



Aaron A. Payment, MPA
Tribal Chairperson
“Representing All Members
Everywhere”

With one year behind us in my second term as Chairperson, I find myself contemplating whether or not we are moving forward at an acceptable pace. **My conclusion is that we are not.** While I am working hard to deliver on my pledge to move us forward to establish a real governmental with: a separation of powers, real due process, a bill of rights, Tribal citizen standing in Tribal Court, and to fulfill the promise of our modern day founders who planned to expand our election units to include at least a “Unit 6” for “At Large” Members ~ politics, greed, and the threat of our governing body relinquishing their all powerful position is what is standing in your way.

The most dissatisfying aspect is the manner in which “we the people” are treated like children in that there is little trust that we can make an informed decision on a draft constitution. While a few on our Board genuinely do care to make sure the final draft we put out to a vote is “doable” and “feasible”, clearly several Members of our Board are fixated on the power they will have to relinquish to you and simply refuse to do so. I suspect they will continue filibuster and argue that we cannot afford a separation of powers. However, I say we cannot afford not to make this change, and here is why.

THE COST OF BOARD COMPLICITY?

The funds stolen or misappropriated by the former Chair of nearly \$3 million, the \$341,000 stolen by a former Board Member, the \$300,000 spent by Chairperson McCoy without any apparent authority on a friend of his who is an attorney, the \$20,000 raise Chairperson McCoy received when I left office while programs and services were slashed and 155 folks lost their jobs, the bonus check provided to a Board member without any established authority, the \$300,000 check cut to the defendants in the 7+2 lawsuit and \$19,000 check cut to the former Chief of Police as he entered prison (even after the Members vetoed these decisions via referendum) suggests that, “we the

people” cannot afford to not have a separation of powers, or “standing” in Tribal Court to charge your very government with a crime when they allow or conspired to allow the exorbitant expenditures to happen outside of the “will of the people.”

The total cost? The table below enumerates the costs of the governing body (collectively) sitting on their hands. While I do believe a few Board Members may have conspired to allow some of these expenses, others are complicit for not changing the governmental structure to protect our assets from this happening again. Some will argue to leave the past in the past, but had we evolved to include a “separation of powers” after Bouschor’s theft of nearly \$3,000,000 in 2004, none of the remaining expenditures would have been allowed to happen. I say allowed, because, they were allowed through complicity.

We the people, deserve better! You deserve better! I previously reported the results of nearly 2,000 Members re-

sponding to an online survey of issues related to needed constitutional changes. Recall that nearly 80% said we should be allowed to vote on needed amendments and that almost as many will not vote for Board Members who refuse you this right. I am confident that those who refuse to allow you to vote, will be gone by this time next year. This very well may mean four or five new Board Members. So, while we may not be able to make them vote to allow you to vote on needed improvements, you can simply vote for someone else in 2014 who will not deny you this critically important right.

CASINOS REVENUES DOWN \$2.5MM

Unfortunately, our projected casino revenues are down by \$2.5 million; our year-to-year revenues down about \$1.5 million. Our Casino Chief Executive Officer has reduced operational costs to minimize this loss to \$900,000. Our services are dependent upon the \$17 million our bank covenants allow

us for programs and services. At this pace, a projected annual loss is \$2 million. With the budget constrictions and the impact of sequestration of \$1.7 million, our programs and services simply cannot withstand this level of cut. While operational savings and efficiencies were previously presented to the Board including eliminating a six figure executive, not acting on this recommendation meant that at least five other lower level casino team members were laid off to cover these costs.

Earlier this year, I met to hear the Casino COO's recommendations for savings and improving operations. I accepted his recommendations. A few Board Members insist I instructed him to eliminate the six figure salaried person who costs us a whopping \$154,000 annually. They claimed this was done for political reasons. This could not be further from the truth as the Casino COO confirmed these were exclusively his recommendations. Given Director Pine's irresponsible behavior informing team members that massive layoffs were planned and that I and the Casino COO were violating policy, I met with Kewadin Team Members at all sites.

The biggest complaint was that our Marketing leadership was deficient. Hessel team members reported they had not seen anyone from marketing since I left office in 2008! In St. Ignace, they reported that the marketing does not match the local mar-

ket. In Manistique and Christmas, casino team members reported that often customers hear of marketing promotions before they do. The Board witnessed these complaints. The longer we wait to fix the problem, the more jobs and services will be lost.

NEW BIA FUNDS

Since I have been back, I have worked to move our land in trust requests forward for a projected savings at this point of about \$150,000 annually. Additionally, I have pushed hard to acquire additional treaty rights funds which have yielded \$319,000 or about \$228,000 annually with a projected \$300,000 annually if the President's budget is passed. The total is about \$469,800 I have returned through my efforts in working diplomatically with the BIA and through our Chippewa Ottawa Resource Authority.

