

We can't keep doing "what we've always done"



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Over the course of the last month, the workshops and meetings of the tribe have been "eye opening." The tribe is not as fiscally sound as many portrayed, and yet continue to portray. We have issues, and many deficiencies that need correction to ensure financial stability and long-term health and viability.

Our continued emphasis on doing things a certain way because "this is how we have always done them" needs to cease. We need to step outside the proverbial box and find more

effective and efficient methods to accomplish the tribe's goals and objectives in both Governmental and Enterprise arenas.

INSURANCE

One such area that the tribe needs to address is its handling of insurance. At a recent workshop, the board was informed that our Self Insurance was \$2.3 million short for the current fiscal year. This is not the first time. The tribe has repeatedly offset the shortfalls of self-insurance over the past several years to the tune of several million dollars. This is "what we have always done."

To attempt to prevent future shortfalls, the tribal board is considering increasing the employee contribution to the tribe's Self-Insurance Plan by 10 percent, as well as the employer contribution by 10 percent.

This proposed "solution" is to continue our self-insurance plan, the "Cadillac" plan, and increase the expense to both the tribe and the employees. Once again, continue to do "what we have always done," and increasing the

costs to employees that haven't received raises since 2007.

The tribal employer contribution is \$1,420 per month for each employee under a family insurance plan, over \$17,000 per year. Would it not make sense to look into alternatives in which the tribe used some of the funds earmarked for employer contribution to give employees an actual COLA (cost of living increase) and provide insurance alternatives for them to select from other than the existing option.

The tribe needs to step outside the box and look at other options instead of continuing to "do what we have always done."

CASINOS

Currently we do not have an individual running all five of our casino operations. The board has discussed different options from firms to a temporary CEO/COO to help right the ship. Quite honestly, as a tribal member, and a member of the board, I am extremely concerned that this hasn't been a priority. It needs to be addressed immediately, and I

would encourage anyone reading this to let your board members know your views on the lack of urgency.

The casinos will not meet the bank covenants this quarter. As I have previously stated, it is my firm belief that we need to restructure and extend out our existing debt from the 3.6 years to a more realistic 5-7 years. This will relax the covenants, increase cash flow, and increase cap ex funds available to make sure our casino facilities can be fixed and maintained.

We have issues and we need to stop continuing to "do what we have always done."

ECONOMIC DEVELOPMENT

When a tribe has literally done essentially nothing in the past 10 years to diversify its business or economic base it is very easy to state that we need to stop continuing to "do what we have always done."

The key to our tribe's financial successes is diversification of our business enterprises. I

have said this each and every time I have reported to the membership and will continue while I am a member of the board of directors. We need to take the time to look at options to diversify.

As a board we are often consumed by the personal squabbles between individuals that often overshadow the tasks at hand. Many times productive dialogue is cast aside when it differs from the norm, or it does not fit inside the box in which many have become comfortable with over the years. One thing is definitely apparent, "doing what we have always done" isn't working and it's time for the tribe to step out of the box.

If you have any questions please feel free to contact me anytime.

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