

2015 STATE OF THE TRIBE
February 22, 2015
SECR – ENTERTAINMENT HALL

Tribal Council and I would like to begin my thanking you for joining us today. I am told that this address will be available on our Tribal website for anyone who was unable to attend this morning.

Technology is a wonderful thing when it comes to reaching out to the membership. I am very happy to inform you that when considering our communication with the membership we recognized the difficult position the Tribal Observer was put into when asked for budget reductions. Their choice to transition to electronic versions of the Observer, in order to save money, was appropriate but problematic at best. Not everyone has the capability to retrieve the Observer online. Tribal Council decided to fund the Observer to ensure that each Tribal household would receive the printed edition of the Observer from here on out. That way we can ensure you receive the information, events and announcements each month.

It has been a privilege and an honor to serve as your Tribal Chief to this point. This job is not without challenges and obstacles. Your leadership is working each and every day to ensure we have a long lasting and solid future. Today I am very happy to report that your Tribal community stands on solid ground. Tribal Treasurer, Shelly Bailey, will be providing a detailed breakdown of all of our accounts and where each one is at. Although one of our biggest challenges is the Per Capita account, I want each one of you to know that the rest of our portfolio is on solid ground.

The Per Capita account is funded by the profits from our Class III gaming revenues. Although we remain profitable, the amounts of revenues we have come to count on have decreased over the past several years due to market challenges, the economy and other factors. Some years ago, it was decided to reduce Per Capita to ensure we could sustain the distribution through 2019. Unfortunately, we have had to use the Future's Trust money to maintain the level of Per Capita payments to this point. Tribal Council needs to make changes to the distribution plan to ensure we can support the Per Capita plan for the future. We need to know what type of impacts future reductions will have on you and your families. Tribal Council will be mailing a questioner to the entire membership. Please take this opportunity to provide us with your best thoughts regarding Per Capita and how we can address these short falls for the future.

There have been some very significant and challenging adjustments before your Tribal Council in regard to Obama Care and the many changes and adjustments we have all had to adapt to. We have Connie Sprague from Benefits and Lisa Peters from At-Large here with us today who will be providing information in regards to member benefits and health care coverage. It is very important that we continue to promote and support employment, education and community involvement. All of these are critical in preparing for our future and the future of our youth. You have been given a card from the At-Large department asking you what you know about the 40 credits earned for Medicare coverage. We have found that some of the members do not qualify for Medicare at retirement due to a break or lack of work history. These folks can help you with your transition to retirement and health care coverage. Remember the privilege of

membership comes with many benefits and we are here to ensure you understand and are taking advantage of each benefit offered to you.

I would like to address changes that are being made to our Treasury Department and efforts to reorganize their structure. Tribal Council and the Investment Committee have been working to update job descriptions with compensation and those positions are currently posted. You should also know that the money in our investments is invested and secure. Charles Schwab is the brokerage house for these investments and any changes to this structure will be communicated to you as they happen. Please feel confident that Tribal Council assures any changes will be for the best to secure our future.

Sean Reed, Legal Counsel, is here and will be providing information on the ongoing Union litigation, Contract Support Cost litigation and Compact negotiations. The federal government, over the past several years, has been decreasing the amount of funding for Tribal programs and Indian Health service resulting in a shortfall. We have charged our legal department with litigating these treaty obligations and demand complete funding. Any dollars awarded back will bring about relief to those departments struggling with decreased dollars through the funding process. The good news is that President Obama's 2016 proposed budget for Indian Country is showing an increase of 12% and if passed, will help relieve the amounts that have to come out of the Tribal government's budget.

We have talked for some time about the expansion to Saganing Eagles Landing Casino. After careful consideration and changes to the size and scope of the project, I am happy

to report that the schematic design with JCJ is 50% complete. ROWE Engineering has been brought on to develop the civil engineering for the entire casino property and surrounding contiguous property. Meetings are ongoing with our neighbors Lake State Rail, ITC and Consumers Energy so we can process and address any issues that they may bring up during construction. We want to ensure that the growth in Saganing is an enhancement to our efforts here in Mt Pleasant and not a detraction. We will be able to offer a nice restaurant, 148 hotel rooms and room for another 400 slot machines. This work has been fueled by the efforts to build this business and its growth to support profitability and services provided.

Planning has continued its work with M-DOT and Arenac County to relocate the Worth roadway in front of the Saganing Eagles Landing Casino to allow for future growth and community development. This relocation south of its current location will bring Worth road square with the Lake State Rail crossing further south from its current location providing added safety and ease of traffic.

The Tribe is currently developing the franchise agreement with Standish Township that will allow us to provide water and waste water services to White's Beach neighborhood in Saganing. That agreement will detail the relationship between the Tribe and the township and which entity is responsible for exactly what services that will be provided. This will enhance their community while creating another revenue stream for our Tribal community.

Your Tribal community is here to grow and develop with you and your families. Your Tribal government is here to provide those basic services that will enhance and

compliment your lives while supporting education and higher education. The Saginaw Chippewa Indian Tribal government supports 36 different departments with over 120 individual programs all designed to enhance your quality of life while providing excellent services. We remain committed to creating and maintaining a safe and productive community you can be proud of while promoting growth and future sustainability. You will hear from our Migizi Interim CEO, Lisa Darnell, on plans for the future of Migizi and those Migizi business units: as well as information from Raul Venegas, Marketing Director for the Soaring Eagle and Saganing properties.

I would like to thank you for your attention and support. Together we can make a difference.