3.7 Socioeconomic Conditions

This section addresses the economic, demographic and social conditions in Madison County and Oneida County, New York, and provides an overview of the Nation's Government and Enterprises. Unless specified otherwise, the Study Area in the Socioeconomic Conditions Section is defined as the counties and municipalities in which the Nation owns land, which includes Madison and Oneida Counties and 15 of their constituent cities, towns, and villages. In Madison County, municipalities include Canastota Village, the Towns of Cazenovia, Fenner, Lenox, Lincoln, Smithfield, Stockbridge, and Sullivan, and the City of Oneida. In Oneida County, the Nation owns land in the Villages of Sylvan Beach and Vernon along with the Towns of Augusta, Vernon, and Verona, and the City of Sherrill.

3.7.1 Employment and Income

Historically, the economies of Madison and Oneida Counties have been based on agriculture and manufacturing. Madison County's topography, soil, and climate were well-suited to develop an economy dominated by producing hops and dairy products. The two industries were often intertwined, as the dairy cows were used to produce fertilizer for the hops fields. In Oneida County, agriculture also played an important role in the local economy. By the mid-1900s, manufacturing also began to develop in the region. Companies including General Electric, Univac, Utica Drop Forge and Tool, Bendix, Special Metals and Oneida Ltd. built factories in the counties.

While these sectors and industries have been integral to the region, they have not been sufficiently competitive and strong to grow and strengthen the region's economic base or serve as major anchors for attracting or retaining migrating populations. The following discussion is based on information obtained from the Bureau of Economic Analysis Regional Economic Accounts and through the U.S. Census Bureau's American Factfinder website. (The Bureau of Economic Analysis data was retrieved in December 2005 from http://www.bea.gov/bea/regional/reis/; The U.S. Census Bureau data was retrieved in December 2005 from http://factfinder.census.gov. The year of the data varies among tables and sections and is listed in each specific table/section.) Whether cause or effect of the region's relatively static economic performance, neither county's population base has grown substantially over the last 30 years. In Oneida County, population has actually declined (a loss of nearly 40,000 persons) while Madison County has experienced little population growth (7,000 persons). These trends compare unfavorably with population growth rates for the United States, which grew by 43 percent during that same period.

There has been no net employment growth during this period. As shown in Table 3.7-1, both Madison and Oneida County have experienced an increase in the number of private sector jobs in the past 30 years, while the number of government jobs only modestly increased in Madison County and decreased in Oneida County over the same time period.

However, this overall growth in employment in the past three decades tends to mask the fact that nearly all of this growth occurred before 1990. From 1990 to 2003, Madison County and Oneida County added 3,660 and 3,852 private sector jobs, respectively. The number of government jobs declined in both counties, but more substantially in Oneida County (3,992 jobs were lost) where the closure of the Griffiss Air Force base led to the loss of 4,500 jobs in the mid-nineties.

The Nation's emergence in the 1990s as a major employer in the region has mitigated some of the difficulties caused by structural economic changes and the closure of Griffiss. The Nation employed approximately 2,900 persons in 2000 and 4,000 by 2003 in Madison and Oneida Counties. Oneida Nation jobs are currently reported as government employment and account for 11 and 13 percent of total government employment in the two-county area in 2000 and 2003, respectively, as reported in Table 3.7-1. Prior to 2001, the Bureau of Economic Analysis (BEA) reported employment at Native American establishments as private employment. Employment at the Nation Government was classified as employment at membership organizations while employment at the Nation Enterprises was classified under the relevant private industry components. Starting in 2001, the BEA reported the employment at Native American establishments as local government employment and has reclassified all employment back to 1969 to local government employment. Thus, in all tables in this report that present BEA data, employment at the Nation Government and Enterprises is reported as local government employment.

Thus, the reported loss of government employment jobs would have been significantly worse had the Oneida Nation not added jobs over this period to the region.

The region's recent economic difficulties are clearly evident in comparison with New York State and the United States (see Table 3.7-1). New York State's job growth picture over the 1990-2003 was somewhat better than the two-county region with faster levels of non-farm and private sector job growth and smaller levels of government job cuts. But New York's job growth fares badly in a direct comparison to the rate of the United States job expansion during this period which generated both faster rates of private sector and positive rates of government sector job growth.

Table 3.7-1
Total Population and Employment,
1970-2003 Madison and Oneida Counties

		1970	1980	1990	2000	2003
Madison County	Population	63,001	65,257	69,300	69,453	70,275
	Total Non-Farm Employment	15,952	19,189	25,658	29,730	28,885
	Private Employment	11,686	14,536	20,684	25,289	24,344
	Government Employment	4,266	4,653	4,974	4,441	4,541
	Employment/Population Ratio	0.25	0.29	0.37	0.43	0.41
Oneida County	Population	273,586	253,560	251,191	235,244	234,368
	Total Non-Farm Employment	112,368	113,658	131,082	133,328	130,942
	Private Employment	82,640	85,945	100,557	110,013	104,409
	Government Employment	29,728	27,713	30,525	23,315	26,533
	Employment/Population Ratio	0.41	0.45	0.52	0.57	0.56
Two-County Total	Population	336,587	318,817	320,491	304,697	304,643
	Total Non-Farm Employment	128,320	132,847	156,740	163,058	159,827
	Private Employment	94,326	100,481	121,241	135,302	128,753
	Government Employment	33,994	32,366	35,499	27,756	31,074
	Employment/Population Ratio	0.38	0.42	0.49	0.54	0.52
New York State	Population	18,271,605	17,566,754	18,020,784	18,998,889	19,228,031
	Total Non-Farm Employment	8,392,952	8,538,024	9,751,506	10,395,185	10,393,279
	Private Employment	7,042,627	7,200,246	8,220,791	8,911,313	8,893,728
	Government Employment	1,350,325	1,337,778	1,530,715	1,483,872	1,499,551
	Employment/Population Ratio	0.46	0.49	0.54	0.55	0.54
United States	Population	203,798,722	227,224,719	249,622,814	282,193,477	290,850,005
	Total Non-Farm Employment	87,320,600	110,433,200	136,227,900	163,645,800	164,456,500
	Private Employment	71,239,600	91,658,200	114,995,900	140,701,800	140,828,500
	Government Employment	16,081,000	18,775,000	21,232,000	22,944,000	23,628,000
	Employment/Population Ratio	**0.43**	**0.49**	**0.55**	**0.58**	**0.57**

Source: U.S. Department of Commerce Bureau of Economic Analysis, Regional Economic Accounts 1970-2003 Note: Farm Employment is not included in this table; Employment at the Nation Government and Enterprises in 2000 and 2003 is included in Madison and Oneida County government employment.

3.7.1.1 Economic Base

This section describes a regional Study Area comprised of Madison, Oneida, and Onondaga Counties. These three counties are the major counties where employees working for the Nation reside and a major share of the many vendors providing goods and services to the Nation are located within this region. This section will also examine the characteristics and trends of the "Study Area Municipalities" within which the Nation has land holdings.

Employment

In 2003, the U.S. Department of Commerce's Bureau of Economic Analysis Regional Economic Accounts data reported that approximately 459,830 people were employed in the three-county region comprised of Oneida, Madison, and Onondaga Counties in 2003. Full-and part-time employment, including farm employment, in Oneida County in 2003 was 132,696. Oneida County, together with Herkimer County, belongs to the Utica-Rome metro area and accounted for 84 percent of the metro area's employment. Employment in Madison and Onondaga County in 2003 totaled 30,056 and 297,079, respectively. Both counties belong to the Syracuse metro area, which also includes Oswego County and which totaled 372,944 jobs in 2003. Madison and Onondaga Counties accounted for eight and 80 percent of total employment in the Syracuse metropolitan area, respectively (see Table 3.7-2).

As described in more detail in Section 3.7.5.3, the Nation employed approximately 4,000 workers in 2003 in Madison and Oneida Counties. These jobs are included in the counts presented in Table 3.7-2.

Table 3.7-2
Full- and Part-time Employment
Madison County, Oneida County, Onondaga County,
Utica-Rome Metro Area, and Syracuse Metro Area, 2003

	# of Jobs	% of Metro Area	% of Three-County Area
Oneida County	132,696	84%	29%
Utica-Rome Metro Area	158,274	100%	N/A
Madison County	30,056	8%	7%
Onondaga County	297,079	80%	65%
Syracuse Metro Area	372,944	100%	N/A
Three-County Area	**459,831**	**N/A**	**100%**

Source: Bureau of Economic Analysis, Regional Economic Accounts 2003.
Note: Includes Farm Employment; Nation employment is included in Madison and Oneida County employment.

Employment compiled at the ZIP code level from the U.S. Bureau of Census shows that, in 2003, there were approximately 18,193 workers in the areas that roughly correspond to the local municipalities where the Nation owns land (see Table 3.7-3).

The U.S. Bureau of Census created the ZIP code level employment dataset based on information from the employer's Federal Withholding Tax Returns (IRS Form 941). In 2003, Nation employees were reported in the IRS Form 941 of the Oneida Employment Services Inc., an unrelated company that provides payroll and other services to the Nation and was then located in Zip Code 13032. Native Americans including but not limited to Nation Members account for about 4 percent of the Nation's total employment.

Table 3.7-3
Private Sector Employment, 2003
Study Area Municipalities

ZIP Code	Name Municipality	2003
13134	Smithfield	*
13157	Sylvan Beach	176
13461	Sherrill	1,245
13476	Vernon	835
13477	Vernon Center	47
13478	Verona	289
13054	Durhamville	77
13425	Augusta	317
13032	Canastota/ Lenox/Lincoln	5,766
13035	Cazenovia/ Fenner	2,505
13037	Sullivan	1,528
13421	Oneida	5,100
13409	Stockbridge	308
	Total	18,193

Source: U.S. Department of Commerce Bureau of Census, ZIP Code Business Patterns 2002-2003.
Note: Nation employment was classified as private sector employment by the U.S Bureau of Census in their Zip Business Patters data series and was reported as part of Zip Code 13032 in 2003 because that was the location of the payroll processing conducted for Oneida Employment Services Inc., *Zip 13134, Smithfield has less than 9 jobs, the exact number of jobs is not reported by the U.S. Bureau of Census.

Earnings

The BEA reports that total earnings in Madison County in the year 2003 were $860 million. In that same year, earnings totaled $4.454 billion and $12.379 billion in Oneida County and Onondaga County, respectively (see Table 3.7-4). Total earnings include wages and salaries, other employee compensation and proprietors' income.

Nation employees' earnings are included in the earnings in Madison and Oneida Counties reported in Table 3.7-4. As explained in more detail in Section 3.7.5.3, the Nation's payroll in 2003 totaled $99.4 million, not including pension and insurance contributions.

Table 3.7-4
Earnings in Madison County, Oneida County, and Onondaga County, 2003 in ($000s)

	Madison County	Oneida County	Onondaga County	Three County Area
Wages and Salaries	637,272	3,410,773	9,315,864	13,363,909
Other Employee Compensation	142,067	783,101	2,290,878	3,216,046
Proprietors' Income	80,981	260,844	771,828	1,113,653
Total Earnings	**860,320**	**4,454,718**	**12,378,570**	**17,693,608**
Average Annual Wage	$28.3	$29.7	$35.8	$ 33.6

Source: Bureau of Economic Analysis, Regional Economic Accounts 2003.
Note: Includes farm employment; "Other Employee Compensation" includes employer contributions for employee pension and insurance funds and for government social insurance; Earnings of non-Native Nation employees are included in Madison and Oneida County earnings.

According to the U.S. Bureau of Census, the annual payroll of employees working in the ZIP codes that roughly correspond to the Study Area municipalities in 2003 was about $480 million (see Table 3.7-5). As noted, the Nation's payroll was reported as part of the ZIP Code 13032 payroll in the year 2003. The Nation's payroll was estimated to be just under $100 million in 2003 (see Figure 3.7-15)

Table 3.7-5
Annual Private Sector Payroll
ZIP Codes of Study Area Municipalities, 2003

ZIP Code	Municipality	Annual Payroll (in $000s)
13134	Smithfield	*
13157	Sylvan Beach	3,384
13461	Sherrill	34,311
13476	Vernon	23,215
13477	Vernon Center	1,678
13478	Verona	6,525
13054	Durhamville	1,987
13425	Augusta	10,347
13032	Canastota/Lincoln/Lenox	147,459
13035	Cazenovia/Fenner	63,560
13037	Sullivan	41,609
13421	Oneida	137,768
13409	Stockbridge	7,881
	Total	**$ 479,724**

Source: U.S. Department of Commerce Bureau of Census, ZIP Code Business Patterns 2002-2003.
Note: Nation payroll is part of the ZIP 13032 payroll. *Zip 13134, Smithfield has less than 9 jobs,, the exact number of jobs is not reported by the U.S Bureau of Census.

Industrial Structure

In both Madison and Oneida Counties, more than 20 percent of all industry earnings in 2003 were concentrated in government employment, which includes employment at the Nation government and enterprises (see Table 3.7-6). Other large industry sectors, in terms of earnings, in Madison County were durable goods manufacturing, retail trade, and professional and technical services. In Oneida County, large industry sectors included health services and social assistance, durable goods manufacturing, retail trade, and finance and insurance. Although government was also the largest sector in Onondaga County, durable goods manufacturing accounted for an almost equal share of earnings. Health care and social assistance, professional and technical services, wholesale trade, finance and insurance and retail trade were other large sectors in Onondaga County.

Industrial Specialization

Location quotient analysis is an analytical method for assessing the strengths and weaknesses of a local economy. The location quotient identifies local specializations by comparing the local industrial structure with that of the entire U.S. An industry's location quotient is calculated by dividing the industry's share of local earnings by the industry's share of national earnings. Location quotients can also be used to identify a local economy's economic base or export base. Industries with a location quotient above 1 are considered "export" industries or "basic" industries, which can be viewed as major wealth-generating industry sectors, attracting non-local sales or other flows of funds into the region (e.g., governmental aid). According to economic base theory, these basic sectors are critical to local economic growth. Industries that are particularly concentrated in the local economy, and thus have location quotients greater than one, represent local strengths or specializations. For more information on location quotients, see Malizia and Feser (1999). Table 3.7-7 lists the industries with the highest level of specialization in each county in 2003 based on industry earnings data.

Oneida County's main areas of specialization include primary metal manufacturing, state government, and social assistance. Oneida County's location quotient of 5.28 for primary metal manufacturing shows that this industry's share of total earnings is more than five times larger in Oneida County than in the U.S. as a whole. The industries that are particularly highly concentrated in Madison County are non-store retailers and plastic and rubber manufacturing. Agriculture is also important in Madison County, as currently 48 percent of the land is used for farming with over 700 active farms. Nation employment is part of employment in local government, a sector which represents a local strength for both Madison and Oneida County. Onondaga County's competitive strengths include the utilities industry, machinery manufacturing, and education.

Table 3.7-6
Industrial Structure: Share of Earnings by Industry Sector, 2003
Madison, Oneida and Onondaga Counties

	Madison County	Oneida County	Onondaga County	Three-County Region
Farming	1.0%	0.3%	0.2%	0.2%
Forestry, fishing, related activities	0.4%	0.1%	n/a	0.1%
Mining	0.4%	0.1%	n/a	0.0%
Utilities	n/a	n/a	2.9%	2.0%
Construction	4.8%	3.7%	4.9%	4.6%
Durable goods manufacturing	**9.5%**	**9.1%**	**13.5%**	**12.2%**
Nondurable goods manufacturing	4.4%	2.3%	3.8%	3.5%
Wholesale trade	4.4%	n/a	**6.8%**	**5.0%**
Retail trade	**8.5%**	**7.7%**	**6.2%**	**6.7%**
Transportation and warehousing	n/a	3.0%	2.9%	2.8%
Information	1.2%	2.8%	3.0%	2.8%
Finance and insurance	4.0%	**7.2%**	**6.6%**	**6.6%**
Professional and technical services	**7.3%**	4.1%	**7.0%**	**6.3%**
Management of companies and enterprises	0.7%	1.0%	2.5%	2.0%
Administrative and waste services	1.6%	3.4%	3.0%	3.1%
Educational services	n/a	1.4%	2.9%	2.4%
Health care and social assistance	n/a	**15.0%**	**10.7%**	**11.3%**
Arts, entertainment, and recreation	0.5%	0.5%	0.6%	0.6%
Accommodation and food services	2.7%	2.2%	2.3%	2.3%
Other services, except public administration	3.1%	2.7%	2.8%	2.8%
Government and government enterprises	**21.8%**	**28.4%**	**15.9%**	**19.3%**
All Industries	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: Bureau of Economic Analysis, Regional Economic Accounts 2003.
Note: Employment at the Nation Government and Enterprises is reported as government employment in Madison and Oneida Counties.

Table 3.7-7
Areas of Specialization, 2003
Madison, Oneida and Onondaga Counties

	Location Quotient	Earnings ($000s)	Share of Total Earnings
Madison County			
Non store retailers	3.44	9,831	1.2%
Plastics and rubber products manufacturing	3.40	16,378	1.9%
Other information services	2.47	613	0.1%
Waste management and remediation services	2.38	4,958	0.6%
Food manufacturing	2.08	17,205	2.0%
Nursing and residential care facilities	1.80	16,950	2.0%
Local government	1.78	130,206	15.3%
Health and personal care stores	1.67	6,628	0.8%
Motor vehicle and parts dealers	1.60	19,068	2.2%
State government	1.59	44,485	5.2%
Social assistance	1.57	10,966	1.3%
Farming	1.56	8,576	1.0%
General merchandise stores	1.50	11,960	1.4%
Oneida County			
Primary metal manufacturing	5.28	102,848	2.3%
State government	3.23	467,959	10.5%
Social assistance	2.71	98,117	2.2%
Other information services	2.43	3,122	0.1%
Nursing and residential care facilities	2.27	110,956	2.5%
Miscellaneous manufacturing	2.15	61,277	1.4%
Insurance carriers and related activities	2.05	213,154	4.8%
Furniture and related product manufacturing	1.90	27,302	0.6%
Transit and ground passenger transportation	1.86	13,154	0.3%
Non store retailers	1.77	26,226	0.6%
Waste management and remediation services	1.69	18,305	0.4%
Local government	1.63	614,948	13.8%
Onondaga County			
Utilities	2.81	359,284	2.9%
Machinery manufacturing	2.26	296,859	2.4%
Educational services	2.22	360,160	2.9%
Insurance carriers and related activities	1.96	564,825	4.6%
Electrical equipment and appliance manufacturing	1.80	85,957	0.7%
Miscellaneous manufacturing	1.73	137,542	1.1%
Computer and electronic product manufacturing	1.68	364,628	3.0%
Other information services	1.60	5,722	0.0%
Transit and ground passenger transportation	1.58	31,069	0.3%
Furniture and related product manufacturing	1.52	$ 60,761	0.3%

Source: Bureau of Economic Analysis, Regional Economic Accounts 2003.
Note: Employment at the Nation Government and Enterprises is reported as local government employment in Madison and Oneida Counties.

Employment Change

Between 1970 and 2000, employment in the three-county region increased at an average annual rate of 1.1 percent, which is the same as Upstate New York's average annual employment growth rate during that time period but lower than the U.S. rate of 2.8 percent. Madison County's growth rate of 2.4 percent exceeded Upstate New York's while Oneida County lagged behind with 0.6 percent average annual employment growth.

An overview of employment change by decade and for the 2000-2003 period is presented below.

- In the 1970s, employment in both the three-county region and Upstate New York as a whole grew at an average annual rate of about one percent, while U.S. employment grew at an average annual rate of 2.5 percent (See Table 3.7-8). Madison County's employment average annual growth rate of 1.9 percent during this same period substantially exceeded that of the three-county region as a whole, while employment in Oneida County remained stagnant.
- In the 1980s, employment growth in the three-county region outpaced Upstate New York as employment increased at an average annual rate of 2.0 percent and 1.7 percent, respectively. Madison County experienced an average annual employment growth of 2.9 percent, outpacing the U.S. as a whole where employment grew at an average annual rate of 2.2 percent during that time period.
- While U.S. employment grew at an average annual rate of 2.0 percent in the 1990s, Upstate New York experienced only a modest growth of 0.5 percent, and employment in the three-county area was stagnant. Employment in Madison County, however, increased at an average annual rate of 1.3 percent.
- Between 2000 and 2003, employment decreased in both the three-county area and Upstate New York, the average annual decrease of 0.7 percent in the three–county area exceeding Upstate New York's 0.4 percent average annual decrease. In the U.S. as a whole, employment was relatively stagnant.

In summary, while employment growth in Upstate New York has lagged U.S. growth throughout the 1970 to 2003 period, between 1970 and 2000, Madison County performed better than Upstate New York as a whole, while Oneida County lagged behind. After 2000, however, Madison County performed worse than Oneida County and Upstate New York as a whole, but all areas lost employment.

Since the opening of the Turning Stone Casino in 1993, Nation employment has increased steadily from 1,350 in 1993 to 4,611 in 2005. Nation employment was about 2,900 in 2000 and 4,000 in 2003. Nation jobs are included in the Madison and Oneida County employment counts presented in Table 3.7-8. (For more information on Nation employment, see Section 3.7.5.3)

Table 3.7-8
Change in Full- and Part-time Employment
Madison, Oneida and Onondaga Counties, 1970-2003

	1970	1980	1990	2000	2003
Employment					
Madison	17,722	21,061	27,078	30,653	30,056
Oneida	114,624	116,140	132,974	134,625	132,696
Onondaga	223,480	250,751	305,811	303,934	297,079
Three-County Area	355,826	387,952	465,863	469,212	459,831
Upstate New York*	2,521,772	2,770,513	3,229,959	3,379,685	3,343,560
United States	91,281,600	114,231,200	139,380,900	166,758,800	167,174,400
Average Annual Employment Growth	**70-80**	**80-90**	**90-00**	**00-03**	**70-00**
Madison	1.88%	2.86%	1.32%	-0.65%	2.43%
Oneida	0.13%	1.45%	0.12%	-0.48%	0.58%
Onondaga	1.22%	2.20%	-0.06%	-0.75%	1.20%
Three-County Area	0.90%	2.01%	0.07%	-0.67%	1.06%
Upstate New York*	0.99%	1.66%	0.46%	-0.36%	1.13%
United States	2.51%	2.20%	1.96%	0.08%	2.76%

Source: Bureau of Economic Analysis, Regional Economic Accounts 1970-2003..
Note: Includes farm employment; Nation employment is included in Madison and Oneida County 2000 and 2003 employment.
*Upstate New York includes New York State with the exception of New York City, Long Island, and the Hudson Valley (Rockland, Dutchess, Orange, Putnam, Sullivan, Ulster, and Westchester Counties.

According to 1994 and 2003 data from the U.S. Bureau of Census, employment in the ZIP codes that correspond to the Study Area Municipalities increased at an average annual growth rate of 4.7 percent between 1994 and 2003, which is the first and the last year for which the data was available (see Table 3.7-9). Most of the area's 5,409 additional jobs were reported for ZIP code 13032 (Canastota, Lincoln, and Lenox) and ZIP code 13461 (Sherrill). Nation employment was included in the ZIP 13032 employment count during this period. It should be noted that while employment data from different sources cannot be directly compared due to distinct technical differences in methods of employment counting, private employment in Madison and Oneida County as reported by the Bureau of Economic Analysis, increased at a slower average annual rate of 1.1 percent and 0.3 percent, respectively during that same time period.

Table 3.7-9
Change in Employment, 1994-2003
Study Area Municipalities by Zip Code

ZIP Code	Name Municipality	Employment 1994 Number	Employment 2003 Number	Employment Growth 94-03 Change	Employment Growth 94-03 Average Annual % Change
13134	Smithfield	3	*		
13157	Sylvan Beach	145	176	31	2.38%
13461	Sherrill	-	1,245	1,245	0.00%
13476	Vernon	675	835	160	2.63%
13477	Vernon Center	34	47	13	4.25%
13478	Verona	293	289	(4)	-0.15%
13054	Durhamville	93	77	-16	-1.91%
13425	Augusta	394	317	(77)	-2.17%
13032	Canastota/Lincoln/Lenox	2,190	5,766	3,576	18.14%
13035	Cazenovia/ Fenner	2,457	2,505	48	0.22%
13037	Sullivan	1,377	1,528	151	1.22%
13421	Oneida	5,053	5,100	47	0.10%
13409	Stockbridge	86	308	222	28.68%
	Total	**12,797**	**18,193**	**5,396**	**4.69%**

Source: U.S. Department of Commerce Bureau of Census, ZIP Code Business Patterns 2002-2003., 1994
Note: Nation employment is part of ZIP 13032 employment. *Does not include ZIP 13134, Smithfield, which had less than 9 jobs in 2003; the exact number of jobs in 2003 is not reported by the U.S Bureau of Census

Changes in the industrial composition of Madison, Oneida and Onondaga Counties in the past 30 years correspond to the larger nationwide shift of employment from manufacturing to services. Manufacturing employment's share of total employment in the three-county area declined from 23 percent to 11 percent of total employment between 1970 and 2000, while the services sector's share of total employment nearly doubled during that time period (from 17 percent to 33 percent of total employment – see Table 3.7-10.).

Employment at the Nation Government and Enterprises is included in 2000 Madison and Oneida County government employment.

A few key industrial composition changes can be seen in Table 3.7-10 for the subject region between 1970 and 2000:

- In Madison County, employment in agriculture decreased from 10 percent of total employment in 1970 to only four percent in 2000, while services grew in relative importance from 21 percent in 1970 to 33 percent of total employment in 2000. Government employment also became less important; its share declined from 24 percent of total employment in 1970 to 14 percent in 2000.
- In Oneida County, manufacturing employment's share of total employment declined by 11 percentage points, while service jobs experienced a 20 percentage

point growth. Until the 1990s, the federal government was a large employer in the area, providing a steady source of jobs. However, the decommissioning in 1993 of Griffiss Air Force Base in Rome was a major blow to the region, leading to a direct employment loss of approximately 4,500 military and civilian jobs in the government sector.

Through the use of "shift-share" analytical methods, it is possible to determine whether these employment shifts are a nationwide trend or if they are peculiar to the local economy. Under this methodology, change is broken down into (1) the national effect, which is based on the national employment growth rate; (2) the industrial mix effect, which shows whether the local economy is composed of industries that grew at a rate that is higher or lower than the national average; and (3) the local effect, which indicates to what extent local conditions were responsible for the growth or decline in employment (See Figure 3.7-1). For more information on the shift-share method, see Malizia and Feser, 1999. The change in employment between 1988 and 2000 was decomposed into these three effects for each of the three counties. These years were selected because they represent the same point in the business cycle (peak). A change in the industry classification system (from the Standard Industrial Classification (SIC) system to the North American Industry Classification System (NAICS)) prevented including years after 2000 in this analysis.

The "shift-share" method shows that although employment increased between 1988 and 2000, the growth rate in each of these three counties trailed the national average. While part of this slower growth in Oneida County can be explained by its industrial structure (i.e., a negative industry mix effect), the same cannot be said of Madison and Onondaga Counties, where employment is concentrated in faster than average growing industries (i.e., positive industry mix effect). For all three counties, slower than average growth is generally attributable to local factors (i.e., negative local effect) with most employment concentrated in local industries that grew at a slower pace than the national average. Nevertheless, there are some industry sectors that performed better locally than their national counterparts (positive local effect), including federal civilian employment in Onondaga County and manufacturing and services in Madison County.

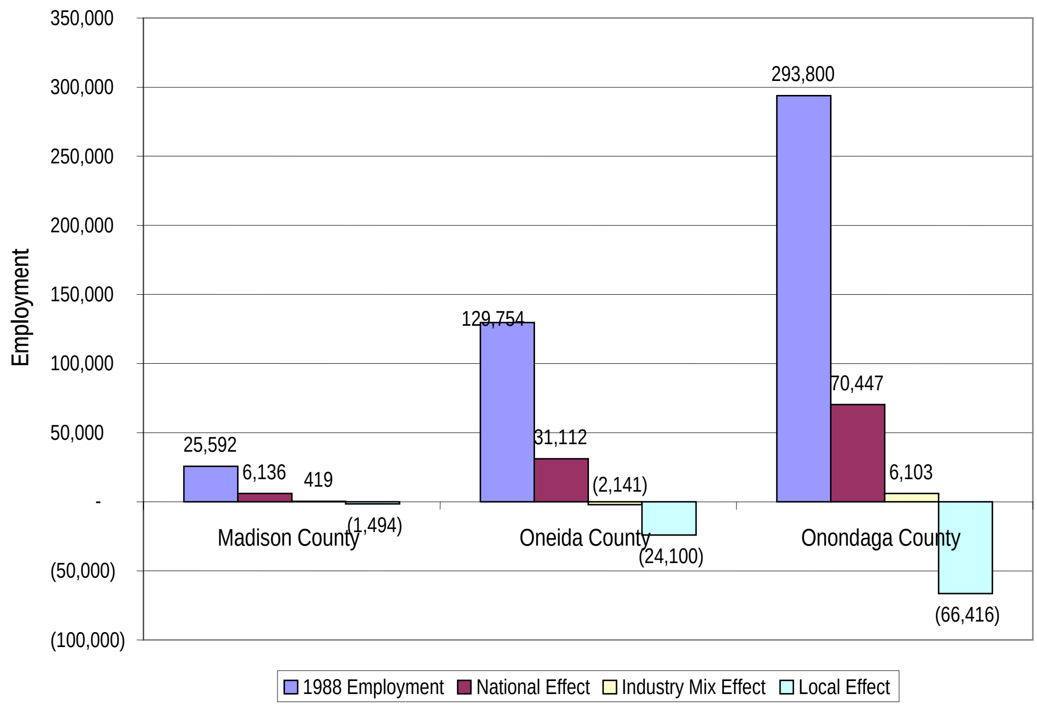
Table 3.7-10
Change in Industrial Structure Percent of Full and Part-Time Employment
Madison, Oneida and Onondaga Counties, 1970-2000

	Madison County				% Point Change 70-00	Oneida County				% Point Change 70-00
	1970	1980	1990	2000		1970	1980	1990	2000	
Total	17,722	21,063	27,088	30,945		114,625	116,142	132,996	135,098	
Total Change Per Decade	--	3,341	6,025	3,857		---	1,517	16,854	2,102	
Farm Employment	10.0%	8.9%	5.3%	3.9%	-6%	2.0%	2.1%	1.4%	1.3%	-1%
Government	24.1%	22.1%	18.4%	14.4%	-10%	25.9%	23.9%	23.0%	17.3%	-9%
Private Employment	65.9%	69.0%	76.4%	81.7%	16%	72.1%	74.0%	75.6%	81.4%	9%
Agricultural Services	0.7%	0.9%	1.3%	1.4%	1%	0.3%	0.3%	0.5%	0.5%	0%
Mining	0.3%	0.3%	0.2%	0.2%	0%	0.2%	0.1%	0.1%	0.1%	0%
Construction	4.8%	4.3%	6.3%	5.6%	1%	4.3%	3.0%	4.2%	3.4%	-1%
Manufacturing	9.4%	9.9%	9.9%	10.7%	1%	23.1%	19.2%	14.0%	11.7%	-11%
Transportation and Utilities	2.4%	1.9%	2.5%	2.1%	0%	4.6%	3.6%	3.4%	3.2%	-1%
Wholesale trade	2.2%	5.9%	4.4%	3.4%	1%	3.4%	4.6%	3.9%	3.7%	0%
Retail trade	17.4%	15.9%	19.8%	20.3%	3%	14.5%	15.1%	17.1%	16.9%	2%
FIRE	7.6%	6.2%	4.5%	4.7%	-3%	6.9%	7.0%	7.3%	7.2%	0%
Services	21.1%	23.7%	27.5%	33.3%	12%	14.8%	21.1%	25.1%	34.8%	20%

	Onondaga County				%Point Change 70-00	Three-County Region				%Point Change 70-00
	1970	1980	1990	2000		1970	1980	1990	2000	
Total	223,480	250,751	305,811	303,934		355,827	387,956	465,895	469,977	
Total Change Per Decade	--	27,271	55,060	-1,877		--	32,129	77,939	4,082	
Farm Employment	0.7%	0.7%	0.5%	0.4%	0%	1.6%	1.5%	1.0%	0.9%	-1%
Government	15.6%	15.0%	13.0%	13.4%	-2%	19.3%	18.0%	16.2%	14.6%	-5%
Private Employment	83.7%	84.3%	86.6%	86.2%	2%	79.1%	80.4%	82.8%	84.5%	5%
Agricultural Services	0.2%	0.3%	0.5%	0.6%	0%	0.3%	0.3%	0.6%	0.6%	0%
Mining	0.2%	0.1%	0.1%	0.1%	0%	0.2%	0.1%	0.1%	0.1%	0%
Construction	4.6%	3.7%	5.5%	4.6%	0%	4.5%	3.5%	5.2%	4.3%	0%
Manufacturing	24.6%	19.9%	13.9%	12.4%	-12%	23.4%	19.1%	13.7%	12.1%	-11%
Transportation and Utilities	6.2%	5.6%	5.7%	5.8%	0%	5.5%	4.8%	4.9%	4.8%	-1%
Wholesale trade	7.0%	7.5%	6.2%	6.2%	-1%	5.6%	6.5%	5.4%	5.3%	0%
Retail trade	14.7%	14.8%	17.0%	16.4%	2%	14.7%	14.9%	17.2%	16.8%	2%
FIRE	8.5%	9.8%	9.0%	7.8%	-1%	7.9%	8.7%	8.3%	7.4%	0%
Services	17.8%	22.8%	28.6%	32.2%	14%	17.0%	22.3%	27.6%	33.0%	16%

Source: Bureau of Economic Analysis, Regional Economic Accounts. Note: FIRE is an acronym for the Finance, Insurance and Real Estate sector. Employment at Nation Government and Enterprises is included in 2000 government employment for Madison and Oneida Counties

Figure 3.7-1
Employment Growth: Components of Shift-Share
Madison, Oneida, and Onondaga Counties, 1990-2000.



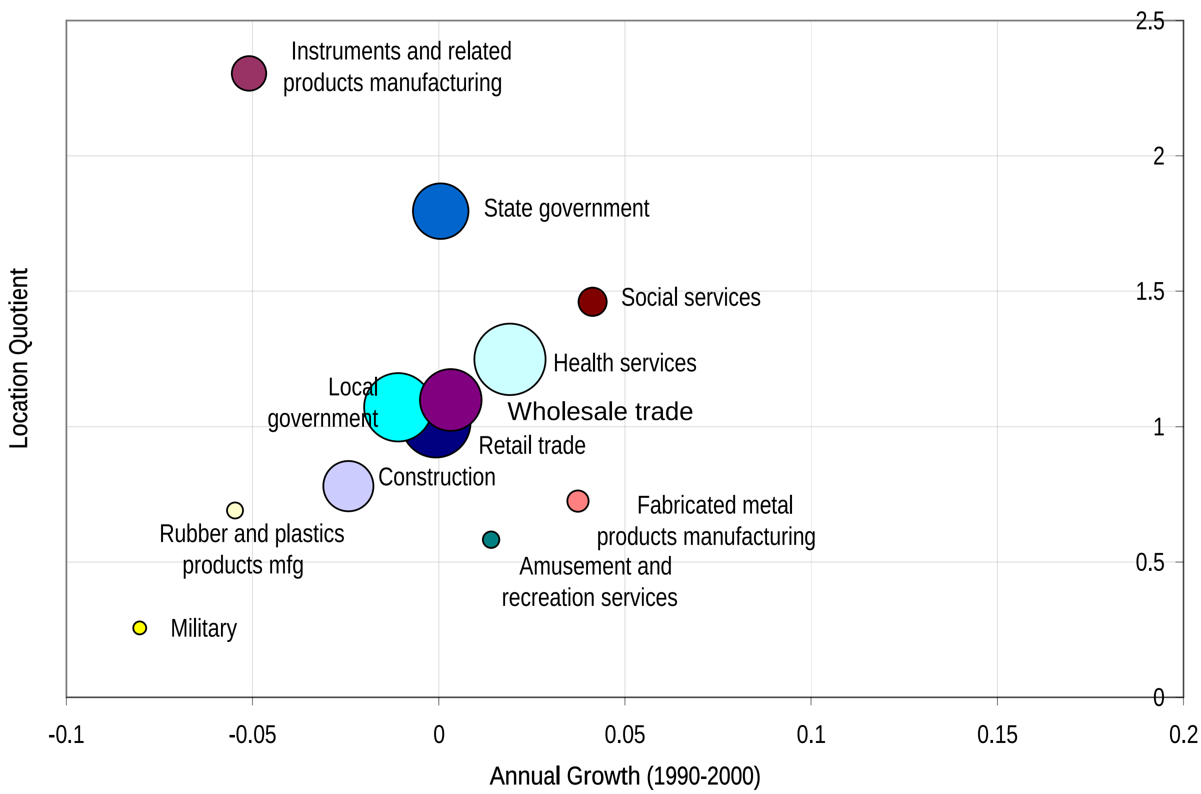
Source: Bureau of Economic Analysis, Regional Economic Accounts 1990-2000.

Figure 3.7-2 depicts the industrial composition of the region, highlighting industries that experienced major growth or decline between 1990 and 2000 as well as their relative significance to the region's total earnings in 2000. The figure shows the location quotient in year 2000 (y-axis) and the average annual growth rate in earnings between 1990 and 2000 (x-axis). The total amount earned by select significant industries in 2000 is represented by the size of the bubble. Thus, the larger the bubble's size, the more significant the industry is in terms of its contribution to regional earnings. More successful regional economies may contain several larger industries (i.e., larger bubbles), with a cluster of such industries further right on the x-axis (exhibiting growth), and upward on the y-axis (exhibiting competitive advantage).

Social services and health services are of particular interest, as these industries were highly concentrated in the three-county region in 2000 and their earnings increased markedly (adjusted for inflation) between 1990 and 2000. The significance of the health services industry in terms of its size also is noteworthy. By contrast, the region was highly specialized in instrument manufacturing, but real earnings in this industry declined between 1990 and 2000. Other growing industries were fabricated metal products manufacturing and amusement and recreation services but they were not as highly concentrated in the region or large in their relative significance to regional earnings.

Employment at the Nation Government and Enterprises is included in local government employment. Although the sector represents a local specialization and has relatively large earnings, local government earnings (after adjusting for inflation) decreased between 1990 and 2000.

Figure 3.7-2
Earnings in Select Industries in Madison County, Oneida County, and Onondaga County, 1990-2000

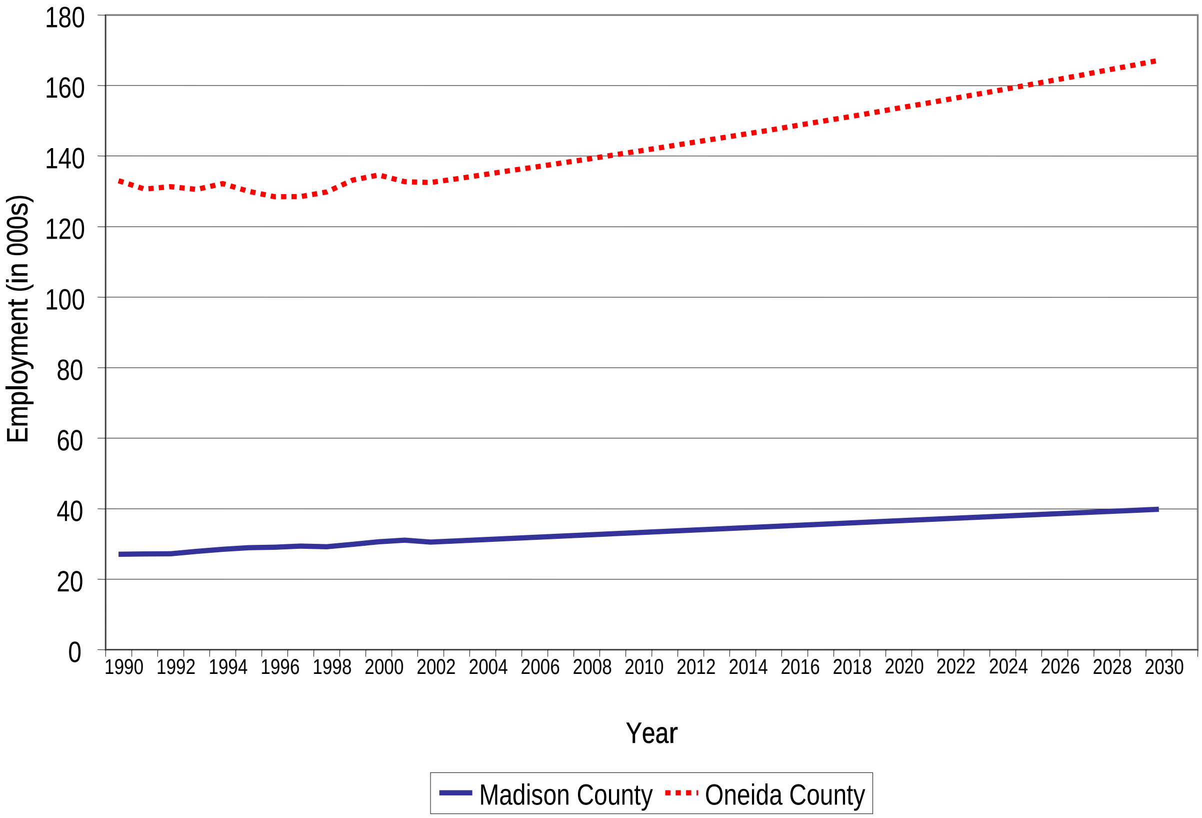


Source: Bureau of Economic Analysis, Regional Economic Accounts 1990-2000. Note: Nation jobs are included in Local Government

Future Employment Outlook

Woods and Poole Economics, Inc., a commercial economics forecasting firm, projected an average annual employment growth of 1.08 percent between 2003 and 2030 in Madison County, leading to a total of 39,860 jobs in 2030 (see Table 3.7-11 and Figure 3.7-3). Oneida

Figure 3.7-3
Historic and Projected Employment
Madison and Oneida Counties



Source: Woods & Poole Economics, Inc. 2005.