NO RAISES IN 2014?

Next year, will be even more difficult. If select Board Members continue to safeguard the \$900,000 paid to a selective group over the “max”, there simply will not be enough funds to cover raises yet again for all team members. If we do not find a point of compromise, I planned to introduce a referendum to allow Members to set our Chairperson and Board salaries once and for all to help with savings.

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Aaron

\$ 341,000	Paquin Theft (Restitution Not Made)
\$ 19,000	Paquin Check Cut Despite Referendum
\$ 20,000	Paquin Daughter Theft Differential
\$ 3,000,000	7+2 Funds Taken
\$ 300,000	7+2 Check Cut Despite Referendum
\$ 20,000	Chair McCoy Annual Raise
\$ 10,000	Board Member 3 Month Bonus
\$ 300,000	McCoy Spent on Outside Attorney
\$ 4,010,000	<i>COST OF COMPLICITY?!</i>

2013 SAULT TRIBE BOARD OF DIRECTORS LEGISLATIVE CALENDAR

JULY

7-3-13

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
10am-12pm Financial Update* 1pm-6pm Extended Financial Reviews: Governmental* * Called as a Special Meeting with no Action Planned	8am Signatures 10am-5pm Extended Financial Reviews: Governmental* * Called as a Special Meeting with no Action Planned	8am Signatures/ In Office 10am—12pm Executive Team 1pm Budgets Team	U.S. INDEPENDENCE DAY Spiritual Gathering	10am Gaming Expansion Meeting Sault Pow Wow Weekend
4pm Inland Conservation	10am Workshop: Legal/Budgets/HR 12pm Lunch 1pm TBOD Prep Session for Next Week			8am Signatures/ In Office 10am-6pm REQUESTED TRIBAL BOARD OVERFLOW DAY (Optional)
* Chair and Select Board Travel to St. Paul, MN for Midwest Alliance of Sovereign Tribes Meeting on 7/9 & 10; Travel Days 7/8 & 7/11 *				
10-2pm Casino Oversight 1. Reverse Trends 2. Market Trends, Marketing, Promotion & Advertising 3. Customer Service 4. Team Member Morale 5. Staffing 6. Performance Rewards 7. Reflective Discussion & Areas of Improvement 6pm Great Lakes Conservation	9am Workshop: Legal/Budgets/HR 11am Gaming Commission Hearing 12pm Lunch 1pm General Workshop 3pm TBOD Meeting Agenda Review 5pm Membership Issues 6pm TBOD Meeting ~ Munising	8am Signatures 10am—12pm Executive Team 3pm- 4pm Division Directors 4pm-5pm Program Directors	8am Signatures 10am-12pm Team Member Office Hours 1-4pm Members' Office Hours 10am-6pm REQUESTED TRIBAL BOARD OVERFLOW DAY (Optional)	8am Signatures/ In Office 10am Gaming Expansion 10am-6pm REQUESTED TRIBAL BOARD OVERFLOW DAY (Optional)
8am Signatures/ In Office 10am Casino Financial Reviews 1pm Semi-Annual Reviews Division, Programs, Services, Internal Services, & Projects.	8am JKL Fiduciary 10am Workshop: Legal/Budgets/HR 12pm Lunch 1pm ***WORKSHOP*** Review Sample Kewadin Team Member Surveys and Set plan for Processing & Interpreting Data, and Decision Making	8am Signatures/ In Office 1:30pm Policy Reviews 3:00pm Budget Team 3:30pm Chair drive to Manistee for CORA	11am CORA Meeting at Manistee 4pm Drive home from Manistee 10am-6pm REQUESTED TRIBAL BOARD OVERFLOW DAY (Optional)	8am Signatures/ In Office 10am-6pm REQUESTED TRIBAL BOARD OVERFLOW DAY (Optional)
9am Member Services Monthly 10am Executive Director Monthly 11am CFO Monthly 1pm Law Enforcement/Natural Resources 2pm Legal 2:30pm Legislative/Planning/Appropriations 3:00pm Ken Ermatinger (Gaming Commission) 6pm Cultural Committee Meeting Negaunegeshik	10am Workshop: Legal/Budgets/HR 12pm Lunch 1pm TBOD Prep Session for Next Week 3pm-6pm TBOD Workshop Backlog	8am-5pm 10am-6pm REQUESTED TRIBAL BOARD OVERFLOW DAY (Optional)		

Notes: 8am ~ Signatures are processed daily at 8am & at additional times by appointment.

BOD & Chair Items (Blue)

Chair Attends & some committees (Black)

At Board Discretion, BOD Attends (Chair Optional)

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On Facebook ‘**Aaron Payment**’ and on the ‘**Sault Tribe Guide**’ on Facebook.