



# 2012 STATE OF THE NATION

**ERMA J. VIZENOR, CHAIRWOMAN**

*ROBERT J. DURANT, SECRETARY/TREASURER*

IRENE AUGINAUSH, DISTRICT 1 REPRESENTATIVE

TERRENCE TIBBETTS, DISTRICT 2 REPRESENTATIVE

KENNETH (GUS) BEVINS, DISTRICT 3 REPRESENTATIVE

March 8, 2012

# WHITE EARTH NATION TRIBAL COUNCIL



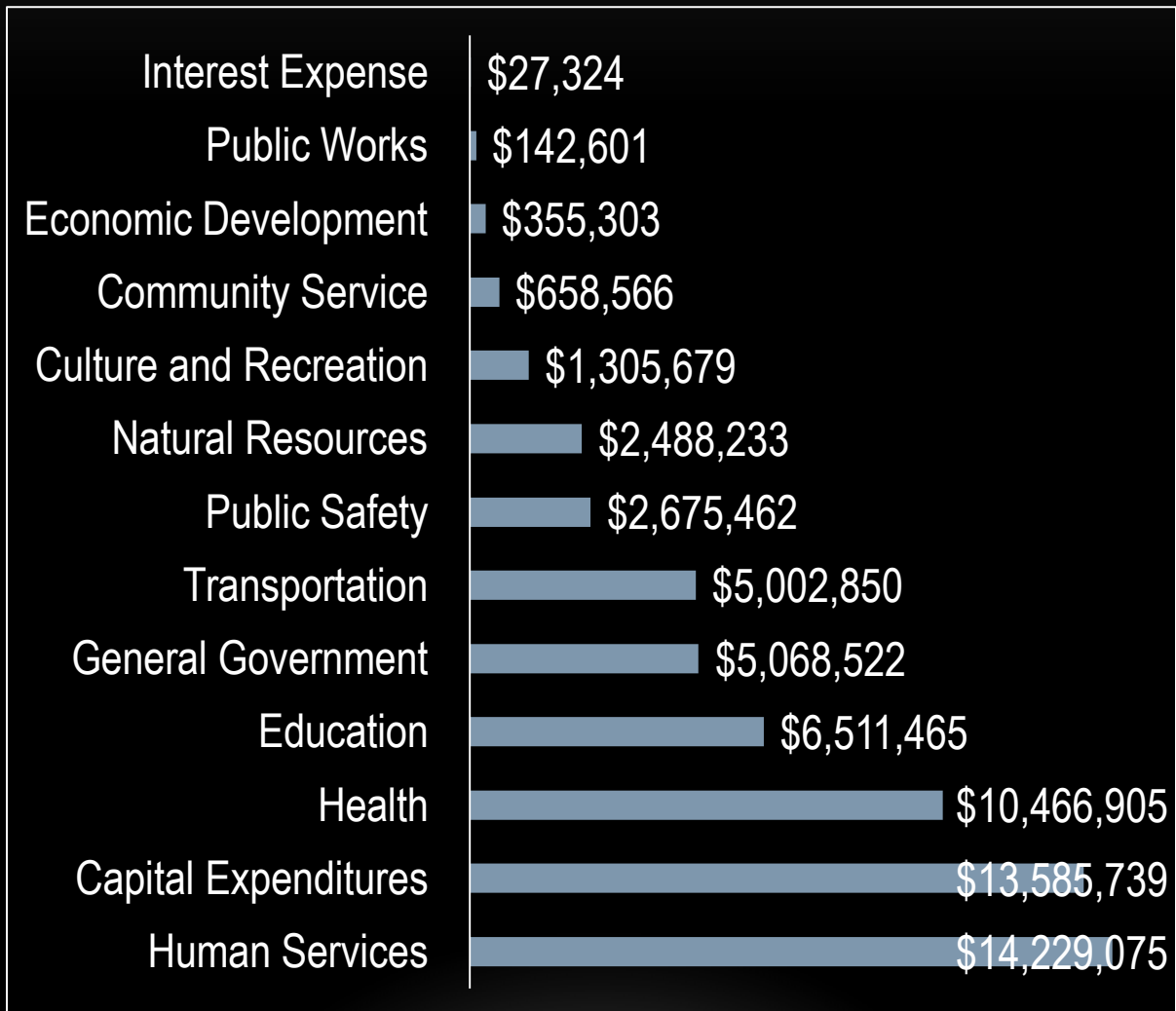
- Mission
  - To preserve, promote and enhance our quality of life.
- Vision
  - The White Earth Tribal Council will be a proactive organization that makes sound decisions promoting mino-bimahdiziwin (the good life). The White Earth Reservation will be a safe place where all people have access to quality employment, housing, education, health and human services. While we protect our inherent right to self governance and identity, we are a community of respect where cultural, historical and environmental assets are treasured and conserved for future generations.
- Core Values
  - Pride
  - Integrity
  - Excellence
  - Compassion
  - Family

The information contained in this report is intended to provide the reader with an abbreviated overview of the White Earth Reservation's Financial position as of Fiscal Year end September 30, 2011.