Table 3.7-11
Projected Change in Employment by Industry
Madison County and Oneida County, 2003-2030

	Madison County		Oneida County	
	Absolute Change (in 000s)	Average Annual Change	Absolute Change (in 000s)	Average Annual Change
Farm Employment	-0.045	-0.14%	-0.135	-0.29%
Non-Farm Employment	9.063	1.13%	33.743	0.95%
Private Employment	8.49	1.25%	31.764	1.08%
Agricultural Services	0.174	1.47%	0.085	0.53%
Mining	0.021	1.23%	0.019	0.84%
Construction	0.259	0.53%	-0.125	-0.10%
Manufacturing	1.066	1.23%	-1.154	-0.32%
Transportation, Communication, and Utilities	0.173	1.19%	1.158	1.07%
Wholesale Trade	0.208	0.74%	0.789	0.61%
Retail Trade	1.559	0.99%	2.082	0.35%
Finance, Insurance, and Real Estate	0.217	0.46%	1.916	0.73%
Services	4.813	1.71%	26.994	2.02%
Government Employment	0.573	0.46%	1.979	0.32%
Federal Civilian	0.041	0.99%	-0.646	-1.21%
Federal Military	0.024	0.91%	0.071	0.59%
State and Local	0.508	0.44%	2.554	0.46%
Total Employment	**$ 9.018**	**1.08%**	**$ 33.608**	**0.93%**

Source: Woods and Poole Economics, Inc. 2005.
Note: Employment at the Nation Government and Enterprises is included in State and Local Government Employment

County employment is projected to increase at an average annual rate of 0.93 percent during that same time period, resulting in a total of 167,190 jobs in 2030. By comparison, between 1970 and 2000, employment in Madison and Oneida County grew at an average annual rate of 2.43 and 0.58 percent, respectively. To achieve the future employment levels projected by Woods and Poole (2005), Oneida County will have to significantly outperform growth levels experienced over the last 30 years.

Industry-level projections are presented below and in Table 3.7-11. Employment at the Nation Government and Enterprises is included in the state and local government employment projections for Madison and Oneida Counties.

- In Madison County, the majority of the 9,018 additional jobs are in the services sector. Other sectors that are projected to experience significant growth in Madison County are retail trade and manufacturing. Projections show a relatively modest increase in state and local government employment of 0.44 percent.
- In Oneida County, the majority of the 33,608 additional jobs are also in the services sector, followed by state and local government employment, retail trade, the finance, insurance and real estate sector and transportation, communication, and utilities. The average annual growth rate for state and local government is 0.46 percent.

Major Employers

According to the 2006 Central New York Business Journal, the Nation is the third largest employer in Central New York. Central New York is defined by the Business Journal as consisting of the following counties: Broome, Cayuga, Chemung, Chenango, Cortland, Herkimer, Jefferson, Lewis, Madison, Oneida, Onondaga, Oswego, Seneca, St. Lawrence, Tioga and Tompkins.

The only employers larger than the Nation are Cornell University in Ithaca and State University of New York (SUNY) Upstate Medical University in Syracuse. As shown in Table 3.7-12, the Nation is the second largest employer in the three-county region comprised of Oneida, Madison and Onondaga counties.

The Nation is the single largest employer in Madison or Oneida Counties and, of the top 15 regional employers listed on Table 3.7-12, there are very few located in these two counties. While Onondaga County has about 19 employers with more than 1,000 employees, the Nation is the only employer with more than 1,000 employees in Madison County and one of four in Oneida County. Other large employers in Oneida County include two health care facilities (Faxton's Saint Luke's Health Care and St. Elizabeth Medical Center) and a human services agency (Upstate Cerebral Palsy).

3.7.1.2 Labor Force and Unemployment

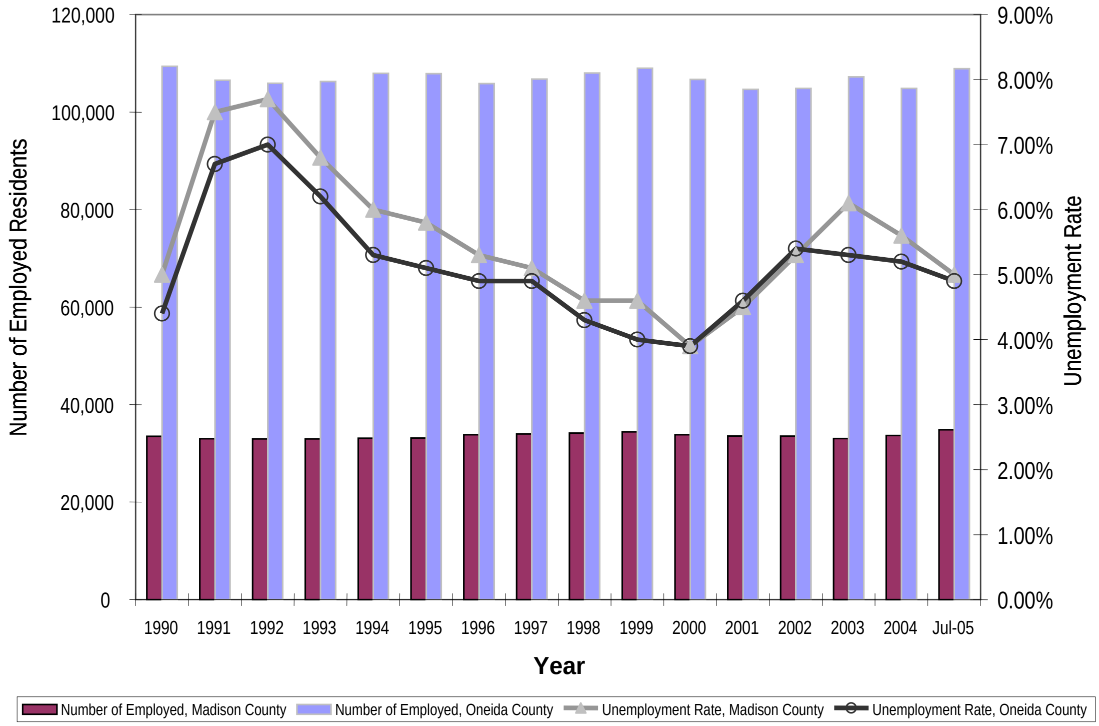
In the past 15 years, the unemployment rate for the two counties has fluctuated, but the number of employed residents has remained fairly steady (see Figures 3.7-4 and 3.7-5). The unemployment rate, as reported by the Bureau of Labor Statistics (BLS)(2006), is calculated by dividing the number of unemployed (residents who are available to work and are actively looking for a job) by the labor force (the sum of all employed age 16+ residents and all unemployment age16+ residents) (BLS, 2005). The unemployment rates of Madison and Oneida County track very closely with the overall unemployment rate of New York State (non-New York City) and of the United States, although Madison County's unemployment rate has been persistently higher than New York State (excluding New York City). The same is true for Oneida County, with the exception of the brief periods from 1992-95 and 1999. While the unemployment rate of New York State (non-New York City) and Oneida County have been lower than the U.S. unemployment rate throughout the 1990-2004 period, according to Greater Syracuse Economic Growth Council Resource Center (no date)Madison County's unemployment rate exceeded the U.S. rate in 1991-92, 1995 and 1997-1999 (See Figure 3.7.5).

Table 3.7-12
Top 15 Employers, Ranked by Full-Time Equivalent Employees
Madison, Oneida and Onondaga Counties, 2005

	Company	County	Employees 2005	% Change from Previous Year	2005 Revenue/Sales ($ millions)	Nature of Operations
1	SUNY Upstate Medical University	Onondaga	6,305	+5.0	$483.7	Health Care, Biomedical Research, and Education
2	***The Nation***	***Oneida/ Madison***	***4,611***	***+16.0***	***NA***	Nation Government, Turning Stone Resort & Casino and other Nation Enterprises
3	Syracuse University	Onondaga	4,329	-0.6	NA	Higher Education and Research
4	Magna Drive Train, New Gear Process	Onondaga	3,400	-12.8	NA	Automobile Parts Manufacturer
5	St. Joseph's Hospital Health Center	Onondaga	2,919	--11.5	$352.0	Health Care
**6	New Process Gear Division, New Venture Gear, Inc.	Onondaga	3,900	--	$1,700.0	Automobile Parts Manufacturer
7	Faxton-St. Luke's Healthcare	Oneida	2,650	-	$250.0	Health Care
8	Verizon Communications	Onondaga	2,600	+4.0	$71,300.0 (2004, Company-wide)	Telecommunications
9	The Penn Traffic Co./ P&C Foods	Onondaga	2,500		NA	Supermarket and Wholesale Food Distribution
10	Lockheed Martin	Onondaga	2,350	-4.0	$35,526.0 (2004, Company-wide)	Design and Development of Sensors
11	National Grid	Onondaga	2,010	-4.3	NA	Energy
12	Loretto	Onondaga	1,918	+37.0	$60-$80	Elder-care Services
13	Crouse Hospital	Onondaga	1,800	+1.6	NA	Health Care
14	St. Elizabeth Medical Center	Oneida	1,621	+5.5	$166.6	Health Care
15	Upstate Cerebral Palsy	Oneida	1,600	+15.0	NA	Human Service Agency

Source: Central New York Business Journal rankings – 2006 Book of Lists; The Louis Berger Group, Inc., 2006.

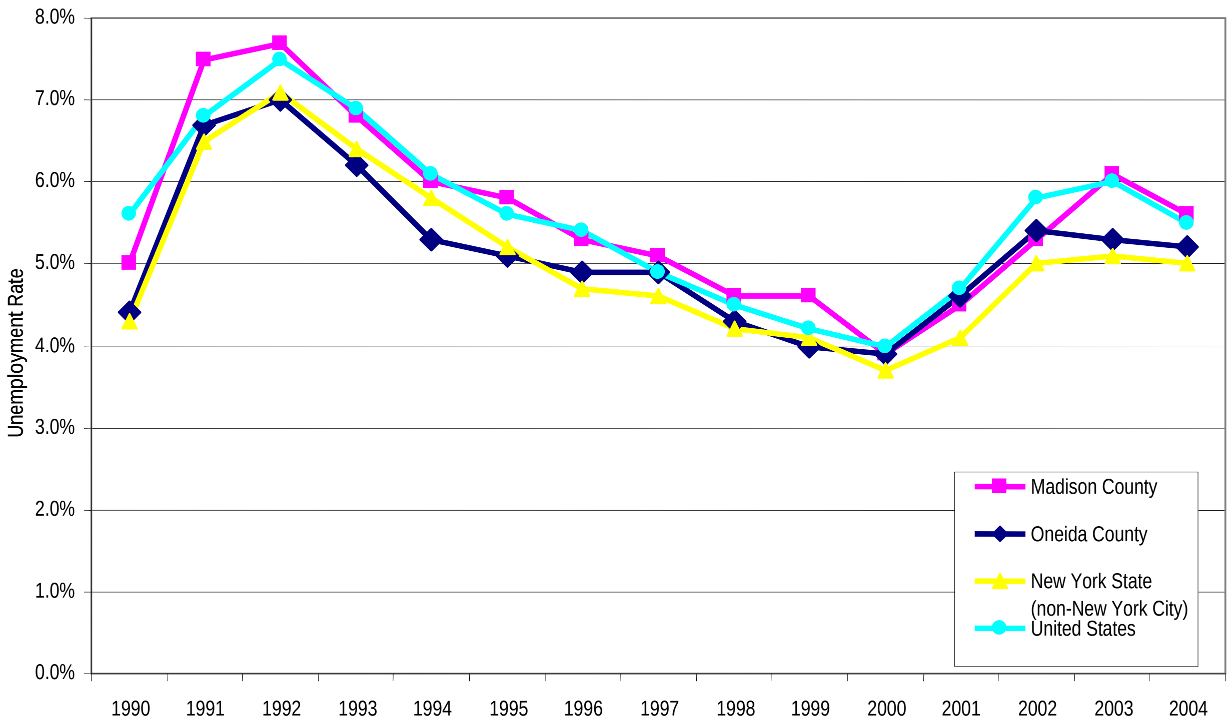
Figure 3.7-4
Employed Residents and Unemployment Rate
Madison and Oneida Counties, 1990-2004



Source: Bureau of Labor Statistics, Local Area Unemployment Statistics 1990-2004; 2005.

While a portion of the employed residents in Madison and Oneida County probably holds jobs that are inadequate with respect to their training or economic needs, there is no uniform state or federal data source that tracks underemployment. A workforce audit of Central New York, conducted by The Pathfinders, a site selection and location analysis consulting firm based in Dallas, Texas, for the Greater Syracuse Economic Growth Council, found that 20 percent of the Central New York workforce consists of underemployed. The study defines underemployed as individuals who indicated that they would take a better job if offered by a new or existing employer and who possess the skills, education, and experience to qualify for a better job. For that study, Central New York was defined as Cayuga, Cortland, Madison, Onondaga, and Oswego Counties.

Figure 3.7-5
Unemployment Rate, 1990-2004
Madison and Oneida Counties,
New York State (non-New York City), and the United States



Source: Bureau of Labor Statistics, Local Area Unemployment Statistics, 1990-2004, 2005; and Current Population Survey, 1990-2004, 2005.

3.7.1.3 Income and Poverty

Household and Per Capita Incomes

When incomes are compared with Upstate New York, Madison County incomes are generally similar, but Oneida County trails these other areas. Table 3.7-13 examines income data reported by the 2000 U.S. Census. Median household income for Madison County in 1999, the most recent year data are available, was $40,184; average household income was $51,494; and per capita income was $19,105. In Oneida County for the same time period, the median household income was $35,909; average household income was $46,367; and per capita income was $18,516.

Table 3.7-13
Comparison of Household and Per Capita Incomes
Madison County, Oneida County, and Upstate New York, 1999

	Median Household Income	Average Household Income	Per Capita Income	Index in Comparison to Upstate New York	
				Average Household Income	Per Capita Income
Madison County	$40,184	$51,494	$19,105	103	98
Oneida County	$35,909	$46,367	$18,516	93	95
Upstate New York*		$49,910	$19,406	100	100

Note *Upstate New York includes New York State with the exception of New York City, Long Island, and the Hudson Valley (Rockland, Dutchess, Orange, Putnam, Sullivan, Ulster, and Westchester Counties)
The index was derived by multiplying the ratio between county income and Upstate New York income with 100.
Source: U.S. Census Bureau, Census 2000, Summary File 3, 2005.

A more detailed analysis reveals the variations in income across the respective municipalities. Below, Table 3.7-14 shows the 1999 median and average household and per capita income for the residents of the municipalities where the Nation currently owns land. Median household incomes range from a high of $57,232 in Cazenovia to a low of $33,274 in Augusta. Only Cazenovia residents report substantially higher household or per capita income than in Upstate New York. Cazenovia's average household income is 59 percent higher than Upstate New York's average while its per capita income exceeds Upstate New York's by 49 percent. By comparison, some municipalities, such as Augusta, Smithfield, Lenox, and Stockbridge, exhibit significantly lower average household incomes than Upstate New York.

Income data has also been compiled from the 1990 Census for comparison purposes (see Table 3.7-15). In several of the municipalities where the Nation owns land, average household income increased from 1989 to 1999 at a higher rate than in Upstate New York as a whole (see Table 3.7-16). In 1989, average household income in the City of Oneida equaled 83 percent of average household income in Upstate New York, while the City of Oneida's average household income was 93 percent of the Upstate New York's average in 1999. Sherrill's average household income was the same as that of Upstate New York in 1989 and increased faster than Upstate New York between 1989 and 1999. Similar positive trends in average household income, albeit more modest in size, can be seen in Stockbridge, Smithfield, Sullivan, and Lincoln over the decade. Average household income in the other Study Area municipalities grew at a rate that was similar to that in Upstate New York as a whole, with the exception of the Town of Vienna, which experienced a significant decrease in average household income relative to Upstate New York but was also not a prime residential settlement location for Nation employees.

Per capita income in Stockbridge and the City of Oneida increased faster than in Upstate New York as a whole between 1989 and 1999. Lincoln, Sullivan, Sherrill, Augusta and Smithfield also experienced a significantly faster increase in per capita income than

Upstate New York. None of the Study Area municipalities experienced a decrease in per capita income relative to Upstate New York's per capita income.

Of the Nation's total 4,611 employees in 2005, 4001 lived in Madison and Oneida Counties. A total of 1,809 Nation employees lived in Study Area municipalities, including 650 employees in the City of Oneida, 151 in the City of Sherrill, and 94 in Stockbridge. (See Section 3.7.5.3 for more information on the place of residence of Nation employees.)

Table 3.7-14
Income in Study Area Municipalities, 1999

	Municipality	Median household income in 1999	Average Household Income 1999	Per capita income in 1999	Index in Comparison to Upstate New York	
					Average Household Income	Per capita Household Income
Madison County	Cazenovia town	$57,232	$79,195	$28,957	159	149
	Fenner town	$43,846	$53,135	$19,409	106	100
	Lenox town	$38,491	$43,033	$17,398	86	90
	Lincoln town	$46,023	$56,940	$20,751	114	107
	City of Oneida	$35,365	$46,400	$18,966	93	98
	Smithfield town	$35,109	$42,771	$14,860	86	77
	Stockbridge town	$37,700	$44,505	$15,856	89	82
	Sullivan town	$44,468	$55,153	$20,982	111	108
Oneida County	Augusta town	$33,274	$42,215	$16,367	85	84
	The City of Sherrill	$48,919	$54,918	$22,311	110	115
	Vernon town	$38,339	$49,151	$19,523	98	101
	Verona town	$42,745	$47,437	$18,017	95	93
	Vienna town **	$36,250	$45,984	$17,195	92	89
Upstate New York*			$49,910	$19,406	100	100

Source: U.S. Census Bureau, Census 2000, Summary File 3, 2005.
Notes: *Upstate New York includes New York State with the exception of New York City, Long Island, and the Hudson Valley (Rockland, Dutchess, Orange, Putnam, Sullivan, Ulster, and Westchester Counties); Income reported in 1999 dollars. ** The Nation owns land in the Village of Sylvan Beach, which is located in the Town of Vienna
The index was derived by multiplying the ratio between county income and Upstate New York income with 100.

Table 3.7-15
Income in Study Area Municipalities, 1989

	Municipality	Average Household Income in 1989	Per capita income in 1989	Index in Comparison to Upstate New York 1989: Average Household Income	Index in Comparison to Upstate New York 1989: Per Capita Income
Madison County	Cazenovia town	$56,797	$19,684	160	149
	Fenner town	$38,069	$12,780	107	97
	Lenox town	$30,376	$11,511	86	87
	Lincoln town	$38,439	$13,133	109	99
	City of Oneida	$29,324	$11,637	83	88
	Smithfield town	$27,896	$9,594	79	73
	Stockbridge town	$28,862	$9,694	81	73
	Sullivan town	$37,245	$13,222	105	100
Oneida County	Augusta town	$29,879	$10,425	84	79
	City of Sherrill	$35,532	$14,081	100	106
	Vernon town	$33,833	$12,632	96	95
	Verona town	$34,396	$11,665	97	88
	Vienna town **	$34,713	$11,606	98	88
Upstate New York*		$35,424	$13,231	100	100

Source: U.S. Census Bureau, 1990 Census of Housing and Population, Summary Tape File 3, 2005.
Note: *Upstate New York includes New York State with the exception of New York City, Long Island, and the Hudson Valley (Rockland, Dutchess, Orange, Putnam, Sullivan, Ulster, and Westchester Counties). Income reported in 1989 Dollars. ** The Nation owns land in the Village of Sylvan Beach , which is located in the Town of Vienna.
The index was derived by multiplying the ratio between county income and Upstate New York income with 100.

Table 3.7-16
Income in Study Area Municipalities, 1989 and 1999
Comparison of Income Trends by Municipality with Upstate New York

	Municipality	Index in Comparison to Upstate New York 1989		Index in Comparison to Upstate New York 1999		Percent Change in Index 1989-1999	
		Average household Income	Per Capita Income	Average household Income	Per Capita Income	Average household Income	Per Capita Income
Madison County	Cazenovia town	160	149	159	149	-1%	0%
	Fenner town	107	97	106	100	-1%	4%
	Lenox town	86	87	86	90	1%	3%
	Lincoln town	109	99	114	107	5%	8%
	City of Oneida	83	88	93	98	12%	11%
	Smithfield town	79	73	86	77	9%	6%
	Stockbridge town	81	73	89	82	9%	12%
	Sullivan town	105	100	111	108	5%	8%
Oneida County	Augusta town	84	79	85	84	0%	7%
	City of Sherrill	100	106	110	115	10%	8%
	Vernon town	96	95	98	101	3%	5%
	Verona town	97	88	95	93	-2%	5%
	Vienna town **	98	88	92	89	-6%	1%
Upstate New York*		100	100	100	100	0%	0%

Source: U.S. Census Bureau, 1990 Census of Housing and Population, Summary Tape File 3; Census 2000, Summary File 3 2005.
Note: *Upstate New York includes New York State with the exception of New York City, Long Island, and the Hudson Valley (Rockland, Dutchess, Orange, Putnam, Sullivan, Ulster, and Westchester Counties) ** The Nation owns lands in the Village of Sylvan Beach , which is located in the Town of Vienna
The index was derived by multiplying the ratio between county income and Upstate New York income with 100.

Personal Current Transfer Receipts

The region's economic base has increasingly become dependent upon personal current transfer receipts as a source of personal income for its residents. Personal current transfer receipts are a component of personal income which is the income that is received by all persons from all sources. It is calculated as the sum of wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts, less contributions for government social insurance. The personal income of an area is the income that is received by, or on behalf of, all the individuals who live in the area; therefore, estimates of personal income are presented by the place of residence of the income recipients. Personal current transfer receipts are made to persons for whom no current services are performed. Transfer receipts include government payments to individuals for retirement and disability insurance benefits, medical payments (mainly Medicare and Medicaid), income maintenance benefits, unemployment insurance benefits, veterans' benefits, and federal grants and loans to students. Transfer receipts are payments to individuals and to nonprofit institutions by federal, state, and local governments and by businesses. Government payments to nonprofit institutions exclude payments by the federal government for work under research and development contracts. Business payments to persons consist primarily of liability payments for personal injury and of corporate gifts to nonprofit institutions.

Table 3.7-17 compares the portion of personal income that comes from personal current transfer receipts and indexes these patterns and trends with New York State over the 1990 to 2003 time period. The data illustrates that Madison and Oneida Counties have drawn an increasing share of their personal income from transfer receipts and by 2003 both counties were receiving a larger share than the New York state average.

Figure 3.7-6 takes a closer look at the trends for a sub-segment of personal current transfer receipts – namely, income maintenance, medical benefits and unemployment insurance benefits. The figure compares recent trends for these select transfer receipts on a per capita basis for Oneida and Madison Counties, New York State and the United States over the 1990-2004. The first graph displays trends in per capita select transfer receipts in nominal dollars and illustrates that this category of spending rose significantly. However, the second graph controls for inflation by indexing per capita spending to the United States (United State equals 100). Thus, an index amount that exceeds 100 indicates that the area receives a greater amount of per capita transfer receipts than the United States. The two graphs together illustrate that New York State (which includes New York City) has consistently required more in transfer payments per capita than the average for the United States with an index that exceeded 160 for the entire period. Over the subject 1990-2004 time period, Oneida County's need for such transfer payments widened vis-à-vis U.S. spending, rising from an index of 118 in 1990 to 138 by 2004. Madison County, which had required somewhat less than the United States' average in 1990 (83) matched the national average for per capita transfer payments by 2004.

Transfer Payments and Unemployment in Oneida and Madison Counties

An analysis of the relationship between per capita transfer payments (in 2004 dollars) and the rate of unemployment was conducted for Oneida and Madison counties for the years 1990 through 2004. A full discussion of this econometric analysis is in Appendix E.

In the first model, transfers are defined as the sum of income maintenance, public assistance medical care benefits, and unemployment compensation.

Table 3.7-18 reveals an inelastic relationship between transfer payments and the rate of unemployment. It indicates that a 10 percent increase in the rate of unemployment in

Oneida and Madison Counties yields a 2.8 percent increase in transfer payments to individuals.

A second model excludes unemployment compensation from the dependent variable such that transfers are composed solely of per capita income maintenance spending and public assistance medical care benefits. The estimated elasticity is 0.126 such that a 10 percent increase in the rate of unemployment results in a 1.3 percent increase in income maintenance and public assistance medical care payments per capita. When compared with the first model, the elasticity indicates that more than half of the relationship between transfers and the rate of unemployment is accounted for by unemployment compensation.

In the third model, unemployment compensation is regressed directly on the unemployment rate. The relationship is positive and strong as expected. The coefficient on the rate of unemployment rises sharply to 1.68, indicating that a 10 percent increase in the unemployment rate raises compensation payments by 16.8 percent. This result is important because it indicates that unemployment compensation payments rise disproportionately with the rate of unemployment.

The application of the estimated models to simulated Oneida and Madison County unemployment and actual transfer payments for 2004 is presented in Table 3.7-18. Transfer payments include the results of Model 1 with transfers composed of income maintenance, public assistance medical care benefits and unemployment insurance. The simulation suggests for example that a change in the unemployment rate from the current 5.5 percent to 6.5 percent will raise transfer payments as defined in the model by $37.9 million or 5.1 percent higher than the current $736.0 million. This figure includes the elasticity of 0.283 plus a constant term.

Each model makes clear that any increase in unemployment in Oneida and Madison Counties will unequivocally increase the fiscal burdens of local, state and federal governments.

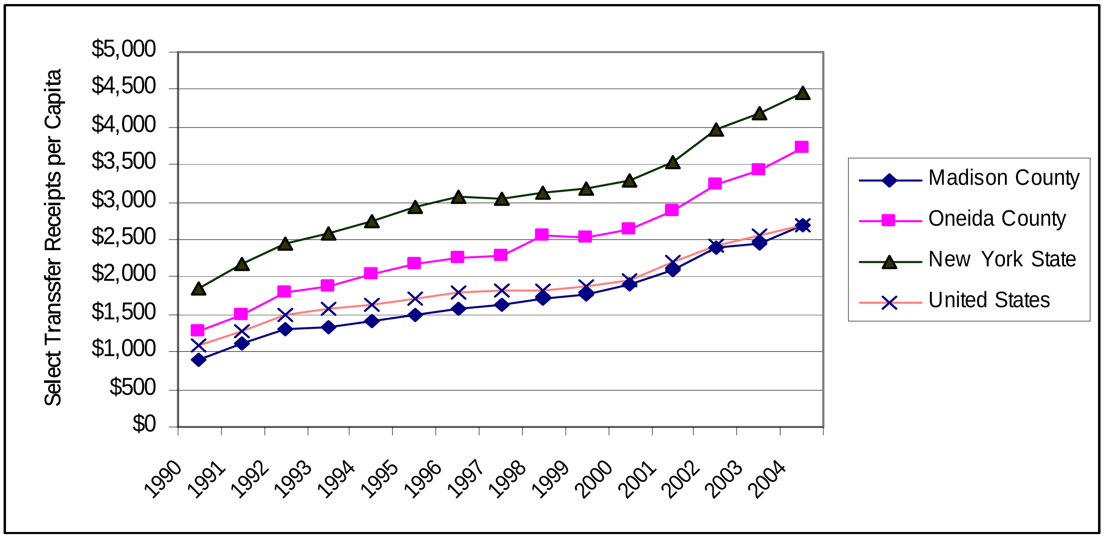
**Table 3.7-17
Personal Current Transfer Receipts Trends, 1990-2003
Madison, Oneida, and Onondaga Counties**

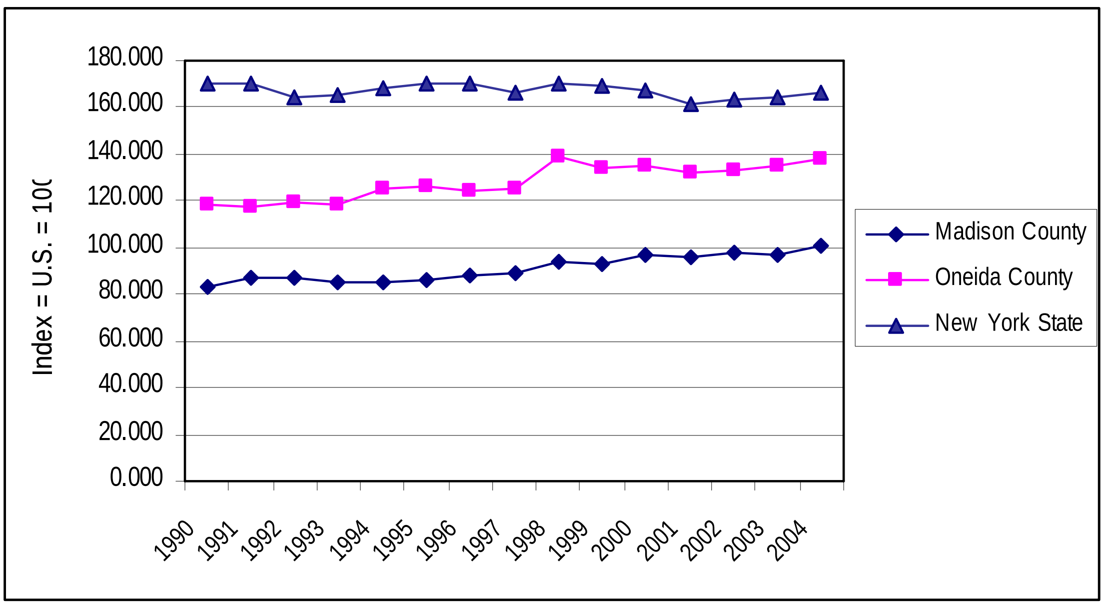
	1990			2003		
	Madison County	**Oneida County**	**New York State**	**Madison County**	**Oneida County**	**New York State**
Personal Income	$1,149,231	$4,237,454	$423,896,642	$1,815,850	$5,888,829	$693,791,440
Population	69,300	251,191	18,020,784	70,725	234,368	19,212,425
Per Capita Personal Income (dollars)	$16,583	$16,869	$23,523	$25,839	$25,126	$36,112
Per Capita Income - Index to New York State = 100	70%	72%	100%	72%	70%	100%
Personal Current Transfer Receipts	$146,959	$720,009	$58,069,273	$326,360	$1,415,109	$121,721,940
Personal Current Transfer Receipts Per Capita	$2,121	$2,866	$3,222	$4,614	$6,038	$6,336
as Percent of Personal Income	12.8%	17.0%	13.7%	18.0%	24.0%	17.5%
Percent of Personal Income - Index to New York State = 100	93.3%	124.0%	100.0%	102.4%	137.0%	100.0%

Source: Bureau of Economic Analysis, Regional Economic Accounts 1990-2003, 2005.
Notes: This component of personal income is payments to persons for which no current services are performed. It consists of payments to individuals and to nonprofit institutions by Federal, state, and local governments and by businesses.
Government payments to individuals includes retirement and disability insurance benefits, medical payments (mainly Medicare and Medicaid), income maintenance benefits, unemployment insurance benefits, veterans benefits, and Federal grants and loans to students. Government payments to nonprofit institutions exclude payments by the Federal Government for work under research and development contracts. Business payments to persons consist primarily of liability payments for personal injury and of corporate gifts to nonprofit institutions.
All state and local area dollar estimates are in current dollars (not adjusted for inflation).
Population estimates based on mid-year Census estimates.

Figure 3.7-6
Select Transfer Receipts, 1990-2004
Madison and Oneida Counties
New York State (non-New York City), and the United States

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, 1990-2004, 2005,





Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, 2006.

Table 3.7-18
Analysis of Relationship between Transfer Payments and Unemployment

Model 1: Dependent Variables – Income Maintenance, Public Assistance Medical Care Benefits, and Unemployment Compensation

Unemployment Rate	Simulated Outlays/Capita	Percent Simulated Change	Transfer Payments Model Outlays ($ 000's)	Difference ($ 000's)	Percent
5.5%	$2,413	0.0%	736,048	0	NA
6.5%	$2,537	5.1%	773,921	37,873	5.1%
7.5%	$2,648	4.4%	807,616	71,568	9.7%
8.5%	$2,748	3.8%	838,090	102,042	13.9%
9.5%	$2,839	3.3%	865,994	129,946	17.7%
10.5%	$2,924	3.0%	891,791	155,743	21.2%

Source: The Louis Berger Group, Inc. 2006

Model 2: Dependent Variables – Income Maintenance and Public Assistance Medical Care Benefits

Unemployment Rate	Simulated Outlays/Capita	Percent Simulated Change	Transfer Payments Model Outlays ($ 000's)	Difference ($ 000's)	Percent
5.5%	$2,296	0.0%	700,151	0	NA
6.0%	$2,322	1.1%	708,171	8,020	1.1%
7.0%	$2,371	2.1%	723,043	22,892	3.3%
8.0%	$2,413	1.8%	736,057	35,906	5.1%
9.0%	$2,451	1.6%	747,650	47,499	6.8%
10.0%	$2,486	1.4%	758,117	57,966	8.3%

Source: The Louis Berger Group, Inc. 2006

Model 3: Dependent Variable – Unemployment Compensation

Unemployment Rate	Simulated Outlays/Capita	Percent Simulated Change	Transfer Payments Model Outlays ($ 000's)	Difference ($ 000's)	Percent
5.0%	$118	0.0%	35,897	0	NA
5.5%	$137	16.8%	41,928	6,031	16.8%
6.5%	$179	30.5%	54,735	18,838	52.5%
7.5%	$226	25.8%	68,882	32,985	91.9%
8.5%	$276	22.4%	84,311	48,414	134.9%
9.5%	$331	19.8%	100,975	65,078	181.3%
10.5%	$390	17.7%	118,831	82,934	231.0%

Source: The Louis Berger Group, Inc. 2006

Poverty and Public Assistance

Poverty levels vary according to family size and age of the family members. In 1999 the poverty level for a family consisting of two adults and two children was $16,895. Based on the 2000 Census, 9.9 percent of Madison County and 13.0 percent of Oneida County's population had annual incomes below the poverty level in 1999.

Sherrill had the lowest percentage of persons living below the poverty level; only 2.2 percent of its residents earn less than the poverty level. In contrast, in Smithfield, 16 percent, or four in 25 residents, lived below the poverty level (see Table 3.7-19). In New York State, excluding New York City, 9.7 percent of residents live below the poverty level.

According to the U.S. Bureau of Census, a small percentage of households in Madison County (2.0 percent) and in Oneida County (4.1 percent) reported that they receive public assistance income. In New York State, excluding New York City, 2.9 percent of residents receive public assistance. Public assistance income, as defined by the U.S. Census Bureau, includes general assistance and Temporary Assistance to Needy Families (TANF). Separate payments received for hospital or other medical care (vendor payments) is excluded and public assistance income does not include Supplemental Security Income (SSI).

Table 3.7-20 details the percentage of households in municipalities with Nation lands that receive public assistance income.

In Oneida County, all the municipalities where the Nation owns land have a smaller percentage of households receiving public assistance income than the county and state. In the case of Madison County, three of the municipalities of the eight where the Nation owns land - Lenox, Lincoln, and the City of Oneida—have a higher percentage receiving public assistance income than the county average; however, only Lenox is higher than the state percentage.

Table 3.7-19
Percentage of Population below Poverty Level, 1999
Study Area Municipalities

	Municipality	Percent of Population with Income Below Poverty Level
Madison County	Cazenovia town	4.3%
	Fenner town	7.1%
	Lenox town	10.6%
	Lincoln town	5.1%
	Oneida city	12.5%
	Smithfield town	16.2%
	Stockbridge town	12.9%
	Sullivan town	7.0%
Oneida County	Augusta town	8.6%
	City of Sherrill	2.2%
	Vernon town	9.8%
	Verona town	5.7%
	Vienna town **	8.3%
New York State (non New York City)		9.7%

Source: U.S. Census Bureau, Census 2000, Summary File 3 2005. Note: **The Nation owns land in the Village of Sylvan Beach which is located in the Town of Vienna.

Table 3.7-20
Percentage of Households Receiving Public Assistance Income, 2000
Study Area Municipalities

		Percentage of Households Receiving Public Assistance Income
Madison County	Cazenovia town	0.9%
	Fenner town	0.5%
	Lenox town	3.8%
	Lincoln town	2.1%
	City of Oneida	2.8%
	Smithfield town	1.0%
	Stockbridge town	1.9%
	Sullivan town	1.2%
	Madison County	2.0%
Oneida County	Augusta town	2.4%
	City of Sherrill	2.2%
	Vernon town	1.2%
	Verona town	1.0%
	Vienna town **	2.4%
	Oneida County	4.1%
New York State (non New York City)		2.9%

Source: U.S. Census Bureau, Census 2000, Summary File 3 2005. Note: **The Nation owns land in the Village of Sylvan Beach, which is located in the Town of Vienna

3.7.2 Demographic Trends

3.7.2.1 Population Trends and Projections

In general, the population of the constituent counties in central New York State has remained stable or declined in the past fifteen years. According to the U.S. Census, Madison County had a population of 69,441 in the year 2000, only a 0.05 percent average annual increase from its 1990 population. Even with this relatively stable population, Madison County still ranks higher than more than half of the counties in Central New York in terms of population growth (see Table 3.7-21). Madison County's estimated population grew to 70,407 in 2004, a 0.35 average annual percent increase. The population of Oneida County is significantly larger than Madison County, with a year 2000 estimated population of 235,469 persons. Between 1990 and 2000, the population of Oneida County decreased at an average annual rate of 0.61 percent, a faster declining rate than that of any other county in Central New York. The U.S. Census estimates a population of 234,962 persons in Oneida County in 2004, which corresponds to a small average annual decrease of 0.05 percent since 2000.

Table 3.7-21
Population Change, 1990-2004
Central New York Counties

County	Population Count			Average Annual Population Change	
	1990	2000	2004	90-00	00-04
Otsego	60,517	61,676	62,518	0.19%	0.34%
Hamilton	5,279	5,379	5,227	0.19%	-0.71%
Fulton	54,191	55,073	55,463	0.16%	0.18%
Lewis	26,796	26,944	26,564	0.06%	-0.35%
Oswego	121,771	122,377	123,776	0.05%	0.29%
Madison	**69,120**	**69,441**	**70,407**	**0.05%**	**0.35%**
Cortland	48,963	48,599	49,006	-0.07%	0.21%
Chenango	51,768	51,401	51,861	-0.07%	0.22%
Schoharie	31,859	31,582	32,012	-0.09%	0.34%
Tioga	52,337	51,784	51,535	-0.11%	-0.12%
Herkimer	65,797	64,427	63,858	-0.21%	-0.22%
Onondaga	468,973	458,336	459,805	-0.23%	0.08%
Montgomery	51,981	49,708	49,283	-0.44%	-0.21%
Broome	212,160	200,536	197,696	-0.55%	-0.35%
Oneida	**250,836**	**235,469**	**234,962**	**-0.61%**	**-0.05%**

Source: U.S. Census Bureau, Census 2000, Summary File 1 2005.

Municipalities where the Nation owns land have small populations. But with the exception of two communities—Fenner and Augusta—all municipalities where the Nation owns land exhibited population growth since 1990 (see Table 3.7-22).

Between 1990 and 2000, the population of the Towns of Smithfield, Lincoln, Stockbridge, Sullivan, and of the City of Oneida (all located in Madison County) increased at a higher rate than for Madison County as a whole. Similarly, municipalities in Oneida County that have Nation land holdings did not experience the same population decline between 1990 and 2000 as the County as a whole. In fact, annual population in the City of Sherrill and the Town of Vienna increased at an average annual rate of 0.99 and 0.46 percent, respectively. Only the Town of Augusta experienced a population decline between 1990 and 2000 that was similar to, albeit still lower than, Oneida County as a whole.

Between 2000 and 2004, population growth in the Towns of Cazenovia, Lincoln, and Lenox outpaced that of Madison County as a whole while the population remained relatively stable in the City of Oneida and in the Towns of Fenner and Stockbridge. With the exception of Sherrill, which actually experienced a high population growth in the 1990s, population was estimated to have increased in all of the Study Area municipalities in Oneida County.

Table 3.7-22
Population of Study Area Municipalities, 1990, 2000, and 2004

		Population Count			Average Annual Population Change		Population Per Square Mile
		1990	2000	2004 (Estimate)	90-00	00-04	
Madison County	Cazenovia	6,514	6,481	6,762	-0.05%	1.08%	129.9
	Fenner	1,694	1,680	1,680	-0.08%	0.00%	54
	Lenox	8,621	8,665	8,844	0.05%	0.52%	238
	Lincoln	1,669	1,818	1,875	0.89%	0.78%	72.8
	City of Oneida	10,850	10,987	10,977	0.13%	-0.02%	498.7
	Smithfield	1,053	1,204	1,225	1.43%	0.44%	49.5
	Stockbridge	1,968	2,092	2,097	0.63%	0.06%	65.7
	Sullivan	14,607	14,991	15,172	0.26%	0.30%	204.3
	Madison County	**69,120**	**69,441**	**70,407**	**0.05%**	**0.35%**	
Oneida County	Augusta	2,070	1,966	1,975	-0.50%	0.11%	70.9
	City of Sherrill	2,864	3,147	3,126	0.99%	-0.17%	1554.6
	Vernon	5,338	5,335	5,438	-0.01%	0.48%	139.9
	Verona	6,460	6,425	6,519	-0.05%	0.37%	92.7
	Vienna *	5,564	5,819	5,874	0.46%	0.24%	94.7
	Oneida County	**250,836**	**235,469**	**234,962**	**0.61%**	**-0.05%**	

Source: U.S. Census Bureau, Census 2000, Summary File 1. 2005. Note:* The Nation owns land in the Village of Sylvan Beach , which is located in the Town of Vienna.

