

DRAFT

**SQUAXIN ISLAND TRIBAL COUNCIL
LITTLE CREEK CASINO/ISLAND ENTERPRISES/LCOB
January 30, 2008**

Attendance:

Tribal Council	Jim Peters	Chairman
	Arnold Cooper	Vice Chairman
	Vince Henry, Sr.	Secretary (<i>arrived at 9:38 am</i>)
	Russell Harper	Treasurer
	Will Penn	1st Council Member (<i>arrived at 10am</i>)
	Pete Kruger	2nd Council Member
	Charlene Krise	3rd Council Member (<i>absent</i>)
Executive Director	Ray Peters (<i>left at 12:30</i>)	
Island Enterprises (12:30- Little Creek Casino (9:00 – 12:30)	Bobby Whitener, Jr.	
	Mark West	
	Terry Mehl	
	Mark Chandler	
	Toby Villines (<i>arrived at 10:10am</i>)	
Tribal Gaming LCOB	Desi Smith	
	Joe Peters	
	Kevin Lyon	
	Glen Parker	
Recording Secretary	Melissa Puhn	

Jim called the meeting to order at 9:15 am.

Mark Chandler provided the auditors independent audit.

Ray wanted to discuss the hwy 108 project; a bond update and pricing update.

Mark continued and went through the auditor's non qualified opinion letter regarding the financial statements. This is just a condensed statement. There was discussion around the event center and the water treatment plant. Discussed property purchase and the procedures of IEI, LCC and government. Discussed vision session and would like to have a meeting prior to the session.

Mark Chandler continued through the audit; showed the balance sheet and total assets which have grown; total liabilities which are increasing as well. Discussed cash flow to the government. Mark shared the debts of the casino owed to the tribe.

Ray would like to schedule a meeting on Wednesday the 6th at 10am. This will be a preplanning meeting for property zoning at the Council Lounge.

Discussed speeding up the monthly reconciliation; TGA recommends that it should be done thirty days after the end of the month.

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Mark moved to the December financial statements which were provided. November and December were not great but did well. Out performed last year. He went over the EBITDA which is up. Total operating revenue is up 17%. Total expenses have gone up 11%; revenues outdoing operational expenses. Mark went through the rolling EBITDA.

Ray would like to discuss at the Vision Session, the debts of the Casino and their plan on paying them back, without reducing the distributions.

Kevin, Bobby and Ray discussed the bond program with Bank of America. Bobby and Cameron will be meeting with BOA on February 25th regarding the interest rate.

Mark Chandler finished going through his charts; the TLS coin in machines, Electronic games net income, non electronic game income, non gaming gross sales, and performance totals, performance percentage to gross revenue, total payroll costs per month including the 401K, benefits and taxes, total working and non working hours paid including vacation time, and payroll and F&B percentages to revenue.

Terry Mehl provided a briefing on property performance of the last year. Mark West went through the gaming report (see attached). Went over electronic games, table games, keno, poker, class II, bingo and pull tabs.

Discussion of expanding dining/bar areas. Expanding the Seafood bar to accommodate event nights, the impacts of moving poker up to Skookum Spirit. Possibly creating bistro seating in the Seafood Bar with a glass enclosure.

Kevin stated that TGA, Operations and Multimedia is recommending that Legal submit a request to WSGC to modify the X2 Appendix to help accommodate.... check with Kevin. LCOB made the recommendation for Kevin to move forward with that request. Multimedia has created a request, but it will be between the tribe and the state, and submitted by Legal.

Glen commented on the poker change; he would like to make sure that poker stays in recognition of Bruce Johnson.

Terry went on to Food and beverages (see attached).

Toby went over the facilities report (see attached).

Ray commented that on the government side, there is ground maintenance that cannot be kept up by gov maintenance department. He asked if there is a possibility of IEI creating a grounds crew company for upkeep of IEI, LCC and governmental buildings.

Toby went over 2008 projects.

Terry shared the idea of expanding the RV parking area, with a cost of about \$100K. Seeking permission to move forward on this. Would like to accommodate the upcoming pow wow. Mark Chandler suggested that either they could expand the RV parking or to move the poker room. Ray suggested to move the poker room and to make due of the parking situation; use the Clary property

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and the drive in for overflow parking like they have in the past. Ray would like an analysis prior to LCOB or Council to make a decision regarding this.

Ray commented on the hwy 108 project; DOT requires and the proposal is that the service road would become the featured main entrance into the parking lot. Keep the existing entrance for KTP. DOT is going to require the tribe to either improve hwy 108, or shut down the service road. Discussed the option of a grand entrance with Cameron.

LCOB will discuss and Council will take action at tomorrows meeting regarding the parking.

LCOB agreed by consensus to approve the poker move. LCOB will bring that recommendation to Council at their meeting tomorrow. Moving poker to Skookum to utilize the floor space for machines.

Terry went over the marketing report; MVP growth and promotion revenue (see attached). Terry reported on advertising and placement. Hotel sales.

Island Enterprises

Bobby stated that Franks Landing is open now, and doing well. Franks landing now takes credit and debit cards which it has not yet done in the past. Looks good, good staff, all is well. Have taken some employees from KTP, now will focus on hiring at KTP. Grand opening February 15th at 4pm, and Bobby reminded that Council should be at the Sa He Wamish Days tribal dinner night after the Franks Landing grand opening. At the grand opening will have food and radio stations there, Bobby would like to invite tribal chairs as well. Bryan will meet with Landing Counsel every two weeks.

Kevin went over items that still need to be submit from SIT regarding Franks Landing.

Bobby brought up the co-manufacturing and negotiation preparation. Other tribes could either open their own cigarette mfg, or partner with SIT and be involved with SIT's mfg. Started that negotiation with the other tribes. Bobby shared the perceptions of this partnership and how it would work for SIT.

Bobby handed out an inventory on shell stock on Harstine and Squaxin Island.

Bobby updated on Island Optics.

Jim wanted to discuss the golf course; the property is still vacant and he knows that Bobby has been working on partnering with outside companies. Jim would like to see a proposal from other companies. Bobby stated that Okie Golf has proposed, but would like to finish another project first.

Meeting adjourned at 2:07 p.m.