Questions concerning the information provided in this report or requests for additional information should be addressed to Robert J. Durant, Secretary/Treasurer, White Earth Reservation P.O. Box 418, White Earth Mn. 56591 218-983-3285

# TOTAL TRIBAL EXPENDITURES

White Earth Nation expenditures increased from just over \$50 million in 2010 to \$62 million in 2011. This increase is almost entirely reflected in the capital expenditures column below and is attributable to the new \$13.5 million dollar Circle of Life Academy that will be opening soon!

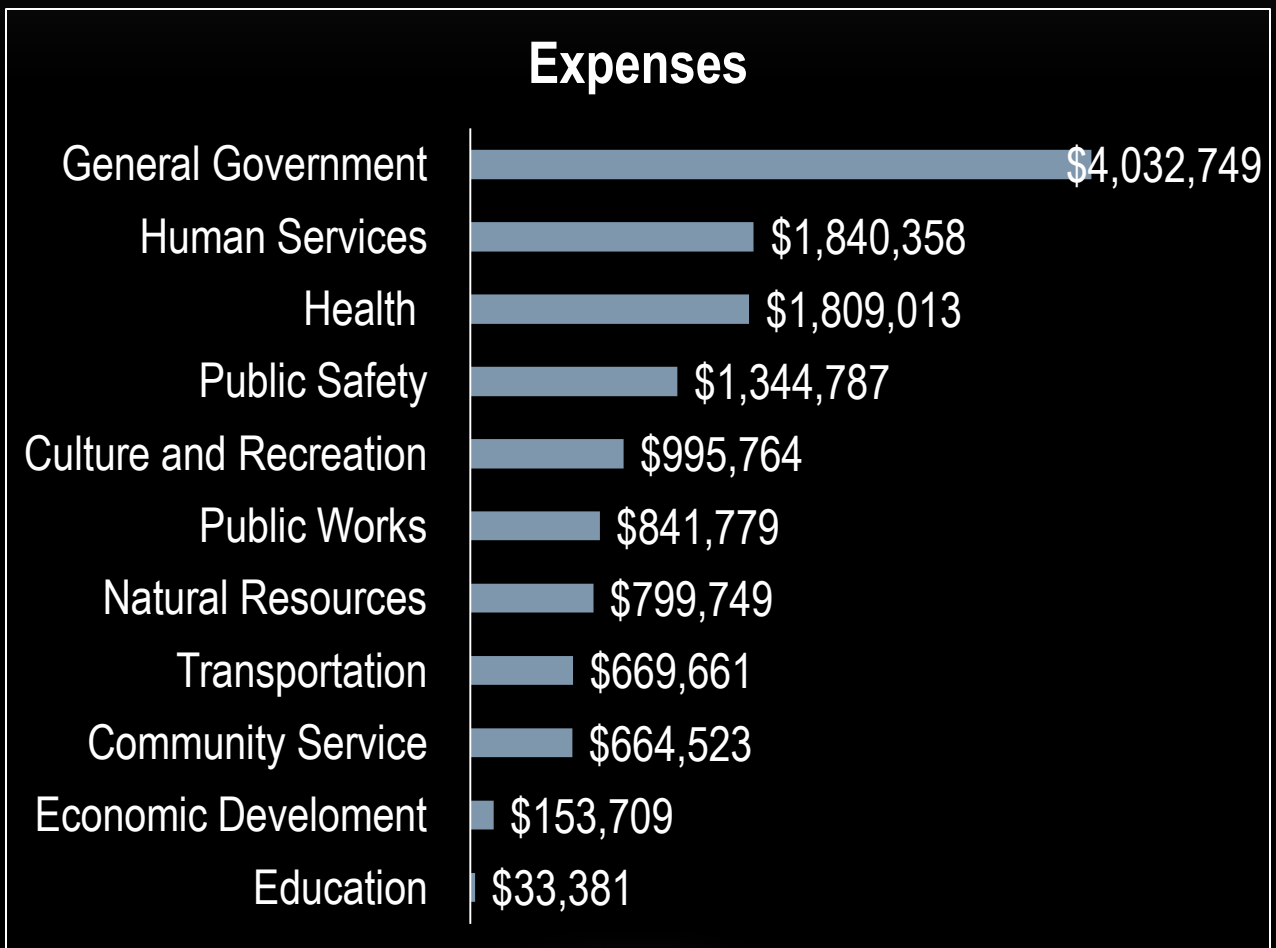


\* More detailed examples of our expenditures are included in the pages to follow.

In 2011 White Earth Nation provided nearly \$29 million in payroll and benefits. This number grows to over \$56 million annually when coupled with our associates at Shooting Star Casino!

# TRIBAL GENERAL FUND

General fund expenditures are a reflection of income from gaming revenue, grants, cigarette tax and sales tax. 2011 general fund outlays totaled \$13.1 million and were allocated by the Tribal Council as outlined below.



\* More detailed examples of our expenditures are included in the pages to follow.

Department of Justice Coordinated Tribal Assistance Grant was awarded in the amount of \$3,549,215 to enhance our Police Department, Tribal Courts, DOVE and Health Programs!

# TRIBAL EXPENDITURES

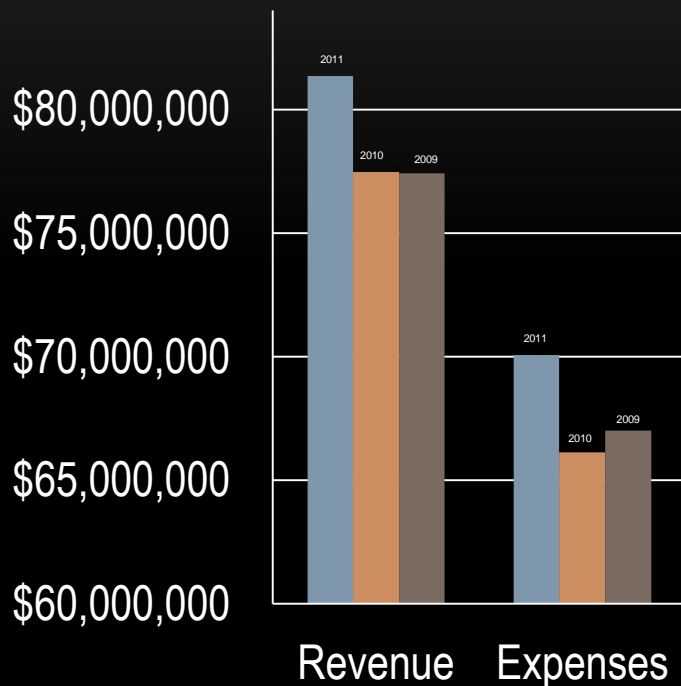
