

# SQUAXIN ISLAND TRIBE

RESOLUTION NO. 99- 97  
of the  
SQUAXIN ISLAND TRIBAL COUNCIL

**WHEREAS**, the Squaxin Island Tribal Council is the Governing Body of the Squaxin Island Tribe, its members, its lands, its enterprises and its agencies by the authority of the Constitution and Bylaws of the Squaxin Island Tribe, as approved and adopted by the General Body and the Secretary of the Interior on July 8, 1965; and,

**WHEREAS**, under the Constitution, Bylaws and inherent sovereignty of the Tribe, the Squaxin Island Tribal Council is charged with the duty of protecting the health, security, education and general welfare of the tribal members, and with protecting and managing the lands and treaty resources and rights of the Tribe; and,

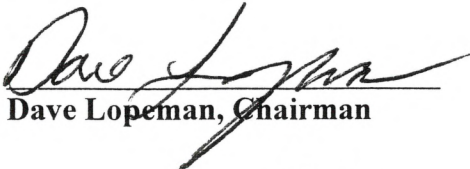
**WHEREAS**, the Squaxin Island Tribal Council has been entrusted with the creation of ordinances and resolutions in order to fulfill their duty of protecting the health, security, education, and general welfare of tribal members, and of protecting and managing the lands and treaty resources of the Tribe; and

**WHEREAS**, the Squaxin Island Tribal Council believes it is in the best interest of the tribe to plan for the future cash distribution from Enterprise profits and to plan a long-term guide with considerable flexibility within it to accomplish variable and changing objectives of this and future Tribal Councils.

**NOW THEREFORE BE IT RESOLVED**, that the Squaxin Island Tribal Council does certify that "Attachment A" to this Resolution is hereby adopted by the Squaxin Island Tribal Council to guide distribution of funds from enterprise activities and represents the unique interests of Squaxin Island Tribe.

## CERTIFICATION

The Squaxin Island Tribal Council does hereby certify that the foregoing Resolution was adopted at the regular meeting of the Squaxin Island Tribal Council, held on this 28th day of October, 1999, at which time a quorum was present and was passed by a vote of 6 for and 0 against with 0 abstentions.

  
Dave Lopeman, Chairman

Attested by:   
Sue McFarlane, Secretary

  
Cal Peters, Vice Chairman

## **Tribal Income Distribution from Enterprise Profits**

In order to plan for future cash distribution, this framework plan is adopted by resolution. This plan is a long-term guide with considerable flexibility within it to accomplish variable and changing objectives of this and future Tribal Councils.

The purpose of this plan is to:

- 1) Utilize unique tax structures for the operation of the Tribal Council, legal, prevention activities, non-economic land acquisition, and other Tribal Council level activities. Each enterprise would have unique tax structures established in order to accommodate individual characteristics for each type of enterprise. Existing tax structures are included in the appendices;
- 2) Utilize profits for A) on-going economic development activities including, but not limited to, enterprise development, individual tribal member business assistance, natural resource economic enhancement, land purchase, and other such activities deemed necessary by the Tribal Council; and B) to fully implement governmental programs that require these funds due to lack of funding. The percentage set-aside for this activity would be 70% of profits for non-gaming activities and 85% for gaming revenues. The difference between gaming and non-gaming revenues is due to Indian Gaming Regulatory Act (IGRA) rules and regulations;
- 3) Set up dividends for Tribal Members. A percentage amount would be set aside for on-going benefits to members from successful business operations when appropriate. The set aside would be 15% of profits for non-gaming activities and 0% for gaming, again due to IGRA Rules and Regulations; and

- 4) Establish a permanent Trust Fund to create long-term wealth from which future Tribal Programs could be operated. This would be designed to benefit future generations. The set-aside would be 15% of profits for all economic activities. Annually, interest on this account could be spent or allowed to become part of the permanent trust fund. Except that due to the urgent need of a permanent land base, Island Enterprise profit centers would be directed towards land purchases until such time as the need lessens.

# Appendix 1

## Structure of Island Enterprise

Certain sectors of enterprise activities have been combined under Island Enterprises and would be treated as one revenue source. Island Enterprises serves as the general oversight for these businesses as well as a program from which new businesses, land leasing, and individual entrepreneurial activities are investigated, established and/or encouraged.

Some of these activities would be charged directly to the individual enterprises and would affect the determination of profit while the remainder would be treated as an on-going program within the 70% set aside. A general B & O tax may be established in the future to cover wholesaler activities at the Harstene Oyster Company and the mussel farm.

Tax Structure: A sales tax is remitted to Tribal Council, although miscellaneous payments, based on need, are also paid out of these funds and would be treated as a tax for the purpose of establishing "profit".

Ongoing Economic Development:	70%
Dividends:	15%
Permanent Trust/Land Purchase:	15%

## Appendix 2

### Structure of Little Creek Casino

The Little Creek Casino is operated by the Squaxin Island Tribe with oversight assistance provided by the Little Creek Oversight Board.

Tax Structure: Sales tax is charged at the rate of 4% on all retail sales made in the facility. This includes food and beverage and the gift shop. There is also a 1% tax on gaming revenues for Tribal Council activities co-mingled with the 4% sales taxes.

On-going Economic Development/Tribal Programs	85%
Dividends	0%
Permanent Trust	15%

## Appendix 3

### Structure of Skookum Creek Tobacco

The Skookum Creek Tobacco Company (SCTC) is owned by the Squaxin Island Tribe and is operated under the Squaxin Island Tribe Corporate Code. The SCTC is under the direct control of the Board of Directors as established by the company's charter.

Tax Structure: A tax of 5¢ per carton of cigarettes produced is earmarked towards prevention activities. There is also a 4% tax on the Squaxin Island Tribe's profits earmarked for Tribal Council activities co-mingled with the other 4% sales taxes and the 1% Gaming Revenue Tax.

Ongoing Economic Development/Tribal Programs	70%
Dividends	15%
Permanent Trust	15%