

# We must overcome our self-generated obstacles



**DJ Hoffman**  
Director, Unit I

The tribe is facing many challenges. Currently, many of the obstacles facing us are self-generated. We need to address these changes head on and take necessary steps to right the ship.

## CASINOS

Last month, I mentioned the crossroads we are currently at with our casino operations and that we were headed in a downward direction. I did not have the numbers to provide last month regarding the casinos' performances; however, I am not in possession of current financials.

In an interesting twist it appears that I will have to ask permission of the Gaming Authority to provide these "proprietary figures" within my unit report. Our tribe's Legal has provided the advice to treat this information as proprietary and thus confidential unless the Gaming Authority agrees to disclose it. Therefore, I cannot provide the exact figures at this time. I believe that this information should be published on a monthly basis to allow the membership to see the performance of our operations on a regular basis.

What I can state is that according to last year's annual report and audits (public) is that first quarter net revenues in 2014 were just over \$20 million. This year's first quarter net revenues are at \$\_\_\_\_\_ million. This blank space denotes a figure less than 18, but higher than 17.

## CEO

For the May 5, 2015, meeting of the board of directors, I sponsored a resolution to post the position of Chief Executive Officer of Kewadin Casinos. The position is a key employment position, approved in the 2015 casino budgets. Hiring of this "key employee" requires seven votes of the board of directors. Under the tribe's adopted personnel policies, all positions must be posted.

Some members of the board have argued that the resolution would send the wrong message to

the temporary Casino Executive Officer. My concern continues to be the message of not following policy, adopted by tribal resolution, and what it conveys to the membership and our employees as a whole. In addition, policy also dictates that temporary positions shall not exceed six months; it has been nearly six months since the temporary position was hired.

In August (2014), an RFP (Request for Proposals) was distributed externally with the following as its premise:

*Temporary overall management of gaming/hospitality operations with the ultimate goal of assisting with selection of a permanent chief executive officer of Kewadin Casinos.*

This resolution to post the position not only complies with the policies and procedures of the tribe, it adheres to the intent of the RFP. In addition, the language within the resolution was derived from these policies.

I have been asked where the non-grant revenues generated by our tribe are allocated. Therefore, I have asked for a detailed breakdown for tribal support by area, you will find it at right.

\*The disparity in 2010's Administrative expense is attributed to the purchase of Indian Energy.

Internal Services accounts for 30.5 percent of our tribal support dollars.

Administration accounts for 41.7 percent of our tribal support dollars.

Legal accounts for 8.8 percent of our tribal support dollars.

These three areas account for over 81 percent of the tribal support dollars generated by our tribe.

It is apparent that with 81 percent of our tribal support dollars being earmarked for these three areas that we have to re-look at how we operate and what exactly our focus is as a tribe.

## JKL BAHWETING SCHOOL

I placed this in my previous report, and I will continue to place it in my report it so that we can move this project forward.

The JKL Bahweting School is an excellent school that is in need of expansion. Currently the school has over 490 students K-8. With this many students it is shocking to find that the current capacity of the schools sole gymnasium is 51. This disparity is startling. Imagine the Sault Community and its frigid temperatures in the winter, or rainy days in the spring. Now imagine how 490-plus students spend recess, athletic practices, Christmas concerts, awards cer-

## TRIBAL SUPPORT RECONCILIATION

AREA	2010	2011	2012	2013	2014
EDUCATION	330,572	398,686	430,454	531,019	620,553
ELDERLY	554,301	587,731	535,084	584,146	534,108
HEALTH	547,937	402,375	(262,430)	(2,495)	0
LAW/ENFOR	8,223	0	0	0	0
ACFS	844,471	425,132	424,899	395,759	388,540
INTERNAL	2,326,659	3,121,041	3,925,428	5,740,925	5,259,679
BIG BEAR	729,724	780,691	775,011	853,128	805,116
ADMIN	10,077,321	7,305,625	7,172,914	7,364,265	7,181,493
INDIRECT	1,119,470	503,008	591,782	578,255	359,474
CULTURAL	555,072	552,310	486,460	594,657	536,972
ENVIRONMENTAL	4,649	5,724	4,307	4,048	5,310
LEGAL	2,497,815	2,329,733	1,068,315	1,563,949	1,525,798
<b>TOTAL</b>	<b>19,596,214</b>	<b>16,412,056</b>	<b>15,152,224</b>	<b>18,207,656</b>	<b>17,217,043</b>

emonies, etc. Currently, the children are bussed back and forth to Big Bear for gym class and athletics. It rents space at outside venues for its concerts and events. In this case, the demand for space for these children is high, and the supply is inadequate. The school needs a new, larger gymnasium to accommodate the children.

This is not merely the opinion of elected official; it has been discussed and debated continually with members of the tribal board

and school board as well as direct input from parents and staff.

The timeframe for moving this project forward is closing to accomplish this prior to the next school year. Please contact your board members and give it the support it so desperately needs.

Encourage people to stop merely talking, and start getting things done

I will continue to push forward with members of the board that wish to be progressive. I

will also continue to work with members of the board to ensure that we become innovative in our approach to economic diversification, membership services, and stepping out of the non-progressive box that we appear to be confined to.

Sincerely,  
DJ Hoffman  
Cell: (906) 203-0510  
Tribal e-mail, djhoffman@saulttribe.net or personal e-mail, djwhoffman@hotmail.com