Expenditures outlined in the previous pages support the many programs that enhance our members quality of life. They include but are not limited to...

Administration	Lawn Mowing
Adult Basic Education	Leech Lake Constituent Office
Ambulance	Legal
Archeology	Mental Health
Backgrounds	Minneapolis Constituent Office
Boys and Girls Club	Motor Vehicle
Chemical Dependency	Naytahwaush Community Center
Child Care	Pine Point Community Center
Community Health Representatives	PowWows
Congregate Housing	Public Relations
Conservation	Public Works
Diabetes Project	Rediscovery Center
Direct Employment	Rice Lake Community Center
Donations	Road Construction
DOVE	Road Maintenance
Economic Development	Scholarships
Elbow Lake Community Center	Snow Plowing
Elderly Nutrition	Suicide Prevention
Elections	Summer Youth Programs
Employment and Training Programs	Tribal and Community College
Energy Assistance	Tribal Courts
Enrollments	Tribal Transit
Environmental	Veterans Services
Food Distribution	Water Resources
Forestry	WELSA
Garden Tilling	White Earth Community Center
Head Start	White Earth Police Dept.
Home Health	Wildlife
Home Improvement Program	Womens Wellbriety
Indian Child Welfare	Zoning Veterans Services
JOM	Water and Sewer
Land Office	

Tribal Council and administrative staff work very hard to provide as many services as possible to our 20,000+ members with the funding that is available!