The Cornell Institute for Social and Economic Research (CISER) maintains the New York Statistical Information System and a web site that is devoted to demographic analysis and training tailored to the needs of government and nonprofit agencies, local planning offices, and businesses in New York State. Funding for this program is provided by Cornell University, the New York State Department of Economic Development, and user fees. CISER has prepared population projections for New York State counties and municipalities. CISER projected that the population in Madison County will decrease to 68,895 persons in 2030, which corresponds to an average annual decline of 0.03 percent between 2000 and 2030. For Oneida County, projections show a 0.12 percent average annual decrease in that same time period and a population of 226,702 persons in 2030. The average annual projected population decline between 2000 and 2030 for Upstate New York is 0.19 percent. CISER's population projections are shown in Table 3.7-.23.

Table 3.7-23
Population Projections
Madison and Oneida Counties and Upstate New York 2000-2030

	2000-05	2005-10	2010-15	2015-20	2020-25	2025-30	2000-30
Average Annual Population Change due to Births							
Madison County	1.26%	1.32%	1.37%	1.37%	1.36%	1.36%	**1.34%**
Oneida County	1.18%	1.21%	1.23%	1.21%	1.18%	1.17%	**1.18%**
Upstate New York	1.20%	1.20%	1.22%	1.20%	1.18%	1.17%	**1.24%**
Average Annual Population Change due to Deaths							
Madison County	-0.89%	-0.92%	-0.94%	-0.97%	-1.01%	-1.07%	**-0.96%**
Oneida County	-1.13%	-1.18%	-1.19%	-1.21%	-1.25%	-1.32%	**-1.20%**
Upstate New York	-1.00%	-1.05%	-1.09%	-1.12%	-1.18%	-1.26%	**-1.16%**
Average Annual Population Change due to Net Migration							
Madison County	-0.40%	-0.40%	-0.40%	-0.40%	-0.40%	-0.40%	**-0.40%**
Oneida County	-0.11%	-0.11%	-0.11%	-0.11%	-0.11%	-0.11%	**-0.11%**
Upstate New York	-0.27%	-0.26%	-0.26%	-0.26%	-0.25%	-0.25%	**-0.27%**
Overall Average Annual Population Change							
Madison County	**-0.03%**	**0.00%**	**0.03%**	**0.00%**	**-0.05%**	**-0.11%**	**-0.03%**
Oneida County	**-0.06%**	**-0.08%**	**-0.08%**	**-0.10%**	**-0.17%**	**-0.26%**	**-0.12%**
Upstate New York	**-0.07%**	**-0.12%**	**-0.13%**	**-0.17%**	**-0.25%**	**-0.34%**	**-0.19%**

Source: Cornell Institute for Social and Economic Research (CISER), New York Statistical Information System 2000-2003, 2005; The Louis Berger Group, Inc.
Note: * Upstate New York includes New York State with the exception of New York City, Long Island, and the Hudson Valley (Rockland, Dutchess, Orange, Putnam, Sullivan, Ulster, and Westchester Counties.

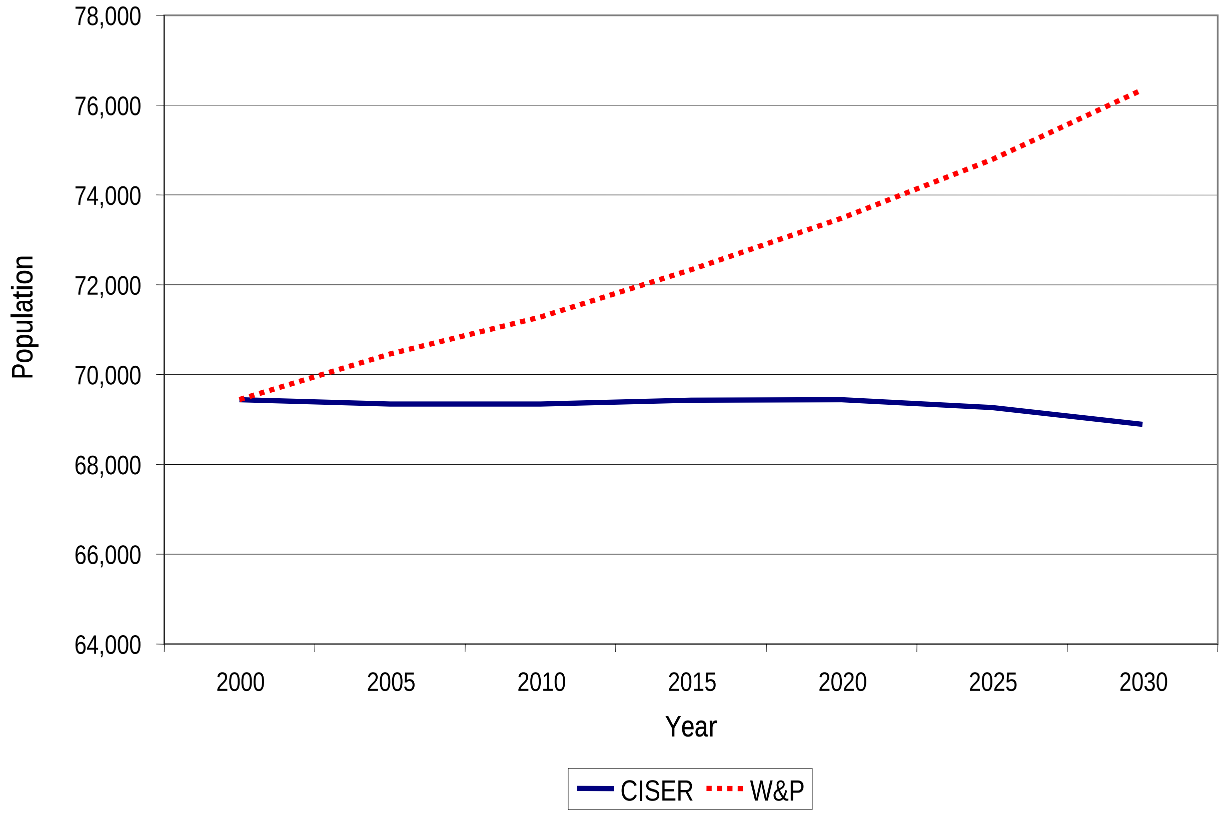
While the CISER projections show a stable or slow growing population for Madison County between 2005 and 2020, during the next decade the projected population decreases. Projections show a constantly declining population in Oneida County, with the decrease accelerating after 2020. Oneida County's projections include a 0.26 percent average annual population decrease between 2025 and 2030. The projected average annual population decline in Upstate New York exceeds that of Madison and Oneida County in every time period.

Madison County's more favorable population change relative to Oneida County and Upstate New York as a whole can be explained by the age of its population. Having a relatively young population, Madison County has a higher fertility rate and a lower mortality rate than Oneida County and Upstate New York. Madison County, however, faces an average annual population decline due to net out-migration at a rate that exceeds that of both Oneida County and Upstate New York (see Table 3.7-.24). The net migration projections are based on past trends and future major one-time events such as factory closings.

For Oneida County, the CISER population projections include a net out-migration rate that is lower than that of Madison County and of Upstate New York as a whole. Fertility rates in Oneida County are projected to be almost identical to those of Upstate New York while mortality rates in Oneida County are slightly higher due to the Oneida County's relatively large elderly population.

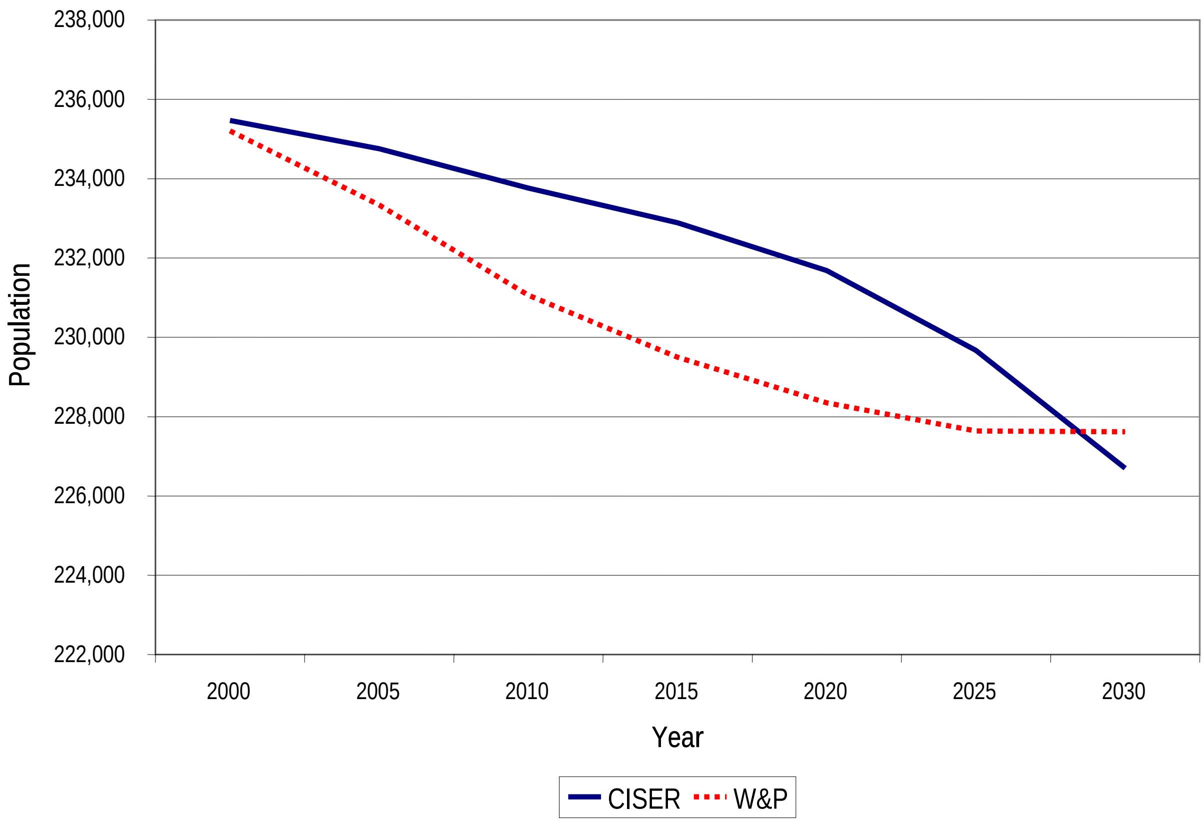
Population projections by Woods and Poole Economics, Inc., present a different picture, especially for Madison County. Woods and Poole projects that the population in Madison County will grow at an average annual rate of 0.33 percent between 2000 and 2030, resulting in a population of 76,350 in 2030, which is 7,455 persons more than CISER's projection (see Figure 3.7-7). The Woods and Poole projection for Oneida County in 2030 is closer to that of CISER, with a projected population in Oneida County of 227,620, which exceeds the CISER projection by only 918 persons (see Figure 3.7-8). The difference between the two projections is likely due to higher projected net migration in the Woods and Poole model based on their more favorable economic outlook for Madison and Oneida County.

Figure 3.7-7
Projected Population Madison County, 2000-30
Comparison of CISER and Woods and Poole Projections



Source: Cornell Institute for Social and Economic Research, New York Statistical Information System, 2005. Woods& Poole Economics 2005.

Figure 3.7-8
Projected Population Oneida County, 2000-30
Comparison of CISER and Woods and Poole Projections



Source: Cornell Institute for Social and Economic Research, New York Statistical Information System, 2005.

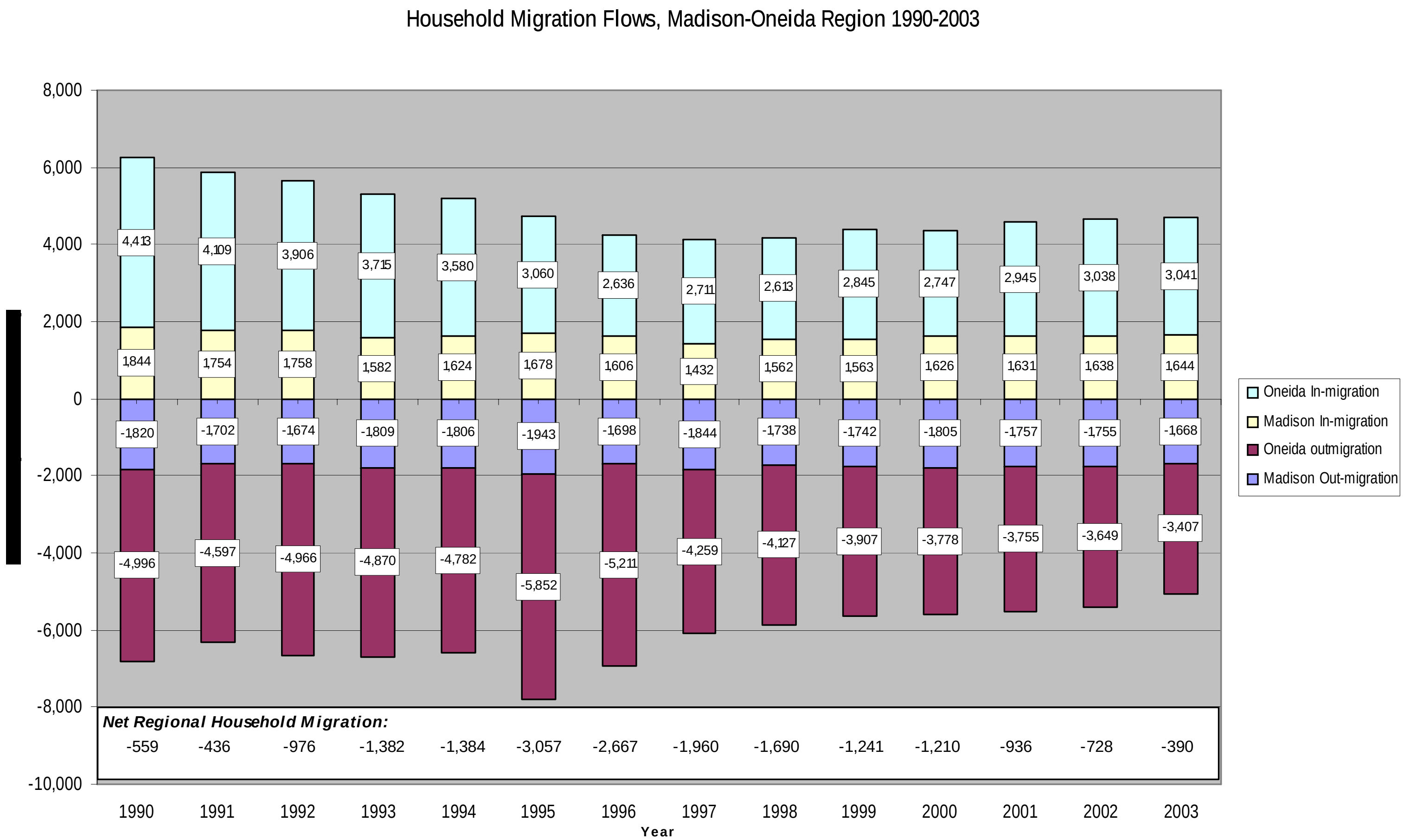
As with many areas of upstate New York and the industrial Northeastern U.S. as a whole, Oneida and Madison counties have experienced yearly declines in the number of households and overall population over the last 15 to 25 years. Records of tax return filings with the Internal Revenue Service (IRS) indicate that since 1990, this net decline has averaged 1,300 households or over 1 percent of the region's total households per year. Oneida County accounts for more than 90 percent of the net loss in households, with an average loss of 1,200 per year.

Figure 3.7-9 depicts the annual trends in household migration flows for the region from 1990 to 2003. During this period, Madison County saw a steady rate of in-migrating households (averaging 1,600 per year) and out-migrating households (averaging 1,770 per year). Oneida County, however, experienced significant changes in household flows during this period. In-migrating households, which amounted to over 4,000 per year in 1990 and 1991 declined to a low of 2,600 in 1996. During that same period, outflows of households averaged over 5,000 per year increasing to a high of 5,800 in 1995. Overall for the region, net losses in households which amounted to nearly 560 at the beginning of the decade increased to over 3,000 by 1995. This correlates closely with the closing of Griffiss Air Force Base and the loss of jobs in the region beginning in 1993. Since the mid-1990s the net loss in households has abated, falling below 1,000 in 2001 and amounting to a net outflow of 390 households in 2003.

Nearly half of the departing households relocated to other counties in New York State, these counties, in turn, were also the source of most in-migrating households. Outside of New York the destination for most departing households was the southern region of the nation. Table 3.7-24 details the flow of households to and from the Oneida-Madison Region as estimated by the IRS for the years 1990 to 2003.

The net loss in households in the Oneida-Madison Region has also meant a net decline total income earned by resident households. Table 3.7-25 provides a summary of the balance of aggregate annual income in the region for the 10 most recent years tracked by the IRS. During that period, from 1993 to 2003 income of households that left the region each year amounted to over $186 million. Income of the smaller number of households moving to the region totaled to just under $137 million per year, leaving an annual shortfall of nearly $50 million dollars or nearly half of one billion dollars over the ten-year period, an average of over $26,000 per household lost.

Figure 3.7-9
Trends in Household Migration, 1990-2003



Source: U.S. Internal Revenue Service Statistics of Income Division County-to-County Migration Flow Data; The Louis Berger Group, 2006. Note: Number of households estimated from tax returns filed for each calendar

Table 3.7-24
Migration Flow Patterns, Madison and Oneida Counties, 1990-2003

To/From:	Out-migrating Households	In-migrating Households	Net Migration
Other New York Counties	(36,590)	33,486	(3,104)
Northeast Region	(8,457)	6,210	(2,247)
Midwest Region	(4,375)	3,054	(1,321)
South Region	(19,623)	9,443	(10,180)
West Region	(6,213)	3,910	(2,303)
Outside U.S.	(1,962)	2,501	539
Total	(77,220)	58,604	(18,616)
Non-Migrants*			106,589

Source: U.S. Internal Revenue Service Statistics of Income Division County-to-County Migration Flow Data 1990-2003. The Louis Berger Group, 2006.
Note: Number of households estimated from tax returns filed for each calendar year.
* Average annual base of Non-Migrant households from 1990-2003

Table 3.7-25
Aggregate Annual Income - Migrating Households, Madison and Oneida Counties, 1993-2003
Year 2000 U.S. Dollars in Thousands

To/From:	Out-migrating Households	In-migrating Households	Net Change
Other New York Counties	($83,303)	$79,767	($3,537)
Northeast Region	($24,149)	$17,372	($6,777)
Midwest Region	($11,893)	$8,201	($3,692)
South Region	($50,245)	$19,966	($30,279)
West Region	($14,042)	$8,666	($5,377)
Outside U.S.	($2,618)	$2,642	$24
Total	($186,250)	$136,614	($49,636)
Non-Migrants*			$4,613,887

Source: U.S. Internal Revenue Service Statistics of Income Division County-to-County Migration Flow Data 1990-2003; The Louis Berger Group, 2006. Note: Number of households estimated from tax returns filed for each calendar year. Average income based on gross reported income on tax filings - Year 2000 U.S. Dollars.
* Average annual base of Non-Migrant aggregate household income from 1990-2003

3.7.2.2 Race and Ethnicity Patterns

The racial and ethnic composition of Madison and Oneida County residents is overwhelmingly white. According to the 2000 Census, Madison County is 95.9 percent non-Hispanic White and Oneida County is 88.6 percent non-Hispanic White (see Table 3.7-26). The second largest race or ethnic group in both counties is Black or African American with 1.3 percent in Madison County and 5.7 percent in Oneida County. Less than one percent of the populations of each of the subject counties identified themselves as being Native American alone. About 0.8 percent of Madison County residents and 1.5 percent of Oneida County residents identified themselves as belonging to more than one race, which could include Native Americans. The U.S. Bureau of Census does not report tribal information at the municipal level. Nation members would likely be included in the "American Indian" line item but the category is not limited to Nation members. In this discussion, race and ethnicity identification is based upon self-identification and disclosure on a census "short-form" questionnaire rather than tribal administrative records.

Table 3.7-26
Race and Ethnicity Characteristics, 2000
Madison and Oneida County Residents

	Madison County		Oneida County	
	Number of Residents	Percentage (%)	Number of Residents	Percentage (%)
White Alone	67,006	96.5%	212,414	90.2%
Hispanic White	442	0.6%	3,814	1.6%
Non-Hispanic White	66,564	95.9%	208,600	88.6%
Non-White Alone	1,855	2.7%	23,055	9.8%
Black or African American	916	1.3%	13,521	5.7%
American Indian and Alaska Native	**358**	**0.5%**	**549**	**0.2%**
Asian	387	0.6%	2,722	1.2%
Native Hawaiian or Other Pacific Islander	10	0.0%	55	0.0%
Other	184	0.3%	2,625	1.1%
More than One Race	580	0.8%	3,583	1.5%
TOTAL	69,441	100.0%	235,469	100.0%
Hispanic Origin	734	1.1%	7,545	3.2%
Minority Population	2,297	4.1%	26,869	11.4%

Note: *The Other category includes "some other race alone" and "two or more races."
Source: U.S. Census Bureau, Census 2000, Summary File 1 2005.

Following state and national trends, Madison and Oneida County are more racially and ethnically diverse now than they were in 1990, with absolute increases in minority populations since 1990 (see Table 3.7-26). Between 1990 and 2000, the number of Native Americans in the two-county area increased from 764 to 907. Certain comparisons between the 1990 Census and the 2000 Census are difficult due to the different questions asked in 2000. Race comparisons are not directly comparable; for example, in 1990 "Asian and Pacific Islanders" were one category and in 2000 it was broken into two categories: "Asians" and "Native Hawaiian or Pacific Islander." Additionally, in 2000 the Census permitted individuals to declare themselves of more than one race; thus a person could be counted in totals for more than one race, which allows for various combinations yielding a total of 63 race categories, compared to only six categories in the 1990 Census without the option for multi-race respondents.

Table 3.7-27
Race and Ethnicity Characteristics, 1990
Madison and Oneida County Residents

	Madison County		Oneida County	
	Number of Residents	**Percentage (%)**	**Number of Residents**	**Percentage (%)**
White	67,481	97.6%	232,461	92.7%
Non-White	1,639	2.4%	18,375	7.3%
Black	752	1.1%	13,661	5.4%
American Indian, Eskimo, or Aleut	**260**	**0.4%**	**504**	**0.2%**
Asian or Pacific Islander	421	0.6%	2,175	0.9%
Other race	206	0.3%	2,035	0.8%
Total Population	69,120	100.0%	250,836	100.0%
Hispanic Origin	572	0.8%	5,804	2.3%

Source: U.S. Census Bureau, 1990 Housing and Population Census, Summary Tape File 1 2005.

Generally, the individual Study Area municipalities exhibit similar race and ethnic patterns as the Counties (see Tables 3.7-28 and 3.7-29). In each of these municipalities less than five percent of the total population in 2000 belonged to a racial or ethnic minority. With the exception of the City of Oneida, whose Native American population was 1.4 percent of the total municipal population in 2000, less than one percent of the population in each of the municipalities identified themselves as Native American alone.

Table 3.7-28
Race and Ethnicity Characteristics for Study Area Municipalities in Madison County, 2005

	Cazenovia		Fenner		Lenox		Lincoln	
Study Area Municipalities in Madison County	**Number of Residents**	**(%)**	**Number of Residents**	**(%)**	**Number of Residents**	**(%)**	**Number of Residents**	**(%)**
White Alone	6,303	97.3	1,661	98.9	8,462	97.7	1,781	98.0
Hispanic White	58	0.9	5	0.3	44	0.5	6	0.3
Non-Hispanic White	6,245	96.4	1,656	98.6	8,418	97.1	1,775	97.6
Non-White Alone	178	2.7	19	1.1	203	2.3	37	2.0
Black or African American Alone	71	1.1	3	0.2	57	0.7	4	0.2
American Indian and Alaska Native Alone	**17**	**0.3**	**4**	**0.2**	**40**	**0.5**	**10**	**0.6**
Asian Alone	34	0.5	3	0.2	21	0.2	7	0.4
Native Hawaiian or Other Pacific Islander Alone	1	0	-	0	1	0	-	0
Other*	55	0.8	9	0.5	84	1.0	16	0.9
TOTAL	6,481	100	1,680	100	8,665	100	1,818	100
Hispanic Origin	96	1.5	6	0.4	75	0.9	12	0.7
Minority Population	236	3.6	24	1.4	247	2.9	43	2.4
	City of Oneida		**Smithfield**		**Stockbridge**		**Sullivan**	
	Number of Residents	**(%)**	**Number of Residents**	**(%)**	**Number of Residents**	**(%)**	**Number of Residents**	**(%)**
White Alone	10,579	96.3	1,165	96.7	2,010	96.6	14,728	98.2
Hispanic White	69	0.6	1	0.1	6	0.3	51	0.3
Non-Hispanic White	10,510	95.7	1,164	96.6	2,004	96.3	14,677	97.9
Non-White Alone	408	3.7	40	3.3	70	3.4	263	1.8
Black or African American Alone	88	0.8	12	1.0	8	0.4	49	0.3
American Indian and Alaska Native Alone	**153**	**1.4**	**10**	**0.8**	**19**	**0.9**	**54**	**0.4**
Asian Alone	51	0.5	3	0.2	6	0.3	34	0.2
Native Hawaiian or Other Pacific Islander Alone	2	0	-	0	-	0	-	0
Other*	114	1.0	15	1.2	37	1.8	126	0.8
TOTAL	10,987	100	1,205	100	2,080	100	14,991	100
Hispanic Origin	92	0.8	3	0.2	17	0.8	81	0.5
Minority Population	477	4.3	41	3.4	76	3.7	314	2.1

Source: U.S. Census Bureau, Census 2000, Summary File 1 2005.

Table 3.7-29
Race and Ethnicity Characteristics for Study Area Municipalities in Oneida County, 2000

Study Area Municipalities in Oneida County	Augusta		City of Sherrill		Vernon		Verona		Vienna	
	Number of Residents	(%)	Number of Residents	(%)	Number of Residents	(%)	Number of Residents	(%)	Number of Residents	(%)
White Alone	1,925	97.9	3,084	98.0	5,225	97.9	6,278	97.7	5,672	97.5
Hispanic White	5	0.3	18	0.6	34	0.6	23	0.4	21	0.4
Non-Hispanic White	1,920	97.7	3,066	97.4	5,191	97.3	6,255	97.4	5,651	97.1
Non-White Alone	41	2.1	63	2.0	110	2.1	147	2.3	147	2.5
Black or African American Alone	6	0.3	7	0.2	23	0.4	24	0.4	29	0.5
American Indian and Alaska Native Alone	**-**	**0**	**19**	**0.6**	**22**	**0.4**	**41**	**0.6**	**32**	**0.5**
Asian Alone	15	0.8	19	0.6	21	0.4	24	0.4	31	0.5
Native Hawaiian or Other Pacific Islander Alone	-	0	-	0	-	0	1	0	-	0
Other*	20	1.0	18	0.6	44	0.8	57	0.9	55	0.9
TOTAL	1,966	100	3,147	100	5,335	100	6,425	100	5,819	100
Hispanic Origin	11	0.6	26	0.8	37	0.7	30	0.5	45	0.8
Minority Population	46	2.3	81	2.6	144	2.7	170	2.6	168	2.9

Source: U.S. Census Bureau, Census 2000, Summary File 1 2005. Note;* The Nation owns lands in the Village of Sylvan Beach which is located in the Town of Vienna.

3.7.2.3 Household Composition

In the year 2000, there were 115,864 households in Madison and Oneida Counties. While Madison County experienced a 7.6 percent growth in households between 1990 and 2000, the number of households in Oneida County declined by 2.2 percent during this same period (see Table 3.7-30).

Table 3.7-30
Households Trends, 1990-2000
Madison County and Oneida County

Category	Madison County	Oneida County	Total
Number of Households in 1990	23,567	92,562	116,129
Number of Households in 2000	25,368	90,496	115,864
Change 1990-2000	1,801	(2,066)	(265)
Percent Change 1990-2000	7.6%	-2.2%	-0.2%

Source: U.S. Census Bureau, 1990 Census of Housing and Population, Summary Tape File 1; 2005 Census 2000, Summary
File 1 2005.

In both counties, but especially in Oneida County, the average household size in the year 2000 was smaller than the State average. With 55 percent of households in Madison County consisting of married couples, this group accounted for a larger share of total households in Madison County than in the State as a whole. Madison County also had relatively few single mothers and "other family households" (e.g., children living with a grandparent or other adult). Oneida County's household composition was more similar to that of New York State (see Table 3.7-31).

Table 3.7-31
Household Composition
Madison and Oneida Counties and New York State, 2000

	Madison County	Oneida County	New York State
Average Household Size	2.55	2.43	2.61
One-Person Household	25%	30%	28%
Married Couple without own children (<age18)	30%	28%	25%
Married Couple with own children (<age18)	25%	21%	22%
Single Female Householder with own children (<age 18)	6%	7%	8%
Other family households	8%	9%	11%
Other non-family households	6%	5%	6%
Total Households	100%	100%	100%

Source: U.S. Census Bureau, Census 2000, Summary File 3 2005.

3.7.2.4 Age Composition

Compared to the State of New York as a whole, young adults (21-34 years) comprise a relatively small proportion of the population in Madison and Oneida Counties. The lack of employment opportunities is probably a contributing factor to the relatively few young adults in the counties. Oneida County exhibits a much higher concentration of elderly persons (age 65 and over) than Madison County and New York State as a whole (see Table 3.7-32).

Table 3.7-32
Age Composition, Madison County, Oneida County, and New York State, 1990-2000

	2000			1990		
	Madison County	Oneida County	New York State	Madison County	Oneida County	New York State
Under 5 years	5.9%	5.7%	6.5%	7.1%	7.0%	7.0%
5 to 17 years	19.0%	18.2%	18.2%	18.2%	17.2%	16.7%
18 to 20 years	7.3%	4.1%	4.1%	9.5%	5.0%	4.7%
21 to 24 years	4.7%	4.5%	5.2%	6.5%	6.3%	6.2%
25 to 34 years	11.5%	12.5%	14.5%	15.1%	16.4%	17.4%
35 to 44 years	16.1%	15.6%	16.2%	14.1%	13.8%	15.1%
45 to 54 years	13.7%	13.6%	13.5%	10.2%	9.8%	10.6%
55 to 64 years	9.4%	9.2%	8.9%	7.9%	9.0%	9.1%
65 to 74 years	6.6%	7.8%	6.7%	6.7%	8.9%	7.5%
75 to 84 years	4.4%	6.4%	4.5%	3.7%	5.0%	4.3%
85 years and over	1.5%	2.3%	1.6%	1.1%	1.6%	1.4%
Total, Percent	100%	100%	100%	100%	100%	100%
Total	69,441	235,469	18,976,457	69,120	250,836	17,990,455

Source: U.S. Census Bureau, 1990 Census of Housing and Population, Summary Tape File 1; Census 2000, Summary File 1 2005.

3.7.3 Housing Characteristics

3.7.3.1 Madison and Oneida Counties

According to the U.S. Bureau of Census, there were 28,646 housing units in Madison County and 102,803 units in Oneida County in 2000. Both counties had a similar vacancy rate of 11 and 12 percent, respectively (see Table 3.7-33). The vacancy rate was higher than the state average of 9.9 percent and the national average of 9.0 percent, which suggests a cool housing market.

Table 3.7-33
Housing Units and Vacancy, 2000
Madison and Oneida Counties and New York State

	Number of Units	Occupied		Vacant	
Madison County	28,646	25,368	88.6%	3,278	11.4%
Oneida County	102,803	90,496	88.0%	12,307	12.0%
New York State (non-New York City)	4,478,395	4,035,272	90.1%	443,123	9.9%

Source: U.S. Census Bureau, Census 2000, Summary File 1 2005.

There is a high homeownership rate in the two counties (see Table 3.7-34). Madison County had a higher homeownership rate than the rest of the state, while Oneida County had a lower one. However, both were close to the state average.

Table 3.7-34
Owner Occupied and Renter Occupied Homes, 2000
Madison and Oneida Counties and New York State

	Number of Units	Owner-Occupied		Renter-Occupied	
Madison County	25,368	19,012	74.9%	6,356	25.1%
Oneida County	90,496	60,808	67.2%	29,688	32.8%
New York State (non-New York City)	4,035,272	2,827,114	70.1%	1,208,158	29.9%

Source: U.S. Census Bureau, Census 2000, Summary File 1 2005.

In the year 2000, the cost of housing in Madison and Oneida Counties was similar to the rest of the state (see Table 3.7-35). Madison County's median housing value is the same as the median housing value for the state, and its median monthly rent, at $422, was 22 dollars higher than the state median rent. Oneida County's median housing value was slightly less than the state's median, $76,500 compared to $81,500. The median rent was 25 dollars less than the state median rent.

Table 3.7-35
Median Rent and Housing Value, 2000
Madison and Oneida Counties and New York State

	Median Rent	Median Housing Value
Madison County	$422	$81,500
Oneida County	$375	$76,500
New York State (non-New York City)	$400	$81,500

Note: This information reflects a range of rents for units of different sizes and ages, and for occupants who may have moved in recently or occupied their units for a long time.
Source: U.S. Census Bureau, Census 2000, Summary File 3, 2005.

Between 1990 and 2000, the number of housing units in Madison and Oneida Counties increased by 8 and 2 percent, respectively (see Table 3.7-36). The number of housing units grew by 6 percent in New York State (non-New York City) during that same time period.

In 1990, Madison County's vacancy rate exceeded that of New York State (non-New York City), while the Oneida County's vacancy rate was lower than the state average (non-New York City) (see Table 3.7-36).

Table 3.7-36
Housing Units and Vacancy, 1990-2000
Madison and Oneida Counties and New York State

	1990		2000		1990-2000
	Number of Units	Vacancy Rate	Number of Units	Vacancy Rate	Change in Number of Units
Madison County	26,641	11.5%	28,646	11.4%	8%
Oneida County	101,251	8.6%	102,803	12.0%	2%
New York State (non-New York City)	4,234,722	9.8%	4,478,395	9.9%	6%

Source: U.S. Census Bureau, 1990 Census of Housing and Population, Summary Tape File 1; Census 2000, Summary File 1, 2005.

As in 2000, in 1990 Madison County had a higher homeownership rate than the rest of the state, while Oneida County had a lower one. Both were close to the state average (see Table 3.7-37).

Table 3.7-37
Owner Occupied Homes, 1990 – 2000
Madison and Oneida Counties and New York State

	1990		2000	
	Number of Owner Occupied Units	Percent of Total Units	Number of Owner Occupied Units	Percent of Total Units
Madison County	17,515	74%	19,012	74.9%
Oneida County	60,392	65%	60,808	67.2%
New York State (non-New York City)	2,657,058	70%	2,827,114	70.1%

Source: U.S. Census Bureau, 1990 Census of Housing and Population, Summary Tape File 1 2005; Census 2000, Summary File 1., 2005.

The cost of housing in Madison and Oneida County was generally similar to the rest of the state (see Table 3.7-38).

Table 3.7-38
Median Rent and Housing Value, 1990
Madison and Oneida Counties and New York State

	Median Rent	Median Housing Value
Madison County	$398	$68,900
Oneida County	$373	$72,200
New York State (non-New York City)	$392	$69,900

Source: U.S. Census Bureau, 1990 Census of Housing and Population, Summary Tape File3, 2005.

A review of 2002 to 2004 data from the New York State Office of Real Property Services (ORPS) indicates that housing values have continued to increase steadily. In 2004, the median sale price of residential property was $95,000 in Madison County and $78,000 in

Oneida County (see Table 3.7-39). In the course of two years, property sales prices have increased 9.2 percent in Madison County and 13.0 percent in Oneida County; in comparison, the state median sales price increased 9.2 percent during the same time period. Madison County's sales prices are 17 percent higher than the state median, which includes all New York State counties with the exception of the five counties of New York City, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, Ulster, and Westchester.

Oneida County sales prices are four percent lower than the state median. While prices rose in both counties from 2003 to 2004, the state median sales price remained steady. ORPS uses real property transfer records to determine median sales prices and as a result ORPS data cannot be directly compared to Census data.

Table 3.7-39
Median Sales Price, 2002-2004
Madison and Oneida Counties and New York State

	2002		2003		2004	
	Median Sales Price	Index	Median Sales Price	Index	Median Sales Price	Index
Madison County	$87,000	1.18	$90,000	1.11	$95,000	1.17
Oneida County	$69,000	0.93	$74,100	0.91	$78,000	0.96
Upstate New York*	$74,000	1.00	$81,000	1.00	$81,000	1.00

Note: *Includes all New York State counties with the exception of the five counties of New York City, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, Ulster, and Westchester.
Note: The above date is for residential sales that are an arm's length (open market freely arrived at by normal negotiations without undue pressure) residential sale coded non-condominium and the sale price must be greater than ten dollars and the number of days between the sale date and the contract date must be less than three hundred and sixty five or indeterminate.
Source: New York State Office of Real Property Services, County Residential Median Sales Prices 2005,

3.7.3.2 Study Area Municipalities

Vacancy rates vary widely among Study Area municipalities. In 2000, the lowest vacancy rate was 3.6 percent in the City of Sherrill, and the highest vacancy rate was 27.8 percent in the Town of Vienna. Municipalities in the Study Area tend to have a lower vacancy rate than both the state average and Madison and Oneida County's vacancy rate. Vienna is the only municipality that has a dramatically higher vacancy rate than the counties or the state (see Table 3.7-40).

In 2000, there was a wide discrepancy in homeownership rates between municipalities within the Study Area. Homeownership rates ranged from a low of 59.0 percent in the City of Oneida to a high of 86.7 percent in the Town of Lincoln. With the exception of the City of Oneida, the municipalities in the Study Area had a higher homeownership rate than New York State and similar homeownership rates to Madison and Oneida County (see Table 3.7-41).

In 2000, housing values in the Study Area ranged widely from a low median housing value of $59,400 in the Town of Augusta to a high of $135,500 in the Town of Cazenovia (see Table 3.7-42). The lowest median contract rent was also in the Town of Augusta, $363, and the highest median contract rent was in the Town of Verona, $482. With a few exceptions, most notably the Town of Cazenovia, median housing values and median contract rents in the Study Area were similar to the medians for Madison and Oneida Counties.

Table 3.7-40
Housing Units and Vacancy, Study Area Municipalities, 2000

		Occupied		Vacant	
Madison County	Cazenovia	2,353	91.7%	214	8.3%
	Fenner	615	93.3%	44	6.7%
	Lenox	3,485	89.9%	392	10.1%
	Lincoln	656	94.8%	36	5.2%
	City of Oneida	4,430	94.8%	242	5.2%
	Smithfield	409	92.7%	32	7.3%
	Stockbridge	744	92.2%	63	7.8%
	Sullivan town	5,688	91.6%	521	8.4%
Oneida County	Augusta town	746	91.9%	66	8.1%
	City of Sherrill	1,262	96.4%	47	3.6%
	Vernon	2,112	93.2%	154	6.8%
	Verona	2,399	90.0%	266	10.0%
	Vienna *	2,192	72.2%	845	27.8%
Madison County		25,368	88.6%	3,278	11.4%
Oneida County		90,496	88.0%	12,307	12.0%
New York State (non-New York City)		4,035,272	90.1%	443,123	9.9%

Source: U.S. Census Bureau, Census 2000, Summary File 3 2005. Note *The Nation owns land in the Village of Sylvan Beach, which is located in the Town of Vienna.

Table 3.7-41
Owner Occupied and Renter Occupied Homes, 2000
Study Area Municipalities

		Owner-Occupied		Renter-Occupied	
Madison County	Cazenovia	1,827	77.6%	526	22.4%
	Fenner	510	82.9%	105	17.1%
	Lenox	2,452	70.4%	1,033	29.6%
	Lincoln	569	86.7%	87	13.3%
	City of Oneida	2,612	59.0%	1,818	41.0%
	Smithfield	348	85.1%	61	14.9%
	Stockbridge	577	77.6%	167	22.4%
	Sullivan	4,692	82.5%	996	17.5%
Oneida County	Augusta	558	74.8%	188	25.2%
	City of Sherrill	984	78.0%	278	22.0%
	Vernon	1,596	75.6%	516	24.4%
	Verona	2,038	85.0%	361	15.0%
	Vienna*	1,803	82.3%	389	17.7%
Madison County		19,012	74.9%	6,356	25.1%
Oneida County		60,808	67.2%	29,688	32.8%
New York State (non-New York City)		2,827,114	70.1%	1,208,158	29.9%

Source: U.S. Census Bureau, Census 2000, Summary File 3 2005. Note * The Nation owns lands in the Village of Sylvan Beach, which is located in the Town of Vienna.

