

Delaware Tribe of Indians
Delaware Trust Board Minutes
February 4, 2013
Delaware Community Center
Minutes
Respectfully submitted by Verna Crawford, Trust Board Secretary

Chairman Chet Brooks called the February Trust Board meeting to order on February 4, 2013 at 4:00 p.m.

Cass Smith gave the invocation.

Secretary Verna Crawford called roll, those present were Chairman Chet Brooks, John Sumpter, Joe Brooks, Homer Scott, Cass Smith and Secretary Verna Crawford. DeAnn Ketchum was absent.

Chairman Chet Brooks welcomed guests. He invited anyone who would like to address the Board.

Business Manager Curtis Zunigha informed the Board that he and CFO Jean Lewis would be available when the Tribal Manager's and Treasurer's Report were reviewed to respond to questions if needed.

Chairman Brooks noted that DEA President John Dillingham, Chief Paula Pechonick and Dee Ketchum had something they each wanted to present (see attached).

Former Chief Dee Ketchum stated that he has been out of public service for several years. He said his name keeps coming up and often in a negative format. One instance is in relationship to the removal of the Trust Funds from the money market accounts at West Star Bank and investing them with Smith Barney. Recent statements have been made saying, that he and his administration had moved the Trust Funds to Smith Barney, which is not true. Minutes of the 2000 January Trust Board meeting reflect that action. Mr. Ketchum read from the minutes that Trust Board members were himself, Dan Arnold, Joe Brooks, Verna Crawford, Sally Farley, Paula Pechonick and Raymond Cline. He quoted, "A full plan will be filed with the Office of Trust Fund Management regarding the transfer of WestStar Bank to Smith Barney for reinvestment. Fund will be 100% insured. Joe Brooks made the motion to move all Trust Funds from the money market accounts at WestStar Bank to Smith Barney, seconded by Dan Arnold. Motion carried all in favor." He stated that the Trust Board Chairman has no vote.

Ketchum also wanted to clarify the misconception that the Trust Board is never to let the principal of the Trust Funds drop below \$3.8 million. The Master Plan states that the principal cannot drop below \$3.8 million due to drawing money from the principal its self. (See Resolution 2002-01. The Trust Board members can't control the market and if the market has a bad spell the Board cannot be held responsible. (Definition of principle as defined in Resolution 2000-09—"Principle shall be defined as the original cost of undistributed investments held in the judgment funds.") There have been two times that funds have been drawn down from the

principle and both times the funds were used to fight for the Tribe's Federal Recognition. (2000 minutes, Resolutions 2002-1 and 2000-09 attached).

Jan Brown, a member of the Cultural Preservation Committee, stated her objection to the Trust Board directing committees to expend funds without Committee approval. At the December meeting the Trust Board approved a request for \$500 donation to the Thursday night Children's group (Lenapeowisi) for their Christmas party for presents. The Board approved giving the donation and split it between Cultural and Education Committees. Providing money for the children's group is a good thing, but she thinks that the committees should have been consulted first.

Chairman Brooks stated that it has always been that the Board must approve an expenditure of over \$600.

Verna Crawford responded that the precedent has been set for the Trust Board action. This has been done because of the timeline. When requests are made and events occur before the next committee meeting.

Nancy Sumpter stated that she was upset that Jan Brown didn't like giving the money to the children. Nancy didn't like the way it had to be done either, but there was not enough time to go to the Committees before the party. Next year the group will get things together earlier.

Verna Crawford stated that Jan did not object to giving money to the children, but felt the committee should have been allowed to make the decision, even if a poll vote was needed.

Chairman Brooks noted that John Dillingham and Chief Pechonick were on the agenda under new business and that we would move on.

Guests, Tribal officials and employees present were Rick L Barnes, Verna Artherton, Nancy Sumpter, Susan Cade, Chief Paula Pechonick, DEA President John Dillingham, Lesa Steele, Dee Ketchum, Councilman Nathan H. Young, Jana Roth, Nicky Kay Michael, Judge Charles Randall, Mary Randall, Councilwoman Janifer Brown, Michelle Vernon, Jean Lewis, Bruce Martin, Bonnie Jo Griffith, Cece Biggoose, Anita Mathis, Annette Ketchum and Business Manager Curtis Zunigha.

Joe Brooks moved to approve the agenda, seconded by Cass Smith. Motion carried with five yes and one abstention (Cass Smith).

Minutes of previous meeting:

Verna Crawford moved to approve the minutes of December 3, 2013 with corrections. Homer Scott seconded the motion. Motion carried with five yes and one abstention (Cass Smith).

Chairman Brooks provided the January meeting minutes due to Secretary Verna Crawford's absence and requested a motion to approve.

Annette Ketchum asked to address the Board regarding the number of members present to make a quorum. The Trust Document requires that four voting members and the Chairman must be present for a quorum. At both the December and January meetings only four members were present including the Chairman. Members moved, at both meetings, that a quorum was present including the Chairman. The Vote was two for and two against, making the vote a tie and requiring the Chair to break the tie. Mrs. Ketchum felt that was wrong and both meetings were not legal.