# Funding Focus

Shooting Star Casino “Building a Proud Future for our Nation”



Overall efforts in 2011 to gain market share and to capture increased expendable income, as the economy rebounded, proved successful with overall operating revenues up 5%. Gaming revenue increased by 2.22% while other amenities such as the food and beverage outlets and hotel were up 19% and 11% respectfully. The efforts of these gains in our client base do not come without increased expenses. The launch of a new and improved Star Rewards loyalty program is underway to make sure we are able to provide the experience, loyalty and guest service that our patrons deserve.

It's hard to believe that this May will mark the **20<sup>th</sup> anniversary** for Shooting Star Casino! The efforts and dedication of our employees has made us the gaming destination of choice in northern Minnesota. That success has fueled the economic engine for our tribe and is responsible for many of the enhancements to our infrastructure and services that are available today!

## Grants

Tribal grants obtained this year helping to support programs and services include:

- HUD- Diabetes Center: \$600,000
- USDA- Naytahwaush Fire Dept: \$50,000
- USDA- Sports Complex: \$50,000
- Mn. Historical Society- Archeology: \$3,189
- Dept. of Justice- Dove, Tribal Courts, Health, Police Department: \$3,549,215
- USDA- W.E. Fire Dept.: \$8,000
- USDA- DOVE: \$50,000
- HUD- Training Center: \$600,000
- Otto Bremer- DOVE: \$52,327

This year the \$31 million dollar loan borrowed to construct the Shooting Star Event Center and to purchase and remodel the Stardust Suites was paid off!

# LOOKING TO THE FUTURE

While last year we reported on the tremendous success in obtaining grants and leveraging different funding sources our focus has shifted due to changes beyond our control and changes that we feel are a continuing trend. As seen on the previous page we are still successful in securing grant funding opportunities, however they are becoming more limited. Many of our tribal programs have been created and sustained using outside funding which will potentially or has since no longer been available. Our pledge is to do everything we can to continue these services seamlessly and to continue to add programs to aid our tribal citizens. In order to accomplish this we have to be willing to make bold changes to how we do business. Some of the areas of emphasis include:

- **STRUCTURE-** Separation of our member services departments from our businesses. This will allow focus on growth and profitability for our businesses while maintaining the level of service that our members are accustomed to.
- **DIVERSIFICATION-** We have to further diversify beyond gaming to insure long-term financial sustainability. This process will involve research and careful consideration prior to making the necessary investment to enter new markets. Areas we are currently considering include vertical and horizontal construction (White Earth Builders), biomass, retail distribution, formation of a free trade zone for international imports and exports, and many other potential opportunities that have presented themselves.
- **BUILDING PARTNERSHIPS-**New efforts are underway to build strategic partnerships that will help us accomplish our goals. Many individuals and corporations are willing to work together and share knowledge to benefit both entities. We are currently working with 3M on different initiatives and are exploring other tribal and non tribal partners to help us be more successful with our 8(a) certified businesses: White Earth Builders and Native Automation Solutions and other potential ventures.
- **BUY TRIBAL-** As important as any of the items listed above, we must work together to be more successful by first doing business with our own and other tribal companies! Every dollar that leaves our Nation is detrimental to our economic standing. By working together to provide each other with products and services that meet our needs, quality standards and are within budget, our opportunities for growth and success are tremendously expanded.

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Our mission, vision and core values are reflected in our new emphasis  
for long-term financial success!

# IMPORTANT UPDATES

- **MN WINS-** As you may have heard by now we have introduced legislation and have been gathering support for our proposal for a metro area casino with revenues to be split with the state of Minnesota. Please see the recently released fact sheet on the following page for more information! It is important for all of our members to understand our goal is not to create animosity to other tribes, but to seek opportunity for our members to ensure self-sufficiency for our future.
- **Nelson Timber Settlement-** Ongoing hearings continue in both the US Senate and House of Representatives. The bill to finalize this continues to move forward through the hard work of many individuals. With Erma's testimony regarding this topic this past week in Washington D.C. and through multiple efforts this past year we are comfortable reporting this is now a "when" rather than an "if."
- **Tribal Law and Order Act-** The White Earth Nation is one of the First Tribal Nations to seek application with the US Attorney's Office under the Tribal Law and Order Act. Under Section 221 the White Earth Nation is seeking the Assumption of Federal Jurisdiction. What this means is that certain crimes committed can be referred to the US Attorney's Office for prosecution. Discussions and plans are underway to determine how this will work. When more details are available we will continue to provide you with the information.
- **Health Proclamation-** Since our Declaration of a Public Health Emergency last January there have been continuing efforts through out our programs. One of most significant efforts was the Substance Abuse Summit held in August at Shooting Star Casino. This event featured brainstorming and relationship building from multiple tribal, state and federal agencies including sessions in the areas of law enforcement, treatment and resource, legal/judicial, pharmacy/medical and personal barriers. Other efforts underway or being considered include: tribal drug and or DUI court, coordination of prescription drug monitoring systems, epidemiological study, training for school age students and many more!
- **Human Services Transfer-** The Minnesota commissioner of Human Services in consultation with White Earth Nation, shall transfer legal responsibility to the tribe for providing human services to tribal members and their families who reside in Mahnomon County. This will provide increased service levels and more convenient access to these services for tribal members, at the same time saving the state of Mn. money, and adding jobs to the tribal workforce.
- **1855 Treaty Commission-** Established in 2011 and chaired by White Earth District 2 Representative Terrence Tibbetts, the commission's overriding objective is to establish hunting, fishing and gathering rights in over 13 million acres that were originally intended in the 1855 treaty.