Table 3.7-42
Median Contract Rent and Median Housing Value
Study Area Municipalities, 2000

		Median Contract Rent	Median Value
Madison County	Cazenovia	$452	$135,500
	Fenner	$429	$84,800
	Lenox	$407	$78,200
	Lincoln	$420	$86,000
	City of Oneida	$410	$70,600
	Smithfield	$381	$66,600
	Stockbridge	$408	$69,300
	Sullivan	$474	$82,700
Oneida County	Augusta	$363	$59,400
	City of Sherrill	$366	$89,900
	Vernon	$417	$79,600
	Verona	$482	$75,200
	Vienna *	$431	$78,900
Madison County		$422	$81,500
Oneida County		$375	$76,500
New York State (non-New York City)		$400	$81,500

Source: U.S. Census Bureau, Census 2000, Summary File 3 2005. Note * The Nation owns lands in the Village of Sylvan Beach, which is located in the Town of Vienna.

3.7.4 Tribal Demographics and Socioeconomic Conditions

The Nation has a Member Benefits Department that maintains records for its enrolled members. Membership is determined by ancestry and entitles the individual and his or her family to benefit from the Nation's government programs and services. Member Benefits reports that the Nation has approximately 1,000 enrolled members. Under the Nation's membership criteria, a spouse of a Nation member does not become a Nation member by virtue of marriage. By history and long-standing tradition, Nation membership can only be passed from one generation to the next through the mother; children of Oneida fathers and non-Oneida mothers are not Oneida members. In addition, spouses of Oneida members are not Oneida members unless they were Oneida members before the marriage.

The number of people in Oneida *families* is significantly larger than the enrolled membership. The Nation provides governmental services and benefits to many others besides its members. As will be described later in Section 3.7.5.1, Nation families are the recipients of several benefits and services provided by the Nation, such as housing, tuition assistance, child care, health insurance, employment opportunities, and other government services. Therefore, the base of population supported by the Nation is considerably larger than its 1,000 enrolled members of the Nation.

The census data analysis below describes the demographic characteristics of New York State residents who identified themselves as members of the Oneida Nation of New York when completing the 1990 and 2000 Census form questionnaires and whose characteristics are reported in the 1990 Characteristics of American Indians by Tribe and Language and the 2000 Census American Indian and Alaska Native Summary File. Madison and Oneida County data as well as New York State have been included in this analysis in order to provide a means by which to measure the below-mentioned social and economic characteristics of the members of the Nation in comparison to the Region and State.

The U.S. Census Bureau states that this information does not reflect any designation of Federally- or State-recognized tribe. Thus, the self-identified members discussed in this section are not necessarily enrolled members that are recognized by the Nation.

3.7.4.1 Population

According to the 1990 U.S. Census, 1,026 New York State residents identified themselves as members of the Nation. Information regarding additional New York residents that identified themselves as members of the Nation and one or more other tribes and/or one or more other races is not available from this period. According to the 2000 U.S. Census, 1,000 New York State residents identified themselves as members of the Nation. An additional 373 New York residents identified themselves as members of the Nation and one or more other tribes and/or one or more other races (see Table 3.7-43).

Table 3.7-43
Total Population,
Self-Identified Members of the Nation
New York State, 2000

Self-reported Members of the Nation			
Place of Residence	**No Other Tribe/Race Reported**	**At Least One Other Tribe/Race Reported**	**Total**
New York	1,000	373	1,373

Source: U.S. Census Bureau, Census 2000, American Indian Alaska Native Summary 2005.

In 2000 the majority (54.7 percent) of New York residents who identified themselves solely as members of the Nation were male. This represents an increase from 51.1 percent at the time of the 1990 Census. The median age increased significantly between the two Census periods from 23.0 to 33.9. There was a sizable decrease of those between 5 to 17 years and relative increase of those between 35 to 44 years. Five percent were over the age of 65 as compared to only 2.8 percent in 1990 (see Table 3.7-44).

At the time of the 2000 Census, 75 percent of Nation households identified themselves as family households. Sixty percent of these family households had children under the age of 18. While the number of family households increased overall from 1990, there were fewer family households with children in 2000 than in 1990.

Table 3.7-44
Age and Gender, 1990 and 2000
Self -Identified Members of the Nation
New York State

	1990		2000	
	Number	**Percentage**	**Number**	**Percentage**
Total Population	1,026		1,000	
Females	502	48.9%	453	45.3%
Males per 100 Females	104.3		120.8	
Median Age	23.0		33.9	
Under 5 years	102	9.9%	96	9.6%
5 to 17 years	313	30.5%	189	18.9%
18 to 20 years	54	5.3%	64	6.4%
21 to 24 years	75	7.3%	40	4.0%
25 to 34 years	183	17.8%	130	13.0%
35 to 44 years	117	11.4%	233	23.3%
45 to 54 years	120	11.7%	99	9.9%
55 to 59 years	22	2.1%	67	6.7%
60 to 64 years	11	1.2%	30	3.0%
65 to 74 years	29	2.8%	30	3.0%
75 to 84 years	0	0%	13	1.3%
85 years and over	0	0%	9	0.9%

Source: U.S. Census Bureau, Census 1990, Characteristics of American Indians by Tribe and Language.
U.S. Census Bureau, Census 2000, American Indian Alaska Native Summary 2005.
Note: Persons who reported more than one tribe and/or more than one race are not included.

In 2000, 14 percent of households were headed by a female with no husband present; of these households 45.8% had children under the age of 18. The percentage of female-headed householders remained relatively unchanged from 1990, but there were fewer female-headed households with children under 18 in 2000 (dropped by more than twenty percentage points). In percentage terms, there are relatively more female-headed householders that are members of the Nation than in Madison or Oneida Counties yet the Nation has a significantly smaller percentage of such households with children under 18. This improved condition relative to the surrounding counties and New York State is particularly noteworthy because female-headed households with children are among the most economically vulnerable and in need of support networks to meet the challenge to balance work with family obligations (see Table 3.7-45).

Table 3.7-45
Total Households, 1990 and 2000
Self-Identified Members of the Nation

		Nation		Madison County		Oneida County		New York State	
		Number	%	Number	%	Number	%	Number	%
1990	Total Households	325		23,675		92,263		6,634,434	
	Family Households	238	73.2	17,441	73.7	63,969	69.3	4,528,888	68.7
	With Own Children Under 18 Years	196	83.4	8,723	50.0	30,249	47.3	2,107,159	46.5
	Married Couple Families	179	55.1	14,668	62.0	51,158	55.4	3,391,851	51.1
	With Own Children Under 18 Years	153	85.5	7,052	48.1	23,548	46.0	1,554,039	45.8
	Female-Headed Householder, No Husband Present	51	15.7	2,065	8.7	9,899	10.7	903,490	13.6
	With Own Children Under 18 Years	35	68.7	806	39.0	5,560	56.2	470,215	52.0
	Non-Family Households	87	26.8	6,234	26.3	28,294	30.6	2,105,546	31.7
	Householder Living Alone	74	22.8	5,050	21.3	24,950	27.0	1,806,263	27.2
	Householder 65 Years and Older	N/A	N/A	2,326	9.8	11,640	12.6	700,016	10.5
2000	Total Households	343		25,368		90,496		7,056,860	
	Family Households	258	75.2	17,577	69.3	59,170	65.4	4,639,387	65.7
	With Own Children Under 18 Years	155	60.1	8,517	48.5	27,555	46.6	2,231,381	48.1
	Married Couple Families	189	55.1	13,968	55,1	44,474	49.4	3,289,514	46.6
	With Own Children Under 18 Years	123	65.1	6,276	44.9	18,812	42.3	1,527,187	46.4
	Female-Headed Householder, No Husband Present	48	14.0	2,467	9.7	10,889	12.0	1,038,176	14.7
	With Own Children Under 18 Years	22	45.8	1,548	62.7	6,678	61.3	573,384	55.2
	Non-Family Households	85	24.8	7,791	30.7	31,326	34.6	2,417,473	34.3
	Householder Living Alone	69	20.1	6,217	24.5	26,731	29.5	1,982,742	28.1
	Householder 65 Years and Older	52	15.0	2,622	10.3	11,877	13.1	715,550	10.1

Source: U.S. Census Bureau, Census 1990, Characteristics of American Indians by Tribe and Language, U.S. Census Bureau, Census 2000, American Indian Alaska Native Summary 2005.
Note: Persons who reported more than one tribe and/or more than one race are not included.

3.7.4.2 Educational Attainment

Between the 1990 and 2000 Census periods, the self-identified members of the Nation experienced a significant shift in educational attainment levels. Major advancements were achieved in the numbers and percentage earning a High School diploma or higher and a Bachelor's Degree or higher. Of those aged 25 or older, 70.7 percent of the self-identified members of the Nation residing in New York had earned a high school diploma and 12.7 percent had earned a bachelors degree or higher, according to the 2000 Census. This level of educational attainment is significantly higher than the percentages reported in the 1990 Census. The rate of advancement in educational attainment was twice that of Madison and Oneida Counties and New York State overall. The gap was also reduced in the percentage of persons enrolled in college and graduate schools with the Nation increasing its enrollment while the Counties and New York State experienced declining proportions.

More troubling, however, was an exhibited increase in the number of 16-19 years olds that were not enrolled in school; this compares unfavorably with the improvements garnered by surrounding counties (particularly Madison County) and New York State. In response to this challenge, the Nation's Education Department has developed several programs and services to encourage continued education. These initiatives are described in Section 3.7.5 Nation Government Programs and Services. Still, the exhibited pattern is sufficiently disproportionate and adverse to suggest that keeping youth in school is a major challenge for not only the Nation's tribal leadership and the families of these youth but also for community institutions including surrounding school districts.

Private school enrollment for those in Madison and Oneida Counties remained relatively stable between the 1990 and 2000 Census periods, while self-identified members of the Nation increased their enrollment in private schools to 7 percent in 2000 from virtually no participation in private schools in 1990 (1.6%). Despite this change, private school enrollment for members continue to significantly trail reported enrollment percentages exhibited by Madison and Oneida Counties and New York state overall (ranges from 15 to 24 percent).

Table 3.7-46
Educational Attainment, 1990 and 2000
Self-identified Members of the Nation
New York State

		Nation		Madison County		Oneida County		New York State	
		Number	%	Number	%	Number	%	Number	%
1990	**Population 3 years and over enrolled in school**	384		20,667		63,045		4,656,218	
	Preprimary School	34	8.9	1,527	7.4	4,353	6.9	321,178	6.9
	Elementary or High School	288	75.0	11,636	56.3	41,559	65.9	2,895,841	62.2
	College or Graduate School	62	16.1	7,504	36.3	17,133	27.2	1,439,199	30.9
	Private School Enrollment*	6	1.9	959	7.3	4,293	9.4	566,418	17.6
	Population 16 to 19	81	7.9	6,485	9.4	14,178	5.7	991,329	5.5
	Not Enrolled in School	23	28.3	835	12.9	3,128	22.0	194,226	19.6
	Population 25 years and over	482	47.0	41,081	59.4	161,944	64.6	11,818,569	65.7
	High School Grad or Higher	152	31.5	32,543	79.2	121,591	75.1	8,840,965	74.8
	Bachelor's Degree or Higher	21	4.4	7,485	18.2	27,089	16.7	2,733,829	23.1
2000	**Population 3 years and over enrolled in school**	244		20,630		60,218		5,217,030	
	Preprimary School	23	9.4	1,995	10.0	6,030	10.0	603,880	11.6
	Elementary or High School	176	72.1	12,536	61.0	41,416	68.8	2,193,219	42.0
	College or Graduate School	45	18.4	6,099	30.0	12,772	21.2	1,301,375	24.9
	Private School Enrollment*	14	7.0	1,083	7.5	4,522	9.5	670,318	24.0
	Population 16 to 19	74	7.4	5,586	8.0	13,254	5.6	1,017,375	5.3
	Not Enrolled in School	27	36.5	526	9.0	1,981	14.9	170,297	16.7
	Population 25 years and over	611	61.1	43,762	63.0	158,846	67.5	12,542,536	66.1
	High School Grad or Higher	432	70.7	29,471	67.0	121,565	79.0	9,916,266	79.0
	Bachelor's Degree or Higher	78	12.7	9,455	22.0	29,072	18.3	3,433,266	27.4

Source: U.S. Census Bureau, Census 1990, Characteristics of American Indians by Tribe and Language
U.S. Census Bureau, Census 2000, American Indian Alaska Native Summary 2005.
Note: Persons who reported more than one tribe and/or more than one race are not included.
*This percentage is based on Private School Enrollment from Preprimary through High School. These figures are derived from total school enrollment minus College and Graduate School enrollment.

3.7.4.3 Labor Force

In the year 2000, the labor participation rate for the self-identified members of the Nation was higher than that of Madison and Oneida Counties as well as New York State at 69 percent, while the percentage of women in the labor force is comparatively smaller than that of the above-mentioned areas, it is important to note that none of the self-identified Oneida women in the workforce indicated that they had children under 6 years of age.

Self-identified members of the Nation experienced a slightly higher unemployment rate higher than of the comparative areas for the same time period (see Table 3.7-47).

Table 3.7-47
Labor Force Characteristics, 1990 and 2000
Self-Identified Member of the Nation
New York State

		Nation		Madison County		Oneida County		New York State	
		Number	%	Number	%	Number	%	Number	%
1990	Total Population 16+ Years	647	63.1	53,547	77.5	196,114	78.2	14,191,044	78.9
	Female	322	49.8	27,574	51.5	100,301	51.1	7,524,445	53.0
	Labor Force Total Civilian Labor Force Labor Force Participation Rate Female With Children under 6 Years	N/A N/A N/A N/A N/A	N/A N/A N/A N/A N/A	34,468 34,385 15,788 1,489	 99.8 64.2 45.8 9.4	118,108 113,818 54,165 5,191	 96.4 58.0 45.9 9.6	9,029,546 8,989,621 4,177,244 326,999	 99.6 63.3 46.2 7.8
	Total Percent Unemployed	N/A	N/A	1,759	5.1	7,627	6.5	618,903	6.9
2000	Total Population 16+ Years	752	75.2	54,306	78.2	186,008	79.0	14,805,912	78.0
	Female	360	47.9	27,837	51.3	94,886	51.0	7,810,436	52.8
	Labor Force Total Civilian Labor Force Labor Force Participation Rate Female With Children under 6 Years	519 519 208 0	 100.0 69.0 40.0 0.0	35,174 35,163 16,527 1,144	 97.2 64.7 47.0 6.9	109,496 109,151 52,335 4,018	 99.7 58.7 47.8 7.7	9,046,805 9,023,096 4,306,437 325,359	 99.7 60.9 47.6 7.6
	Total Unemployed	43	8.3	2,500	7.1	6,411	5.9	640,108	7.1

Source: U.S. Census Bureau, Census 1990, Characteristics of American Indians by Tribe and Language
U.S. Census Bureau, Census 2000, American Indian Alaska Native Summary 2005.
Note: Persons who reported more than one tribe and/or more than one race are not included.

3.7.4.4 Income and Poverty

The improvement in financial conditions of the Nation is reflected in a critical reduction in poverty rates – a rate of decrease more than double the surrounding Counties. Reductions in poverty were widely felt within the Nation community. Most notably, in 2000, there were far fewer children under 18 years living in poverty than at the time of the 1990 Census. The rate of poverty reduction by the Oneidas is in dramatic contrast with the stable and persistent levels of poverty found in Oneida and Madison Counties and New York State over the decade.

According to the U.S. Bureau of Census, at the time of the 2000 Census, the median income of self-identified members of the Nation surpassed that of residents of Madison and Oneida County. This represents an improvement of conditions whereas during the 1990 Census, the median household and family income was approximately equal to that of Madison and Oneida Counties.

Self-identified members of the Nation had an overall poverty rate of 9.1 percent in 1999 as compared to 19.9 percent in 1989, comparing favorably with Madison County's 9.8 percent, Oneida County's 13 percent, and New York State's 14.6 percent below poverty levels for 1999.

The elderly exhibited the highest poverty rate with about 40 percent of self-identified members of the Nation 65 years or over living in poverty in 1999 yet this was still a sizable decrease from 10 years earlier. While self-identified members over 65 years accounted for about 5 percent of all self-identified members in 1999, they accounted for 23 percent of the persons in poverty. By comparison, self-identified members over 65 years accounted for 2.3 percent of the total population, but they accounted for 8.8 percent of the persons in poverty in 1989.

While elderly persons accounted for a greater share of persons in poverty by 1999, it can be seen that the total number of self-identified Oneida persons in poverty dropped by more than 50 percent and the total number of Oneida children under 18 years in poverty dropped by 400 percent. While there were 3 additional elderly persons reported in poverty in 1999 than in 1989, the total number of elderly persons (i.e., persons over 65 years) within the Nation increased by approximately 80 percent.

Table 3.7-48
Median and Per Capita Income and Poverty Status, 1989 and 1999
Self-Identified Members of the Nation
New York State

		Nation		Madison County		Oneida County		New York State	
		Number	%	Number	%	Number	%	Number	%
1989	**Median Income**								
	Households	$26,382		$29,547		$26,710		$32,965	
	Families	$33,833		$33,644		$32,557		$39,741	
	Non-Families	N/A		$16,191		$13,617		$19,624	
	Per Capita Income	$7,804		$12,334		$12,227		$16,501	
	Individuals Below Poverty Level								
	Related Children Under 18 Years in Poverty	204	19.9	5,872	8.5	28,203	11.2	2,277,296	12.7
	Related Children between 5-17 in Poverty	104	50.1	1,728	29.4	10,261	36.4	782,530	34.4
	65 Years and Over in Poverty	82	40.2	1,169	19.9	6,806	24.1	530,668	23.3
		18	8.8	907	15.4	3,631	12.9	265,863	11.7
	Families with Income Below Poverty Level								
	Female-Headed							454,872	
	Households (No Husband	39							
	Present), with Related		16.4	1,133	6.5	5,612	8.8	240,040	10.0
	Children Under 18 Years in	25							
	Poverty		64.1	459	40.5	2,868	51.1		52.8
1999	**Median Income**								
	Households								
	Families								
	Non-Families	$41,777		$40,184		$35,909		$43,393	
		$50,595		$47,889		$45,341		$51,691	
		$19,821		$23,495		$20,750		$27,073	
	Per Capita Income	$16,460		$19,105		$18,516		$23,389	
	Individuals Below Poverty Level							2,692,202	
	Related Children Under 18	91	9.1	6,313	9.8	28,764	13.0		14.6
	Years in Poverty							893,505	
	Related Children between	11	12.1	1,777	28.1	10,688	37.2		33.2
	5-17 in Poverty							639,896	
	65 Years and Over in	11	12.1	1,178	18.7	7,009	24.4		23.8
	Poverty							264,336	
		21	23.1	731	11.6	3,019	10.5		9.8
	Families with Income Below Poverty Level								
	Female-Headed	41						535,935	
	Households (No Husband						9.8		
	Present), with Related	11	15.9	1,100	6.3	5,797		257,263	11.6
	Children Under 18 Years in						50.1		
	Poverty		16.4	442	40.2	2,953			48.0

Source: U.S. Census Bureau, Census 1990, Characteristics of American Indians by Tribe and Language
U.S. Census Bureau, Census 2000, American Indian Alaska Native Summary 2005.
Note: Persons who reported more than one tribe and/or more than one race are not included.

The persistent incidence of Nation elderly persons in poverty is of concern but the Nation's Government has sought to ameliorate living conditions for its elderly population through housing, health, social service and nutrition initiatives. The Nation's investment in the Ray Elm Children and Elders Center and development of several programs and services targeted to the elderly that focus on social, recreational, educational and nutritional needs are intended to encourage elder's immersion in community life and culture and prevent their isolation or alienation. Further discussion about the Nation Government programs and services for the elderly are described in the next section.

At the time of the 2000 Census, the median household income of the self-identified members was very similar to that of the residents of the Study Area municipalities. The thirteen Study Area municipalities where the Nation owns lands had a weighted average median household income of $41,500 in 1999. The per capita income of self-identified members of $16,460 in 1999, however, was lower than the weighted average per capita income for the thirteen Study Area municipalities, which was $19,877 in that same year.

The poverty rate of the self-identified members is greater than eight of the municipalities with Nation lands—Cazenovia, Fenner, Lincoln, Sullivan, Augusta, Sherrill, Verona, and Vienna. Five municipalities had a poverty rate higher than the Oneidas' poverty rate—Lenox, the City of Oneida, Smithfield, Stockbridge, and Vernon.

3.7.5 Nation Operations

The proceeds of the Turning Stone Resort & Casino and other Nation Enterprises have supported tribal government operations and programs, provided for the general welfare of the Nation and its members, promoted economic development, both within the Nation and local community, contributed to charitable organizations and helped fund the operations of local government agencies.

The Nation's government encompasses executive, legislative, and judicial functions. The Nation's governmental departments address the health, safety, and welfare needs of Nation members and the maintenance of its facilities and institutions. For budgeting purposes, there are several departments and activities including: Government Programs and Administration, Legal, Judicial, Men's Council, Children and Elders Center, Cultural Center, Health Services, Housing, Family Services, Program Development and Evaluation, Recreation and Youth, and Government Programs and Administration.

This section begins with an overview of several of the Nation's major government programs and services benefiting its Members. An overview of the Nation's Enterprises follows with discussion of the Nation's direct employment and purchasing activities.

3.7.5.1 Nation Government Programs and Services

The government of the Nation provides social welfare services similar to programs sponsored by state and local governments. For example, the Nation directs and funds critical programs for the health, public safety and welfare of its members and their families. In the past two decades, the Nation has fostered fundamental improvements in the social conditions of its members. The Nation has helped its members achieve and maintain a level of self-sufficiency that was unthinkable twenty years ago. Members have access to steady jobs, a college education, health care, day care and youth programs, elder programs, family services, and affordable housing. Major tribal government programs and services that have been established by the Nation's governing institutions are described in this section. Major milestones for the Nation's government programs and services are presented in Table 3.7-49

The Nation's governmental programs have increased in size and scope in tandem with the Nation's success in expanding net revenues from resort and casino and convenience store operations along with a diverse set of other business enterprises. Growth in the Nation's contributions to government programs and services over the Fiscal Year (FY) 1995 and FY2005 period is shown in Figure 3.7-10. In FY2005, the Nation contributed $16.8 million to its government programs and services.

For several years, the Nation was so successful in achieving its goals of enhancing self-determination and financial independence that it determined that it could return federal Tribal Priority Allocation (TPA) funds to the BIA with the request that the funds be redistributed to other tribes in the Northeast. From FY1998 to FY2002, the Nation turned back $6.23 million in BIA funds, an average of $1.24 million annually.

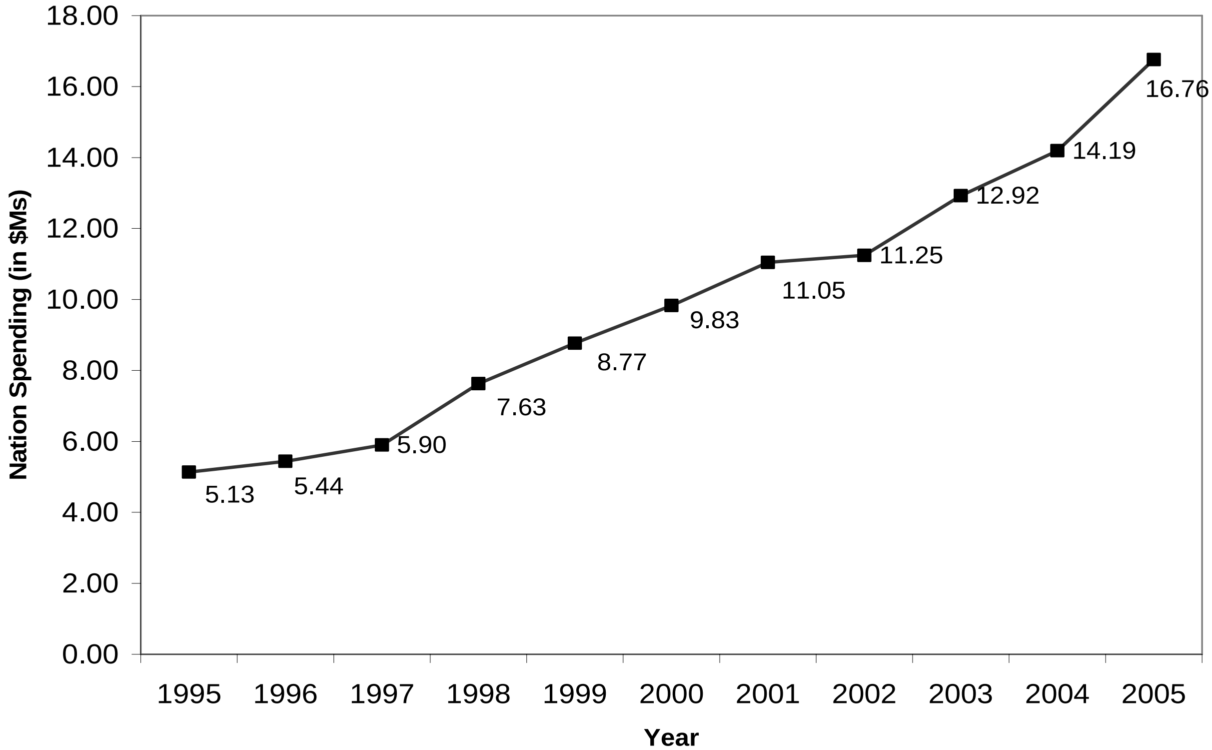
More recently, the Nation Government continued to return BIA funds, but also broadened the range of programs and services to benefit more of its members and often extended them to members of other Indian tribes. Between FY03 to FY05, the Nation elected to accept a small amount of its total eligible BIA funds for the purposes of expanding select

Table 3.7-49
Milestones for Nation Government Program and Services
1989-2004

August 1989	Nation establishes Health Department
April 1990	Nation works with Center of Disease Control to conduct Member Health Needs Assessment
October 1990	Nation receives Indian Health Services Tribal Management Grant to develop health program
October 1990	Oneida Nation Health Department registers first client
July 1991	Construction begins for Oneida Nation Health Center
August 1991	Nation executes first Indian Health Services Self-Determination Contract to provide health services
October 1991	Oneida Nation Health Department moves to new Oneida Nation Health Center
January 1992	Oneida Nation Health Center opens and initiates services with full-time nurse practitioner working in collaboration with consulting physician
January 1992	Nation establishes Elders Lunch Program at Oneida Nation Cookhouse
June 1992	Oneida Nation Health Department hosts first annual Kid's Day
October 1992	1,000th client registers at Oneida Nation Health Department
January 1993	Nation transfers growing behavioral counseling program to Nation Family Services Department
February 1993	Oneida Nation Health Center expands with modular addition to house administration and community health departments
March 1993	Oneida Nation Health Department initiates contract health service program
April 1993	Nation completes construction on Recreation Center and Gymnasium
June 1993	Shako:wi Cultural Center opens on Nation Territory
September 1993	Part-time physician hired to provide direct care at Nation Health Center
February 1994	Registered dietician hired to provide nutrition services at Nation Health Center
April 1994	Counseling program opens Syracuse satellite office of Nation Family Services Department
July 1994	Part-time dentist hired to provide direct care at Nation Health Center
August 1994	Nation Health Center is certified as a Federally Qualified Health Center
September 1994	First family moved to the Village of the White Pines, a Nation village located within the boundaries of the City of Oneida
October 1994	Nation Youth and Recreation Center opens
February 1995	Nation Health Center registers its 2000th client
November 1995	Nation converts former Bingo Hall to Early Learning Center (ELC)
March 1996	Full-time physician/medical director hired at Nation Health Center
June/July 1996	Health Center hires two full-time Oneida Member nurse practitioners
August 1997	Nation provides health insurance to Oneida Members nationwide
December 1997	3000th client registers at Nation Health Center
August 1998	Renovations begin to convert space occupied by the Nation's Early Learning Center and warehouse to Nation Education Resource Center
January 1999	Ray Elm Children & Elders Center opens, housing the Nation's Early Learning Center and the Nation's Elders program
January 1999	Nation Elders program offers expanded nutrition, support services and social, recreational and cultural activities
March 2000	Nation opens new Education Resource Center housing library, language and academic enrichment programs in former ELC
July 2000	Full-time dentist hired at the Nation Health Center
November 2000	Early Learning Center receives accreditation by the National Association for the Education of Young Children (NAEYC)
April 2001	Oneida Nation Housing Corporation creates Nation Homeownership Program
May 2001	Nation Elders Program hosts first annual Aging Well Conference
October 2001	Nation Health Center expansion completed
October 2001	4000th client registers at Nation Health Center
April 2002	First new home built under Nation Homeownership Program
May 2003	Second full-time physician hired at Nation Health Center
February 2004	Nation launches Oneida Language Immersion Program
April 2004	Nation Pathways case management program begins service at Children & Elders Center
October 2004	Nation graduates the first class of Oneida speakers from Language Immersion Program

Source: The Nation, unpublished, 2005.

Figure 3.7-10
Nation Contributions to Nation Government Programs and Services, 1995-2005



Source: The Nation, unpublished, 2006.

programs described in further detail in this section. However, in the wake of the U.S. Supreme Court decision in City of Sherrill in March 2005, and for the first time since FY1998, the Nation determined that it would use its full allocation of BIA funds in FY2006 for its governmental programs and services (see Table 3.7-10).

In addition to the BIA funds, the Nation receives funding from the U.S. Department of Health and Human Services, Indian Health Service (IHS) and from the U.S. Department of Housing and Urban Development (HUD). Since FY1991 the Nation has received annual funding from the IHS to provide health care services to its members and to other Native Americans (see Section 3.7.5.1.2). HUD's Community Development and Tribal Relations Division provides the Nation with housing grants.

In FY2005, the Nation was awarded $3.1 million by the IHS, $0.5 million by the BIA, and $158,000 by HUD. The Nation also received a $161,000 Diabetes grant from United South.

Table 3.7-50
BIA Tribal Priority Allocation
Funding Eligibility and Uses of Requested Funds

	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	Total
Eligible Amount	$1,184,674	$1,206,174	$1,240,132	$1,279,578	$1,318,048	$1,339,848	$1,339,848	$1,299,244	$1,228,407	$11,435,953
Funds Requested	$0	$0	$0	$0	$0	$53,644	$353,400	$503,562	$1,228,407	$2,139,013
Funds as % Eligible	0%	0%	0%	0%	0%	4%	26%	39%	100%	19%
Youth, Work, Learn						$53,644	$176,700	$61,186	$68,944	$360,474
Pathways/Case Mgmt.							$176,700	$115,196	$174,350	$466,246
Community/Fire Protection								$180,000	$280,000	$460,000
Law Enforcement								$147,180	$262,925	$410,105
Living History									$50,000	$50,000
Agric. Services									$272,682	$272,682
Education Achievement									$58,855	$58,855
Early Childhood									$60,651	$60,651

Source: The Nation, 2005 (unpublished); The Louis Berger Group, 2005.

& Eastern Tribes, Inc. That same year the Nation expended a total of $4.7 million from its IHS, BIA, and HUD funding for health, education, housing, wastewater and law enforcement programs.

Finally, Nation government programs and services are also supported by the Nation's sales and hotel occupancy tax revenues. These revenues, which are collected by the Nation on sales at the Turning Stone Resort & Casino and the SavOn gas and convenience stores, totaled $3.8 million in 2005 (See Section 3.7.5.2 for more information.)

The offices of the Nation's Government Programs and Services department are located in the City of Oneida.

Member Benefits

The Nation Member Benefits Department is located at 519 Main Street in the City of Oneida. Member Benefits offers several services including enrollment cards issued to Nation members who are 18 years and older, bereavement funds (including spouses), burial plots at Nation burial grounds, member advocacy, consumer credit counseling, medical and dental insurance for Nation members and their families, distribution account revolving lines of credit, and housing assistance.

Health Programs

Established in August 1989, the Oneida Nation Health Department's mission is "to work with clients to deliver the highest quality, holistic health services, given the resources available." In October 1991, the Department moved into the newly constructed Oneida Nation Health Center, where a full-time nurse practitioner and a consulting physician started providing health services to Native Americans in January 1992. Currently, the Center has a medical and dental staff of 20, including a full-time medical director/physician, a second full-time physician, a dentist, and two full-time nurse practitioners, and has more than 4,800 clients. The Health Center provides medical, dental, and community health services and refers clients who need special care to off-site providers.

Although part of the Health Center opened in 1991, the Health Center was completed in 1993. The Nation paid $292,700 for the $1.1 million construction project, while the remainder was paid for with Indian Health Service funds.

While mental health services were originally provided by the Oneida Nation Health Department, since January 1993 they have been provided by the Nation Family Services Department. In addition, the Oneida Education Department organizes a Youth Development program that promotes mental and physical health awareness and substance abuse prevention to the youth.

Health programs at the Nation's Health, Family Service and Education Departments are primarily funded through an Annual Funding Agreement (AFA) contract with the IHS, an agency within the U.S. Department of Health and Human Services. With the contract, the Nation agrees to provide health services to members of the Nation and other eligible recipients in accordance with the law in a variety of health program areas. In FY 2005, IHS funding for the Nation health program was $2.6 million. In FY 2006, the IHS provided $2.7 million to the Nation under the Nation's Indian Health Service Contract. FY06 funds will be supplemented by funds carried over from prior years to meet the programs' cost of $3.6 million. Since 1995, the Nation has spent a total of about $235,580 on health services in addition to grants funds.

Most health programs funded through the Nation's IHS contract (i.e., on-site Health Center services, mental health services at Family Services Department, and Youth Development programs) are accessible to all Native Americans at no charge, regardless of their county of residence. Clients do not incur any out-of-pocket expenses when visiting the Health Center. The Center does not collect co-pays or deductibles from insured patients and does not charge uninsured patients. Only off-site contract health services, which include specialty care and inpatient services, are limited to Territory residents and to enrolled Oneida Members and children of enrolled Oneida Members living in the Center's six-county service area, which includes Chenango, Cortland, Herkimer, Madison, Oneida, and Onondaga.

Nation Health Insurance Program

Since 1997, the Nation has funded its own Health Insurance Program which provides free health insurance coverage to Nation members and their families in accordance with the results of the Nation's internal needs assessment. The Nation recently became self-insured and paid about $4.3 million for claims and administrative fees in FY2005. The Nation has spent a total of $21 million on its health insurance programs since 1997.

The Nation Health Insurance Program currently covers about 1,600 individuals and pays for 80 percent of most medical costs. As is the case for all Health Center clients, on-site Health Center services are provided at no charge to the client. The Center bills the Nation Health Insurance Program and pays for the co-pays and deductibles with IHS funds. Since the program's start in the mid-1990s, the funds that the Nation Health Insurance Program has paid to the Nation Health Center for services provided to the insured patients have been set aside for future renovation of the Health Center. Oneida members and their children who live within the Health Center's six-county service delivery area also receive off-site specialty care and inpatient services free of charge. These services are covered by the Nation Health Insurance Program and the IHS funding pays for the co-pays and deductibles.

Health Services

The Oneida Nation Health Department provides medical, dental, and community health services. Mental health services are provided by the Oneida Nation Family Services Department.

Medical Services

The Health Center's medical staff includes a full-time medical director/physician, a second full-time physician, two full-time nurse practitioners, a registered medical nurse manager, three clinical nurses/LPNs, and a lab technician. Contracted specialty care providers are used for select services on-site on a part-time basis. The Health Center's medical services include:

- All routine health care
- Acupuncture
- Allergy injections
- Annual physical/health Histories
- Basic laboratory tests
- Breast exams
- Cancer screening
- Cholesterol testing
- Comprehensive diabetes care and education
- Contracted on-site cardiology care
- Contracted on-site endocrinology care
- Contracted on-site podiatry care
- EKGs
- Family planning
- First aid (including stitches)
- High blood pressure detection & control
- HIV/AIDS testing and Counseling
- Immunizations
- Medical record services
- Minor surgery for skin lesions
- Prescriptions
- Referrals for eye exams/vision screening
- Referrals for specialty medical care
- Routine gynecology
- School physicals
- Sports physicals
- Testing for sexually transmitted diseases
- Well child care

In 2004, a total of 13,648 visits to the Health Center were recorded (see Table 3.7-51). Recently, the Health Center began to contract specialty care providers on a part-time basis to deliver needed care in acupuncture, cardiology, endocrinology, and podiatry on-site. A total of 1,186 visits were recorded in 2004 for these four specialties. Clients who need specialty care that cannot be provided at the Health Center were referred to the nearest, most appropriate provider. In 2004, the Health Center's two referral specialists scheduled 1,845 referrals for off-site services.

Table 3.7-51
Oneida Nation Health Center - Medical Services, 2004

Medical Services	Number
Outpatient Visits	13,648
Diabetic Users	109
Flu Shot Clients	235
Cervical Pelvic Exams	281
Well-Child Visits, Completed	236
On-Site Podiatrist Visits	720
On-Site Endocrinology Visits	87
On-Site Cardiologist Visits	25
On-Site Acupuncture Visits	354
Family Planning Visits	107
Hypertension Visits	832

Source: The Nation, 2005 unpublished.

Dental Health

A dentist, a dental manager, dental hygienist and two dental assistants provide dental services Monday through Friday. Dental Services include, but are not limited to:

- Athletic mouthguards
- Biopsy & excision–oral lesions
- Deep gum pocket therapy
- Dental education
- Dental emergencies
- Headstart exams
- Limited endodontics
- Nutritional counseling
- Oral cancer screening
- Restorations
- Dental examinations
- Dental sealants
- Denture relines
- Fluoride analysis of home water source
- Fluoride treatment
- Simple extractions
- Soft tissue management
- Teeth cleaning / X-rays

In 2004, a total of 3,046 dental visits were recorded (see Table 3.7-52) and 283 referrals for off-site services were made.

Table 3.7-52
Oneida Nation Health Center, Dental Services, 2004

Dental Services	Number
Facility Dental Visits	3,046
Emergency Visits	346
Planned Treatments Completed	233
Referrals for off-site services	283

Source: The Nation, 2005 unpublished..

Community Health Services

Community health services are delivered by a full-time community health outreach coordinator, two community health nurses, and a registered dietician. Services may be provided in the office, home, at the Health Center, or in the community. Health services provided include, but are not limited to:

- Bicycle helmet and safety program
- Blood pressure checks
- Blood sugar checks
- Car safety seat program
- Disease prevention education
- Exercise/fitness information
- Family planning information and referrals
- Fire and safety information
- Foot care information
- Health education
- HIV/AIDS information
- Home safety inspections
- Home Visits
- Hospital Visits
- Injury and accident prevention
- Maternal and child health information
- New mom/new baby visits
- Nutrition counseling and information
- Rabies vaccination program
- Smoke detector program
- Smoking cessation information
- Video lending library
- Walk for health program
- Well water testing
- Wellness Education

Examples of community health activities in 2004 are 114 elder home visits and transportation to medical and dental appointments for 491 clients (see Table 3.7-53).

Table 3.7-53
Oneida Nation Health Center, Community Health, 2004

Community Health Services	Number
Elder Home Visits	114
Blood Pressure Screenings, Elders	84
Maternal Child Home Visits	19
Prenatal Office Visits	5
Health Checks at Early Learning Center	43
Clients Transported to Medical/Dental Appointments	491
Nursing Staff Home Visits	304
Nursing Staff Accompanying Clients to Medical Visits	167

Source: The Nation, 2005 unpublished..

Mental Health Services

Mental health services are provided by the Oneida Nation Family Services Department whose mission it is "to provide professional and confidential services that promote opportunities to enhance the mental, physical, social, intellectual, and spiritual well-being of Indian people." The Department provides mental health counseling, child and adolescent counseling, alcohol and substance abuse counseling, acupuncture detoxification, clinical case management, referral services to other agencies, hypnotherapy, psychiatric services, and alcohol education.

The Department's counseling program offers individual, family and group counseling for mental health and substance abuse issues including assessment, diagnosis and treatment planning, and ongoing counseling sessions. Specialized therapies such as acupuncture, hypnotherapy, and EMDR (Eye Movement Desensitization and Deprogramming) are also offered. Counseling staff also make referrals to other agencies, provide advocacy and clinical case management for clients, and participate with other Nation departments in community education programs. Past services have included a Men's Recovery Group, which is a weekly group session for males who are in recovery from alcohol and/or substance abuse, led by a mental health counselor and held at the Family Services Oneida office, as well as a Women's Talking Circle.

In 2004, 275 clients received counseling services and a total of 3,405 counseling visits were made at the Department's offices in the City of Oneida and in Syracuse.

Oneida Nation Health Center Clients

Priority levels and eligibility criteria for health services are established by the Nation's Indian Health Service Contract. Eligibility for services at the Health Center include: 1) Enrolled Oneidas; 2) Children of enrolled Oneidas; 3) Residents of the Nation Territory; 4) Enrolled members of other Federally recognized Indian nations; 5) Dependent children up to age 19 of an enrolled member of a Federally recognized Indian nation; 6) any individual who has not reached the age of 19 and is the adopted child, step-child, foster child, legal ward, or orphan of an enrolled Oneida member, or of an enrolled member of a Federally recognized Indian nation; and 7) a non-eligible woman pregnant with an eligible man's child, during pregnancy and six weeks after delivery. (Additional eligibility requirements are established for off-site contract health services.)

The Health Center has become an established medical care facility for Oneida members and other Native Americans throughout Central New York. About 63 percent of Health Center patients live within its six-county service area. The single largest concentration of clients lives in Onondaga County (see Table 3.7-54).

