

SENECA - CAYUGA
NATION



Gah-Yah-Tont

(It Is Written)



State of the Nation
Chief William Fisher

February 2016



Greetings fellow tribal members!

I hope this newsletter finds you and your family well. As many of you know, my life has changed immensely since I last wrote to you. My wife, Anja, and I recently added a new addition to our family. We welcomed a new baby boy named Nicholas Roy Fisher. He is the joy of our lives and, although I'm a rather old "new parent," we have never been happier. I thank you for the many kind words and blessings you have bestowed upon us in our time of joy.

On the tribal gaming front, the Business Committee has devoted a substantial amount of time to resolving unsettling matters remaining from the previous administration. These matters are a heavy burden on the Tribe's financial resources and threaten the Nation's gaming operation. One example of this resolution of old matters occurred when the Business Committee successfully ended a casino vendor contract late in the fall 2015. The casino vendor contract was signed by the former Chief in May of 2013, and it violated several provisions of the Indian Gaming Regulatory Act. The National Indian Gaming Commission, the federal agency which has regulatory oversight over tribal gaming, sent our Nation a letter describing all the violations. I am attaching a copy hereto for your information. In addition to the violations set forth in the letter, the contract also contained terms that are very unfavorable to the Nation. Most problematic was that the contract was perpetual – meaning that it automatically renewed itself no matter if the tribe wanted it or not – and further demanded nearly one third of our gaming floor. After working with our Gaming Commissioner, Danielle Brashear, and our attorneys, we were successful in removing the vendor contract and 255 of their illegal gaming machines. The contract is no longer in force and effect, and the former vendor's 255 machines have now all been removed from our facility, saving us in excess of \$10 million dollars. Although this created a vacancy on our gaming floor, we negotiated with other vendors to place new machines at our casino. We are extremely fortunate that our new Gaming Commissioner and attorneys worked so judiciously to remove the vendor from our casino. Unfortunately however, the NIGC is still investigating the matter and may assess penalties for the period of time the contract was in place. The Business Committee is working to mitigate any assessed penalties. We will keep you updated as that matter progresses.

Next in tribal business, the \$8 million dollar Royal Bay property promissory note and contract executed by the former Chief is currently being disputed in court. Among other issues, the former owners Larry and Carla Steckline are seeking to enforce the contract payment provisions and allege that the former Chief and a majority of the former Business Committee waived the Seneca-Cayuga Nation's sovereign immunity. If successful, the waiver would allow the Stecklines to receive seven percent of the **gross** revenue per month or one hundred thousand dollars, whichever is greater, from **any** business that operates from the land that is now held in trust for the tribe by the federal government. This provision of the agreement, in addition to others, would prohibit the development of a gaming operation at that location since such provisions would likely be determined to also violate the Indian Gaming Regulatory Act and immediately incur fines and or penalties from the NIGC, in addition to an order of closure. Because gaming development is not possible at this time, and because the businesses that were operating on the property have never generated a profit, the Nation cannot make the scheduled payments and has ceased business operations at that location. In addition to the payment issues, the property is also located in a flood plain and has suffered severe water damage twice this year. Until we get this litigation and the other issues resolved, the Nation cannot move forward with business development of the property. The Business Committee's goal is to ultimately reach a resolution that will allow the Nation to utilize the property for the benefit of the Nation and our members.

In tribal treasury news, our accounting firm, Finley & Cook, continues to find new ways for the Nation to save money and become accountable to federal agencies. We hope to have a clean audit for the first time in decades. We have worked hard to meet the needs of our people while also providing agencies like the IRS with the documentation that it requires. Our financial reports from Finley & Cook have provided our Business Committee the tools it needs to project and evaluate each department that we oversee. They also provide a well-organized and accurate financial report for our members at the monthly Business Committee meeting. The Nation's budgets are now in order, and our federal program directors have the ability to view expenditures online. Finley & Cook has also provided training on budget preparation which has been very helpful to our directors.

Also, Finley & Cook was recently engaged to provide the Nation with an assessment of the accounting and daily functions of Grand Lake Casino. At this point in the assessment, it is evident that the Nation's gaming operation must implement more effective accounting procedures and personnel. With Finley & Cook's assistance, the Business Committee is making great strides toward establishing an accounting department that has the requisite knowledge and training to provide accurate accounting in accordance with industry standards for casino accounting.

This brings me next to the status of our employees. The Business Committee has taken positive steps in management to ensure our personnel are working for the best interests of the Nation. As a result, we have made a lot of changes in staff. We've combined jobs to save money and to be more efficient. We moved the Casino Human Resources Department to our Career

Resources Building, consolidating our departments and centralizing personnel and benefits management. We combined the Wellness Director and Community Health Representative positions for another positive change. These moves save money and help to retain qualified, educated employees. Our Elder Lunch Program is another huge success story. We have a great cook who keeps our elders and staff well fed. If you haven't had a chance to visit the AOA Building, stop by and have a good home cooked meal.

Another large issue facing the Nation in the coming year is tribal membership. Although, the Enrollment Committee and the Business Committee have worked to implement the Referendum vote of the Tribal membership, other issues have been identified. A Constitutional amendment is necessary to avoid further confusion in regard to the referendum vote and to correct other tribal membership language in the Constitution. Both the Business Committee and the Enrollment Committee will be addressing the necessary changes. Additional information detailing the present concerns of the Committees will be provided in the near future.

On another positive note, the Nation was privileged to be able to provide Turkey Ford School, the only school located within our old reservation boundaries, with a new school bus. The little school has struggled with recent budget cuts and their old school bus was constantly breaking down. Needless to say, the staff and students were ecstatic. We also provided the Grove and Wyandotte Public Schools a donation of \$40,000 each to fund an after-school program for their students as part of our federal daycare grant. We feel fortunate to be able to use federal monies to assist these children.

In closing, I would like to personally thank the Business Committee members for all of their efforts in making these changes possible. We work well together and with election season upon us, I hope that tribal members will keep all of the positive changes in mind when they mark their ballots.

Respectfully,

William L. Fisher

William L. Fisher, Chief
Seneca-Cayuga Nation



Chief Bill Fisher and Business Committee Members Sallie White and Calvin Cassady presented a \$40,000 check to Turkey Ford School Principal Tammy Larson for the school's After School Program.



*Thank You for supporting
Turkey Ford School*

Chief Fisher, Cheryl & Seneca-Cayuga Tribe,
Just wanted to let you know how much we appreciate your continued effort to provide funding and support for Turkey Ford School. Thank you for the After School Program & for approval of a brand new bus. You are such a blessing to us. May God bless your genuine compassion and generosity.

Proudly Educating Children,
Mrs. Larson