Remember to visit [www.whiteearth.com](http://www.whiteearth.com) and the Anishinaabeg Today for continuing updates on these and many other topics!



# 2011 AT A GLANCE



2011 State of the Nation



Chairwoman Vizenor guest speaker at United Nations



143<sup>rd</sup> W. E. PowWow



1855 Treaty Commission Established



WEPD assumes policing duties for Mahnomen

# 2011 AT A GLANCE



Secretary/Treasurer Durant meets with VP Joe Biden



WEFD welcomes new fire truck



Chairwoman Vizenor meets with President Obama



Elder and Youth fishing events

# 2011 AT A GLANCE

- Tribal Declaration of Public Health Emergency on prescription drug abuse
- White Earth Health Center Announces new Pediatric Clinic
- Signing of Education Consortium Resolution to improve major issues affecting Native American education
- New Year's Sobriety Pow Wow
- Traditional Winter Camp
- Chief's Day established honoring White Earth Chief "Hole in the Day"
- New White Earth Nation website
- Community Health Education presents Man Up Event
- Anishinaabeg articles begin with emphasis on tradition, language and culture
- State of the Nation 2010
- Tribal licensure developed for counseling services at Oshki Manidoo
- Naytahwaush Kids Documentary
- Pembina Judgment Lawsuit
- Opening of new Rediscovery Environmental Learning Center
- Erma Vizenor guest presenter to the United Nations
- Community College Graduation & Appointment of new President
- Fisheries Program Stocks 2 million Walleye
- 143<sup>rd</sup> annual Pow Wow
- Judgements- Gaming World owes White Earth over \$18 million
- Shooting Star Casino wins several Midwest Gaming and Travel magazine's Reader's Choice Awards
- Pine Point K-8 school implements Flexible Learning Year Program
- Annual Victim Service Collaborative Conference
- Internet Café available to public in Naytahwaush
- Ground Breaking for Child Care Service Facilities in Mahnomen and Pine Point
- 1855 Treaty Commission Established
- Boys and Girls club donate \$1,400 to Crow Creek club who lost facility to fire
- White Earth Tribal & Community College host NASA Geospatial summer internship
- Graduation of Pathways Program Weatherization Technicians
- Erma Vizenor selected to panel of Bush Foundation Native Nations Rebuilder Program
- "Why Treaties Matter" Exhibit hosted by White Earth Nation
- Wild Food Summit
- Robert Durant meets with Vice President Joe Biden
- Phase 2 construction begins at the Tribal & Community College
- Construction begins at the Naytahwaush fire hall
- Northern Minnesota Tribal Economic Development Summit & Tradeshow
- Naytahwaush Harvest Festival
- White Earth PD assumes police services for city of Mahnomen
- Senators Franken & Klobuchar introduce legislation on Nelson Timber Settlement Funds
- Minnesota Indian Education Association (MIEA) Conference at Shooting Star
- Statement released on Indigenous People & Doctrine of Discovery
- W.E. Public Safety youth DVD and Work Book "You Are" launched
- Erma Vizenor meets with Washington D.C. leaders on the "Nelson Timber Settlement"
- Erma Vizenor meets with President Obama
- White Earth Nation proposes Metro Gaming Facility, MinnesotaWins
- 16<sup>th</sup> Annual White Earth Nation Career Fair
- Head Start participating in "Let's Move" initiative
- Completion of new women's shelter
- \$31 million dollar loan to construct Shooting Star Event Center paid off
- White Earth Nation meet with Minnesota DNR officials
- Launch of [www.realwildrice.com](http://www.realwildrice.com)
- White Earth Nation is awarded a portion of the \$500 million Race to the Top – Early Learning Challenge Fund
- Scholarship program aids over 450 students secure \$800,000 in scholarships
- White Earth Students graduate from the "You Are" Program to prevent bullying and increase self esteem
- Construction Finalizes on new Circle of Life Academy

Many good things are happening here daily making an all inclusive list of our accomplishments impossible!