The Center serves Native Americans of many different tribes. In 1992, 69 percent of the active patients were Oneidas and their children, but by 2005 this group comprised only 36 percent of the total patient load as services were greatly expanded to serve other tribes of the region (see Table 3.7-55). The St. Regis Mohawk was the second largest group of Health Center users in 2005, comprising 35 percent of the active patients.

The Center's client base includes children as well as adults. About one out of four Health Center clients is under the age of 18 (see Table 3.7-56).

The Oneida Nation Health Center's client base has steadily grown over the 1992-2005 period, adding on average nearly 300 new clients annually (see Table 3.7-57). The Health Center's importance can also be seen in the social needs addressed on behalf of its patient base. The Center has experienced a steady increase in Medicare patients. In December 2005, 45 percent of Health Center clients did not have health insurance. These clients receive health services free of charge.

Table 3.7-54
Patients by County of Residence Oneida Health Center, 2005

County	# of Patients	% of Total
Chenango	32	0.7%
Cortland	35	0.7%
Herkimer	58	1.2%
Madison	786	16.1%
Oneida	262	5.4%
Onondaga	1,910	39.2%
Service Delivery Area	3,083	63.2%
Total	4,876	100.0%

Source: The Nation, 2005 unpublished.
Note: Includes all of the Health Center's past and present patients, except those who are deceased.

Table 3.7-55
Active Patients by Tribe, Oneida Nation Health Center
1992-2005

Active Patients by Tribe*	Number of Patients				Share	
Tribe	1992	1995	2000	2005	1992	2005
Oneida	165	414	491	562	51.4%	23.4%
Child of Oneida	56	204	272	316	17.4%	13.1%
Cayuga	0	2	9	9	0.0%	0.4%
Onondaga	11	105	98	86	3.4%	3.6%
Seneca	1	22	31	28	0.3%	1.2%
St. Regis Mohawk	65	451	661	841	20.2%	35.0%
Tuscarora	0	3	5	5	0.0%	0.2%
Other Iroquois Minor Child	8	152	347	388	2.5%	16.1%
Other Tribe or Nation	15	95	126	171	4.7%	7.1%
Total	321	1,448	2,040	2,406	100.0%	100.0%

Source: The Nation, 2005 unpublished.
Note: * Active Patient is someone who has had at least 1 visit within the last 3 years.

Table 3.7-56
Oneida Health Center, Oneida Clients under the Age of 18 by County

County	Age 0-4	Age 5-12	Age 13-17	Total
Chenango				0
Cortland				0
Herkimer				0
Madison	23	39	25	87
Oneida	12	20	14	46
Onondaga	3	4	8	15
Total	38	63	47	148
% of Total Population	6.3%	10.4%	7.8%	24.5%

Source: The Nation, 2005 unpublished..

Table 3.7-57
Oneida Nation Health Center Client Population Trends
1992-2005

Year-End 09-30-YY	Living Patients*	New Patients	Medicare Part A	Medicare Part B	Private Insurance
FY 1992	988	988	59	47	21
FY 1995	2,283	393	132	109	225
FY 2000	3,705	275	235	195	1,309
FY 2005	4,840	199	375	318	2,263
Average Annual Absolute Change, 1992-2005:	296	(61)	24	21	172
Oneida Nation Health Center Clients With and Without Insurance					
		With Any Insurance	**No Insurance**	**Total**	
Number of Clients (12/9/05)		2,688	2,188	4,876	
Percent Share		55%	45%	100%	

Source: Oneida Nation Health Department, 2005 unpublished.
Note: * Living patients includes all of the Health Center's past and present patients, except those who are deceased.
** Medicaid includes Medicare part A (hospital insurance) and Medicare part B (doctor's services and outpatient care)

Nation's Health Center Performance

The performance of the Nation's Health Center is determined annually as required by the Nation's Indian Health Service Contract. Tables 3.7-55 through 3.7-57 already presented represent a small handful of the types of performance indicators that are reported in the Annual Report sent to the Indian Health Service. The indicators suggest that Health Center activities provide critical services to improve the well-being of their patients but also that the facility's activities are intertwined with the broader community of health-care professionals including specialty doctors, nurses, physician assistants, pharmacies and pharmaceutical companies, health maintenance organizations and insurers, social service agencies, and others. The Health Center's business office processes Medicaid and Medicare compliance and contract health services, among other administrative functions, which are activities that would have to be otherwise absorbed by other health care providers or public institutions.

While inclusively serving Native Americans from other tribes, the Health Center has improved access to preventive health care services for Nation members. Table 3.7-58 compares the prevalence of certain health services among Nation members with special health needs in 1990 and in 2005. For example, 49 percent of Nation members with special health needs had never been checked for their cholesterol levels in 1990, but only 23 percent had never been tested in 2005. Similarly, Nation Members with special needs showed higher levels of diabetes testing, tetanus immunizations, and influenza vaccinations by 2005.

Table 3.7-58
Oneida Nation Health Center,
Preventive Care Services received by Oneida Members
with Special Needs, 1990 and 2005

	1990	2005	Percent change
Never Had Cholesterol Checked	49%	23%	-53%
Never Tested for Diabetes	41%	19%	-53%
Did Not Have Tetanus Shot in 10 Years	36%	22%	-41%
Did Not Have Flu Shot Last Year	86%	46%	-46%

Source: The Nation, 2005 unpublished..

In reviewing these preventive care trends, it is appropriate to consider the critical role that high-quality preventive health care plays in keeping working families functioning and connected to essential services. By comparison, poor health care facilities and services tend to shift the cost burden to federal, state and local governments. Hospitals and emergency care facilities are more likely to incur higher treatment costs when preventive care is not available. Employers must also absorb days lost from the workplace due to illnesses of the worker or because of their need to care for a sick child.

Educational Programs

As a result of a detailed internal needs assessment, the Nation has undertaken several major education initiatives to encourage self-sufficiency and to promote tribal economic development. The Nation leadership has placed great importance on the development of educational programs, recognizing their central significance in the survival and sustainability of the Nation. The Nation's comprehensive approach to education includes college scholarships, GED/EDP courses, a partnership with an independent school, incentive programs, library and language training, all of which are described below.

With the exception of the Youth-Work Learn program, all of the educational programs below (including the language programs and the library) were fully-funded by the Nation from FY1995 to FY2005. The Nation spent more than $13.6 million on these educational programs during this 10-year period, $0.8 million of which were Nation tax revenues. (Not all of the payroll and purchasing associated with the educational programs is included in the $13.6 million. This also does not include some of the salaries.)

The library, language and scholarship programs, and GED/EDP classes are located at the Education Resource Center in the City of Oneida.

Oneida Nation Scholarship Program

The Oneida Nation Education Department administers the scholarship programs policies and procedures which are extended to all Nation enrolled members. The program sets forward rules for eligibility (e.g., age, G.P.A, proof of acceptance in college or university, etc.) and academic performance, which are described in the Oneida Nation Education Department's Scholarship Programs and Procedures.

The Nation's Scholarship Program works closely with local school districts and colleges that Nation members currently attend or will attend. The program has developed a tracking system for the college and high school students who received scholarships. In FY 2004, the Nation Scholarship Program was tracking: 82 college students, 14 vocational students, 20 K-6 students, and 47 7-12 students. The office also tracked 21 students of Manlius Pebble Hill (a private pre-K to Grade 12 School with which the Nation has formed a partnership as explained below). The Scholarship Program is responsible for researching and informing students about job postings, educational opportunities, and scholarships that are available for Native Americans. Offering expertise and assistance in the preparation of financial aid packages for colleges and universities and vocational training is a key service delivered by the Scholarship Program office. The Scholarship Program office also administers incentives and scholarship awards for the Nation students.

- In FY 2004, several events were held in furtherance of these goals and to assist in the educational advancement of individuals, including but not limited to:
- Tutorial meetings with college and K-12 students (73 meetings)
- Student meetings (298 students including Oneidas and other Native Americans)
- College Nights where college representatives visits
- College Visit to SUNY Institute of Technology
- Cornell University Night
- Attendance at Native American Outreach days at Syracuse University and Ithaca Colleges
- SAT preparation courses;
- Tutoring for EDP and GED Students

Scholarships

The Nation recognizes that education is the key to the future of its people not only for its young people but for all adults. To ensure that its members are able to afford college and as a result of an internal needs assessment, the Nation began to provide financial aid in the form of a scholarship program in 1990. The scholarship program pays for a member's college tuition and fees up to a maximum of the average tuition at New York State Universities (currently around $16,000 per year). Additionally, a living stipend is provided to allow members to devote their time to their studies. The stipend also addresses the household maintenance needs of adults – whether it is the single mother or the young adult who is desirous of spending money -- to stay committed to their pursuit of their education.

In 2004, five members earned master's degrees, five received a bachelor's degree, and two earned an associate's degree. Since the program began, more than 400 members have sought higher education. To date, 119 members have earned a post-high school degree—one PhD, 23 masters degrees, 40 bachelors' degrees, and 55 associate degrees. By comparison, only about 8 Nation members held such degrees prior to 1986. Members have pursued college degrees from schools as near as Syracuse University and as far as the American Indian Art Institute in Santa Fe, New Mexico.

General Equivalency Diploma (GED) and External Degree Program (EDP) Courses

The Nation offers courses to assist any Native American, regardless of tribe, in earning his or her GED, which is the equivalent of a high school diploma. GED students must be 17 years of age or older whose high school class has already graduated. Students receive instruction in writing, social studies, science, math, literature and arts. The EDP program is for students who are at least 25 years old and allows adults to earn their high school diploma through credit from life and work experience if they can demonstrate what they have learned in areas including reading, writing, math, oral communication, self-development, consumer awareness and scientific awareness. Both programs are held on a weekly basis at the Education Resource Center in the City of Oneida. Students who earn their GED or EDP often continue onto college, trade or vocational school and secure better job opportunities. To date, 35 Native Americans, including 30 Oneida members, have completed their GEDs or EDPs through the Nation's program.

Independent School Initiative

To meet the needs of talented and gifted children, the Nation formed a partnership with Manlius Pebble Hill, a local private school (pre-K through Grade 12) with outstanding levels of college placement for its high school graduates. Under this program, the Nation pays for the tuition, fees, and books for Oneida children who attend the school. To date, 27 Oneida children have participated in this program.

Incentive Programs

The Nation's Education Department administers incentive programs for its children, youth and adult members to study, attain good grades, and complete their degree programs. Parents or students are required to send in a copy of their report cards to participate in this program. Incentives are in the form of gift certificates for good performance in the early years and cash rewards for high school, GED, and college graduations. The incentive program also encourages attendance as well as grades in the elementary and middle-school years.

In FY2004, the Nation distributed the following awards:

- 75 High school incentive awards (including 6 high school diplomas)

- 59 K-6 incentive awards
- 108 College incentive awards including 3 Bachelors Degrees, 4 Master Degrees, and 1 Associates Degree
- 11 GED incentive awards
- 24 Vocational awards

Library

The Nation operates its own library located in the Education Resource Center, 55 Territory Road; it is open to Nation members and employees, and Health Center clients. There are approximately 11,450 items available in the library. A library card entitles one to borrow books, VHS and DVD videos, books on tape and access the Internet, all at no charge. The library has a children's room, reference section, and magazines as well as American Indian and non-Indian themed hardcover and paperback books, popular movies, and game/educational CDs. The library hosts a reading program at the Early Learning Center (twice weekly) and several Scholastic Book Fairs. The library participates in the Nation's after school program for children through crafts and projects. The library also hosts the Nation Elders for several events each year. The Nation funds the library's annual operations.

Language Programs

The native tongue of the Oneidas has risked being lost because so few speak it. Prior to 2004, the Nation offered Oneida language courses on a weekly basis for members of all ages. However, the Nation realized that weekly lessons were not enough to gain language mastery and proficiency. As a result, in 2004 the Nation established a program to teach the Oneida language through the Berlitz method of intense language immersion. Six hour classes were taught five days a week by two fluent Oneida speakers from Canada. The immersion project has set as its goal the training of new teachers to broaden the number of skilled speakers for training purposes. In FY2005, there were seven student/teachers trained in the Oneida Language and the Berlitz method of teaching that are prepared to teach another round of students. This program is fully funded by the Nation.

Youth Work Learn

The Youth Work Learn (YWL) program is a six-week summer work program for Native Americans from the ages of 12 through 20. The YWL program's chief purpose is to place young people into job situations to provide a greater appreciation of the skills and responsibilities of the working world and better prepare for the demands of the workplace. Several workplace expectations are communicated through the program: come to work on time; learn to accept responsibility; learn the skills necessary to complete assigned tasks; and be a contributing member of the work force. Various Nation departments, facilities and enterprises provided a diverse range of employment opportunities for youth including Sav-On gas station and convenience stores; Housing; Agriculture; Marion Manor;

Extended Care; Recreation; Golf Course; Education, Cultural and Education Center; and Health Department.

In FY 2004, youth were also assigned to a "crew" that consisted of 13-year old Nation members. They were given a combination of education and job assignments, including First Aid and CPR training, financial management, classes in Native pottery as well as instruction in cultural crafts. The crew received instruction on Native American painting and then participated in a State Fair in which their paintings were entered. The crew's work component involved a range of jobs from weeding, to painting at Family Services, to working with the Elders Program, to doing various other "odd jobs". The crew also participated in an archaeological field study of an Oneida longhouse village, the Vaillancourt site, under the supervision of the Nation's archaeological historian. (see Section 3.6 on Cultural Resources)

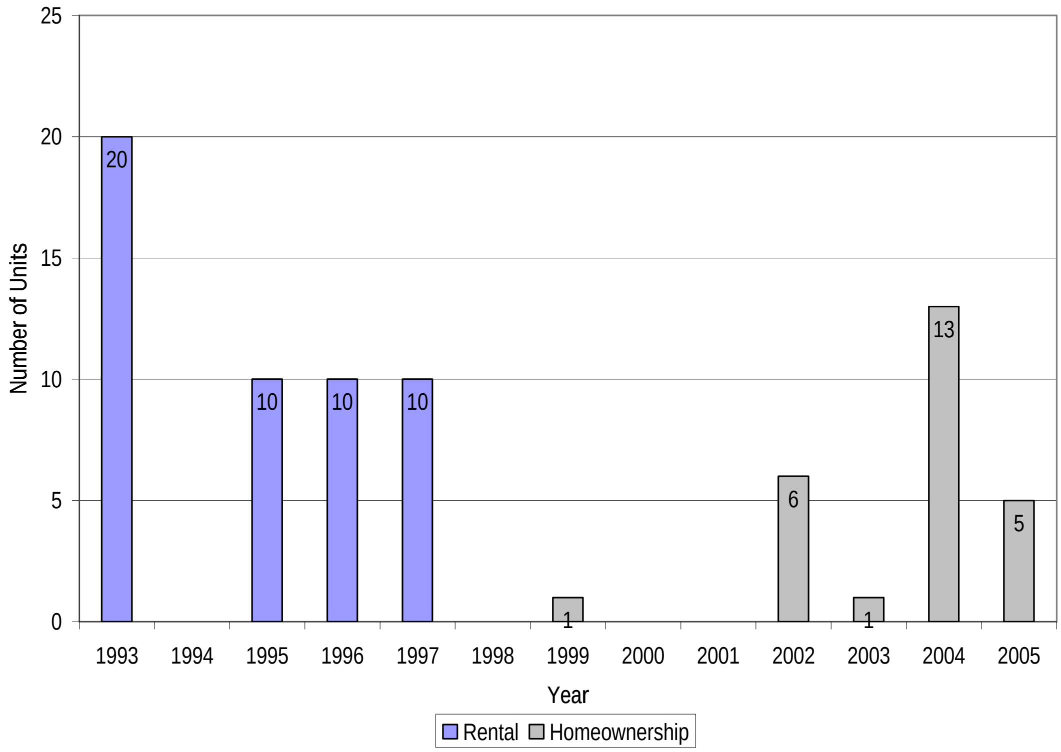
The Youth Work Learn program is funded by the BIA. A total of $61,186 of Tribal Priority Allocation funding was set aside for Youth Work Learn in FY2005.

Housing Programs

After performing an internal needs assessment, the Nation began offering offers both a homeownership and a rental program to allow members to live on Nation-owned land. Both programs are administered by the Oneida Nation Housing Corporation and funded by the Nation. While the Nation has been the sole source of funding for the Homeownership Program, the Rental Program receives federal funding and rental income in addition to Nation funding.

With the current total of 104 Nation housing units in the homeownership and rental programs, the number of Nation members who live on Nation owned-land has increased by 500 percent since 1990. Seventy-five of these units, including 50 rental and 25 homeownership dwelling units, are new construction (see Figure 3.7-11).

Figure 3.7-11
Newly Constructed Housing Units on Nation-owned Land
1995 to 2005:



Source: The Nation. (Unpublished)

The Nation's Homeownership program, which was created in April 2001, allows Nation members to buy a pre-existing or new home on Nation-owned land. The Nation provides guidance throughout the home acquisition process and contributes a maximum of $50,000 towards the purchase price of the home in the form of a forgivable loan. The land is held by the Nation. To qualify, members must meet credit and income requirements and provide at least a $10,000 down payment. The Nation provides mortgage financing for the remaining balance. Members are fully-vested in the Nation's $50,000 contribution after 10 years. There are currently 36 members who have purchased a home through this program. The average size of a homeownership unit is 1,736 square feet. The addition of new construction and existing homes in the Homeownership Program from 2002 to 2005 is shown in Table 3.7-59.

Since its inception, the total cost of acquisition, construction, and renovation of the homeownership units was $3.9 million, $1.7 million of which was funded by the Nation. Homeowners have obtained mortgages for the remaining $2.2 million. The Nation financed $1.5 million of these homeowner mortgages while the rest was financed by outside sources.

Table 3.7-59
Homeownership Program for Oneida Members
2002 to 2005

	New Construction	Existing
1995	0	1
1999	1	0
2002	6	4
2003	1	2
2004	13	2
2005	5	0
2006	1	0
Total	**27**	**9**

Source: The Nation. (Unpublished)
Note: The houses closed in the 1990s were not part of the Homeownership Program but served as test cases for the program.

Currently there are 66 households on the program's waiting list. Most of these households currently live in New York. There are currently six one-acre building lots available in the Village of the White Pines, which offers in-place infrastructure. The Nation plans to build a total of 15 units a year until the demand has been met. In addition, when the Nation buys land with an existing residence and intends to use this land for housing, the residence and two acres of the land become available to members on the waiting list.

The Nation's Rental Program currently consists of 68 units (see Table 3.7-60). All Native Americans are eligible to participate in the Rental Program but Nation members receive priority. All units in the Nation Rental Program are currently occupied by Nation members and their families. There are 50 rental units in the Village of White Pines, 20 of which are fixed-rent townhouse units, 10 are duplexes reserved for the elderly, and 20 are income-based single-family homes. The townhouses are 2- or 3-bedrooms and are 1,120 to 1,756 square feet. The 2-bedroom elders' duplexes are 1,306 square feet. The single-family homes are 3- or 4-bedrooms and range from 1,278 to 1,395 square feet. The remaining 18 households live in existing fixed-rent properties on Nation land outside the Villages of the White Pines. The units are 2-, 3-, or 4-bedrooms and are 900 to 2,040 square feet.

Since 1998, the Nation spent about $1 million on the Rental Program, about 25 percent of which came from Nation taxes. The Rental program has generated $889,200 in rental income between 1998 and 2005.

The elders' duplexes and the single-family homes were constructed in 1993 and 1995 as part of the HUD HOME Investment Partnership Program. The Nation paid $1.9 million out of the $8.2 million construction cost of the elderly duplexes. The construction of the fixed-rent townhouses was completed in 1998; the Nation paid 98 percent of their $1.8 million construction cost.

Table 3.7-60
Nation's Rental Program: Type, Units, Bedrooms, Size and Location

Type	Number of Units	Number of Bedrooms	Size (SF)	Location
Fixed Rent Townhouses	20	2 or 3	1,120SF to 1,756 SF	Village of the White Pines
Elders Duplexes	10	2	1,306SF	Village of the White Pines
Single-family homes	20	3 or 4	1,278SF to 1,395SF	Village of the White Pines
Single-family homes	18	2, 3, or 4	900SF to 2,040 SF	Nation land outside the Village of the White Pines

Source: The Nation (unpublished).

The current waiting list includes 80 households who are interested in fixed-rent housing and 59 who applied for an income-based rental unit. Most applicants currently reside in New York State but some reside as far away as the West Coast.

Land Groupings

The Nation grouped its land into three categories for the purpose of the Trust Application. Group 1 includes two rental units. Group 2 lands, which include the Nation's Village of the White Pines, have 65 rental units and 18 homeownership units. An additional 13 homeownership units are located in Group 3. One rental unit and five homeownership units are not located on Group 1, 2, or 3 lands and are thus not part of this application.

Nation Housing Program: Estimated Population and School-Age Children

The Nation housing program is composed of a mix of housing types dispersed throughout several jurisdictions. The physical characteristics of the housing units vary, but they are primarily made up of renter-occupied two, three and four bedroom units.

Demographic multipliers were created to estimate the population generated by the Nation housing stock. Multipliers for average household size were created using the Census 2000 Public Use Microdata Sample (PUMS) for the region that includes Madison and Oneida Counties. Tables 3.7-61 and 3.7-62 below show the estimates derived to reflect the variety of housing types. Multipliers were derived after controlling for building type, tenure, number of bedrooms and when the structure was built.

Table 3.7-63 below provides an overview of the numbers of residents associated with the various types and numbers of units by Groups and jurisdictions. Currently, it is estimated that approximately 304 residents live in the Nation's housing units. The household size varies by housing type and tenure, but the overall average is 2.92 persons per household.

Table 3.7-61
Household Size Multiplier by Bedroom and Structure Type
Oneida and Madison County Region, 2000

Bedrooms	Homeowner Program	Rental		
		Single Family	Townhouses	Elder Duplexes
2	N/A	1.99	1.83	2.13
3	2.95	2.85	3.31	N/A
4	3.86	3.63	N/A	N/A

Source: U.S. Census 2000 Public Use Microdata Sample (PUMS); The Louis Berger Group, Inc., 2006.

According to the Nation, about 58 children who live on Group 1, 2, or 3 lands attend public schools. (This does not include an additional seven children living on the Territory.) An estimated 70 percent of these children attend schools that are part of the Oneida School District while the remainder attends the Stockbridge Valley School District.

Family Services

The Nation provides child care, elders programs and a social services program. The child care and elders programs are located in the Ray Elm Children and Elders Center, which is located in the Villages of the White Pines. The 35,000 square feet Center was designed in a way to provide easy mixing between the two generations. The $10.3 million construction, which was completed in 1999, was fully funded by the Nation.

Early Learning Center

The Early Learning Center (ELC) is a day care center operated and funded by the Nation that provides care to children from the ages of six weeks to 12 years old on a full or part-time basis. The ELC is accredited by the National Association for the Education of Young Children (NAEYC), the U.S.'s largest organization of early childhood educators.

Children of Nation members, other Native Americans and employees of the Nation are eligible for Early Learning Center's services. The ELC served a total of 89 children in 2005 (with summer enrollments) including 31 member children, 53 children of Nation employees, and 5 Other Native American children. Autumn enrollment in FY 2006 included 20 member children, 43 employee children and three other Native American children. Demand for the ELC exceeds the facility's capacity. There are currently 27 families on a waiting list (including summer 2006 care) including three members, 20 Employees and four Other Native Americans.

Table 3.7-62
Nation Housing Program:
Estimated Population
by Group Lands and Municipality, 2005

Village, City or Town	Total Units	Number of Units by Building Type					
		Home-owners	Single Family Houses	Town-houses	Elders Duplex	Nation Rental	Residents
Group 1							
Verona	2					2	6
Group 2							
Canastota	2	1				1	6
Lenox	7	5				2	23
Oneida	56	4	20	20	10	2	146
Sherrill	3	1				2	9
Vernon	1					1	3
Sullivan	1	1					3
Verona	14	7				7	44
Group 3							
Lincoln	3	3					10
Stockbridge	10	10					34
Unassigned							
Verona	1					1	3
Oneida	5	5					17
Subtotals							
Group 1	2	0	0	0	0	2	6
Group 2	83	19	20	20	10	15	234
Group 3	13	13	0	0	0	0	48
Unassigned	6	5	0	0	0	1	20
Totals	104	36	20	20	10	17	304

Source: U.S. Census 2000 Public Use Microdata Sample (PUMS); The Nation, 2006; The Louis Berger Group, Inc., 2006.

The ELC offers an after-school program during the academic term and a summer program for children in Kindergarten through 12 years old. The after-school program for school-age children can accommodate up to 20 children at any given time. In FY 2005, the program averaged between 15-20 children for the summer term.

The Nation has contributed a total of $2.5 million to the Early Learning Center since its inception, $1.9 million of which came from Nation tax revenues. Child care fees provided an additional $1.3 million of Center revenues. The Center does not receive federal grants.

Teaching staff participated in hundreds of hours of training and workshops covering various topics in early childhood education. As reported in *Oneida Nation Annual Report* for the year October 2003 to September 2004, two of the center's teaching assistants earned their Child Development Associate (C.D.A.) credentials in FY 2004. During this period, the State University of New York Medication Administration Training (M.A.T.) was also delivered to full-time ELC teaching staff, in compliance with state requirements for medication administration in childcare facilities. Several events were held including monthly teacher team meetings, quarterly staff meetings, parent-teacher conferences, parent advisory meetings, family nights and other outreach tools, such as annual parent surveys, were undertaken to ensure feedback at all levels.

Elders Program

The Elders Program, which is organized by the Nation's Family Services Department, provides social, recreational, educational, and nutritional services for the Nation's Elders and their guests. Services include congregate lunches five days a week and soup and sandwich suppers twice weekly. Program activities include crafts, ceramics, pottery, quilting, a beauty salon, grocery shopping and trips to both local and out-of-town attractions. The program is partially funded by the Nation. Since the program's inception, the Nation has contributed a total of $1.9 million.

In FY2004, overnight trips were organized to visit Valley Forge and the Penobscot Nation (in Maine) and the St. Regis Mohawk Tribe at Akwesasne. Various conferences and workshops are organized for the Elders that focus on the medical, social and emotional aspects of aging. A yearly conference, "Aging Well", is held each spring at the Children and Elders Center in conjunction with the New York Geriatric Center of New York University. Recent trends in the delivery of services are shown in Table 3.7-63.

Table 3.7-63
Elders Program Activities, 2001-2005

Activities	2001	2002	2003	2004	2005*
Meals	4,244	4,776	4,712	5,251	4,872
Information/Referral	1,712	1,757	2,306	2,427	2,318
Cultural Activities	157	355	308	119	571
Intergenerational	139	126	64	79	193
Special Events	1,002	1,133	1,012	1,084	1,265
Nutrition Education	227	257	187	189	207
Health Education	149	135	92	92	433
Trips	205	297	331	412	362

Note: * Thru October 31, 2005.
Source: The Nation (unpublished), 2005.

The Elders Program is targeted to Oneida members but the Program's services are extended to guests thereby benefiting seniors in the surrounding region. An unduplicated count of the Elder Program clients was prepared for the first ten months of 2005:

- Oneida Elders – 59 persons
- Oneidas less than 55 years – 105 persons
- Guests 55 years and older – 198
- Guests less than 55 years of age – 264 persons of which 53 persons are Oneida family members
- A total of 4,872 meals were served to 540 people

There are an estimated 168 Nation members who are regarded as Elders – Nation members over the age of 55.

Pathways Program/Family Services Department

Pathways is a social services and community enrichment program organized by the Oneida Nation Family Services Department. The program connects families and individuals to other services in the greater Oneida community and is open to Health Center clients at no charge. In FY 2005 the program was funded with the BIA Tribal Priority Allocation (TPA) Grant ($115,196).

The Pathways program teaches participants necessary life skills including:

- Financial and budgeting skills
- Maintain unity with community, family and friends
- Understand insurance and how it works
- Secure financial benefits and resources
- Explore education and career goals
- Brainstorm ways to remove barriers to success
- Develop goals that focus on values, abilities, and skills
- Locate affordable housing
- Access to cultural resources
- Access to health and community resources
- Recognize and celebrate each success
- Use self-empowerment to find the path to peace and harmony

Through eleven months of 2005, the Pathways program served 77 persons, including 41 new clients since January 2005. The significant majority of these clients came from Madison County (61%) followed by Onondaga County (28%) with a smaller number of clients from Oneida County, Herkimer County, and Oswego County (see Table 3.7-64).

Table 3.7-64
The Nation, Pathways Program
Client County of Residence, 2005

County	Percent of Clients
Madison	61%
Onondaga	28%
Oneida	5%
Other	4%
Unknown	3%

Source: The Nation, unpublished, 2005

From April 2004 through December 2005, the Pathways program's services to individuals included information and referral, family services, legal services and advocacy, and services related to housing and shelter (see Table 3.7-65).

Table 3.7-65
The Nation, Pathways Program Services
April 2004 to December 2005

Service	Number of Individuals
Information and Referral	45
Family Services	26
Advocacy/Legal Services	24
Housing, Home Modification and Shelter	17
Vocational	15
Children's Services	13
Transportation	10

Source: The Nation, unpublished, 2005

Recreation and Cultural Enrichment

To preserve the Oneida culture and identity and to give others the opportunity to learn about it, the Nation's cultural activities range from commissioning a statue at the Smithsonian that commemorates the Nation's role during the Revolutionary War to a cultural center on Nation Territory to language programs and archeological studies. These are discussed below.

The Education Department offers recreation programs for Nation members, Health Center clients, and employees.

Smithsonian Institution's National Museum of the American Indian

The Smithsonian Institution opened the National Museum of the American Indian on the National Mall in Washington, D.C., in September 2004. The Nation helped make the Smithsonian museum a reality by pledging $10 million over a period of ten years. Additionally, the Nation commissioned a 19½ foot tall bronze statute, which commemorates the Nation's role on the side of Continental Army in the Revolutionary War, to stand on the fourth floor of the museum, which is named for the Nation.

Shako:wi Cultural Center

The Shako:wi Cultural Center is a hand-crafted white pine log building, located on Oneida Territory, filled with items and stories from the past and present that show the story of the Oneida people. The Cultural Center explains the role that the Nation played as the first allies of the colonists during the American Revolutionary War, among other themes. Also, a wide selection of Oneida crafts and art are displayed. The Cultural Center is used for gatherings and presentations about the Nation and their traditions. The Center is open every day except holidays, allowing people the ability to learn about the Nation and the Iroquois heritage. In FY 2005, the Center attracted 5,762 visitors, including groups from local schools and colleges.

The $763,000 construction cost and the annual operations of the Center are funded by the Nation. The Nation has spent more than $1.2 million on the Cultural Center's operations, $0.5 million of which was funded with Nation tax revenues. The Center has also received an additional $0.2 million through donations and gift shop sales but has not received any federal funding.

Language Programs

The Oneidas have developed a language immersion course, training instructors and developing a training curriculum. The program has been fully funded by the Nation since its inception and has received $1.2 million from the Nation (including $0.8 million of Nation tax revenues). Further information about the curriculum can be found above in the Section 3.7.5.1 on education.

Cultural Artifacts

The Nation places great emphasis on the preservation of its cultural heritage and to that end it employs an in-house archaeologist/historian to oversee the Nation's collection of archeological artifacts and oversee cultural resource investigations for the Nation. The collection has grown significantly over time. The program is fully funded by the Nation and has received a total of $0.4 million from the Nation since 1998. Some of the artifacts are exhibited at the Shako:wi Cultural Center. (See Section 3.6 Cultural Resources.)

Sports and Recreation

The Recreation Center and Gymnasium, a $1.2 million construction project that was fully funded by the Nation in 1994, offers a wide range of activities from youth lacrosse to personal fitness sessions. Since FY1995, the Nation has spent a total of $3.0 million on the Center's operations.

All activities are free of charge, except Lacrosse for which there is a registration fee. The Fitness Center is open to Members, employees, and to Health Center clients that are 16 years and older. The facilities include treadmills, stationary and recumbent bikes, elliptical cross trainers, stair stepper, a total body gym, free weights and Pilates balls. Locker rooms and showers are located on-site. The facility had more than 4,800 visitors in FY2005.

Lacrosse is a sport invented by the Iroquois Confederacy, of which the Nation is a member. As part of the Nation's cultural renaissance, the rituals and practices of the game have been brought back into the daily lives of Oneidas after decades of poverty and alienation. Today the youth team, the Silverhawks, compete again with other Haudenosaunee (Iroquois) teams in the North American Minor Lacrosse Association (NAMLA). The Nation also sponsors a lacrosse stick-making class. The Oneidas custom-design their lacrosse sticks in an exacting process of shaping hickory wood cured for nearly two years.

After School Program

The Education and Recreation departments sponsor an After School Program that is held Monday through Friday and is open to members and Health Center clients in grades 5-12. The program includes homework assistance, tutoring, arts and crafts, games, and sports. In FY 2005 the program was partially funded by the Nation.

Public Safety - Police

Formed in March 1993, the Oneida Nation Police Department is a law enforcement agency that provides a full range of police services to Nation members, employees, and visitors. Services include responding to crimes, vehicle accidents and security and fire alarm activations on Nation land, patrolling Nation land, and providing security at events, school bus stops, council meetings, and courts. Prior to the establishment of the Nation Police Department, the obligation to provide police protection for Nation members exclusively fell upon state and local law enforcement agencies.

The Oneida Nation Police Department currently consists of 45 highly-trained federal Deputy Special Officers commissioned through the BIA, including 38 sworn full-time officers and seven other employees. The Nation seeks to recruit veteran law enforcement professionals with experience as state troopers, police chiefs, sheriffs, deputies, or municipal police officers.

Since FY1995 the Nation spent a total of $21.8 million on its Police Department. The Department received additional funds through a law enforcement grant from the BIA.

The department includes a full-time training coordinator who researches the department's training needs and ensures that the training curriculum meets the standards of the Commission on Accreditation for Law Enforcement Agencies (CALEA) and the BIA. The department's curriculum also meets the New York State standards. Every officer is required to attend at least 40 hour of training each year, with four police officers who joined the force in 2004 completing a combined total of 640 hours in their first year. In 2004 training included defensive driving classes, counterfeit money identification and crime scene investigation training by the FBI, training on infection control by the New York State Department of Health, specialized training for CALEA officers, and training on child abduction and counter-terrorism. All police responses are reviewed on a regular basis to assess response time, courtesy, decision-making, results achievement, and ability to develop creative and cost-effective solutions.

The Oneida Nation Police Department has received accreditation through the Commission on Accreditation for Law Enforcement Agencies (CALEA), an independent accrediting authority that was established in 1979 by the four major law enforcement membership associations (the International Association of Chiefs of Police, the National Organization of Black Law Enforcement Executives, the National Sheriffs' association, and the Police

Executive Research Forum). The Nation received its initial accreditation in November 1998 and was accredited for the third time in March 2005. Accreditation is based on compliance with a set of professionally-recognized criteria for excellence in management and service delivery. State and local government law enforcement agencies are eligible for certification as are specialized law enforcement agencies, such as transit police. Currently the Oneida Nation Police is the only accredited tribal police agency in the U.S. and there are only about seven other agencies that are CALEA accredited in New York State.

In 2004 the Department received 11,031 calls for police assistance that resulted in a police response, an increase of 14 percent compared to 2001 (see Table 3.7-66). Approximately half of the calls were categorized as "Other non-criminal", which includes various requests of assistance including traffic or weather-related assistance and medical assistance. The second largest category of police activity was responding to criminal complaints, almost half of which were gas drive-offs. Other categories of police activity included responding to false fire and security alarm activations and motor vehicle accidents. Risk management calls are a subset of the "other non-criminal" category and include responses to injuries and damages.

A detailed review of 2003 police service calls by location was compiled by the Nation in a Memorandum to Arthur Pierce, Commissioner (April 8, 2004). The largest share of calls for service (48%) was received from the retail sites, which include the gas stations and the marinas. The Turning Stone Resort & Casino and golf-related sites generated 33 percent of the calls. Government, residential and public service locations generated the remaining 19 percent of calls.

Criminal complaints in the first three quarters of 2005 show that larceny, which includes gas drive-offs, accounted for 88 percent of the total (see Table 3.7-67). Other offenses were disorderly conduct and vandalism. None of these offenses were drug-related.

**Table 3.7-66
Police Activity, 2001-2004
Oneida Nation Police Department**

Police Activity	2001	2002	2003	2004	Change 2001-2004
Total Calls for Service	9,660	11,176	12,130	11,031	14.2%
Criminal Complaints	3,491	4,125	4,533	5,478	56.9%
Larceny - Gas Drive-Offs	2,849	3,282	3,553	2,417	-15.2%
Motor Vehicle Accidents	237	232	251	226	-4.6%
False Alarms	467	533	504	560	19.9%
Other Non-Criminal	5,465	6,286	6,842	5,601	2.5%
Risk Management Calls	315	351	507	528	67.6%

Note: 2004 data does not add correctly because 2004 detailed police activity counts are approximate; 2004 number of total calls is exact.
Source: Oneida Nation Police Department, 2005

**Table 3.7-67
Criminal Complaints, First 3 Quarters of 2005
Oneida Nation Police Department**

Offenses	Number	Percent
Larceny (includes gas drive-offs)	2,098	88%
Disorderly Conduct	82	3%
Vandalism	74	3%
Suspicious Person	51	2%
Not classified	21	1%
Assault w/o weapons	18	1%
Forgery/Counterfeiting	12	1%
Motor Vehicle Theft	5	0%
Domestic Violence	3	0%
Burglary	3	0%
Aggravated Assault	2	0%
DWI	2	0%
Total	**2,371**	**100%**

Source: Oneida Nation Police Department, 2005

In addition to uniform police officers, the Nation maintains a Bureau of Investigation (BOI) whose responsibilities include all felony grade crimes and serious or significant misdemeanor offenses and subsequent arrests. The BOI caseload is primarily involved with conducting background investigations for all levels of employment within the Nation's enterprises, government administration and the Turning Stone Resort & Casino, including Tribal child care workers in accordance with BIA guidelines and regulations.

The BOI provides assistance as needed to local and federal law enforcement agencies and dignitary protection at important events, among other activities.

The Oneida Nation Police Department's jurisdiction is limited to Nation land. Previously, deputization agreements with the Madison and Oneida County Sheriffs enabled the Nation Police to make arrests of non-Native Americans on Nation land and use the state court system. Currently, Nation police can detain any subject but can only charge Native American subjects.

Only Native Americans can be summoned to appear in Oneida Tribal Court. Since 1993, the Oneida Nation Police Department has brought a total of 22 cases to the Tribal Court that resulted in four incarcerations.

Pursuant to two federal statutes – 25 U.S.C. §§ 232 and 233 – that concern only New York State, New York state courts have civil and criminal jurisdiction regarding crimes and disputes that arise on Indian land and that concern individual Indians. New York State police may arrest individuals, including Indians, for state offenses occurring on Indian lands.

Public Safety – Fire

The Nation has developed service agreements with the Verona Fire District and the Village of Canastota to address fire safety issues. More information about the history and terms of these service agreements are described in Section 3.7.7.3.

3.7.5.2 Nation Enterprises

The Nation operates a variety of businesses to fund its government programs. These enterprises include the Turning Stone Resort & Casino, the Inn at Turning Stone, SavOn gas stations and convenience stores, Standing Stone Gaming, marinas, the Villages at Turning Stone RV Park and Peaceful Pines Campground, agricultural properties, the Smoke Shop, Four Directions Media, Inc., and Four Directions Entertainment.

As a sovereign government, the Nation has elected to tax certain products and services sold by its enterprises in order to defray the cost of certain tribal government programs and services. A retail sales tax and a hotel occupancy tax are collected on business transactions; the tax is then used to fund services for its members.

- Sales Tax. A 5 percent sales tax is levied on all items that are normally subject to the New York State sales tax, with a few exceptions. A Nation government tax ordinance obligates the Nation to devote all sales tax revenues to the provision of governmental services and the discharge of governmental obligations. No portion of the sales taxes collected can be expended in pursuit of commercial activities. In 2005, the Nation collected approximately $3.8 million in sales taxes.
- Hotel Tax. The hotel tax is 3 percent (same as Oneida and Madison Counties) and must be used to promote tourism and economic development within the Nation's

reservation and Central New York. The Oneida and Madison County occupancy tax ordinances similarly obligate the municipal governments to use the collected occupancy taxes to promote tourism. In 2005, the Nation collected approximately $400,000 in hotel taxes.

As can be seen in Table 3.7-68, the source of sales tax revenues in FY2005 was about evenly split between the SavOn gas stations and convenience stores and the Turning Stone Resort & Casino. These tax revenues are used to supplement Nation governmental programs and activities for members and other Native Americans. In FY2005, the Nation sales tax supplemented Early Childhood enhancement, the Children and Elders Center, and teaching the Oneida language, among other programs. The largest use of the sales tax was for Members Benefits for Nation members.

