



Wednesday, February 8th, 2012

Métis Community Leaders
Métis People of BC

Re: MNBC No Longer Financially Sustainable

VIA EMAIL

Attention Métis leaders and Métis people of British Columbia;

The BC Métis Federation has patiently waited for responses to several correspondences sent to the Métis Nation British Columbia (MNBC) addressed to their board in December 2011 and January 2012. Unfortunately MNBC has not provided any responses and there continues to be significant concerns about the financial sustainability of MNBC. As such the BC Métis Federation has attached a document entitled **BC Métis Federation Assessment of MNBC 2012 (report)** that focuses on the financial sustainability of the MNBC. The conclusions are based on facts and the conclusions are clear, that being the MNBC is no longer financially sustainable.

The BC Métis Federation report focuses on four key areas of financial evaluation to reach our findings that are based on accounting practices;

1. Current Ratio & Working Capital
2. Interest and Mortgage Payments
3. Deferred Revenues
4. Administration

The BC Métis Federation decided to complete the report to assist the Métis community leaders and all Métis people in BC to better understand the major financial risk for the MNBC in light of the upcoming Métis Nation Governing Assembly in early March. BC Métis Federation expects MNBC board members and new management to deflect, blame, and misled the leadership as has ben witnessed for the past number of years.

We also understand MNBC has been pressured by some of the identified Métis communities to answer a variety of questions. I have attached a letter sent to MNBC from the Vancouver Island Regional Governance Council dated January 23rd, 2012 that was forward to the BC Métis Federation. The Vancouver Island Regional Governance Council letter includes four motions to request specific information from the MNBC. Please note these four motions are similar questions the BC Métis Federation has raised to the MNBC for the last number of years but MNBC has not provided answers.

What I understand is that at this time MNBC provided a minimal response to the four motions that were vague, inaccurate and deflective. For example the following is a summary of MNBC statements provided by MNBC President Bruce Dumont in accordance with the four motions:

- First MNBC President Dumont claimed that the MNBC assets were an estimated \$6 million and liabilities at \$5.2 million. This is absolutely false and inaccurate and we estimate the MNBC

liabilities are exceed \$12 million. Therefore even if the school sold, which we do not believe will happen any time soon, MNBC will still be in debt by millions.

- Second MNBC could not provide the Deficit Recovery Report because of “significant cost cutting moves.” MNBC President Dumont stated that the Debt Recovery Reporting would be provided at the end of the year which is coincidentally after the upcoming Métis Nation Governing Assembly.
- Third MNBC President Dumont confirmed he is still receiving a salary of \$86,000.00 although in the MNBC Press Release of December 12th, 2011 it stated that:

“Also, as of January 1st, 2012 MNBC Board of Directors will no longer be paid a salary. The Board’s salaries had been reduced over the last few months and the original plan called for their elimination by April 1, 2012. This latest decision moves that forward to eliminate salaries within a few weeks from now.”

This MNBC public statement made December 12th, 2011 is now confirmed as misleading. Review the release on the MNBC website under the tag line “MNBC Board of Directors make difficult but responsible decisions to move the Nation forward.”

- Finally MNBC President Dumont denied being topped up for the position of Chief Executive Officer.

The BC Métis Federation strongly encourages Métis community leaders and people throughout BC to review the actual facts. During this recent response to the Vancouver Island Regional Governance Council it was clear MNBC President Dumont and the MNBC management is now trying to blame the former MNBC CFO Cora David for an inaccurate Debt Recovery Reporting that was made public last September plus other claims of financial mismanagement.

Overall this situation continues to defy logic or sound business practice. The reality is that MNBC is no longer sustainable because of the a number of mismanagement points;

- Expected MNBC interest charges over \$370,000 in 2012-2013 to manage the debts
- Expected working capital to increase to a negative \$6.8 million by March 31st, 2012
- Mortgage payments over \$47,000 per month by June 2012

The truth today is that this MNBC board is not transparent and has not afforded any of you an honest review about their financial sustainability. The MNBC board has denied our province the ability to have all of the information to make informed decisions and this is fundamentally wrong.

The solution is to better understand the BC Métis Federation, demand full accountability of the MNBC to confirm BC Métis Federation findings, and force MNBC into bankruptcy to enable the Nation to move forward for the future.

I sincerely hope all Métis people review the information carefully and join the BC Métis Federation to stop this MNBC’s gross financial mismanagement.



Thank you,

A handwritten signature in black ink that reads "Keith Henry". The signature is fluid and cursive, with a long horizontal stroke at the end.

Keith Henry
President

cc BCMF Board of Directors
 BCMF Members
 Métis People of BC
 MLAs
 MPs (British Columbia)