate the Impacts: Conduct a thorough review of the shutdown's effects on your Tribe's finances, operations, and wider community impacts on both Natives and non-Natives. Use this data to adjust budgets, evaluate "cost containment" measures, and identify areas where the Tribe was most vulnerable to strengthen emergency preparedness for the future.

Replenish Emergency Reserves: If you had to dip into savings or tap into other available cash, make it a priority to rebuild those reserves, or pay back loans. Consider creating a dedicated emergency fund and line of credit for any future crises.

8. Technology and Data

Any Cybersecurity event or technological event shall invoke Cybersecurity contingency plans, including protocol for backup and recovery plans for financial systems and operational data, any Cybersecurity measures during disruptions, and manual processes for operational and financial transactions during such emergencies.

9. Appendix

Key contact list with phone numbers - cell and landline for Tribal leadership, finance, IT, bankers, component unit execs, and emergency response

The plan should be reviewed and updated annually. May need changes to fit crisis as needed.