

Red Cliff Band of Lake Superior Chippewas

SPECIAL COUNCIL MEETING

December 29, 2010

4:30 p.m. Red Cliff Tribal Court House

Meeting called to order at 4:30 p.m. by Rose Soulier, Tribal Chairperson.

ROLL CALL:

Rose Soulier, Present

Marvin Defoe, Present

Laura J. Gordon, Present

Dennis Soulier, Present

Mike Gurnoe, Present

Larry Deragon, Present

Jeanne Gordon, Present

Ray DePerry, Present

Jim Pete, Present

Quorum

In attendance: Auditors Darryl Helenius and Todd Vyskocil from Roe and Meyer, Jeff Gordon, General Manager and Jim Farrell Accounting Manager from Isle Vista Casino, Carol Cameron, Director of Compliance and Gaming Commission members Thomas Jeffords, Mark Duffy, and Carol Gordon.

OPENING CEREMONY

Opening ceremony performed by Frank Montano. A Moment of Silence was observed for Betty Barningham, Jim Hurley Sr., and for the two young persons from Bad River.

AGENDA

Dennis Soulier moved to approve agenda. Seconded by Mike Gurnoe. Motion carried.

NEW BUSINESS

ISLE VISTA CASINO EXTERNAL AND SECURITY AUDITS

Reports were presented by Darryl Helenius, CFO and President of CPA firm Roe and Meyer. The first report presented was the financial audit of Isle Vista Casino. One problem encountered by the firm was the trial balance was not received until the first week of December. Financial data should be reconciled and ready for auditors within a month after the end of the fiscal year to allow for adequate time to complete the audit. Jim Farrell stated a new accounting software program has to be in place for the new casino. Discussed various parts of the report such as the Annual Budget, Balance sheet, Income Statement and Cash Flow. Putting Tribal salaries under operations made a major difference on the report. Another big change was getting rid of the professional fee's (Calleo).

On Notes – Subsequent Event regarding the loan with Shakopee, this will be taken off the casino books, it can be added back.

Discussed time for responses, Management usually responds within 30 days. Question asked regarding the assessment for Isle Vista Casino building. Ron Jack will see to this and report back at the next meeting where this is at.

The Security Audit is required every other year by the compact and must be audited by an independent firm. Non compliance issues were: Promotions, Finding: no one from accounting performs a monthly inventory of unissued coupons. Carol Gordon stated when she worked in Marketing there was a log kept of all coupons and numbers of unissued coupons. It will be responded to by management. Question asked who is responsible for following up on this, Gaming Commission, Management, Managers. Also is there adequate staff, Carol Cameron is only one person to write all policies and procedures and monitor. Jeff stated he and Jim have a list of duties they do and report to Commission and Council to take the steps needed to be ready for the September's audit.

Drop and Count, no one should enter this room while counting is going on. The current key log is not accurate and up to date. Carol Cameron stated new procedures are in place and an inventory is being taken of all keys. Electronic Gaming Devices: Finding needs to be reworded by the auditor. Key access needs to be separate from the stacker. Inadequate door lock needs to be fixed, documentation in machines needs to be there in every machine. Statistical reports, monthly reports need reviewing independent of gaming machine department on a monthly basis. Table Games, Jeff stated someone needs to be trained on Analysis reports, to verify and initial on a day to day basis. Cage: need to trace the amount of cage deposits to amounts in bank statement for at least one day each month. Surveillance: camera coverage on poker tables not clear, it's the lens on the camera. Internal Audit: MICS and State require management responses and corrective measures.

Darryl will send a final copy to Carol Cameron and Tribal Chairperson Rose Soulier by email. Carol Cameron will send by email the report to the State and a copy is kept on file.

Dennis Soulier moved to approve the audit as corrected. Seconded by Larry Deragon. Motion carried. Congratulations to the staff at the Isle Vista Casino on a job well done.

Larry Deragon moved to adjourn. Seconded by Jeanne Gordon. Motion carried.
Adjourned: at 5:45 p.m.

Respectfully Submitted:



Kathy Hanson
Recording Secretary

ATTEST:



Laura J. Gordon, Secretary
Red Cliff Tribal Council