

INFORMATION BULLETIN

July 5, 2011

Chief and Council Message

The Chief and Council would like to take this opportunity to extend greetings to all community members. We are almost three months into our new term and we felt it was important to share current information updates with you.

We are pleased to share this information bulletin which provides a brief overview of activities the Chief and Council have been working on since being elected. A more detailed report will be presented at our scheduled General Assembly, Friday, July 8, 2011 from 10 am – 3 pm, Band Hall.

In addition, we would also like to extend our sincere

condolences to community members who have lost loved ones over the past year. We know the loss has been felt by all our members.

Despite the struggles the people of Sagkeeng are confronted with we remain strong and supportive of each other.

We look forward to meeting all of you at the upcoming General Assembly. Please make every effort to attend.

Meegwetch



CAPITAL PROJECTS / ECONOMIC DEVELOPMENT INITIATIVES

Water Treatment Plan:

This project includes a major expansion and upgrade to the south shore water treatment plant, conversion of the north shore water treatment plant to a pumping station, and conversion of the raw water line under the Winnipeg River to a treated water line. The project also includes rehabilitation of community fire hydrants.

P.M. Associates Ltd. was hired in 2009 to provide project management services for the project. Since then, we have undertaken a request for proposal for engineering services resulting in the selection of J.R. Cousin Consultants Ltd. The design for the project was completed last summer, and construction contract was tendered and awarded to Penn-Co Construction Canada Ltd. The construction of the new reservoirs and building are well underway. As well, the treatment train is already in place, and the installation of related piping has started. The construction is expected to be completed by this fall.

Home Relocation Project:

P.M. Associates Ltd. was hired in January to provide project management services for installing the water and sewer servicing for 20 house lots at the newest south shore sub-division. J.R. Cousin Consultants Ltd. provided engineering and inspection services, and Buus Construction was the general contractor. In addition, McDiarmid Lumber will be providing replacement units, as well as renovation and relocation services. The projects is expected to be completed by September 2011.

Shoreline Stablization Project:

This winter the second phase of this long term shoreline stabilization project was completed. The site for this second phase started at Bruyere's Point and extended 400m west. The work included re-grading the bank down to the shoreline, digging a keyway, and installing geofabric, gravel bedding and blast rock armor. Work started in February 2011 and was essentially completed in early April except for some seasonal restoration work.

The first and second phase have been funded by Indian and Northern Affairs Canada. Subsequent phases will be funded partially by the Province of Manitoba.

P.M. Associates Ltd. was hired in January to provide project management services. Trek Geotechnical Ltd. was hired to provide engineering services. Hugh Munro Construction Ltd. (Sagkeeng First Nation's Joint Venture partner) provided on-site construction management services. With the exception of drilling, blasting and crushing work at the quarry, all other work was completed by Sagkeeng First Nation contractors and members.

New Health Centre Project:

The New Health Centre, which is 915.3m (9,850sf) is nearly complete, except for some seasonal work. The new health centre includes areas for Community Health, Home and Community Care, Maternity Child Health, Dental and administration areas. The site of the new centre is north of the current Sagkeeng Wellness Centre.

P.M. Associates Ltd. was hired in 2009 to provide project management services for the new health centre. Since then, we have undertaken a request for proposal for architectural and engineering services resulting in the selection of Stantec Architecture Ltd. the design for the new health centre was completed 2009, and a construction contract was tendered and awarded to Regent Construction Inc. early last year. The project was substantially completed earlier this year.

Gaming Centre Expansion – Ayshkum

The foundation, walls, and roof frame are complete. The plumbing is roughed in, and the metal is being installed. The beam forms and rebar are installed; therefore the concrete floor is ready to be poured and will be when project funds are secured. Any further works such as electrical and mechanical will be awarded when the projects funds are released. The project has been delayed and incurred additional costs due to strict cash flow timelines which is necessary to not only finish the project within budget but to complete it on time.

SFN Government Office Expansion – Ayshkum

The foundation is complete. The walls and floor are partially complete. The post and beams will be installed together before the walls and floor can be finished. Then the roof and shingles, doors, and openings can be installed to protect the building from weather damage. The project funds are also on strict cash flow timelines and the building will need to be sealed weather tight until further notice. This project requires a timely cash flow to ensure that it is completed on time and within budget.



UNAUDITED SUMMARY 2010/2011

SAGKEENG FIRST NATION
FINANCIAL REPORT AS OF MARCH 2011
UNAUDITED

PROGRAM	INAC REVENUE	OTHER REVENUE	TOTAL REVENUE	TOTAL EXPENSES	SURPLUS/ (DEFICIT)	ANNUAL BUDGET
Governance	1,401,639.70	639,782.29	2,041,421.99	2,702,265.60	(660,843.61)	1,401,639.70
Public Works	925,303.00	106,923.00	1,032,226.00	1,278,122.27	(245,896.27)	925,303.00
Economic Development	317,902.00		317,902.00	379,974.42	(62,072.42)	317,902.00
Social and Income Support	7,268,434.00		7,268,434.00	7,466,289.39	(197,855.39)	7,268,434.00
Education	9,306,966.00	25,000.00	9,331,966.00	9,714,925.54	(382,959.54)	9,306,966.00
Capital	2,035,100.00	150,417.00	2,185,517.00	2,220,256.25	(34,739.25)	2,035,100.00
	21,255,344.70	922,122.29	22,177,466.99	23,761,833.47	(1,584,366.48)	21,255,344.70

LEGAL – MYERS WEINBERG LLP:

Wing Settlement and Peterson and Habib:

These claims were filed in 2001 and together amounted to more than \$15,000,000.00 including ongoing interest and penalties. The parties have now agreed to settle these lawsuits with the Band paying a small fraction of the damages that the plaintiffs were seeking and payment is to be made in regular installments over the next 2 years. It was a condition of the settlement that the settlement is confidential and can only be disclosed to Sagkeeng Band Members. In arriving at this settlement, it was considered that the costs of proceeding with this complicated commercial litigation over the next many years and the potential for a judgment against the Band, required that these lawsuits must be settled at this time to stop the expenditure of further resources in this matter and avoid the risk that a very large judgment could be obtained against the Band.

Sagkeeng First Nation Pension:

Since problems with the Pension Plan were brought to the attention of Chief and Council, they have worked diligently with pension lawyers and consulting actuaries to preserve the Plan and to pay down special payments which had fallen into arrears. The firm of Ellement & Ellement is no longer providing actuary services for the Plan and Chief and Council are retaining other actuarial services with respect to the administration of this Pension Plan. The Band maintains that Canada is responsible for the payment of all special payments in this matter and in December, it initiated a complaint pursuant to the Band Employee Benefit Policy for determination of INAC's responsibilities in this regard. The Band is pursuing INAC in this matter and has also commenced litigation proceedings against Ellement & Ellement to recover damages for breach of contract, negligence, and an accounting with respect to the actuarial services provided to this Pension Plan in the past years. Chief and Council are monitoring the situation closely with input from actuary experts and expert pension counsel. Ongoing reports will be provided as matters develop.



CONCLUSION:

Additional information will be shared with community members at the Assembly scheduled for Friday, July 8, 2011, 10 am – 3 pm.

We look forward to seeing you at this Assembly.