Table 3.7-68
Oneida Tax Collection and Uses of Funds

					Percentage of Total Sales Tax	
	2002	2003	2004	2005	2002	2005
Sales Tax Collected from:						
Turning Stone	$995,765	$1,268,659	$1,386,852	$1,795,115	36.7%	47.0%
SavOn	$1,597,643	$1,938,869	$1,900,730	$1,902,428	58.9%	49.8%
Other Retail	$120,758	$130,089	$125,962	$122,494	4.4%	3.2%
Total Collected	$2,714,166	$3,337,617	$3,413,544	$3,820,037	100.0%	100.0%
Annual Growth Rates		23.0%	2.3%	11.9%		
Applied to:						
Early Childhood	$373,507	$459,302	$514,065	$575,281	13.8%	15.1%
Elders Program	$142,297	$174,983	$138,421	$154,904	5.2%	4.1%
Recreation	$145,990	$179,524	$205,939	$230,453	5.4%	6.0%
Cultural Center	$92,970	$114,325	$120,343	$134,673	3.4%	3.5%
Housing Corp.	$44,091	$54,218	$113,267	$126,755	1.6%	3.3%
Children & Elders Center	$230,924	$283,967	$441,036	$493,556	8.5%	12.9%
Legal Services	$303,895	$373,700	$347,121	$388,457	11.2%	10.2%
Community Relations	$225,182	$276,907	$0	$0	8.3%	0.0%
Youth/Work/Learn	$58,344	$71,746	$8,349	$9,343	2.1%	0.2%
Language	$0	$0	$368,509	$412,392	0.0%	10.8%
Living History	$0	$0	$80,005	$0	0.0%	0.0%
ICT Outreach	$0	$0	$0	$89,532	0.0%	2.3%
Member Benefits	$839,614	$1,032,475	$928,237	$1,038,774	30.9%	27.2%
Men's Council	$257,354	$316,468	$148,252	$165,906	9.5%	4.3%
Use of Taxes Collected:	$2,714,168	$3,337,615	$3,413,544	$3,820,026	100.0%	100.0%

Source: Nation Unpublished, 2005.

Although the U.S Supreme Court, in *Department of Taxation and Finance of N.Y V. Milhelm Attea & Bros.,* 512 U.S. 61 (1994) , authorized the imposition of taxes on non-Indian purchaser of goods sold from Indian reservations, the State of New York does not currently require reservation-based enterprises to collect or remit sales and excise taxes on the sale of retail merchandise, including fuel and tobacco. As a result, the Nation's retail operations have a competitive advantage compared to other local businesses that are subject to State taxation. This competitive advantage is most pronounced when a commodity is heavily taxed by the State, which is the case as to cigarettes and automotive fuels in New York State. Thus, the SavOn stores can sell these products at prices lower that those charged by non-Indian stores.

Last year the State Legislature, over Governor Pataki's veto, passed a law requiring the pre-payment of fuel and cigarette taxes by wholesalers who supply products to reservation-based convenience stores. Although that law was scheduled to take effect on March 1, 2006, it has not been implemented by the Governor and the Department of Taxation and Finance. In May 2006, the New York Association of Convenience Stores (NYACS) sued the Department of Taxation and Finance to enforce the new law, although a similar effort was rejected by the New York State Courts in the late 1990s (*New York Association of Convenience Stores v. Urbach*, 712 N.Y.S. 2d 220 (N.Y. App. Div. 2000).

Concerns have been raised regarding the legality of the new statute. Specifically, questions have been raised regarding the enforceability of the statute, the potential disparate treatment of Native American consumers, and the possible unlawful interference with interstate and tribal commerce in violation of the Federal Constitution. Given the sovereign status of, and general inapplicability of state laws to, Indian nations, it appears that the policy of the Pataki Administration is that this tax issue should be resolved not by unilateral enforcement but through bilateral agreements—"tax compacts"— with Indian nations, similar to agreements concluded between other states and Indian nations. One such compact agreement was negotiated in Washington State with the Tulalip Tribes (May 23, 2002).

Since the 1990s the Nation and New York State have worked on creating a compact to address taxation of items sold by the Nation to non-Indians. In 1997 the negotiations led to an Interim Tax Agreement that was signed by both parties but never finalized. After a hiatus of several years, new negotiations in 2001 ended with agreement on nearly every major issue but did not lead to a signed compact.

The proposed compact between the Nation and the State outlined what is essentially a tax parity agreement which has the following key elements or principles:

- No State sales tax on items sold by the Nation or its members on Nation land;
- Nation imposes its own sales and excise taxes and the Nation tax rates must, at all times, meet or exceed the tax levied by state and local governments; and
- All sales and excise taxes must be devoted to Nation government purposes.

A tax parity agreement would result in an increase in cigarette and gasoline prices at the Nation's retail stores, which means that the Nation would lose most of its current competitive price advantage. (Tax parity agreements between Indian Nations and State governments are common. The State of Nevada and several of its resident tribes have been operating under such agreements for more than two decades. The State of Washington over the past several years has concluded tax parity agreements with the majority of the twenty-four Indian nations within its borders.) With higher retail prices, the Nation anticipates that its market share would be significantly diminished -- many existing customers would simply choose to buy their cigarettes and gasoline from a nearby non-Indian store since it would no longer be cost effective for them to travel out of their way to patronize a SavOn gas station and convenience store. Although the Nation would keep all tribal taxes collected from retail customers, it would be precluded from using those tax revenues for commercial purposes. While a tax parity agreement is expected to significantly reduce the net profitability of the Nation's retail outlets, it would settle a contentious tax issue with the State and remove some legal uncertainty surrounding SavOn gas stations and convenience stores, thereby furthering the Nation's goals of economic diversification and providing a secure, non-gaming revenue source, other than gaming, for its government programs. The Nation's continued ability to provide services and benefits to its members will simultaneously reduce the burden on federal, state and local governments to provide services to Nation members.

Turning Stone Resort & Casino

The Turning Stone Resort & Casino is a multi-faceted destination resort, offering gaming, golf, dining, accommodations, entertainment, meeting and conference space, and spa facilities. There are more than 120,000 square feet of gaming space, three 18-hole golf courses and two 9-hole courses, 100,000 square feet of meeting space, six different types of lodging accommodations ranging from campgrounds to luxury suites, a 5,000-seat event performance space, and a full-service spa and salon. The Nation's Turning Stone Resort & Casino operations reported revenues of more than $300 million in FY2005.

Visitor Trends

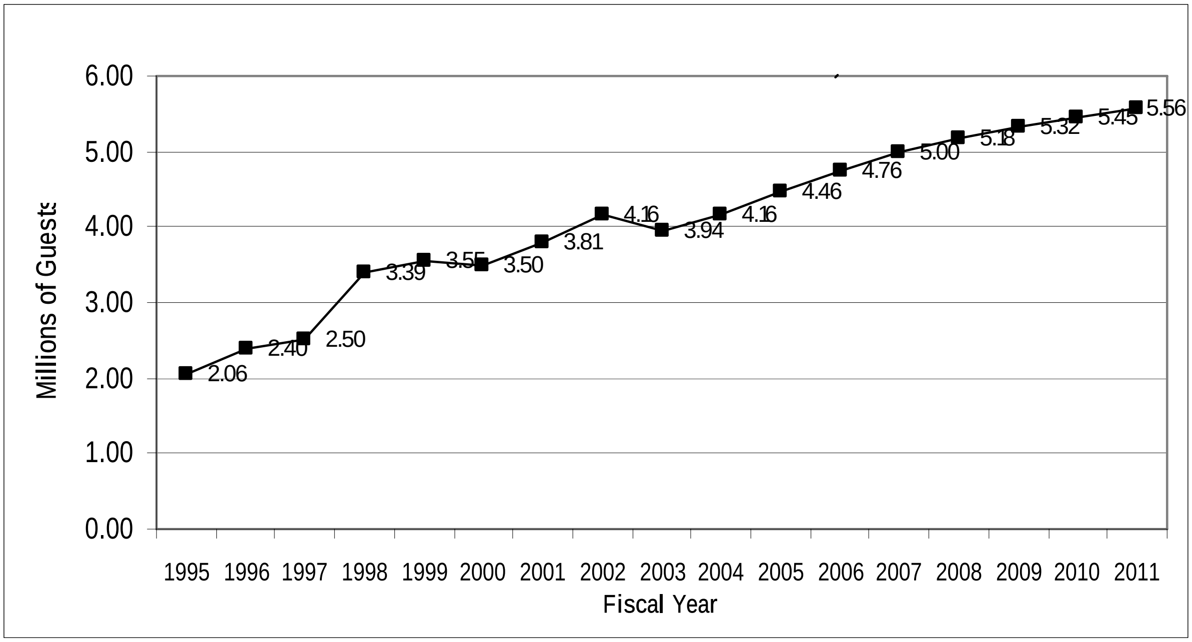
As the Turning Stone Resort & Casino developed and expanded over time, so did the number of visitors. In FY 2005, almost 4.5 million people visited - more than twice as many as in FY 1995 (see Figure 3.7-12). The Turning Stone Resort & Casino projects that its visitor population may reach 5.56 million annually by 2011 in review of trends and recent investments to enhance the amenities of the resort for overnight visitors (e.g., a spa, swimming pool, tennis and squash courts and a nightclub).

The Turning Stone Resort & Casino draws visitors from an "inner market" which are visits from persons driving less than 1 and one-quarter hours and "outer markets" – those living elsewhere in New York State and outside New York State. Turning Stone Resort & Casino analyzes its markets through review of the residential location of registered multi-game players, which includes the vast majority of multi-game players. Residential location data is not available for visitors who are not registered.

Visitors from Utica (39.0%) and Syracuse (35.5%) account for the majority of visits, followed by visitors from Albany (6.8%) and Binghamton (5.1%). Table 3.7-69 shows a comparison of the residential location of visitors between FY 2001 and FY 2005. Inner market visits grew by 42.8 percent between FY 2001 and FY 2005 and accounted for the largest number of trips in both years. During the same time period, there was a 27.4 percent increase in outer-market visits.

With the exception of Buffalo and Rochester, the number of visitors from every area has been increasing. The most likely reason for the decline in visitors from Buffalo and Rochester is the recent opening of the Seneca Niagara Casino in Niagara Falls, New York, which is closer to the Buffalo and Rochester markets than the Turning Stone Resort & Casino and as a result visitors are choosing to visit the casino nearer to home.

Figure 3.7-12
Number of Visitors to the Turning Stone Resort & Casino
Historic Trends, FY1995-FY 2005 and Projections through FY2011
(in Millions)



Source: Nation Enterprises, 2005.

Lodging Facilities and Trends

The Nation operates five different lodging facilities to accommodate a wide range of preferences and budgets ranging from campgrounds to luxury suites.

- The Lodge—The Lodge, opened in April 2004, is a 98-suite luxury boutique hotel located near two of the golf courses with high speed internet.
- The Tower at Turning Stone—At 21 stories, the Tower at Turning Stone is the tallest building between Albany and Syracuse. The Tower, which opened in October 2004, contains 287 rooms, seven of which are luxury 1,000 square-foot VIP suites, a full fitness center, and 2,400 parking spaces.
- The Hotel—The Hotel, which opened in September 1997, is one of the largest hotels in Central New York with 268 rooms. It features rooms ranging from a standard guest room to luxury suites with amenities such as Jacuzzis and balconies.
- The Inn at Turning Stone—The Inn, purchased by the Nation in 1999, is a moderately priced alternative to The Hotel. It has 62 rooms and offers a continental breakfast and free shuttle to the Turning Stone facilities.

Table 3.7-69
Visitor Origin for Turning Stone Resort & Casino
FY 2001 and FY 2005

Area	Percent of Total Trips FY 2001	Percent of Total Trips FY 2005	Percent Change in Number of Trips FY 2001-05
Outer Market Visitors[1]			
Albany	7.0%	6.8%	36.9%
Binghamton	4.7%	5.1%	51.4%
Buffalo	1.3%	0.8%	-13.2%
Glens Falls	0.9%	0.7%	14.4%
Kingston	0.6%	0.6%	58.0%
Rochester	5.6%	3.2%	-19.5%
Watertown	1.5%	1.3%	28.2%
Connecticut	0.1%	0.2%	131.6%
N. Connecticut	0.0%	0.1%	156.6%
Massachusetts	0.1%	0.2%	148.3%
New Jersey	0.2%	0.2%	75.3%
New York City	0.6%	0.7%	67.3%
Ohio	0.1%	0.1%	64.5%
Pennsylvania	1.0%	1.3%	83.0%
Vermont	0.1%	0.1%	140.8%
Total	**23.6%**	**21.5%**	**27.4%**
Inner Market Visitors[2]			
Utica	38.7%	39.0%	41.0%
Syracuse	34.3%	35.5%	44.7%
Total	**73.0%**	**74.4%**	**42.8%**
Other	**3.4%**	**4.0%**	**65.8%**
Total	**100.0%**	**100.0%**	**39.9%**

Source: The Nation, Unpublished
1. Outer Market visitors include persons traveling from outside Central New York or beyond 1 ✣ hour drive.
2. Inner Market visitors include persons traveling less than 1 $^{1/4}$ hour drive.

- The Villages at Turning Stone Recreational Vehicle Park and Peaceful Pines Campground—The Villages at Turning Stone RV Park and Peaceful Pines Campground and RV Park offer campers sites and entertainment opportunities at affordable prices. Both facilities are located near the Turning Stone Resort & Casino and offer free shuttle service. The RV park has 175 paved sites with full utility hook-ups with nature trails, a recreational area for bocce ball, horseshoes, tennis, basketball and volleyball, a heated pool and Jacuzzi and separate ponds for paddle boating and fishing.

The number of guests choosing to stay overnight has increased from 244,068 to 323,175 from FY2002 to FY2005, a 32 percent increase (see Table 3.7-70). Figures for lodging occupancy in FY2002 and FY2003 are based on guests staying in the original hotel, which opened September 1997, and the Inn at Turning Stone. Occupancy increased in FY2004 and FY 2005 as the new luxury hotel, the Lodge, opened in April 2004 and floors of the hotel tower opened in October 2004. The large increase in lodging numbers confirms that a growing number of visitors view Turning Stone Resort & Casino as a destination resort and are being drawn from further away, thus necessitating an overnight visit.

Table 3.7-70
Total Lodging Guests, FY2002-FY2005

Lodging Facility	FY2002	FY2003	FY2004	FY2005
Hotel and Tower	196,239	169,031	167,341	269,768
Lodge			10,673	21,720
Inn	47,829	37,031	36,828	31,687
Total	**244,068**	**206,062**	**214,842**	**323,175**

Source: The Nation, unpublished.

Resort Destination Investments

The Nation is committed to diversifying its revenue sources into more non-gaming activities and building the Turning Stone Resort & Casino into a destination resort experience. By building the destination resort amenities, the Turning Stone has sought to provide visitors with more reasons to frequent the resort which can also effectively build more gaming revenues. For example, some higher-end amenities may attract segments of visitors from outside the local area to extend the length of their visit and entice more spending while visiting the facility. With more amenities, a more complex resort can also induce more visits annually and create the type of place that is appealing to those who may do some gaming but are interested in the excitement offered by the facility.

The Nation has created the Lodge (a luxury hotel), five golf courses and two performance spaces -- the Event Center and the Showroom. All of these endeavors, along with Turning Stone's promotional allowance program, operate at a net loss. Subsidization of these operations through the casino's gaming revenues is part of the Nation's long term economic development strategy to build its reputation as a high-quality resort destination.

- *The Lodge* -- The Lodge, a 98 room luxury hotel opened in 2004, adds another attraction to the Turning Stone Resort & Casino experience. The Lodge has received a four diamond ranking from the American Automobile Association. Only fourteen other hotels in upstate New York are ranked at this level. Other industry recognition received by the Lodge includes:
    - Cover story, Hotels Magazine

- Best of 2004, New York Contractor Magazine
- Best Luxury Hotels in the U.S., Lodging Hospitality Magazine

Despite being well-regarded as a top quality luxury hotel, the Lodge has had a low occupancy rate. The occupancy rate in FY 2005 was 34 percent and the hotel lost $3.2 million.

- *Golf Courses* -- The Nation operates five golf courses, Atunyote, Kaluhyat, Shenendoah, Pleasant Knolls and Sandstone Hollow. The 18-hole Atunyote course features a stream, a waterfall and a 13-acre lake, all within a forested environment. The Shenendoah course is ranked as the 17th best golf course in all of New York State by Golf Digest and is an Audubon International Certified Signature Sanctuary. Overall, 35,942 rounds of golf were played at the Nation's golf courses in FY 2005. The majority of the rounds played were at the Shenendoah and Kaluhyat courses. Golf course operations had a net loss of $5.8 million in FY 2005.

  The Nation has sought to enhance the five golf courses as part of its plan to diversify its business and transform the Turning Stone Resort & Casino into a destination resort. Recently, the Atunyote Golf Club hosted the B.C. Open, a PGA Tour tournament. Historically, the B.C. Open has been held in Broome County but the course was flooded due to rains and PGA officials concluded that Atunyote Golf Club at the Turning Stone Resort & Casino could serve as an acceptable substitute. PGA officials have indicated that they believe the course is well designed and meets the criteria of hosting such a large event. The B.C. Open Tour director of tournament development commented on how well the tournament was organized and suggested the Turning Stone Resort & Casino held the potential to host future PGA events.

  The B.C. Open drew 132 touring professional golfers and an estimated 5,000 visitors a day for the four-day tournament. While Oneida Enterprises benefited from the influx of visitors, so did other local businesses. The owner of Joel's Front Yard Steak House stated that business nearly tripled and that he had to add six additional staff members to meet the demand. He said to the Utica Observer Dispatch, "[t]he impact is overwhelming."[1] The Verona Hotel set up an outdoor tent next to its tavern to accommodate the additional patrons. Restaurants were not the only businesses in the area that benefited. The Hotel at Vernon Downs booked nearly all of its 170 rooms for the weekend and business was up about 40 percent as a result of the B.C. Open being in the area."[2]

  To meet the new demand, local businesses that benefited from the visitor spending probably made additional purchases at other local businesses, which in turn made other local purchases, and so on. This multiplier effect generated additional economic activity throughout the two-county area. (For more information on the multiplier effect, see Section 3.7.6.) For instance, if 50 percent of the visitors did not reside in Madison and Oneida County and spent an average of $80 a day at local non-Nation businesses, their spending would generate $1.0 million in economic output and would support the equivalent of 12 one-year jobs at other businesses in the two-county region.

Beginning with the 2007 PGA Tour schedule, and for at least the next six years, the Nation will host the Turning Stone Resort Championship at the Atunyote golf course. Of the seven events on the PGA fall schedule, the Turning Stone Resort Championship offers the largest purse at $6 million, with a first place price of $1.08 million. These six day events are expected to attract visitors from around the U.S. to Central New York, generating a positive economic impact for the local communities.

The actual magnitude of the events' impact will depend on the number of out-of-region visitors, the type of local businesses they patronize during their visit, and the amount they spent locally as well as the local purchases made by the PGA to organize the event. A few examples of impact studies of other PGA events are presented below.

- Ticket data showed that the 2005 Players Championship Golf Tournament in Ponte Vedra Beach, FL was attended by 180,000 persons. About 45 percent of the visitors came from out-of town, spending a combined total of $36 million.
- Thirty-two percent of the visitors to the 2004 PGA Championship in Wisconsin in August 2004 were from out-of-state and spent an average of $1,470 per person.
- Ninety-four thousand visitors attended the 2005 American Express Championship in San Francisco. Seventeen percent of visitors were not local. The average visitor stayed two days and spent $84.

The off-site spending by out-of-region visitors produces multiplier effects, further stimulating economic activity and contributing to local economic growth.

There are also intangible benefits from the hosting of the event that especially significant for the region and the Nation's economic development that cannot be solely measured by spending from the event sponsor and visitors. Most notably, the events substantiate to the golfing market – international, national and regional -- that the TSRC has championship caliber level golfing facilities as well as other resort facilities. Favorable media exposure can stimulate those who attended the event as well as others who are reached by coverage of the event to try the course and explore the resort's other amenities. Raising the profile of the TSRC in this fashion is consistent with the Nation's overall strategy of greater diversification and intensification of the use of its resort asset.

- *The Event Center* – The Event Center, which opened in December 2004, is a performance space that features music, sporting events and conventions. The Event Center has brought about 18 major concerts per year to Central New York, but is not financially profitable. Performers that will be featured at the Event Center in 2006 include "Larry the Cable Guy" (comedy), "Clint Black" (country music), "Heart" (rock music) and "Mariah Carey" (pop music). The Event Center can accommodate 5,000 people for concerts, and also features 5,800 square feet of meeting rooms. During the eight months from October 2005 to May 2006 attendance at concerts was at approximately 70 percent of the maximum capacity. Over this same time period the Event Center had a net loss of about $158,000.

- *The Showroom* – Open since March 1999, the Showroom is an older and smaller performance space than the Event Center, with seating for 800. The Showroom has consistently brought cultural programming to the region, including the musical Chicago and the actor Bill Cosby. In FY 2005 there were 113 shows at the Showroom, during which approximately 74 percent of the available seats were sold. The Showroom also features free movies on a large high definition screen. The Showroom has not yet proven to be financially viable, with a net loss of $1.6 million in FY 2005.
- *The Restaurants* – Turning Stone Resort & Casino owns and operates several high-end eating establishments, including The Forest Grill, a premium steakhouse, The Peach Blossom, specializing in gourmet Asian cuisine, Wildflowers, an upscale restaurant located at the Lodge, and Club 21, a private restaurant club situated on the top floor of the Tower Hotel. Although these restaurants are an important component of the Nation's destination resort strategy, their profitability is adversely affected by the Nation's inability to procure liquor licenses from the State.
- *Salon & Day Spa* - Open since 1993, the Salon and Day Spa offers a variety of skincare services, massage therapy, and a full-service salon. The extraordinary growth in popularity of high-end spas and salons has prompted the Nation to relocate and expand its existing facilities to a new, dedicated structure located next to the Lodge, which will open in 2006. The new spa and salon is viewed as an integral element of the Turning Stone's plan to expand and enhance it destination resort offerings and amenities.
- *Promotional Programs and Allowances* – Those using the gaming floor may be extended complimentary "covers" at restaurants or elsewhere in the facility. Such covers are a means of enhancing the quality of the experience for visitors. Turning Stone has also established a voluntary promotional Diamond Mine Club to encourage repeat business from casino customers. Members in the club earn karat points based on gaming activity in the members' accounts. Karat points can be redeemed for select consumer products including merchandising, gaming values, food and beverage, lodging, golf and spa services. Promotional allowances are deducted from the retail value of sales and services furnished to Casino patrons to arrive at net revenues. The amount has grown along with the number of visitors to the facility. In FY 2005, the Turning Stone Resort & Casino estimates the costs of promotional allowances at $25.7 million, an $8 million increase from FY2003.

Long-Term Debt

Substantial capital investments have been made to build the supporting facilities to create a resort destination property. The Nation has successfully entered capital markets to finance these investments but maintains outstanding debt obligations to the institutions and individuals holding their debt instruments. At the close of FY2005, these debt instruments totaled $292.6 million including:

- *Senior Notes* – In December 2002, the Nation issued $135 million in senior notes with interest payable at 9.125% per annum. The proceeds of this financing were used to fund elements of the expansion project and refinance some previous indebtedness, among other purposes. Interest on the notes is payable semi-annually from June 2003 to December 2010. The debt is uncollateralized senior obligations that are only supported by the cash flow of the Turning Stone and non-recourse to the Nation, other than for the assets of the Turning Stone and certain other gaming and resort-related assets.

- *Senior Notes* – In May 2003, the Nation issued $25 million in senior notes under the same terms as the December issuance. The senior notes were issued at a premium of $1.34 million which is being amortized on a straight-line basis over the term of the notes. were issued by the Nation
- *Tax Exempt Variable Rate Demand Bonds* – In December 2003, the Nation entered into an agreement to borrow up to $145 million with such bonds to finance or refinance certain capital projects that serve essential government functions. As of September 2005, $131.7 million in bonds were outstanding. (Turning Stone Casino Resort Enterprise, Offering Memorandum, December 2003, prepared by Bank of America).

Each of the above agreements contains certain covenants, which include, among other things, financial covenants that must be met by both Turning Stone and the Nation and cross-default provisions. The maturities for existing long-term debt, excluding unamortized premium, for the next five fiscal years were the following in at the close of FY2005:

Fiscal Years Ended	
September 24, 2006	$ 33,120,000
September 30, 2007	$ 33,120,000
September 28, 2008	$ 65,490,000
September 27, 2009	--
September 26, 2010	--
Thereafter	$ 160,000,000
	$ 291,730,000

Transfers to/from Oneida Indian Nation and Other Related Parties

The Nation pays certain expenses on behalf of Turning Stone and Turning Stone pays certain expenses on behalf of the Nation and also provides cash transfers to the Nation. Net transfers to the Nation were the following in recent years:

Fiscal Years		
FY 2000	$	45.7 million
FY 2001	$	59.1 million
FY 2002	$	30.1 million
FY2003	$	22.6 million
FY2004	$	32.3 million
FY2005	$	45.5 million

The SavOn Gas Stations and Convenience Stores

The Nation operates the SavOn gas stations and convenience stores in Oneida and Madison Counties. At the close of FY 2005, there were thirteen SavOn gas station and convenience store locations selling a range of convenience food and other essentials such as motor oil, windshield washer fluid, batteries, film, tobacco-products, and select apparel. Various SavOn gas stations and convenience stores offer special features such as full-service pumps, 5 cents off gas prices every Tuesday, weekly specials on soda, snacks and other items, quick foods, and a car wash to accommodate boats and RVs at the Oneida Lake location. The Nation reported non-resort retail, tobacco and petroleum revenues including its SavOn gas station and convenience store of $110 million in FY 2005.

The SavOn gas stations and convenience stores generate positive net operating income for the Nation's enterprises, making a critical contribution to the Nation government's programs and services and Member Benefits program. The Nation's longer term goal to diversify its economic base and promote its self-sufficiency is also advanced through the net operating surpluses of the SavOn gas station and convenience store operations.

The SavOn gas station and convenience store chain generates full and part-time employment opportunities in Oneida and Madison Counties in its central administration central offices and wholesale operations and its retail locations for store managers, cashiers, and gas station attendants. The SavOn gas station and convenience store chain had 216 full time equivalent (FTE) employees at its retail establishment locations and contributed more than $5.6 million in payroll and benefits in FY 2005. In addition, several employees in the Nation's finance and administrative departments devote a substantial portion of their time to the SavOn stores.

Beyond their contribution to the payroll and employment, the operation of the SavOn gas station and convenience stores operations contribute to the regional economy through the purchase of goods that are sold (e.g., gasoline, diesel, tobacco products and food), operating and maintenance expenditures, and capital facility and equipment expenditures.

The size and markets for SavOn gas stations and convenience stores vary by location within the two counties but tend to serve local residents as other convenience stores and gas stations would, but also attracts those traveling from outside the immediate region to the Turning Stone Resort & Casino among other destinations. In terms of the two-county economic base, the Nation's SavOn gas stations and convenience stores draw non-local sales in select product markets and locations because of the price point at which they can operate. For example, cigarette volume sales exceed consumption demand for cigarettes in Oneida and Madison Counties, indicating that persons from outside the two-county area purchase cigarettes in SavOn gas station and convenience store establishments. The Nation estimates that approximately 60 percent of its cigarette sales come from outside the local market. Gasoline products, by comparison, are estimated to draw a much larger share of their sales from local customers rather than non-local consumers. Limited by the size of the gasoline tank, the individual purchase amount for gasoline is less, achieving less cost savings for the customer from their fuel service. The costs of acquiring the product generally begin to outweigh these cost savings, thus, there is no incentive to travel to make purchases. Non-local sales in the gasoline market occur – it has been estimated by the Nation to be in the 25 percent range -- but they are linked closely with site location to a Thruway exit or along Route 31 where the establishment is conveniently located as part of a "pass-by" trip or when the trip can be "chained" along with a visit for another purpose (i.e., visit to the Turning Stone Resort & Casino). The two largest SavOn gas stations and convenience stores in terms of sales volumes and employment are the Patrick Road facility, located adjacent to the entrance to the Turning Stone Resort & Casino, and the Canastota facility located near the New York State Thruway.

Depending on the product, the SavOn gas stations and convenience stores compete with national and regional brand and non-brand convenience stores and gas stations, supermarkets, drug stores, and larger discount retailers. The SavOns' competitive strategy is price-driven, seeking to keep retail prices about $0.05 to $0.10 per gallon below the lowest prices of their branded competitors for most fuels in each of the marketing areas. The Nation benchmarks its retail price position against its competition on a periodic basis. Two examples of such price comparison surveys undertaken by the Nation recently are shown in Table 3.7-71 and Table 3.7-72. The reported SavOn price in each of the tables is the directed "price-line" point posted daily which stores retrieve to determine what price they should be charging. The Nation reports that prices at individual store locations may be $0.02-$0.03 lower per gallon as part of their competitive strategy.

For fuel, major competitors include refiners (i.e. Kwik Fill, Hess, Sunoco, Mobil) and fuel distributors (i.e., Fastrac, ExpressMart). These competitors can acquire fuel inventories at prices below the price that the Nation is required to pay its wholesale supplier. For cigarettes, competing convenience stores sell above the minimum cigarette retail price set by New York State, typically 7 to 10 percent over the minimum while most drug stores and supermarkets sell at the floor price.

For the chain as a whole, operating expenses were approximately $3.7 million and the costs of goods sold totaled $75 million. For each of the SavOn gas stations and convenience stores, Table 3.7-71 below shows the location, number of employees, personnel expenses, operating expenses and the cost of sales. Key points of competition with the Nation's SavOn gas station and convenience store are also identified.

In 2003 the Nation was involved in the purchase of two gas stations in the Village of Chittenango, Madison County. The gas stations were purchased with the expectation that the land they are on would be included in any potential land claim settlement. The gas stations are not directly owned by the Nation, but by Vlasti Enterprises, Inc., a legally separate component unit for which the Nation is financially responsible. The Nation loaned Vlasti Enterprises $4.4 million to buy the gas stations and maintains management oversight over operations.

The Vlasti gas stations, a Sunoco and a Sunrise, pay State taxes. They are generally similar to the Nation's SavOn gas stations and convenience stores in terms of the types of products offered. Unlike the SavOn stores, the Vlasti gas stations are not profitable; each one had a net loss of over $200,000 in FY 2005. Before these two gas stations were acquired by Vlasti they generated an annual net profit in large part because they were allowed to sell beer. Vlasti has not been able to obtain a beer license from the State.

The average gross margin - the difference between sales and cost of goods sold -- of the SavOn gas stations and convenience stores is almost eight times larger than that of the Vlasti gas stations. A significant part of this difference in financial outcomes is because of the state taxes that the SavOns are not required to pay. The SavOn gas station and convenience store receives significant per gallon profits from the sale of gasoline, but does not have much additional gasoline sales volume as a result of the tax advantage except, perhaps, in combination with proximity to the Turning Stone Resort & Casino. For cigarettes however, the SavOn gas station and convenience store receives more profit per unit and has significantly higher sales volumes because it can lower its pricing buoyed by its tax advantage.

The SavOn gas stations and convenience stores average gross margin for gasoline (excluding the Cigs and Tees SavOn store and the Diesel SavOn store which do not offer full gasoline service), is about 10 times larger than that of the Vlasti gas stations. Gasoline sales are mostly confined to local purchases since it does not make sense to drive a significant distance for a better price.

The financial data support the conclusion that cigarettes are the primary driver of the success of the SavOn gas station and convenience stores compared to the New York State taxed Vlasti gas stations. The average gross margin of the SavOn gas station and convenience store for cigarettes is over 50 times larger than that of the Vlasti gas stations. Other convenience stores in the region, however, enjoy a significant advantage over the SavOn chain -- they have been licensed by the state to sell beer.

Marinas

The Nation operates three marinas on Oneida Lake -- Marion Manor Marina, located at the intersection of Routes 13 and 31 on the lake's southeast shore; Mariner's Landing, located on Pioneer Avenue in Sylvan Beach; and Snug Harbour Marina, located on Route 13 just south of Sylvan Beach. All facilities offer a full slate of amenities for boaters. The Nation also has a marina for members.

The Marion Manor Marina has 105 slips with two boat launches for boats up to 26 feet. Additionally, the Marion Marina contains a bait and tackle store, lodging, and boat rentals. Mariner's Landing has 112 slips, 31 lots that have year-round trailers on them, three lots for overnight campers, camper storage, and a store that sells boating and camping supplies. The Snug Harbour Marina has 200 slips and a boat launch for boats up to 50 feet and offers bathroom and shower facilities, picnic area, and sewage pump services. All offer indoor and outdoor boat storage, gasoline, and boat maintenance facilities.

Table 3.7-71
Price Comparison of SavOns with Other Gas Station Locations, February 2006

Survey Date – 2/22/2006	87 Octane	89 Octane	91 Octane	93 Octane	Diesel	Kero
Sav-On "Price-Line"	$2.269	$2.369	$2.429	$2.489	$2.419	$2.669
Competitor Locations - Average	$2.342	$2.452	$2.525	$2.539	$2.799	$2.907
Price Difference	$0.073	$0.083	$0.096	$0.050	$0.380	$0.238
Other Locations:						
Express Mart, Canastota	$2.390	$2.540		$2.630	$2.790	
Canastota Kwik Fill	$2.320	$2.420		$2.520		
Red Apple, Canastota	$2.320	$2.420		$2.520		
Nice N Easy, Canastota	$2.370	$2.450		$2.620	$2.790	
Byrne Dairy, Oneida	$2.240		$2.340	$2.440	$2.950	
Red Apple, Rt 46, Oneida	$2.249			$2.349		
Vernon Foodland Mobile	$2.290	$2.450		$2.550		
Nice N Easy, Rt 5 & 31	$2.280	$2.390		$2.520	$2.690	
Arnots Rt 31, Verona						
Stockbridge Valley Foods	$2.490		$2.710			$2.790
Chittenango Fastrac/Sunoco	$2.399	$2.509		$2.629	$2.859	$2.859
Chittenango Sunrise	$2.379	$2.489		$2.609		
Fastrac, Camden	$2.319	$2.419		$2.519	$2.819	$2.990
Stewarts, Camden	$2.309	$2.409		$2.509		$2.990
Nice N Easy, McConnell	$2.359	$2.459		$2.559	$2.799	
Cicero	$2.399	$2.499		$2.599	$2.699	
Bridgeport Hess	$2.299	$2.419		$2.519	$2.799	
Lakeport Sunoco	$2.399					

Source: The Nation, unpublished, 2006.

Table 3.7-72
Price Comparison of SavOns with Other Gas Station Locations, March 2006.

Survey Date - 3/8/2006	87 Octane	89 Octane	91 Octane	93 Octane	Diesel	Kero
Sav-On "Price-Line"	$ 2.379	$ 2.479	$ 2.539	$ 2.599	$ 2.539	$ 2.699
Competitor Locations - Average	$ 2.413	$ 2.506	$ 2.620	$ 2.624	$ 2.840	$ 2.893
Price Difference	$ 0.034	$ 0.027	$ 0.081	$ 0.025	$ 0.301	$ 0.194
Other Locations:						
Express Mart, Canastota	$ 2.439	$ 2.539		$ 2.639	$ 2.899	
Canastota Kwik Fill	$ 2.349	$ 2.449		$ 2.549		
Red Apple, Canastota	$ 2.379	$ 2.479		$ 2.579		
Nice N Easy, Canastota	$ 2.449	$ 2.529		$ 2.699	$ 2.859	
Byrne Dairy, Oneida	$ 2.430		$ 2.530	$ 2.630		$ 2.950
Red Apple, Rt 46, Oneida	$ 2.439			$ 2.539		
Vernon Foodland Mobile	$ 2.430	$ 2.530		$ 2.630		
Nice N Easy, Rt 5 & 31	$ 2.410	$ 2.510		$ 2.740	$ 2.850	
Arnots Rt 31, Verona						
Stockbridge Valley Foods	$ 2.490		$ 2.710			$ 2.79
Chittenango Fastrac/Sunoco	$ 2.459	$ 2.569		$ 2.689	$ 2.899	$ 2.859
Chittenango Sunrise	$ 2.439	$ 2.549		$ 2.669		
Fastrac, North Utica	$ 2.399					
Citgo, North Utica						
Fastrac, Camden	$ 2.389	$ 2.489		$ 2.689	$ 2.859	$ 2.999
Stewarts, Camden	$ 2.379	$ 2.519		$ 2.619		$ 2.999
Nice N Easy, McConnell	$ 2.429	$ 2.529		$ 2.620	$ 2.859	
Cicero	$ 2.359	$ 2.459		$ 2.559	$ 2.679	
Bridgeport Hess	$ 2.299	$ 2.399		$ 2.499	$ 2.799	
Lakeport Sunoco	$ 2.439					
Nice N Easy, Rt. 365	$ 2.439	$ 2.539		$ 2.639	$ 2.859	$ 2.759

Source: The Nation, unpublished, 2006

[1] Fusco, J. (2006, July 22).
[2] Vivacqua, B. (2006, July 22).

Table 3.7-73
SavOn Gas Stations and Convenience Stores, FY 2005

Store Name	Address/Town	Employees (FTE)	Payroll and Benefits	Operating Expenses	Cost of Sales	Points of Competition
Canastota	Peterboro Street, Canastota	28.5	$711,740	$462,331	$10,569,374	Express Mart (across the street) Red Apple Convenience (1/4 mile south on Rt. 13) Sunoco Nice N Easy (1/2 mile south on Rt. 13), Kwik Fill Full Serve (3/4 mile south just off Rt.13 on Rt. 5).
Oneida Lake	Corner of Route 13 and 31 Canastota	24	$625,852	$499,213	$7,634,582	Lakeport Mini Mart (about 2 miles west on Rt. 31), HessMart (About 6 miles West on Rt. 31) Fastrac Convenience Store (About 6 miles west on Rt. 31)
Plaza Mart	219 Genesee Street , Oneida	20.5	$528,379	$380,555	$4,035,459	Red Apple Convenience Store (Rt. 46 downtown Oneida, about 1.5 miles) Sunoco Nice N Easy (about 3.5 miles west on Rt. 5)
Lenox	645 Lenox Avenue, Oneida	12.5	$352,453	$196,391	$4,839,942	Byrne Dairy Convenience (about ½ mile east on Lenox Ave) WalMart.
Smokeshop	1 Territory Road, Oneida	11.5	$313,057	$176,565	$3,466,743	Stockbridge mini mart (about 4 miles south Rt. 46
Main Street	Corner of Route 5 and Main Street, Oneida	8	$242,028	$177,110	$2,597,743	Red Apple convenience Store (1/2 mile north Rt. 46), Byrne Dairy (1/2 mile north Lenox Ave), Nice N Easy Convenience Store (1.5 mile north Rt. 365)
Oneida Mart	1 Lenox Avenue, Oneida	8.5	$247,468	$138,114	$2,127,881	Byrne Dairy (1/4 mile west on Lenox Avenue) Nice N Easy convenience store (1/2 mile East on Rt. 365) Red Apple convenience store (1/4 mile west on Rt. 46)
Sherrill	Corner of Route 5 and Sherrill Road, Sherrill	11.5	$348,219	$236,033	$5,600,564	Orr's Sherrill Auto Service (across street, site is currently for sale) Nice N Easy Convenience Store (Vernon about 1 mile East on rt 5) Foodland market (Vernon about 1 mile East)
Cigarettes and Tees	245 West Seneca Avenue, Sherrill	4.5	$142,637	$31,577	$502,539	None
Patrick Road	5223 Patrick Road, Verona	32	$808,628	$560,075	$16,342,362	Nice N Easy Convenience (Rt. 365 approximately ½ mile south).
Gas	Corner of Route 365 and 31, Verona	13.5	$392,349	$206,634	$6,173,180	Arnotts Convenience Store (1/4 mile west Rt. 31) Nice N Easy (Rt. 5 just off Rt. 31 about 4 miles east)
Diesel	Corner of Route 365 and 31, Verona	15.5	$420,208	$221,326	$5,478,095	Pilot truck stop (Rt. 81 Syracuse) Petro Truck Stop (New York StateThruway exit 41 Waterloo), Flying J Truck Stop (New York State Thruway exit 48A Pembroke) Travel Port 9 (NYS Thruway, Exit 28, Fultonville).
Beach Mart	Route 13, Verona Beach	25.5	$519,379	$380,725	$5,635,274	Sunrise Market (Downtown Sylvan Beach about ½ mile north on Rt. 13)
Total		216	$5,652,397	$3,666,649	$75,003,738	

Source: The Nation, unpublished, 2006.

In FY05, the two marinas came close, but did not yet generate their first operating surpluses since being operated by the Nation, thus, their continued operations at present requires cross-subsidization from other fiscal surplus-generating activities such as the casino operations and the non-resort retail and petroleum operations.

Agriculture

Approximately 103 properties owned by the Nation are devoted to agricultural uses such as cropland, pasture fields, barnyards, farmlands, cattle grazing. In 2004, the Oneida agricultural enterprise was home to the second largest Angus (cattle) herd in the Northeast. Nation farms produce 1,000 acres of yellow corn, 300 acres of barley, 200 acres of wheat and oats, and 800 acres of hay for bales. The Nation owns the largest farm in Madison County and is a major local supplier of cattle feed to Madison County farmers. The agriculture operations have not yet demonstrated that they are financially sustainable on a stand-alone basis, requiring the allocation of surpluses from the casino operations and non-resort retail and petroleum operations to continue the venture.

Other Operations and Diversification Strategy

The Nation owns and operates several other business enterprises including Standing Stone Gaming, and Four Directions Media and Four Directions Entertainment.