Susan Cade commented that, if you take time to make rules, you need to follow them. This is a new year, let's move forward and do things right. That goes for the Council as well as the Trust Board.

Joe Brooks moved that we have no future meetings without five members present, the Chairman and at least four members. Motion seconded by Cass Smith. Motion carried with yes.

Joe Brooks stated that something has to be done about absences, which are excused or unexcused.

Joe Brooks moved to make any absence other than illness of self, immediate family or children unexcused with Trust Board retaining the right to consider each absence on a case-by-case basis. Homer Scott seconded the motion.

Discussion: Cass Smith suggested that the Board should have the option to consider each absence on a case-by-case basis. Having a too strict rule is tying the hands of the Board. We need people who have work experience. Motion carried with four yes and one abstention. (Cass Smith).

Joe Brooks moved to approve the minutes of January 7, 2013 with corrections. John Sumpter seconded the motion. Motion carried with three yes and two abstention (Cass Smith and Verna Crawford).

Treasurer's Report

Chairman Brooks noted that the Treasurer was not in attendance. He stated that at the end of November 2012, the Trust was worth \$3,800,998.25. Jean Lewis, CFO, will present the report. She explained the Financial Summary—Cash Activity spread. She commented that with changing the fiscal year to coincide with the Council. The Indirect Cost Rate is negotiated with the IG. The rate is calculated to be sufficient to support the accounting department, which it doesn't. It supports your administration, supervision, accounting, (IE: writing checks—the person doing that, Human Resources activities, cash activities, annual audit, bank account supervision and oversight reconciliations. A lot goes into that cost. Traditionally the Trust Board has paid 10%. The Tribe's Indirect Cost Rate is 18.5%. The 10% is taken for the designated area and the remainder from other areas based on their expenditures.

Joe Brooks stated that only 10% is allowed and should not be taken unless voted on by the people.

Curtis Zunigha related that this has been the process about from the beginning of the Trust Board. It is the duty of the Trust Board to go to the people for their vote.

Verna Crawford moved to hold a workshop to start working on the revision of the Trust Document and master plan to be held on Tuesday, February 12, 2013 at 1 p.m. John Sumpter seconded the motion. Motion carried with 5 yes.

Verna Crawford stated that the Education and Community Services Committees would be held on Wednesday, February 13 at 1 p.m. instead of Tuesday.

A report will be presented at the March 4, 2013 setting the timeline to take the revisions to the people for a vote.

Cass Smith moved to have a timeline set by the March 4, 2013 meeting and an interim spending guideline. Until the vote of the people we will follow the current guidelines. Verna Crawford seconded. Motion carried with four yes and one abstention. (John Sumpter).

Curtis Zunigha gave a Tribal Manager's report. (Report attached)
Cass Smith moved to table Committee Reports till the March 4, 2013 meeting.

Committee Reports:

Economic Development: Chair Joe Brooks
Community Services: Chair Verna Crawford
Land Management: Chair DeAnn Ketchum
Cultural Preservation: Chair Chet Brooks
Education: Chair Verna Crawford
Reinvestment: Chair John Sumpter
Tribal Operations: Chair Joe Brooks

Old Business:

- A. John Sumpter requested that the legal status of our accounts be confirmed. Cass Smith said we need to know how much does it fall under the Council, what protection we have in case of law suits, leans and such. This will be another topic for the workshop.
- B. Member absence.
Joe Brooks moved to have the absence of DeAnn Ketchum be unexcused. Cass Smith seconded the motion. Motion carried with five yes.

New Business:

- A. Election of a Vice Chair
Cass Smith nominated Verna Crawford. Joe Brooks seconded the motion.
Homer Scott moved nominations cease. Cass Smith seconded the motion. Motion carried with four yes and one abstention. (Verna Crawford).
Chairman Brooks called for the vote on the nomination. Motion carried with four yes and one abstention. (Verna Crawford). Crawford will continue to be secretary.
- B. Joe Brooks moved to appoint Homer Scott as a check signer. Cass Smith seconded the motion. Motion carried with four yes and one abstention. (Homer Scott).
- C. Committee assignments—tabled to March meeting.
- D. DEA President John Dillingham introduced himself as a new comer to the Board, he got elected in September. Our Board consists of the Chief, two Council members and three business leaders. He commented on the fact that the Trust Board minutes stated that the Economic Development and DEA were redundant. He requested the Board consider giving the Economic Development Committee funds to the DEA. John Sumpter asked if the Trust Board would have a member on the DEA Board. Mr. Dillingham stated that to do that a current member would have to leave.
- E. Chief Paula Pechonick stated she came before the Board regarding rules and the violation of them. A Trust Board member has violated the Tribal Elected Official Code of Conduct. This person has refused to attend an Executive Session. She presented a copy of the code, statement of information placed on the Face Book

page of John Sumpter and a list of the violations. She left the matter in the hands of the Trust Board.

John Sumpter stated that this was the place to bring the issue.

Cass Smith moved to table this till the March 4, 2013 meeting. Joe Brooks seconded the motion. Motion carried with four yes and one abstention. (John Sumpter).

