

# Shageluk's Village Corporation

**MISSION:** TO PROTECT OUR LAND, PRESERVE OUR CULTURE AND PROMOTE GROWTH FOR OUR SHAREHOLDERS.

**VISION:** TO WORK TOGETHER TO ENRICH OUR PEOPLE, OUR TRADITIONAL WAYS OF LIFE AND TO BE A PROFITABLE CORPORATION FOR OUR FUTURE SHAREHOLDERS.

Spring 2016

**Dear Shareholders,**

I have been on the Board of Zho-Tse, Inc. since 2013 and I've learned a lot about our village corporation. I've learned that it really does take a united Board to make decisions on behalf of our shareholders. Over the years I've seen what it takes to create new business opportunities through business development. The process is not an easy one. Our current CEO is awesome and has and continues to work long hours to see that our corporation grows into a successful business for our future. I can't stress how important it is for all of our shareholders to read about our updates through the newsletters, our 'Zho-Tse' Facebook page and our website ([www.zhotse.com](http://www.zhotse.com)). As a shareholder, you are the ones that vote for the us to speak on your behalf.

Our newsletter is long overdue, however, 2016 has been a busy start for us. We are now entering Spring and we are busier than ever. Here are some positive things that are happening with our corporation that will create jobs and new business opportunities to grow Zho-Tse, the shareholders and our community. We were awarded government contract work on the east coast, we are onto our second government contracting opportunity with a local car rental company and the wood bison foundation is in the works. Also, we have plans to have a Shageluk corporation office this year and we hope to hire more shareholders to fulfill all the opportunities we have coming our way. Through all these positive changes and growth, we've had some losses too. We lost Earl Dutchman. He was a hunter, a fisherman, and all around good guy with great humor. May he rest in peace.

I would like to recognize and thank Sonta Hamilton Roach for her re-election to the Doyon Board of Directors. She is such a positive voice for both our rural and urban people. We are thankful that she will continue to advocate for us.

Our next regular board meeting is on May 12th in Shageluk. We will also have a Shareholder Informational Lunch on April 9th in Anchorage. We want to hear from you and we want to share all the projects we have in the works. So many positive things are happening for our shareholders! As a Board of Director, my role is to have a connection with our shareholders and to address any issues or concerns. I am responsible to be prepared in order to fully understand the issues to be discussed and make decisions on your behalf and I will always do so. Thank you for your support and I wish you a safe and happy Spring and Summer season.

Best wishes,

Hazel John



#### **Innoko Government Services (IGS):**

IGS received its first 8(a) certification from the U.S. Small Business Administration 8(a) Business Development Program in July 2015. We partnered with TMG Construction to bid on some major construction projects on the east coast and the amazing thing is that we are getting the work! We were awarded two construction renovation jobs in Virginia and we are continuing to bid on more work. This is a great start for our construction subsidiary to start building our capacity and performance in the government contracting business.

#### **14(c)3 Land Conveyance:**

This has been a slow process with the State and City of Shageluk to convey land back to the City to designate to the community. We received word this month that the ordinances are being initiated so we are hopeful that this land conveyance will be completed in the near future.

#### **Innoko Rentals, LLC:**

We are in the process of acquiring a car rental business which we've named, 'Innoko Rentals.' This will be our second 8(a) certification opportunity. We have already established work with local military bases to supply auto rentals.

#### **Zho-Tse Fuel Company:**

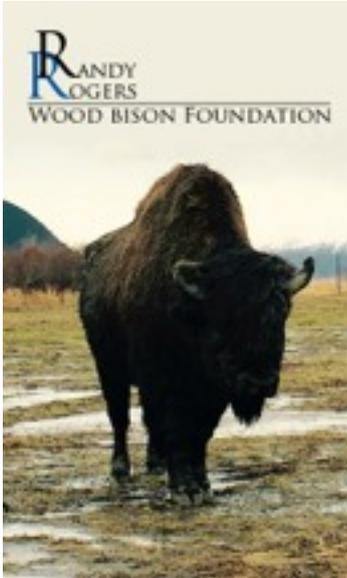
The fuel company hasn't been doing so great. We continue to need tank upgrades. The funding to do these upgrades is not there. Also, we continue to have fuel management issues. Coupled with this is the financial issues. The corporation continues to make no money from the fuel company, in fact, we've continued to lose money for the last three years. Due to this fact, the Board decided to sell the fuel subsidiary. In the past, the Board did elect to sell the fuel company. However, we didn't have any buyers. We are trying to sell the fuel business because of all these issues. This sale is strictly a business decision. We are hoping that another local entity can take it over.

#### **Zho-Tse, Inc. Scholarship Program:**

We have funded 2 scholarship recipients for the 2016 semester. We are very proud that we are able to assist our shareholders and descendants in completing their higher education.

**Financial Health:**

The financial health of our village corporation remains stable. We know that shareholders continue to ask for an audit. We have conducted two in the last three years. The last one was sent to all the shareholders. We continue to remain a transparent and ethical corporation. Audits are expensive, to continue to request an audit would mean that this would affect our shareholder dividends. This extra expense is not part of our budget and it would have to be taken from the shareholders. It is our goal to grow our corporation and not take away from it with unnecessary costs.



**Randy Rogers Wood Bison Foundation:**

Since their release to our area, the Wood Bison have been growing in numbers and are healthy. A 501(c)3 not-for-profit foundation is being established to enable scholarships for the long term education and conservation of the wood bison. Through this foundation we are hoping we can establish a potential tourism business and other opportunities for local shareholder hire. We are actively working with all participants to ensure that this happens.

**Shareholder Relations:**

Please keep your contact information current with us. Our new ‘Bad Address policy’ will eliminate the added cost to Zho-Tse for returned mail. If the Corporation receives two (2) pieces of returned mail from you, you are automatically put on the Bad Address List. Also, a shareholder on the “Bad Address list” will not receive their shareholder dividend due to having a ‘bad address’ with the Corporation. This policy also includes the shareholders that have bank

direct deposit. The Corporation will give Notice to all shareholders via social media of the deadline to update their contact information. This will give you adequate time to update your contact information with the Corporation before the dividend pay-out date. Also, all shareholders should have a current ‘Stock Will’ on file with the Corporation. It ensures that who you want to give your Zho-Tse stocks to will go to that person in a timely manner.

**Next Regular Meeting:**

Our next Regular meeting is scheduled in Shageluk on May 12, 2016 at 1 pm. All shareholders are welcome to attend.

**Contact Us:**

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