- Standing Stone Gaming – The Nation manufactures, markets, and distributes a patented cashless gaming operating system through Standing Stone Gaming, a company owned 100 percent by the Nation.
- Four Directions Media and Entertainment – The Nation has developed a partnership with two Los Angeles-based American Indian producers; this partnership includes a film, television and news media company called Four Directions Media and Four Directions Entertainment.
- Indian Country Today – The Nation also operates a weekly news publication with subscribers and vendors nationwide, Indian Country Today, that focuses on Native American issues. . The publication's editorial offices, which were located in South Dakota when the Nation purchased the company about 10 years ago, have been moved recently to New York. Every week an average of 40,998 persons read the print version of the publication and about 17,000 persons visit to the Indian Country Today website. The publication currently has 6,559 subscribers. The business unit also publishes quarterly-topic-focused feature magazines (including Pow-Wow, Tourism and Gaming, Education and Business), maintains CD-ROM archives and various websites. FY2005 revenues for this operation were estimated at $1.6 million with 21 employees with a Central New York payroll of $990,700.
- Four Directions Air, Inc. – A company engaged in the business of providing air charter and brokerage services.

The Nation is financially accountable for other businesses including:

- North Atlantic Development Inc. – A company that acquires, improves, develops, sells and leases real estate in the New York State.

- Vlasti Enterprises, Inc. – A company which primarily consists of two convenience store operations.
- OMG Development Company, LLC – A company involved in holding land leases for oil and gas activities.
- UAC, LLC – a company engaged in land acquisitions
- Four Directions Ground, LLC – A company engaged in bus transportation services
- Four Directions Distribution, LLC – A company engaged in the distribution of beverages.

The Nation has committed to a long-term diversification strategy, as exemplified by the wide range of operating sectors described above, to advance its long-term economic development and self-sufficiency and to avoid overdependence on gaming in charting its path for future generations. Diversification includes non-gaming initiatives in entertainment, retail, agriculture, recreation and publishing, among other enterprise operations. Similar to the Nation's Government Programs and Services, the business enterprises are diverse in their operations and the facilities are dispersed throughout Madison and Oneida Counties. Table 3.7-74 illustrates the location of several of the various economic activities of the Nation.

These varied operations serve strategic goals for the Nation but several are not financially sustainable on a "stand-alone" basis, requiring operating transfers (i.e., subsidization) from the more successful casino and non-resort retail and petroleum-related operations.

3.7.5.3 Nation Government and Enterprise Employment

Since the opening of the Turning Stone Resort & Casino in 1993, the Nation has grown to become one of the leading employers in Central New York. The Nation's employment growth far exceeds any other business in the area and is on pace to become the largest employer within the next few years. Of those employed by the Nation, approximately 96 percent are not members of the Nation. This percentage is relatively large for an Indian Nation operating a tribal casino. For example, Evan and Topoleski found in their studies of Minnesota and California that 73 and 90 percent of casino employees are non-Indians.

Job Creation

The Nation has created jobs at a rate that outpaces overall job growth in the surrounding counties, as well as in New York State as a whole.

From September 2004 to 2005, the number of non-farm jobs in New York State increased by 79,600, or 0.9 percent, and the number of private sector jobs increased by 80,700 or 1.2 percent (NYS Department of Labor, 2005). Since September 2004, the number of non-farm jobs in the Utica-Rome MSA increased by 200 jobs, or 0.2 percent, but the number of private sector jobs decreased by 500, or -0.5 percent.

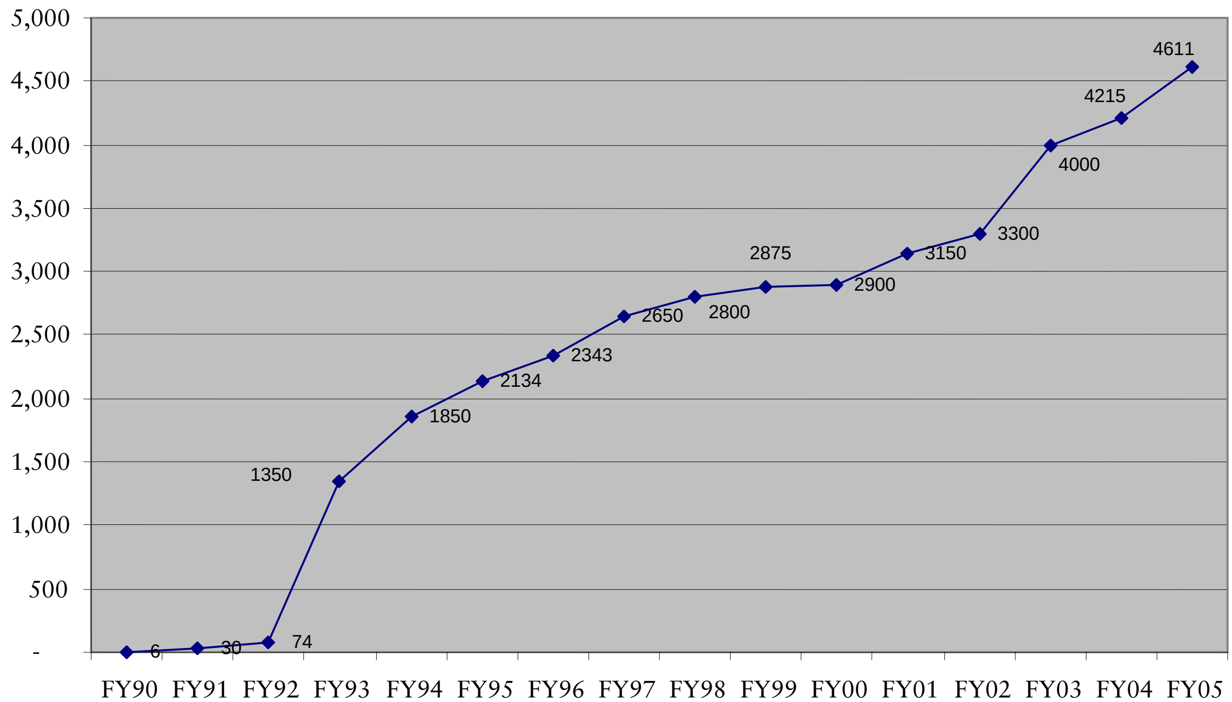
In contrast, the number of people employed by the Nation increased by 7.6 percent between the 2004 fiscal year (starting October 2004) and the 2005 fiscal year (starting October 2005). By the end of Fiscal Year 2005, direct employment with the Nation reached 4,611, making it one of the three largest employers in Central New York and the single largest employer in Madison and Oneida County. Overall, job growth has demonstrated a strong and steady upward trend since the opening of the Turning Stone Resort & Casino in 1993. Even during the most recent recession in 2001, employment at the Nation continued to grow (Figure 3.7-13).

Table 3.7-74
Locations of Nation Enterprises and Activities, 2006

	Agriculture	Convenience Store / Gas Station	Marina	Housing	Media	Government Services	Golf	Casino	Camping	Lodging
Augusta	X									
Village of Canastota		X								
Lenox		X	X	X						
Lincoln	X									
City of Oneida	X	X		X	X	X				
City of Sherrill		X		X						
Smithfield	X									
Stockbridge	X									
Sullivan				X						
Village of Sylvan Beach			X							
Vernon	X			X	X		X			
Village of Vernon				X						
Verona	X	X		X			X	X	X	X

Source: The Nation, 2006, unpublished.

Figure 3.7-13
Nation Job Growth, 1990 to 2004



Source: Nation Enterprises, FY 2005, Unpublished. The Louis Berger Group, Inc., 2005.

Nation Employment and the Region

Nation employment growth has been a catalyst for economic activity at a time when other major employers have endured job losses within the region. It has provided a vital economic boost to the community while other major employers, such as Griffiss Air Force Base, Lockheed Martin, and Oneida, Ltd., have closed or contracted.

As part of the 1990 Base Realignment and Closure Act (BRAC), a congressionally authorized process that the U.S. Department of Defenses uses to reorganize its base structure and close excess military bases, Griffiss was selected for realignment during the third round of the BRAC process in July 1993. Griffiss stopped functioning as an Air Force base in September 1995, resulting in the layoff of approximately 4,500 military and civilian positions and in the out-migration of many former employees and their families. Remaining U.S. Department of Defense presence at the site includes the Air Force Research Laboratory (Rome Laboratory), the Defense Finance and Accounting System and the Northeast Air Defense Sector, which together employ about 2,000 people. While the preliminary 2005 BRAC (fifth round) proposed the relocation of Rome Laboratory jobs and the closure of the Defense Finance and Accounting Services (DFAS), the final 2005

BRAC Law, reversed the proposed job losses and included 648 additional civilian jobs at DFAS in Rome (Griffiss Local Development Corporation, 2005).

In 1996, Lockheed Martin announced the closing of its manufacturing plant in Utica, New York. The company had experienced declining employment during the past 30 years from 9,000 in 1967 to 1,000 in 1995. The New York State Department of Labor (NYSDOL) pointed out in a publication that despite these two losses, employment in the Mohawk Valley, which includes Fulton, Herkimer, Madison, Montgomery, Oneida, and Schoharie Counties, still grew by 3.7 percent between 1994 and 2004, with the job growth concentrated in accommodations, warehousing, health care and social assistance (Barbano, 2005). The publication states that most of the job growth in the accommodations sector was due to the opening and expansion of the Turning Stone Resort & Casino.

Oneida, Ltd. was once one of the world's largest manufacturers of stainless steel and silver-plated flatware, but it now imports flatware, dinnerware, and glassware for both consumers and the food service and institutional markets. It was also once one of the largest employers in the region with a peak of 5,470 domestic employees in 1995 (Oneida Ltd., 1995). The closing of its Sherrill, New York flatware factory due to unsustainably high operating costs and operating losses was announced in the Fall of 2004 and approximately 450 employees were notified that the closure would cause the elimination of their positions. By July 30, 2005 these positions had been eliminated as per Form 10-Q Report to Securities and Exchange Commission for the period ending July 30, 2005. Oneida Ltd. currently has 936 domestic employees, approximately 430 of which are in the Central New York region according to an article in Newsday (March 2006). The article also reported that they filed a plan to reorganize under Chapter 11 bankruptcy protection in the U.S. Bankruptcy Court for the Southern District in New York in March 2006 and expect that the reorganization will not affect the employment. However, in July 2006, Oneida Ltd. announced that it would close its distribution center in Sherrill by May 2007. Some of its 150 employees were reportedly to be offered relocation assistance and transfers to a new Savannah, Georgia facility that is touted for its improved port access and lower freight costs. As a result, the region may experience some additional out-migration.

In the face of these job losses, State and local governments have provided tax and other financial benefits to help businesses throughout the region create or retain jobs. One of the State's major economic development programs, the New York State Empire Zone program, is a source of benefits for many companies in the region. Based on information available on the official internet site for Governor's Office Regulatory Reform (New York State, no date), the program rewards job-creating companies located in one of the state designated empire zones by allowing them to operate on an almost "tax free" basis for up to 10 years with additional savings available on a declining basis in years 11 through 15.

Benefits include sales tax exemptions, real property tax credits, tax reduction credits, wage tax credits, investment tax and employment incentives credits, new business refunds, utility rate savings and capital credits.

While Empire Zone (EZ) boundaries are in the process of being redrawn throughout the State, there are currently four Empire Zones within the Study Area: the Madison County EZ, the Oneida County EZ, the Rome EZ, and the Utica EZ. The Madison County EZ includes the following business and industrial parks: Sullivan Lakeside in Sullivan, Canastota Business Park in Canastota, Curtin Business Park and Oneida Business Park in the City of Oneida, Trush Cazenovia Park in Cazenovia and Hamilton Air Park in Eaton. There are currently 118 businesses located in the Rome EZ, with most of them receiving some type of EZ benefit. The Rome EZ includes the Griffiss Business and Technology Park, the former Griffiss Airforce Base, which was the location of 60 companies and government agencies that employed 4,300 people in FY2005 (Griffiss Business and Technology Park, 2005).

In addition to Empire Zone benefits, State and local governments have provided businesses throughout the region with grants, loans, PILOT (payment in lieu of taxes) agreements and tax benefits. Such benefits are obtained through the area's four separate Industrial Development Agencies (IDAs). In Oneida County, there is the Oneida County IDA (OCIDA) and the Utica IDA. In Madison County, there is the Madison County IDA (MCIDA) and the City of Oneida's Industrial Development Agency. While Empire Zone benefits are one type of program that IDAs can offer, IDAs are also authorized -- by state law -- to issue tax-exempt bonds, to provide real property tax abatements, and to facilitate sales tax and mortgage recording tax exemptions. In 2004, OCIDA gave $7.4 million in tax exemptions, the majority of which ($7.2 million) involved real property tax abatements, and issued $8.6 million in tax exempt bonds. In that same year, MCIDA gave a total of $0.6 million in real property tax exemptions and $0.3 million in mortgage recording tax exemptions and issued $45.9 million in tax exempt bonds. (See *Industrial Development Agencies in New York State: Background, Issues and Recommendations*, Office of the State Comptroller, May 2006). The tax exemption and financial benefits provided to businesses in Oneida and Madison Counties have yielded mixed results but clearly exhibit the State's willingness to allocate public resources in pursuit of economic development that it favors.

Family Dollar Stores and Sherrill Manufacturing are examples of businesses that have created or promised to create jobs that have been rewarded with state and/or local tax and financial incentives in 2005. Family Dollar Stores Inc., created a new regional distribution center at the Griffiss Business and Technology Park in Rome New York which is expected to employ 465 persons. According to a press release from the Governor's Office of Regulatory Reform dated February 15, 2005, the business was eligible to apply for Empire Zone benefits, a $1.2 million capital grant from the Empire State Development

Corporation, and a training grant from the New York State Department of Labor, and may also be eligible for county and local incentives valued at $10.2 million. Sherrill Manufacturing, a new flatware manufacturer, purchased the former Oneida Ltd. facility and created 100 jobs. According to another press release from the Governor's Office of Regulatory Reform (March 2005), Empire State Development offered Sherrill Manufacturing a $350,000 capital grant. Because the business is part of the Oneida EZ, it is eligible to apply for Empire Zone benefits.

The New Process Gear automotive equipment plant in East Syracuse employs about 3,400 people and is the largest manufacturer of four-wheel drive transfer cases in the U.S. The plant has been a recipient of several economic development grants from the Empire State Development Corporation, but has continued to shrink its workforce.

In 2002 the plant owner DaimlerChrysler received a $2.5 million job creation grant for promising to add 300 new employees at New Process Gear. By 2005, rather than adding jobs, 250 jobs had been eliminated. The Economic State Development Corporation fined DaimlerChrysler $1.5 million for failing to meet job creation target.

In 2004 the Canadian automotive part manufacturer Magna International Inc. acquired 80 percent ownership of the New Process Gear plant and plans to be the sole owner by 2007. In 2005 Magna International promised to invest $47 million in the New Process Gear plant in exchange for a benefits package that included an Empire Zone investment tax credit worth $4.5 million. Magna International also promised to maintain 500 "at-risk jobs". Under Magna's ownership the New Process Gear workforce has continued to shrink, including temporary rotating layoffs of 750 workers and permanent layoffs of 160 by the end of 2005. Four to five hundred additional layoffs are planned to occur over the course of 2006, including buyout incentives for United Auto Workers union members to retire. Magna International cites high gasoline prices, a decline in SUV sales, foreign competition and a new type of transmission technology as the factors behind the need for a smaller number of employees at New Process Gear.

Despite the disruptions caused by the loss of several major employers over the past 15 years, the Nation Enterprises have provided a measure of financial stability for area residents, creating demand in local labor and housing markets and generating taxable revenues for local governments. In FY 2005, the Nation employed 4,001 residents of Madison County and Oneida County. These jobs helped to partially offset job loss plaguing other industries (e.g., military and manufacturing) that have destabilized local communities.

Employee Characteristics

A total of 95 percent of Nation employees live within the three-county region. As shown in Table 3.7-75, 60 percent of the 4,611 Nation employees live in Oneida County, another 27 percent live in Madison County, and eight percent live in Onondaga County. The

Nation was estimated to directly employ 2.4 percent and 1.7 percent of the workforce of Madison and Oneida Counties, respectively, in the year 2000, based on the total number of employed residents from the most recent Census.

As shown in Table 3.7-76, there are 647 employees who live in zip codes that roughly correspond to the Study Area municipalities in Oneida County. An additional 1,162 employees live in the zip codes that correspond to the Madison County Study Area municipalities. A total of 650 Nation employees reside in zip code 13421, which roughly corresponds to the City of Oneida, and an additional 324 employees live in zip code 13032, which includes the Village of Canastota and part of the Towns of Lenox and Lincoln.

The Nation's workforce is diverse. In FY 2005 50.6 percent of employees were female, and 7.6 percent were above age 60. The race and ethnic composition of the Nation workforce was generally consistent with the region; the large majority of employees are White, 12 percent of employees belong to minority groups (see Table 3.7-77).

The Nation provides job opportunities to local residents. In FY2005, 592 of the Nation's new hires including new jobs, seasonal employees, rehires, and replacements, lived in Oneida County at the time of hiring and 285 lived in Madison County. Virtually all other new hires lived in other Central New York Counties at the time of hiring.

Types of Jobs

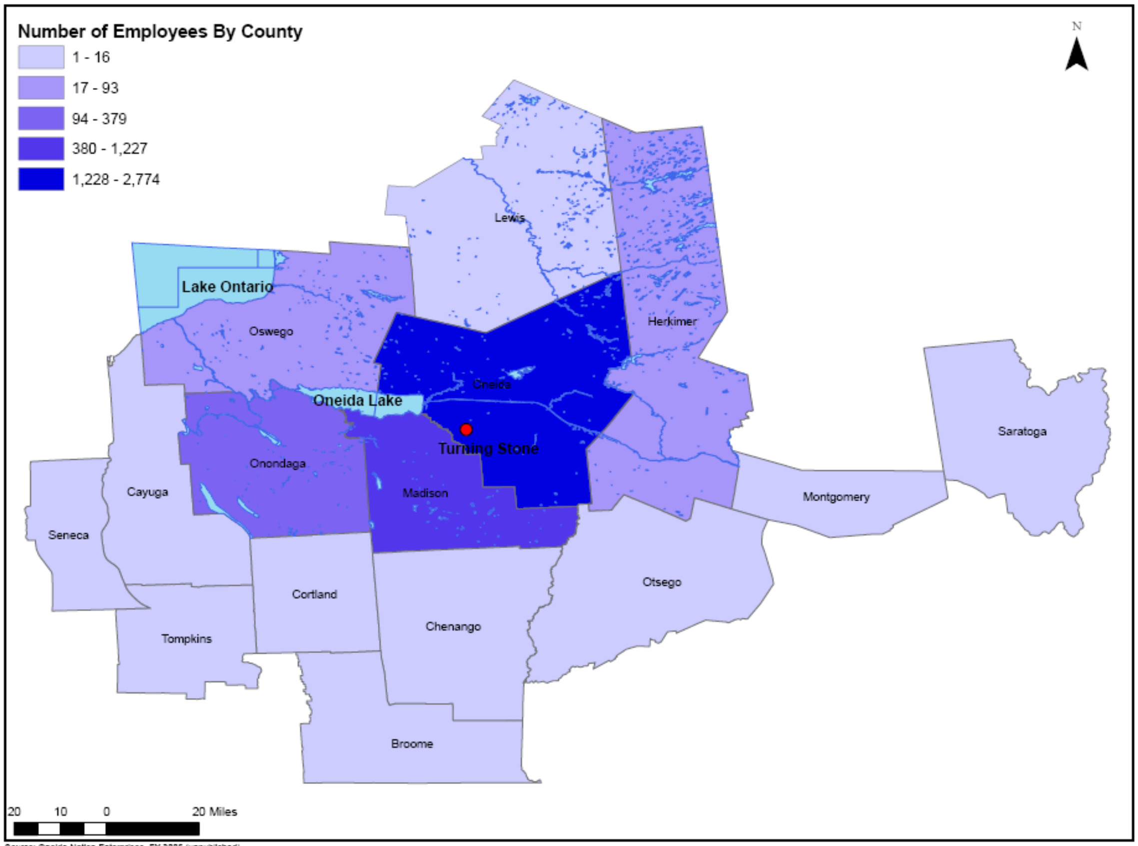
There are a wide range of employment opportunities within the Nation's enterprises and government. Jobs range from entry level positions that require fewer years of education and training, such as gas attendants and bell persons, to those that require more years of formal education and very specific skills, such as the medical doctors in the health center or information technologists.

Table 3.7-75
Nation Government and Nation Enterprise
Employees and Payroll by Residential Location, 2005

County	Number of Nation Employees	Percentage of Total Nation Employment	Percent of Total Nation Payroll
Oneida	2,774	60.16%	56.01%
Madison	1,227	26.61%	25.87%
Onondaga	379	8.22%	11.39%
Herkimer	93	2.02%	1.87%
Oswego	78	1.69%	1.49%
Lewis	16	0.35%	0.40%
Chenango	13	0.28%	0.26%
Out-of-State	10	0.22%	2.06%
Cayuga	6	0.13%	0.10%
Erie	3	0.07%	0.17%
Saratoga	3	0.07%	0.16%
Broome	2	0.04%	0.09%
Cortland	2	0.04%	0.04%
Montgomery	2	0.04%	0.03%
Otsego	1	0.02%	0.02%
Seneca	1	0.02%	0.01%
Tompkins	1	0.02%	0.04%
Total	**4,611**	**100.00%**	**100.00%**

Source: Nation Enterprises, 2005, Unpublished.

Figure 3.7-14
Residential Location of Nation Employees, 2005



Source: Oneida Nation Enterprises, FY 2005 (unpublished)

Table 3.7-76
Nation Employees Residential Location
Select Study Area Municipalities, 2005

Local Government	ZIP Code	Employees by Place of Residence
Madison County		
Canastota/Lenox/Lincoln	13032	324
Cazenovia/Fenner	13035	14
Stockbridge	13409	94
Sullivan	13037	80
Oneida	13421	650
Smithfield	13134	3
Municipalities listed above		1,165
Total Madison County		**1,227**
Oneida County		
Sylvan Beach	13157	49
Sherrill	13461	151
Vernon	13476	152
Vernon Center	13477	27
Verona	13478	172
Durhamville	13054	80
Augusta	13425	16
Total Municipalities listed above		647
Total Oneida County		**2,414**

Note: Residential location by ZIP code was only available for 3,641 of the 4,001 Nation employees who live in Madison and Oneida Counties.
Source: The Nation, 2006, unpublished.

Table 3.7-77
Racial and Ethnic Composition of Nation Employees, FY2005

Race/Ethnicity	Percent of Total
White	88.4%
African American	1.4%
Asian	4.0%
Native American	3.7%
Hispanic	0.5%
Other	2.0%
Total	100.0%

Source: The Nation, unpublished.

The 4,611 jobs include 3,547 full-time jobs, 958 part-time, temporary, or on-call employees, and 106 employees on leave (see Table 3.7-78).

Table 3.7-78
Number of Full-Time and Part-Time Nation Employees, 2005

	Number of Employees	Percentage
Full-Time	3,547	76.9%
Part-Time	451	9.8%
On-Call	358	7.8%
Temporary	149	3.2%
On Leave*	106	2.3%
Total	**4,611**	**100.0%**

Note: * This number includes those on leave of absence for military leave, medical leave, and personal leave
Source: Nation Enterprises, 2005, Unpublished.

The majority of Nation employees, 82 percent, work in the gaming and resort operations, predominantly in the casino and lodging facilities. The remainder of Nation employment is divided between Government and the Other Enterprises, predominantly retail. As reported in Table 3.7-79, there are a wide array of job opportunities with the Nation Government and Enterprises.

Table 3.7-79
Number of Nation Employees by Job Category, 2005

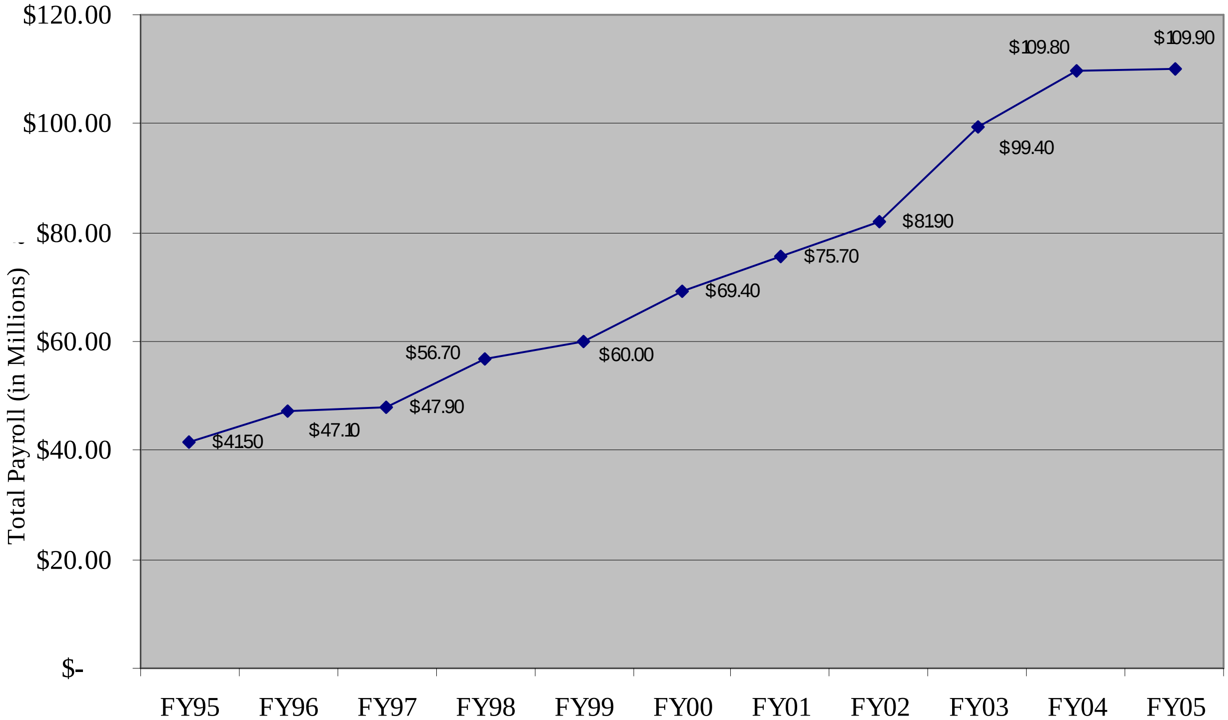
	Job Category	Number of Employees and Percentage	
Gaming and Resort Operations	Casino	2,958	82%
	Hotel	393	
	Golf	161	
	Lodge	117	
	Turning Stone Retail	69	
	Subtotal – Gaming and Resort	**3,779**	
Nation Government	Financial Services Administration	161	11%
	Nation Administration	108	
	Government Programs	105	
	Public Safety Administration	80	
	Justice Administration	13	
	Human Resources Administration	13	
	Entertainment Administration	8	
	Subtotal – Nation Government	**488**	
Other Nation Enterprises	Retail (non-Turning Stone)	279	7%
	Media Group	21	
	Marinas	18	
	Agriculture	8	
	Propriety	7	
	RV Park	5	
	North Atlantic Realty Company	3	
	Gaming Company	3	
	Subtotal -- Other Gaming Enterprises	**344**	
	Total	**4,611**	**100.0%**

Source: Nation Enterprises, 2005 (Unpublished).

Payroll

As with employment, overall payroll has steadily increased since the opening of Turning Stone Resort & Casino. Payroll increased from under $1 million in 1992 to $110 million in Fiscal Year 2005, an 11,000 percent increase (see Figure 3.7-15).

Figure 3.7-15
Nation Total Payroll Growth, 1995-2004



Source: Nation Enterprises, FY 2005, Unpublished. The Louis Berger Group, Inc., 2005.

Average Wage

In FY2005, the average annual income (calculated by dividing the FY2005 payroll by the average of Nation employment in 2004 and 2005 of 4,375, which includes part-time, temporary and on-call employees) of Nation employees was approximately $25,110, including tips and commissions. The Nation has a minimum hourly wage of $4.75 for tipped employees. For employees for whom tips are not the primary source of their income, the minimum hourly wage is $6.75 which is comparable to the minimum hourly wage in New York State in 2006.

The 3,547 full-time employees had an average wage of $24,700. However, according to the Nation's payroll records, 47 percent of all full-time employees receive added income in the form of tips or commissions, which is not included in the above wage calculation. These tips and commissions can be a substantial part of an employee's earnings, contributing 15 to 80 percent of an individual's total earnings.

Part-time, temporary, and on-call employees are paid an hourly rate. As with full-time employees, a large portion of the earnings of part-time employees at the Turning Stone Resort & Casino comes from tips and commissions. For part-time employees, this is especially true for those earning under $8.00 an hour.

Benefits

In addition to regular salaries and bonuses, the Nation offers its employees an array of benefit programs, including: (1) medical and dental insurance for employees and their families; (2) a 401 (k) retirement program that includes a two percent profit sharing contribution and a three percent employer matching contribution; (3) an Equity Participation Program, similar to a phantom stock plan, which allows employees to participate in the future growth of the Nation's enterprises; and (4) employee discounts on purchases of gasoline and other items offered for sale at the Nation's retail outlets.

Currently, a total of 5,507 persons, including employees and their dependents, are covered by the Nation's employee health insurance program. In FY2005 the Nation spent a total of $14.4 million on employee health and life insurance.

Career Advancement

Many Nation jobs offer career advancement opportunities, even to persons without a college degree. The Nation provided the following examples to illustrate the quality of its jobs.

- A person who begins a job as a gaming dealer with just six weeks of training and a high school diploma can work his way up to a salary of $63,000 in just 10 years.
- A gaming dealer can become a gaming floor supervisor without any specialized training or degree.
- Entry-level cooks receive in-house training classes and can be earning $55,000 to $57,000 after a few years.

Comparison of Nation Jobs with Other Jobs in the Region

According to the U.S. Bureau of Labor Statistics (BLS), in 2004 the average annual pay for all industries in Oneida County and Madison County were $30,842 and $29,497, respectively, leading to an average pay of $30,620 in the two-county area. As described above, the Nation's average annual wage in FY2005 was $25,110. About 9.8 percent of Nation employees worked part-time, while 7.8 percent were on-call and 3.2 percent were temporary employees. The BLS does not provide information about the distribution between full- and part-time employment for Madison County and Oneida County.

Using data from the BLS on wages by job type in the Utica-Rome region, Table 3.7-80 compares wages at the Nation and in the Utica-Rome region as a whole for specific occupations (Bureau of Labor Statistics, 2004). In October 2005 the average hourly wage for a cashier at the SavOn gas stations and convenience stores was $7.96 while it was

$7.13 for the Utica-Rome region as a whole in November 2004, or $7.44 adjusted for inflation (i.e., in October 2005 dollars) as per the Bureau of Labor Statistics, Consumer Price Index (no date). In November 2004 the average wage for food preparation and serving and related occupations (includes cooks, first line supervisors, servers etc.) was $7.73 (or $8.07 in October 2005 dollars) in the Utica-Rome region while the average wage at the Nation for similar types of jobs was $7.95 in October 2005. While they appear generally comparable, there is an important difference -- 38 percent of Nation employees within this occupation received additional tips and bonuses over and above this amount while these extras are already included in the Utica-Rome average wage reported by BLS. The average wage cannot be compared for every job type because the Nation does not use the same job classifications as the BLS. Additionally, the value of the respective benefits packages is not included.

Table 3.7-80
Average Wage for Selected Occupations
Nation (October 2005) and Utica-Rome MSA (November 2004)

Occupation	Nation	Nation	Utica-Rome MSA	
	Number of Employees	**Average Hourly Wage**	**Average Hourly Wage (Nov 2004 $s)**	**Average Hourly Wage adjusted for Inflation (Oct 2005$S)**
Cashiers	151	$7.96	$7.13	$7.44
Food Preparation, Serving, and Related	**938**	**$7.95 plus tips**	**$7.73 (tips included)**	**$8.07 (tips included)**

Source: The Nation, 2006, unpublished. U.S. Department of Labor. Bureau of Labor Statistics. Metropolitan Area Occupational Employment and Wage Estimates, 2004.

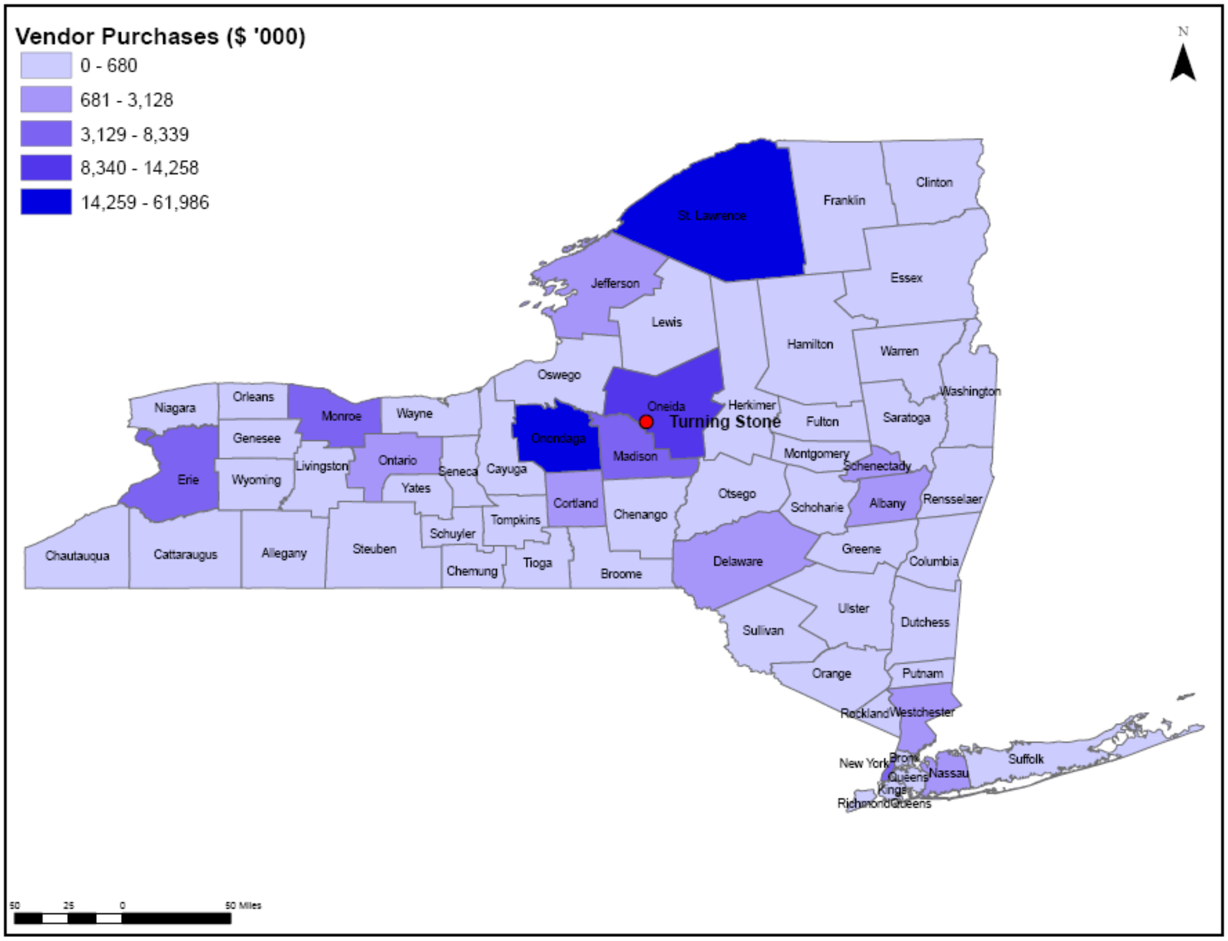
The Nation's minimum hourly wage for tipped employees of $4.75 exceeds that of New York State, which is $4.35 for food service workers (U.S. Department of Labor, no date). The Nation's minimum wage for other employees equals New York State's minimum wage of $6.75.

3.7.5.4 Nation Vendors and Purchases

The Nation purchased goods and services from about 3,840 vendors in FY2005. Many suppliers located in Central New York and in New York State benefited from securing the Nation's business in a period of relatively slow economic activity.

In FY2005, the Nation's total expenditures on goods and services totaled about $286 million. Of this total, 60 percent or $172 million was supplied by vendors in New York State. As Figure 3.7-16 shows, vendors are located throughout the State with purchases concentrated in Oneida, Onondaga, and St. Lawrence Counties. The Nation purchases goods and services from many different vendors in Oneida and Onondaga Counties; a more limited supply of vendors account for sales from St. Lawrence County.

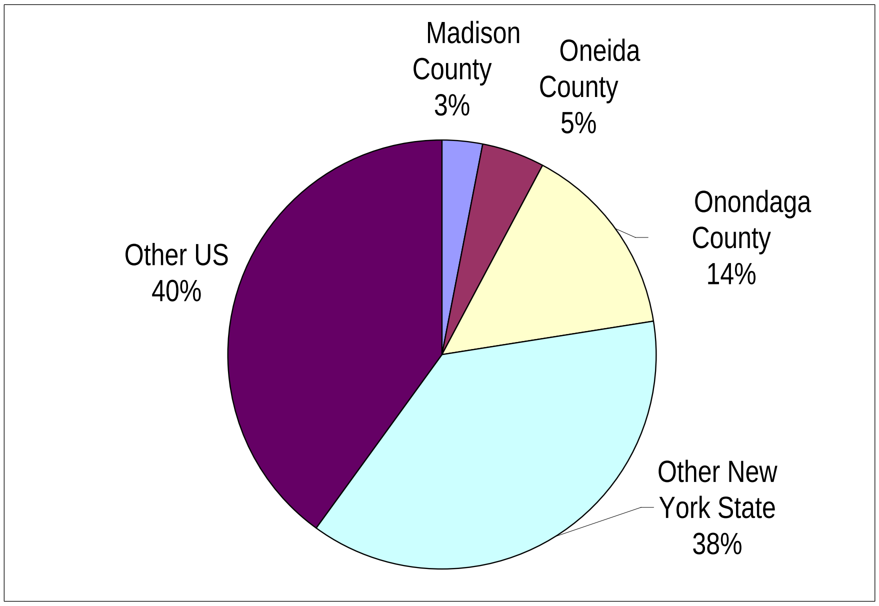
Figure 3.7-16
Location of Supplying New York State Vendors of Nation Purchased Goods and Services, FY2005



Source: Nation Enterprises, FY2005. (Unpublished)

Purchases from approximately 1,190 vendors in Madison, Oneida and Onondaga Counties in 2005 totaled approximately $64 million. The Nation purchased $41.4 million of goods and services from more than 560 vendors located in Onondaga County; $14.3 million from 400 Oneida County suppliers; and $8.3 million from more than 230 Madison County vendors (see Figure 3.7-17). Examples of major local purchases include construction services, food and beverages, utilities, and professional, technical and business services.

Figure 3.7-17
Nation Purchases by Vendor Location, FY 2005



Source: Nation, 2006 (Unpublished).

3.7.5.5 Nation Construction

Since the early 1990s the Nation has completed several major construction projects (see Table 3.7-81). Construction of the gaming and resort complex started with the construction of the original 42,000 square foot Casino, which was completed in 1993. Additional gaming space and a low-rise hotel, together 259,000 square feet, were added in 1997. In 2004 additional accommodation space was created with the construction of The Lodge and The Tower at Turning Stone. That same year, the gaming and resort complex was further expanded with a 139,000 square foot Event Center. The Nation also built several SavOn gas stations and convenience stores. Not including the spending on the construction of the Turning Stone Resort & Casino construction prior to 1997, the Nation spent a total of $530 million on the construction of Nation Enterprise buildings.

Table 3.7-81
Nation Nonresidential Construction Projects Completed Since 1990

	Gaming and Resort	Non-Resort Retail and Petroleum / Other Operations	Government
1992			Family Services
1993	Original Casino – 42,443 SF	Smoke Shop – 2,820 SF	Health Center – 5,600 SF Gymnasium – 10,850 SF
1994	RV- Park - 14,090 SF		Recreation Center – 4,160 SF Salt Storage Bldg.– Route 46 Cultural Center – Territory
1995		SavOn Patrick Road Store -5,040 SF	
1996		Snug Harbor Fuel Station	
1997	Low-Rise Hotel and Expanded Gaming – 259,036 SF		
1998	Golf Maintenance Building – 19,022 SF	SavOn Canastota Store – 5,760 SF Storage Building – 1,504 SF SavOn Lenox – Oneida Car Care Center – 10,120 SF	Ray Elm Children and Elders Center - 35,000 SF
2000		SavOn Oneida Lake - Route 31 & 13 – Cozy Corners – Original – 3,168 SF Addition– 1,176 SF Car Wash – 1,768 SF	
2001	Cookhouse – 3,700 SF		Health Center Expansion – 7,700 SF Heavy Equipment Pole Barn – 25,200 SF
			Government Programs Building
2002	Shenendoah Club House – 27,600 SF		Telecommunications Switch Building – 2,224 SF
2003	Parking Garage – 750,000 SF Kaluhyat Golf Course Facilities: • Comfort Station – 900 SF • Half-Way House 1,326 SF • Storm Shelter – 256 SF • Pump House – 896 SF Shenendoah Golf Course - Pump House – 896 SF	Agriculture Building Route 46 – 8,460 SF	
2004	Atunyote Golf Course Facilities: Golf Maintenance Building – 9,443 SF Pump House The Lodge – 86,152 SF Event Center – 139,070 SF Winter Garden – 37,000 SF Cart Storage Building – 9,600 SF	Heifer Shed at Curtin Farm SavOn – Beachmart – Verona Beach – 4,818 SF SavOn Smokeshop - Territory (expansion)	Co-Generation Plant – 15,040 SF
2005	Atunyote Club House – 10,000 SF Golf Dome – 76,800	New Central Warehouse – 21,600 SF SavOn Canastota - Canastota (renovations)	
2006 and U/C	Pool – 8,300 SF Golf Maintenance Equipment Storage – 3,000 SF Luxury Spa – 22,000 SF Helipad and Night Club – approx. 18,000 sf	Employee Gas Station - Patrick Road-Verona	

Source: The Nation (unpublished), 2005.