Other Business:

Cass Smith asked to make a closing remark. He said, “ I have been an outsider most of my life. I didn’t grow up in Caney or Dewey. We have been Delaware all of our lives. I would like to urge all Tribal Officials and all of our citizens to try to put bickering behind us. We spend more time on hurt feelings. We are a sovereign nation. We have our own flag; we are talking about restoring a cemetery of our ancestors. If our ancestors had been so quick to be worried about carrying their feelings on their sleeves we wouldn’t be a mark on the history book now. I got involved in this Tribe’s government because I hoped I could make a difference. A difference has to be made, not by a good leader or person every generation or two. We have to come together as a people or we might as well mail our Federal Recognition back to Washington and say “thanks very much, but we just committed political suicide”. So we need to start thinking about our children and our children’s children. What will people say about us when we are the ancestors or will there be a progeny to speak of us when we are the ancestors?

Verna Crawford moved to adjourn. Joe Brooks seconded the motion. Chairman Brooks declared the meeting adjourned at 6:10 p.m.

TRIBAL MANAGER REPORT FOR THE TRUST BOARD MEETING OF FEBRUARY 4, 2013.

Trust Financials – I am joined by our Chief Financial Officer, Jean Lewis, to present the financial reports and discuss the issue of tribal operations and administration costs. I know there has been some confusion about the 10% set-aside and the 18.55% indirect cost rate applied to administrative costs. We're available to discuss these and other issues today.

Land Management and the Lenno Cemetery – Please note the attached photos. This shows just some of the deplorable conditions of the Lenno Cemetery located about 1.5 miles southwest of the Copan Dam. This cemetery is in dire need of restoration. I went there last June and the cemetery looks worse when overgrown with summer brush. I am asking all members of the cemetery committee, land management committee, and Trust Board to allow me to proceed with much needed work clearing the cemetery of fallen trees and limbs, brush and vines, and other growth. This will require an experienced crew with heavy equipment. I have discussed this issue with tribal member Terry Barnes, Owner/Operator of Barnes American Tree Service in Bartlesville. He is joining me Thursday to view the site and do a cost analysis of the task. The sooner we get started before the spring growth season the better. I ask for the Trust Board's approval to proceed with this initial analysis and provide written reports to the committees as this project moves forward.

The second step in this project is a plotting of all the graves on a map and restoration of the gravestones and markers. Some of them are over 100 years old and in bad condition. It'll probably require collaboration with a professional monument company. Finally we can set up a regular ongoing maintenance schedule for upkeep along with our other cemeteries.

Dee Ketchum's Presentation
Trust Board Minutes
January 3, 2000
Delaware Tribe of Indians

Called to order by Chief Dee Ketchum at 6:05 p.m.

Invocation was given by Chief Ketchum in Lenape and English.

Roll Call: Dee Ketchum, Dan Arnold, Joe Brooks, Verna Crawford, Sally Farley, Paula Pechonick, and Raymond Cline

Guests: Alan Chisoe, Randy Eoff, Gary Frye, Mike Dillingham

Motion to approve the minutes December 6, 1999, Trust Board Meeting minutes, with corrections, made by Paula Pechonick, seconded by Sally Farley. Motion passed all in favor. Discussion of proper corrections and insertions.

Chief Ketchum explained that he and Gary Frye had a very informative question and answer session regarding financial information. If, in the future, the Board would like to request such an opportunity to talk with Gary, he will schedule an appropriate time.

Randy Eoff presented the Treasurer's Report. Gary Frye explained copy machine leasing fees. Joe Brooks made the Motion to accept the Treasurer's Report pending audit, seconded by Verna Crawford. Motion passes all in favor.

Committee Reports distributed in packets. No questions from Trust Board.

Alan Chisoe discussed Economic Development issues and handed out a letter to the Chickasaw Enterprises referencing Tribal Power Authorities.

Old Business - None.

New Business

Gary Frye presented the office report. Several questions have been raised concerning committee meetings being held outside the Tribal Headquarters. Chief Ketchum commented that meetings are to be open to the public at a set time and location to allow both staff and public to attend. Meeting attendance is on a volunteer basis, therefore paying mileage to a Staff member is against Board policy. Joe Brooks and Paula Pechonick agreed. Gary Frye will clarify to Staff that attending Committee Meetings outside of the Delaware Tribal Headquarters during normal work hours, is out of the question. Raymond Cline explained that the Community Service Meeting that was held off-site, was in appreciation of their participation. In the future, meetings with special circumstances will be scheduled outside of the Delaware Tribes' standard hours of operation. Meeting dates and times are published in the DIN therefore continuity should increase attendance. A full plan will be filed with the Office of Trust Fund Management regarding the transfer of WestStar Bank to Smith Barney for reinvestment. Fund will be 100% insured. **Joe Brooks made the Motion to move all Trust Funds, from the money market accounts at WestStar Bank to Smith Barney, seconded by Dan Arnold. Motion carried all in favor.**

Gary Frye has been discussing with Mike Dillingham, of Smith Barney, options of reinvestment of Trust Fund moneys. Tribal Membership must be apprized of any financial process and the Board must pass a resolution stating the action has been approved. Dan Arnold made the Motion to accept the withdrawal.