

Chairman's Report

Leech Lake Band of Ojibwe

August 2011

We have started the new fiscal year July 1 and we should shortly have a more completed financial picture ready showing us the financial health of the Band. Though it is now August we are still also involved in the election to fill the Secretary/Treasurer vacancy. This election has shown just how bad politics can be and why we need reforms. It is a constant battle against unethical behaviors and political infighting that in many ways stalls our reservation. I want Leech Lake to become again a progressive and stable tribal government but that can only happen with a council that works together toward agreed to goals.

In 2008 we set an administrative agenda that included Native Nation Building, updating our Comprehensive Economic Development Strategy and implementing the adopted goals. We also assessed that we have a substantial financial impact on surrounding counties and communities from our government and gaming spending. This assessment showed our resources sustain the communities around us better than we sustain ourselves. That needs to be changed because until we can make our money go through our hands more than once we will not build a reservation economy that creates business opportunities or creates needed jobs. We need to stop the flow of our money straight off the reservation.

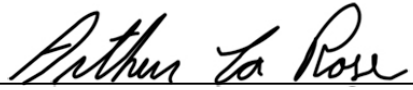
To start addressing that as well as getting our people access to better food we directed the Che-we be turned into a Cooperative with plans for satellite stores to be developed for outlying areas of the reservation. This was to get healthy food at reasonable costs to our people. We directed that a gas discount system also be looked at as part of it because families can only stretch limited resources so far so any money that does not have to go into the gas tank can be used for other needs. Two areas of great importance were education and workforce development these require both an education plan and an education workforce development plan. These are important as we have a young population in need of education, job training and jobs. Education is also the key to addressing poverty and our continued cultural survival. That work will be supported by the education improvement agreement that we entered into with Red Lake and White Earth on January 20th, 2011 where we agree to work cooperatively on educational improvements in such crucial areas as Ojibwe language preservation, Indian education improvements, grant partnering and grant endorsements.

We also directed an energy plan be drafted for the reservation. Propane was identified as one area where we could quickly have some control over pricing by pre buying at bulk rates. This led to our looking at the development of our own propane company. Red Lake developed a successful propane business so we have a good working model to use as a guide. We also started discussion on a cooperative housing partnership model with Leech Lake, Red Lake and White Earth. This model to start a housing plant is still in the development stages but shows great promise to help address our housing needs and our employment needs in a partnership that can have many other benefits. We continue efforts at recovering the 2.4 million of the band's funds that were released through an unauthorized loan. We are also still trying to get a fair compensation in regard to the Nelson Act settlement without jeopardizing our treaty rights and our sovereignty. We continue efforts to protect and exercise our treaty rights guaranteed under the 1855 treaty.

The 230kV high voltage power line continues to be built through our territory. The Power-line Agreement was signed by the former Secretary/Treasurer and District 2 Representative and submitted in violation of governing by-laws of the Band, Ordinance 1. We have attempted to renegotiate with the power companies as it was an unauthorized agreement that also waived our sovereignty. If we cannot come to a negotiated agreement than we have to prepare for a federal court hearing regarding our governing authority and the Treaty Rights compromised by the utility crossing. Always ongoing is monitoring of outside federal and

state legislation and issues that can impact us, such as the recent state government shutdown. Internal political issues resulting from the recent recall/removal of the Secretary/Treasurer involve the Special Runoff Election now under way after the last general election results was overturned because of election irregularities.

I will have a fuller report prepared and presented on this last year's efforts regarding issues, priorities and both short and long term efforts to move the Leech Lake Reservation forward for the betterment of our people. Megwitch.

A handwritten signature in cursive script that reads "Arthur LaRose". The signature is written in black ink and is positioned above a horizontal line.

Arthur "Archie" LaRose
Chairman