# MINNESOTA Wins

## The Facts about MinnesotaWins, the White Earth Casino Proposal

Despite the many different things you may hear regarding this proposal it's important for all members of the White Earth Nation to understand our overwhelming goal is not to create animosity to other tribes, but to seek opportunity for our members to ensure self-sufficiency for our future. Please consider the following facts in regards to some of the most common myths we've heard.

**Myth:** The tribe will be "giving" our casino revenue to the state.

**Fact:** The tribe won't be giving anything to the state of Minnesota. The Legislature is being asked to approve the proposal on our terms. It will be a business partnership in which White Earth Nation and Minnesota share equally in the revenue from a Twin Cities casino. The state will earn money from our partnership only if the White Earth people also earn money. Before anything can happen, though, the Legislature must approve the casino. That is, White Earth can't create an off-reservation casino without the state's approval.

**Myth:** The casino wouldn't do anything for tribal members living on the reservation.

**Fact:** The tribe's share of the revenue would be used to help all tribal members. It would be invested in new economic opportunities, housing, education, health and other critical needs on the reservation. A comprehensive financial analysis is being conducted and the results will be shared publicly. However, based on similar proposals it's reasonable to estimate that the tribe could earn as much as \$150 million a year.

**Myth:** The tribe will be building a casino to support the billionaire owners of the Vikings.

**Fact:** The tribe will be building a casino that will be profitable for the people of White Earth Nation. We will control how the tribe's share of the revenue will be used. The governor and Legislature will determine how to use the state's share, including whether or not it should help fund a Vikings stadium.

**Myth:** The tribe is giving up its sovereignty.

**Fact:** White Earth Nation will continue to be a sovereign government. The business partnership with the state would affect only the operations of a Twin Cities casino. Those who criticize our proposal by questioning our commitment to sovereignty intentionally are misstating the facts. The Twin Cities casino does nothing to undermine our sovereign status.

**Myth:** Shooting Star hasn't done much to help White Earth Nation. Why should we spend money on a new casino in the Twin Cities?

**Fact:** Our location is a huge disadvantage for Shooting Star. While Shooting Star has been profitable every year, it never has generated more than \$10 million per year – and in most years, the revenue has been much lower. This revenue is used entirely to run our programs such as improving education, health services, public safety and infrastructure – important assets for all tribal members. A Twin Cities casino would create even greater opportunities. We are doing a market study that will be completed before a final proposal is completed. However, preliminary analysis shows that there is room in the Twin Cities marketplace for another casino and that it would be tremendously successful.

**Myth:** The cost of a Twin Cities casino will put a huge financial burden on White Earth Nation, one we can't afford.

**Fact:** The proposal does not put White Earth in financial jeopardy. While the details of the financing still are being analyzed, the future success of a Twin Cities casino will attract the financing needed without using White Earth assets.

**Myth:** A Twin Cities casino has no chance of passing. This is a waste of money.

**Fact:** The proposal is gaining more and more support every day. Since first announcing MinnesotaWins, we have had a bill introduced in the Legislature with bipartisan support; we are getting calls from legislators and Minneapolis and Ramsey County elected officials who are excited about the proposal; and, we have the support of Governor Dayton (although he would like to use the revenue from a Twin Cities casino for purposes other than a Vikings stadium). We know it's a long road, but we are making great progress every day. The potential pay-off from this investment would deliver huge benefits to every tribal member. We are confident that sooner or later the state will approve additional gaming options in Minnesota. In today's no-new-taxes environment and with growing demands for state spending (remember, the Legislature and governor were able to balance the state budget last year only by borrowing money from the future; they can't keep doing that), additional gambling options just make sense. It's important for White Earth to educate the governor, legislators and the public that our tribe is the largest and poorest in the state. We need to be at the table when decisions are made about expanding gaming.

For more information please visit [www.minnesotawins.com](http://www.minnesotawins.com)