Major Nation government buildings include a 10,800 square foot Gymnasium and the 35,000 square foot Ray Elm Children and Elders Center. The total cost of Nation government construction projects to date is $16.0 million, $13.6 million of which was financed by the Nation while the remainder was paid for with federal grants.

Table 3.7-82
Nation Construction Spending, 1992-2005

Type	Total Nation Construction Spending (in $M)	% funded by the Nation
Nation Enterprises	$530.4	100%
Nation Government (non-residential)	$16.0	85%
Housing	$13.3	40%
Infrastructure	$7.6	100%
Total	$567.3	98%

Source: The Nation, 2006; The Louis Berger Group, 2006.
Note: Turning Stone Resort & Casino construction spending prior to 1997 is not included.

The Nation Homeownership and Rental programs provide housing for more than 100 Oneida families. The Nation built or renovated the units for a total cost of $13.3 million, $5.3 million of which was paid for by Nation while the remainder was borne by the homeowner or provided by HUD.

The Nation provided funds to improve and develop infrastructure systems belonging to surrounding local governments and benefiting local residents. Infrastructure construction projects included a water line expansion in the Town of Verona and sewer system improvements in the City of Oneida. The Nation contributed $8 million to these projects.

Through the years, Nation's construction activity has created jobs for local residents in the construction and related industries. The Nation's $567.3 million construction spending supported an estimated 5,160 construction jobs between 1992 and 2005, or 368 jobs per year on an annualized basis. Ninety-seven percent of these jobs were paid for with Nation funds.

3.7.6 Regional Economic Impact

This section describes three regional Study Areas: (1) a two-county region comprised of Madison and Oneida Counties; (2) a three-county region comprised of Madison, Oneida, and Onondaga Counties; and (3) New York State. Madison, Oneida and Onondaga Counties are the major counties where employees working for the Nation reside and a major share of the many vendors providing goods and services to the Nation are located within this region.

The Nation makes a major contribution to the local and state economy. These economies are affected in four distinct ways:

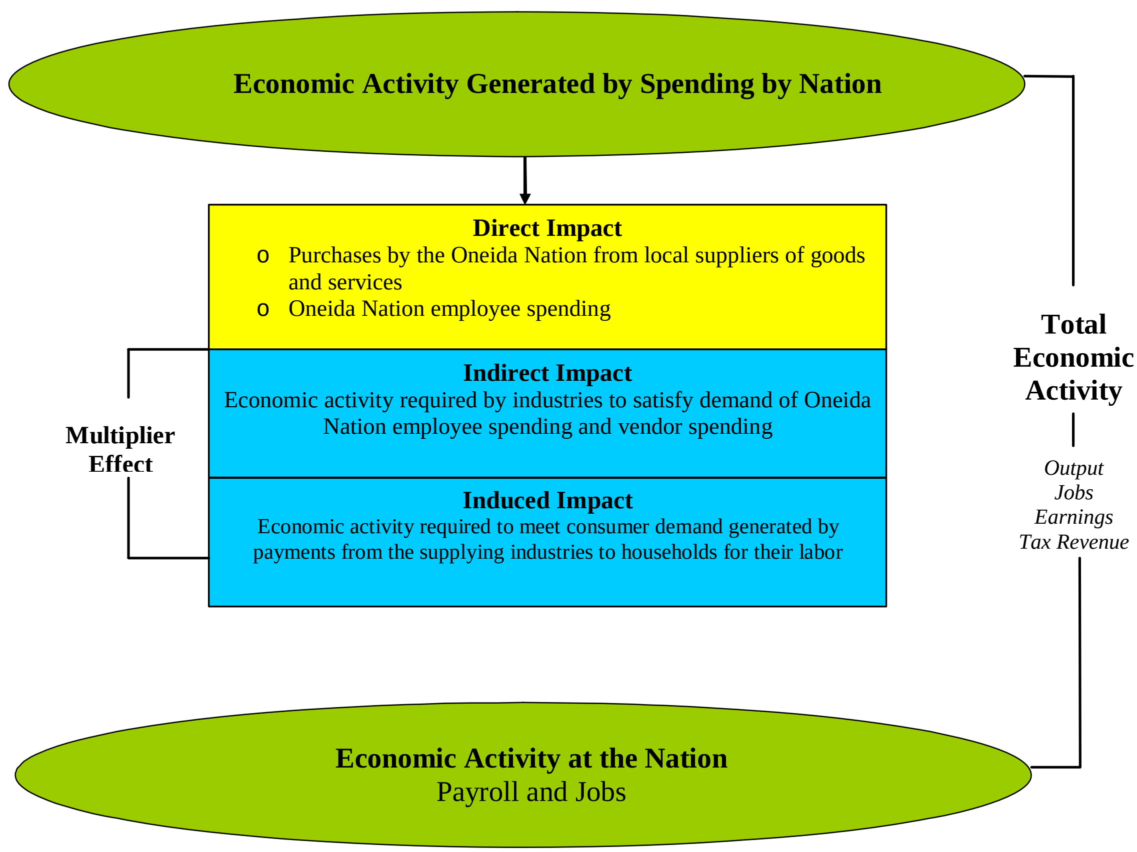
- The Nation Government and Enterprises inject funds into the regional economy by purchasing goods and services from regional establishments;
- The vast majority of the Nation employees live within the region and spend part of their earnings locally;
- The Turning Stone Resort & Casino attracts visitors to the region, some of whom stay at local hotels and purchase other goods and services at local businesses; and
- Some Nation employees and their families who would not live in the region in the absence of the Turning Stone Resort & Casino spend income from non-Nation sources at local businesses.

The regional economic impact of the Nation's government and business activities in Fiscal Year 2005 was estimated for the two-county and the three-county regions and New York State. Economic impacts are reported in terms in terms of output (total sales or revenues), employment, and earnings (wages, salaries, and proprietors' income). The estimates include "multiplier effects," which is economic activity stimulated by expenditures made by the Nation Government and Enterprises, and by its employees.

Multiplier Effect

The total impact of spending by the Nation and its employees was estimated using area-specific RIMSII input-output multipliers from the U.S. Department of Commerce's Bureau of Economic Analysis. The total impact incorporates the multiplier effect, which accounts for three separate effects as diagrammed in Figure 3.7-18. Expressed numerically, a multiplier of 1.50 indicates that for every dollar directly generated by the industry under study, an additional $0.50 of ripple effects are felt within the local region, for a total impact of $1.50.

Figure 3.7-18
Diagram of Economic Impacts
Direct, Indirect and Induced Impacts



Source: The Louis Berger Group, 2006.
Note: Output is sales or revenues; Earnings are wages, salaries and proprietor's income.

- **Direct Impact** corresponds to the initial changes in final demand that Nation's government and business activities created. The Nation and its employees regularly purchase goods and services from local vendors and suppliers.
- **Indirect Impact** includes the consecutive rounds of industry spending on goods and services that were triggered by the initial change in final demand. Local businesses from which the Nation purchases goods and services typically purchase some of their materials and services from other local businesses, which then in turn purchase from their local suppliers, and so on.
- **Induced Effect** refers to the impact triggered by increased household spending by employees of the directly and indirectly affected businesses. Employees spend part

of their earnings at local establishments, which in turn purchase some of their input materials and services locally to satisfy this demand, and so on.

3.7.6.1 Economic Activity

Employee Spending

In FY2005, the Nation spent $110 million on payroll. About $90 million, or 82 percent of the total payroll, was paid to employees living in Madison and Oneida Counties. An additional $12 million was paid to employees living in Onondaga County. A total of $108 million was paid to New York State residents. Employees spent part of their earnings locally through purchases of food, clothing, health services, education, entertainment and other goods and services, which triggers the multiplier effects described above. As shown in Table 3.7-83, local spending by employees of the Nation supported economic activity at other businesses in the local region and New York State:

- *Two-County Region* – The two-county regional impact is the impact of spending in Madison and Oneida County on the Madison and Oneida County economy. Employee spending in Madison and Oneida Counties generated a total of 695 jobs and $86.7 million in output, including $23.5 million in earnings.
- *Three-County Region* – The three-county regional impact is the impact of the spending in these three counties on the Madison, Oneida, and Onondaga County economies. It includes but is not limited to the two-county impact. Nation employee spending in the three-county region supported 865 jobs and $113.8 million in output, including $31.2 million in earnings, at other businesses in Madison, Oneida and Onondaga Counties.
- *New York State* – The impact on New York State is the impact of spending in New York State on the New York State economy. It includes but is not limited to the impact of spending within the three-county region (i.e., Madison, Oneida, and Onondaga County) economies. Employee spending throughout New York State supported 1,000 jobs at other businesses in New York State and generated a total of $139.1 million in output, including $37.6 million in earnings at other businesses in New York State.

Table 3.7-83
State and Local Economic Activity Supported by Nation Spending on Goods and Services, 2005

	Two-County Region			Three-County Region			New York State		
	Output ($000)	Earnings ($000)	Jobs	Output ($000)	Earnings ($000)	Jobs	Output ($000)	Earnings ($000)	Jobs
Gaming and Resort	65,501	17,739	525	84,416	23,140	642	103,331	27,930	743
Government	15,444	4,183	124	22,107	6,060	168	27,166	7,343	195
Non-Gaming Business	5,771	1,563	46	7,266	1,992	55	8,593	2,323	62
Total	$86,717	$23,485	695	$113,789	$31,192	865	$139,090	$37,596	1,000

Source: The Louis Berger Group, Inc.,2006. U.S. Department of Commerce Bureau of Economic Analysis, RIMSII Multipliers. 2005.
Note: Output is sales or revenues; Earnings include wages, salaries and proprietor's income.

Nation Spending on Goods and Services

The Nation spent a total of $22.6 million in FY2005 in Madison and Oneida Counties, $41.4 million in Onondaga County and $95 million throughout the rest of the State. Table 3.7-84 reports the total economic activity supported by the Nation's purchases of goods and services for the local region and New York State:

- *Two-County Region* – The Nation's spending on goods and services in Madison and Oneida Counties supported 218 jobs and $30.6 million in output, including $8.6 million in earnings in the two-county region.
- *Three-County Region* – Nation spending in Madison, Oneida, and Onondaga Counties supported $87.4 million in output, including $22.8 million in earnings, and 536 jobs at other businesses in the three-county region.
- *New York State* – The Nation's spending on goods and services supported a total of $228.5 million in output, including $60.2 million in earnings, and a total of 1,311 jobs.

Table 3.7-84
State and Local Economic Activity Supported by Nation Spending on Goods and Services, 2005

	Two-County Region			Three-County Region			New York State		
	Output ($000)	Earnings ($000)	Jobs	Output ($000)	Earnings ($000)	Jobs	Output ($000)	Earnings ($000)	Jobs
Gaming and Resort	22,219	6,266	160	54,327	14,792	352	94,012	27,229	634
Government	4,102	1,244	30	8,616	2,668	57	20,617	6,334	128
Non-Gaming Business	4,248	1,084	28	24,489	5,360	127	113,875	26,600	549
Total	$30,570	$8,594	218	$87,432	$22,820	536	$228,504	$60,164	1,311

Source: The Louis Berger Group, Inc., 2006. U.S. Department of Commerce Bureau of Economic Analysis, RIMSII Multipliers 2005.
Note: Output is sales or revenues; Earnings include wages, salaries and proprietor's income.

Off-site Visitor Spending

Turning Stone Resort & Casino attracts visitors to the region. Only 39 percent of visitors reside locally (defined here as Utica and surrounding region). Some of the remaining out-of-region visitors spend money at other local businesses (hotels, restaurants, retail stores), which generates additional economic activity for the region.

The visitor spending patterns of Turning Stone Resort & Casino guests to retail, gas, food, lodging, culture and recreational establishments off-resort lands by out-of-region visitors has not been surveyed by the Nation, but the increase in hotel occupancy revenues presented in Section 3.7.7 provides evidence of an increasing amount of off-site visitor spending in the area. On event weekends when the Turning Stone Resort & Casino hotels are fully-occupied, local hotels benefit from additional customers. It is also likely that some visitors will purchase a meal or a drink at non-Nation stores and restaurants. If every out-of-region visitor in 2005 spent only $5 (assuming that the average visitor would spend $1.50 on lodging, $1 on retail, and $2.5 at bars and restaurants) at non-Nation local businesses, the total economic activity generated in Madison and Oneida County would be 206 jobs and $17.6 million in output, including $4.8 million in employee compensation.

Spending of Two-Worker Households with a Nation Employee (Tertiary Impact)

Because of Central New York's poor economic performance, some Nation employees and their families would have left the region in the absence of the Turning Stone Resort & Casino. A smaller number of Nation employees and their families would have never moved to the region if it weren't for a job at Turning Stone. Many of these families are two-worker families who spend part of the second salary at local businesses, generating additional economic activity.

Based on the U.S. Bureau of the Census, Public Use Microdata Sample for the region that includes Oneida and Madison counties, 54 percent of households with at least one worker have two or more workers. Their household income is 40.7 percent higher than the income of one-worker households. Applying these percentages to the Nation's payroll yields an additional $22.1 million in employee compensation earned by Nation employee spouses and other household members. Taking into account the multiplier effect, this employee compensation generates a total of $20.3 million in output, $5.5 million in earnings, and 173 jobs in Madison and Oneida County.

Because of lack of data, it cannot be estimated how much of the economic activity generated by the additional household spending is attributable to the presence of the Turning Stone Resort & Casino. But, if only 25 percent of these households would not have been in the region in the absence of the Turning Stone Resort & Casino, the Nation's tertiary impact would be $5.1 million in output, $1.4 million in earnings, and 41 jobs in Madison and Oneida Counties in 2005.

Total Economic Activity Supported by the Nation

The sum of the economic activity supported by spending by the Nation and its employees as presented in Tables 3.7-83and 3.7-84 and the economic activity at the Nation itself (i.e., the jobs at the Nation is presented in Table 3.7-85). These numbers do not include the economic activity generated by off-site visitor spending or Nation employee household spending of income from non-Nation sources, as this impact cannot be quantified due to lack of data.

- Two-County Region – The Nation supported 4,913 jobs in Madison and Oneida Counties, which is 3.1 percent of all jobs in the two-county area or 31 out of every 1,000 jobs. A total of $122.0 million in earnings was supported by the Nation.

- Three-County Region -- The Nation supported 5,781 jobs and $156.5 million in earnings in Madison, Oneida, and Onondaga Counties in FY2005, including jobs at the Nation and jobs generated by the Nation and its employees' spending on goods and services.
- New York State -- The total economic activity supported by the Nation in New York State includes 6,913 jobs and $205.4 million in earnings.

Table 3.7-85
Total Economic Activity, Nation, 2005

	Two-County Region		Three-County Region		New York State	
	Earnings ($000)	Jobs	Earnings ($000)	Jobs	Earnings ($000)	Jobs
Economic Activity Generated by Spending by the Nation and its Employees*	32,079	912	54,012	1,401	97,759	2,312
Economic Activity at the Nation**	89,964	4,001	102,477	4,380	107,604	4,601
Total Economic Activity	$122,043	4,913	$156,489	5,781	$205,363	6,913

Source: The Louis Berger Group, Inc. 2006. U.S. Department of Commerce, Bureau of Economic Analysis, RIMSII Multipliers. 2005.
Note: Output is sales or revenues; Earnings include wages, salaries and proprietor's income.
*See Tables 3.7-82 and 3.7-83
**Includes only jobs and earnings of local residents

3.7.6.2 Net New Economic Activity

Not all spending by the Nation and its employees generates a net new economic impact in the region or in New York State. The economic activity generated by the Nation as presented in Section 3.7.6.1 is offset in two ways. First, in the absence of the Turning Stone Resort & Casino, part of the money spent on wagering would have been spent at other regional businesses. Second, part of the money spent at the Nation's gas and convenience stores would have been spent at other stores in the region. In so far that Nation business substituted for other regional business, the Nation did not generate a net new economic impact in the region.

The following section assesses the net new economic impact of the Turning Stone Resort & Casino, the other Nation enterprises, and the Nation government.

Gaming and Resort

A review of 36 major gaming economic impact studies by Rose for the National Gambling Impact Commission revealed that only about half of the studies included offset effects (e.g., the impact of the gaming operation is offset by the loss of business at other local establishments). Furthermore, most of the studies that did include these effects did not quantify them or report them separately. The majority of the studies follow an "either-or" approach in which they assume that all spending by local patrons either constitutes substitution of other spending or is net new spending. Gaming impact studies of the first group claim that only revenues from out-of-region sources generate a net new regional economic impact (Eadington, 1995). This approach assumes that spending by local patrons would have occurred at other regional businesses (gaming and non-gaming) in the casino's absence. Gaming studies of the second group assume that all economic activity generated by the casino represents net new activity to the region (Cornell, 2001).

More moderate research studies recognize that most local patrons probably would have spent part of the money used for wagering outside the region in the casino's absence. To the extent that the casino is able to "recapture" resident spending that would have otherwise left the region, the casino operations contribute a net new impact on the regional economy.

The Leven et al. (1998) study, which analyzes the economic impact of all Missouri casinos, is one of the few that quantifies which percent of spending by local patrons represents net new economic activity. The study assumes that in the casinos' absence, local residents would have used the money spent at the casinos in three ways: (1) savings; (2) spending at out-of-region businesses; and (3) spending at other regional businesses. The study points out that even in (3), the casinos' net impact may still be positive because the alternative use (e.g., retail) may have a lower multiplier effect than gaming. Leven et al. used the results of a patron telephone survey, data from the U.S. Bureau of Labor Statistics Consumer Expenditures Survey, and estimates of income elasticity of demand to assess how local patrons would have spent their money in the casinos' absence. While certain aspects of the implementation of the methodology used by Leven et al. were criticized by Goodman and Feser (1998), the reviewers stated that the methodology itself was fundamentally sound.

Using a moderate approach, the analysis in this section takes into account the source of the Nation's revenues to determine the extent to which the Nation's spending generated net new regional activity. Revenues from out-of-region visitors represent a new flow of money into the region and generate net new economic activity. The extent to which revenues from local patrons generate net new economic activity in the region, on the other hand, depends on how the residents would have used the funds in the Turning Stone Resort & Casino's absence. Local patron revenues generate a net new economic impact only to the extent that the funds would have been used for: (1) savings; (2) spending at out-of-region businesses; and (3) spending at regional businesses that generate a lower multiplier effect. In the latter case, the net new impact would be the difference between the multiplier effect of gaming and other activities.

Madison and Oneida County residents generated 24 percent of the revenues of the Turning Stone Resort & Casino and residents of Onondaga County generated 23 percent. A total of 93 percent of the Turning Stone Resort & Casino revenues came from New York State residents. While it can be assumed based on national data provided by the Bureau of Economic Analysis for 2004, that local patrons would have saved 1.6 percent of the money that they spent at the Turning Stone Resort & Casino, where these local patrons would have spent the remaining 98.4 percent in its absence depends in part on the alternative discretionary spending options in the region and the surrounding areas.

Because it is difficult to determine where local patrons would have spent their wagering budget in the absence of the Turning Stone Resort & Casino, the net new impact of the Nation's gaming and resort activities are assessed using a two-step approach. First, the net new impact is calculated under four scenarios, resulting in a range of impact estimates. Second, information about alternative discretionary spending options in the region and surrounding areas is presented to provide guidance as to where within the range the true net new impact is likely to fall.

Range of Net New Impacts

The section presents the net new impact of the Nation's gaming and resort activities under four different scenarios, with 25 percent, 50 percent, 75 percent and 95 percent of local patron spending representing net new economic activity, respectively (see Table 3.7-86). Under these three scenarios, the net new economic impact of gaming and resort in 2005 in Madison and Oneida County ranged from $75.5 million to $91.0 million in earnings and included 3,250 to 3,916 jobs. The net new impact in the three-county region ranged from $73.9 million to $111.5 million in earnings and 2,968 to 4,476 jobs. The net new economic impact on the New York State economy ranged from $41.0 million to $129.0 million in earnings and included 1,557 to 4,909 jobs statewide.

Table 3.7-86
Net New Economic Impact of the Nation's Gaming and Resort Activities on Madison, Oneida, and Onondaga Counties and New York State

Percent Net New (% of local resident spending)	25%	50%	75%	95%
	Madison and Oneida Counties			
Earnings (in $000s)	$75,522	$81,048	$86,574	$90,995
Jobs	3,250	3,488	3,726	3,916
	Madison, Oneida and Onondaga Counties			
Earnings (in $000s)	$73,921	$87,335	$100,749	$111,480
Jobs	2,968	3,507	4,045	4,476
	New York State			
Earnings (in $000s)	$40,993	$72,393	$103,854	$129,022
Jobs	1,557	2,754	3,951	4,909

Source: The Louis Berger Group, Inc. 2006; Bureau of Economic Analysis, RIMSII Multipliers, 2005..
Note: Earnings include wages, salaries, and proprietor's income.

Alternative Discretionary Spending Options for Residents of Madison, Oneida, and Onondaga Counties

Gaming

The extent to which local patrons would have spent their money on gaming in the Turning Stone Resort & Casino's absence partly depends on the presence of other gaming facilities, their characteristics, and their location. While the Turning Stone Resort & Casino is the only casino, there are a limited number of other gaming activities in the three-county region. For example, regional gaming facilities include a horse race track in Syracuse (Onondaga County), called the Syracuse Mile, and another in Vernon (Oneida County), called Vernon Downs. These facilities are relatively small with total wagering in 2004 being $0.5 million and $10 million, respectively.

Larger gaming facilities are located outside the region but within a two-hour drive from Verona. The two race tracks with gaming machines, the Saratoga Gaming and Raceway in Saratoga Springs (Saratoga County) and the Finger Lakes Racetrack in Farmington (in Ontario County) reported 2004 revenues of $77 million and $55 million, respectively. Lakeside Entertainment, the Cayuga Nation's small Class II gaming facility in Union Springs (in Cayuga County) reported revenues of $5 million in 2004. This Class II gaming facility, however, was forced to close in October 2005. Table 3.7-87 identifies points of gaming competition outside the three-county region.

Table 3.7-87
Revenues of Gaming Operations Outside Madison, Oneida, and Onondaga Counties and Turning Stone Resort & Casino.

Gaming Operation	Location	Distance from Verona, New York		Revenues
		Miles	Hours	
Saratoga Gaming and Racing	Saratoga Springs, New York	113 mi	2:05	$77M
Finger Lake Racetrack	Farmington, New York	96 mi	1:41	$55M
Lakeside Entertainment	Union Springs, New York	75 mi	1:32	$5M
Turning Stone Resort & Casino	Verona, New York	0 mi	0:00	$215M

Source: Center for Governmental Research, Inc 2005.; Nation 2006; New York State Racing and Wagering Board 2004; the Louis Berger Group, Inc. 2006.

Other Recreation and Entertainment

In the absence of the Turning Stone Resort & Casino, a portion of local patron spending would likely have been redirected to other types of recreation and entertainment activities. Activities available in the region include museums and galleries, performing arts, and sporting events in the City of Syracuse (Onondaga County), historic towns and villages, golf courses, and several other opportunities for outdoors recreation throughout the region.

Other Discretionary Spending

Finally, part of the spending would have been redirected to other forms of discretionary spending such as clothing and furniture purchases or dining out. Shopping centers in Onondaga County include the Carousel Center in Syracuse, the Fingerlakes Mall in Auburn, the Great Northern Mall in Clay, the Shoppingtown Mall in DeWitt. In Oneida County there is Riverside Center and Senpike Mall in Utica.

Retail demand and supply estimates from ESRI Business Information Solutions, a private provider of market data, show that local retail supply did not meet local demand in Madison and Oneida County in 2005. The data also shows that there was a very large shortage of eating and drinking establishments in the two-county region. According to this data, which does not take into account Nation sales, Madison and Oneida County residents spent an estimated total of $109 million on retail and dining out outside of the two-county area.

In the three-county region, local retail supply was larger than local demand (see Table 3.7-88). Local supply for eating and drinking, on the other hand, did not meet local demand. Thus, while local retailers received part of their revenues from customers who reside outside the region, out-of-region restaurants fulfilled part of the local residents' demand for eating and drinking.

Table 3.7-88
Demand and Supply
for Retail and Eating and Drinking Sectors
Madison, Oneida, and Onondaga Counties, 2005
(in $millions)

	Supply (Sales)	Demand	Surplus/Leakage
	Madison and Oneida Counties		
Retail	$2,335	$2,344	-$9
Eating and Drinking	$294	$394	-$100
	Madison, Oneida, and Onondaga Counties		
Retail	$6,683	$6,364	+$319
Eating and Drinking	$849	$1,072	-$223

Source: ESRI Business Information Solutions, 2005.
Note: This does not include sales at the Nation Enterprises.

In summary, there are very few alternative gaming opportunities available in the region. In the absence of the Turning Stone Resort & Casino, local residents are most likely to visit larger gaming facilities nearby, but outside the region. The data also suggest that other types of entertainment and recreation venues within the region, especially indoor activities outside the Syracuse area in Onondaga County, are somewhat limited. There is also a relative shortage of eating and drinking establishments in both the two- and three-county region and a shortage of retail opportunities in Madison and Oneida Counties. While there is no shortage of retail opportunities in the three-county region, retail spending typically generates a smaller multiplier effect than gaming.

This information suggests that the true net new impact of the Nation's gaming and resort activities in the two-county region is likely to be very close to the upper end of the range presented in Table 3.7.86 (earnings ranging from $75.5 million to $91.0 million and 3,250 to 3,959 jobs). The net new impact on three-county region is also likely to be closer to the upper end of the range (earnings ranging from $73.9 million to $111.5 million and jobs from 2,968 to 4,476).

Alternative Discretionary Spending Options for New York State Residents

In 2005 there were eight major gaming operations in New York State and 17 facilities in the surrounding states and Southern Ontario (see Table 3.7-89). The New York casinos' ability to compete with out-of-state casinos is influenced by casino characteristics such as size, gaming choices, amenities, image, and location relative to other casinos (Rose, 1998). While the revenues of the facilities listed in Table 3.7-89 provide an indication of their relative attractiveness, the information is limited as to how the existence of the Turning Stone Resort & Casino likely influenced the other casinos' revenues.

Table 3.7-89
Major Gaming Operations near Turning Stone Resort & Casino, New York and Surrounding States and Ontario, Canada

Gaming Operation	Location	Distance from Verona New York		Revenues
		Miles	Hours	
New York State				
Saratoga Gaming and Racing	Saratoga Springs, New York	113 mi	2:05	$77M (2004)
Finger Lake Racetrack	Farmington, New York	96 mi	1:41	$55M (2004)
Buffalo Raceway	Buffalo, New York	179 mi	2:55	$27M (2004)
Monticello Raceway	Monticello, New York	157 mi	3:11	$32M (2004)
Turning Stone Resort & Casino	Verona, New York	0 mi	0:00	$215M (2004)
Akwesasne Mohawk Casino	Hogansburg, New York	215 mi	3:43	$20M (N/A)
Seneca Niagara Casino	Niagara Falls, New York	192 mi	3:12	$294M (2004)
Seneca Allegany Casino	Salamanca, New York	237 mi	3:54	$17M (2004)
Out-of-State				
Casino Niagara and Fallsview	Niagara Falls, Ontario	194 mi	3:16	$389M (2004)*
Fort Erie Racetrack	Fort Erie, Ontario	184 mi	3:04	$73M (2004)*
Thousand Island Charity Casino	Gananoque, Ontario	137 mi	2:19	N/A
Foxwood Casino	Mashantucket, Connecticut	274 mi	4:36	$820M (win in FY2004-05)
Mohegan Sun Casino	Uncasville, Connecticut	269 mi	4:22	$823M (win in FY2004-2005)
All Casinos in Atlantic City (12)	Atlantic City, New Jersey	349 mi	5:51	$4,087M (win in 2004)

Source: Center for Governmental Research, Inc 2005.; Nation ; New York State Racing and Wagering Board 2006; the Louis Berger Group, Inc, 2006.
Note: * Based on an exchange rate of 1USD=1.166CAD.Source:

Contrary to the local region, New York State offers a wide selection of gaming, other recreational, retail, and eating and drinking opportunities to its residents. It can however be reasonably expected that, in the absence of the Turning Stone Resort & Casino, part of the spending by New York State residents would have occurred at one or more of the 17 out-of-state gaming facilities. In so far that the Turning Stone Resort & Casino was able to "recapture" this spending, it generated a net new impact for the state.

Even when spending by state residents at Turning Stone Resort & Casino would have replaced other in-state spending, the Turning Stone Resort & Casino could still have had a positive net new impact if the replaced activity produced a lower multiplier effect than the Turning Stone Resort & Casino.

Other Nation Enterprises

The SavOn gas stations and convenience stores are the second largest Nation Enterprise after the Turning Stone Resort & Casino. The Nation's petroleum operations generated 82 percent of the revenues generated by the Nation's "Other Enterprises," which includes all Nation Enterprises except the gaming and recreation activities. While it varies by SavOn gas station and convenience store location, the Nation estimates that about 25 percent of its gasoline sales are non-local and 60 percent of its cigarette sales are non-local. In review of the relative contribution of these products to the costs of goods sold, it can be estimated that about 35 percent of sales are attributable to non-local residents (i.e., Madison and Oneida county residents) which would be a source of net new economic activity.

Table 3.7-90 shows the net new impact of the other Nation Enterprises in three different scenarios, where 25 percent, 50 percent, 75 percent, and 95 percent of the total spending at the Nation's gas and convenience stores represents net new economic activity. The impact on the Madison and Oneida Counties ranged from $3.9 million to $8.3 million in earnings and from 131 to 356 jobs. In the three-county area the impact ranged from $8.6 million to $13.6 million in earnings and from 252 to 491 jobs. Given the above market assumptions for the SavOn gas station and convenience store establishments, the net new economic activity impact to the two-county region and three-county regions would fall in the 25 and 50 percent range.

The impact on the State ranged from $27.3 million to $35.0 million in earnings and included 625 to 932 jobs. Given the market drawing power of the Turning Stone Resort & Casino outside New York State, it is likely that net new impact falls below the 25 percent range.

As a federally recognized Indian tribe, the Nation does not collect federal, state, and local taxes. The Nation elected to tax certain products and services sold by its enterprises in order to defray the cost of certain tribal government programs and services. The Nation sales tax brings the sale price at the Nation's gas and convenience stores closer to the market price. There remains, however, a difference in the sales price of gasoline and tobacco products at the Nation Enterprises and at other stores, mostly because of high State excise taxes.

Table 3.7-90
Net New Economic Impact of the Nation's Other Enterprises on Madison, Oneida, and Onondaga Counties and New York State

Percent Net New	25%	50%	75%	95%
	Madison and Oneida Counties			
Earnings (in $000s)	$3,946	$5,509	$7,071	$8,321
Jobs	131	211	292	356
	Madison, Oneida and Onondaga Counties			
Earnings (in $000s)	$8,584	$10,361	$12,137	$13,558
Jobs	252	337	423	491
	New York State			
Earnings (in $000s)	$27,304	$30,061	$32,817	$35,023
Jobs	625	735	845	932

Source: The Louis Berger Group, Inc., 2006; Bureau of Economic Analysis, RIMSII, 2005.
Note: Earnings include wages, salaries, and proprietor's income.

The Nation's sovereign status combined with its price-driven competitive strategy for the SavOn gas station and convenience store market is alleged to have an adverse effect on other businesses, as the Nation draws potential sales from other gas stations than it would have if it charged the same or higher prices. A tax parity agreement between the Nation and the State of New York, under which the Nation would impose a tribal sales and excise tax that meets or exceeds the State tax, would address this issue. The Nation and the State have been working towards a tax parity agreement since the 1990s (See Section 3.7.5.2 for more information).

Nation Government

The operations of the Nation Government are largely supported by the Nation Enterprises. Nation Enterprise revenues and tribal taxes on their sales account for about 90 percent of total Nation Government revenues. The remaining Nation Government revenues come from charges for services and federal grants.

To the extent that the Nation Government is supported by or through the Nation's business activities, not all the economic activity it generates represents net new activity to the region. The net new assumptions about the gaming and resort activities and other Nation enterprises are used to determine the net new Nation Government economic impact.

Table 3.7-91 shows that the total net new economic activity generated by the Nation Government in the two-county region ranged from $15.4 to $20.9 million in earnings and from 418 to 567 jobs. In the three-county region the impact ranged from $17.5 million to $27.7 million and 425 to 671 jobs. In New York State the net new impact ranged from $13.9 million to $33.1 million and 326 to 778 jobs.

Table 3.7-91
Net New Economic Impact of Nation Government activities on Madison, Oneida, and Onondaga Counties and New York State

Percent Net New	25%	50%	75%	95%
	Madison and Oneida Counties			
Earnings (in $000s)	$15,415	$17,380	$19,345	$20,916
Jobs	418	471	524	567
	Madison, Oneida and Onondaga Counties			
Earnings (in $000s)	$17,524	$21,159	$24,793	$27,701
Jobs	425	513	601	671
	New York State			
Earnings (in $000s)	$13,878	$20,744	$27,609	$33,102
Jobs	326	488	649	778

Source: The Louis Berger Group, Inc., 2006; Bureau of Economic Analysis, RIMSII Multipliers, 2005.
Note: Earnings include wages, salaries, and proprietor's income.

Net New Impact of the Nation

In summary, the net new impact of the Nation on the Madison and Oneida County economy in 2005 ranged from $94.1 million to $120.2 million in earnings and from 3,799 to 4,839 jobs (see Table 3.7-92). The net new impact on the three-county region included $100.0 to $152.7 million in earnings and 3,645 to 5,639 jobs. In New York State the net new impact of the Nation ranged from $82.2 million to $197.1 million in earnings and from 2,509 to 6,619 jobs.

Table 3.7-92
Range of Net New Impact of the Nation

	Madison and Oneida Counties			
Earnings (in $000s)	$94,883	$103,937	$112,990	$120,232
Jobs	3,799	4,170	4,542	4,839
	Madison, Oneida and Onondaga Counties			
Earnings (in $000s)	$100,029	$118,854	$137,679	$152,739
Jobs	3,645	4,357	5,069	5,639
	New York State			
Earnings (in $000s)	$82,175	$123,198	$164,280	$197,147
Jobs	2,509	3,977	5,445	6,619

Source: The Louis Berger Group, Inc, 2006.; Bureau of Economic Analysis, RIMSII Multipliers, 2005.
Note: Earnings include wages, salaries, and proprietor's income.

This estimate does not include the impact of off-site visitor spending and the tertiary impact (i.e., additional spending by two-worker household with a Nation employee) which are additional economic impacts that are associated with Nation operations.

3.7.7 Nation Contributions to Federal, State, and Local Government

As a federally recognized sovereign nation, the Nation is not subject to federal or state income taxes. Notwithstanding its nontaxable status, the Nation, through its various enterprises, directly or indirectly generates substantial revenues for federal, state and local governments. In addition to the Nation's direct contributions through agreements and grants to state and local government, revenues include taxes levied on salaries paid to Nation employees and indirectly generated tax revenues such as revenues associated with the "multiplier effect" that arise from the purchase of goods and services by the Nation and its employees (e.g., when a the Nation employee spends his salary in the community, it gives rise to further economic activity which then becomes subject to federal, state, and local taxation. (see Section 3.7.6). Finally, because of its high degree of self-sufficiency, the Nation has assumed many of the governmental, public safety, and social welfare expenditures otherwise borne by federal, state, and local government, thereby reducing the fiscal burdens placed on those governments.

3.7.7.1 Federal Government

Although the Nation is a sovereign nation, and therefore is not subject to federal income taxes, its employees pay taxes just as they would if they worked for a non-tribal employer. Therefore, these jobs generate a significant amount of revenues for the federal government.

In FY 2005, Nation employees paid $9.86 million in federal income taxes that were withheld from their paycheck. They paid $7.6 million in Social Security and Medicare taxes (see Table 3.7-93).

Table 3.7-93
Federal Taxes Collected from Employees
Nation Payroll, FY 2005

	Federal Income Tax	Social Security and Medicare Tax
Amount Paid	$9.86 m	$7.6 m

Source: Nation Enterprises, FY 2005, Unpublished.

3.7.7.2 New York State

State Income Taxes Paid By Nation Employees

In addition to federal income tax, non-Native American Nation employees pay state income taxes. As previously discussed, the Nation is the largest employer in the area, and 96 percent of its employees are non-Native American. In FY2005, the Nation withheld $3.44 million in state income taxes from its payroll.

Other Indirectly Generated State Revenues

The Nation spent $172 million on purchases of goods and services from New York State vendors in FY2005. Ninety-eight percent of Nation employees live in New York State and received $108 million in payroll in FY2005. In addition to the state personal income taxes, Nation employees pay sales tax on household consumer expenditures such as food, apparel and other sundries.

Through the "multiplier effect", purchases made by the Nation and its employees generate additional economic activity and State tax revenues. It is estimated that the Nation indirectly generated a total of $7.3 million in State personal income, business and sales tax revenues in 2005.

New York State – Other Revenue Sources

The Nation directly contributes to New York State revenues through payments to the New York State Police and the New York Racing and Wagering Board. The increased traffic generated by the Nation Enterprises generates additional revenues for the New York State Thruway Authority. Nation employees pay state income taxes. Additional personal income tax revenues as well as corporate income and sales tax revenues are indirectly generated by the Nation's economic activity.

New York State Police

The New York State Police conducts background investigations on all Casino employees and vendors and provides law enforcement services within the Casino. The Nation reimburses the State Police for the expenditures related to these services including the cost of administrative and casino unit personnel, additional special personnel, fringe benefits, and non-personnel service costs. The Nation paid approximately $2.1 million and $2.2 million to the New York State Police in FY2004 and FY2005, respectively.

New York Racing and Wagering Board

Gaming Inspectors from the New York State Racing and Wagering Board conduct regular compliance examinations for the Turning Stone Casino. The Nation is required to pay for all regulatory expenses incurred by the Board, including personnel and equipment costs. The Nation paid $3.1 million and $2.8 million to the New York Racing and Wagering Board in FY2004 and FY2005, respectively. In FY2005, expenditures included personnel service costs for 13 employees assigned to the Turning Stone Resort & Casino and roughly 40 administrative employees located in Albany, New York.

New York State Thruway Authority

Since the Turning Stone Resort & Casino opened in 1993, traffic flow at Exit 33 along the New York State Thruway has increased over 260 percent. By 2003, average daily traffic leaving Exit 33 increased to 7,000 vehicles. The largest yearly increase in traffic flow, 23.5 percent, occurred in 1993, the Casino's opening year. Annual traffic flow continues to increase at rates between 3 and 4 percent each year.

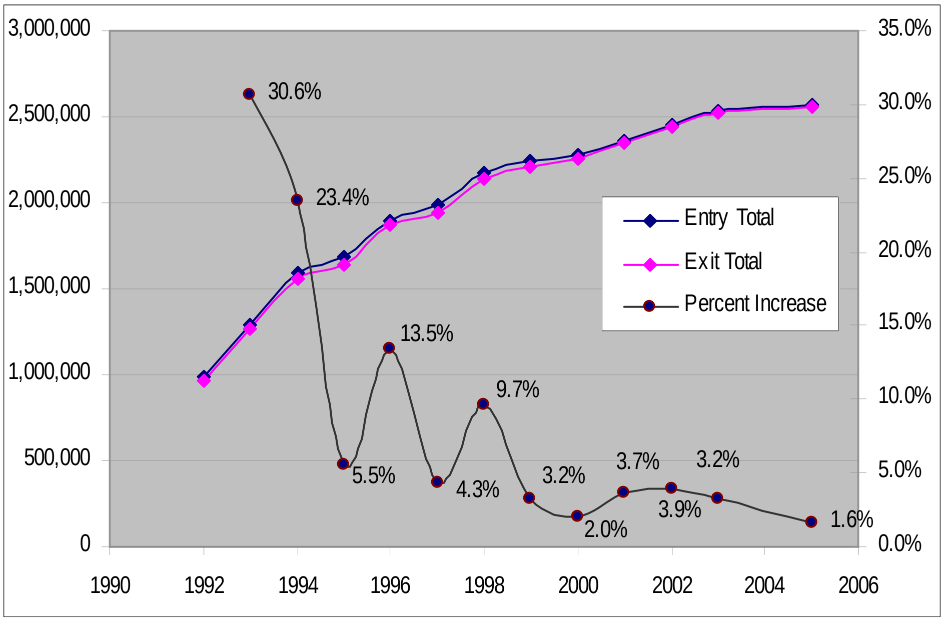
In the first twelve years since the casino opened, more than $23.1 million in tolls have been paid by vehicles passing through Exit 33. Increased traffic at Exit 33 has generated substantial additional revenues for the New York State Thruway Authority.

Between 1992 and 1993, the year the Turning Stone Resort & Casino opened, toll revenue at Exit 33 jumped by about 19 percent. During the casino's first full year in business (between 1993 and 1994), toll revenues collected at Exit 33 increased by an additional 21.2 percent. Since 1992, traffic exiting at Exit 33 has produced over $41 million in revenue, an overall increase of approximately 260 percent. Figure 3.7-19 shows how traffic and revenue at Exit 33 continues to increase each year.

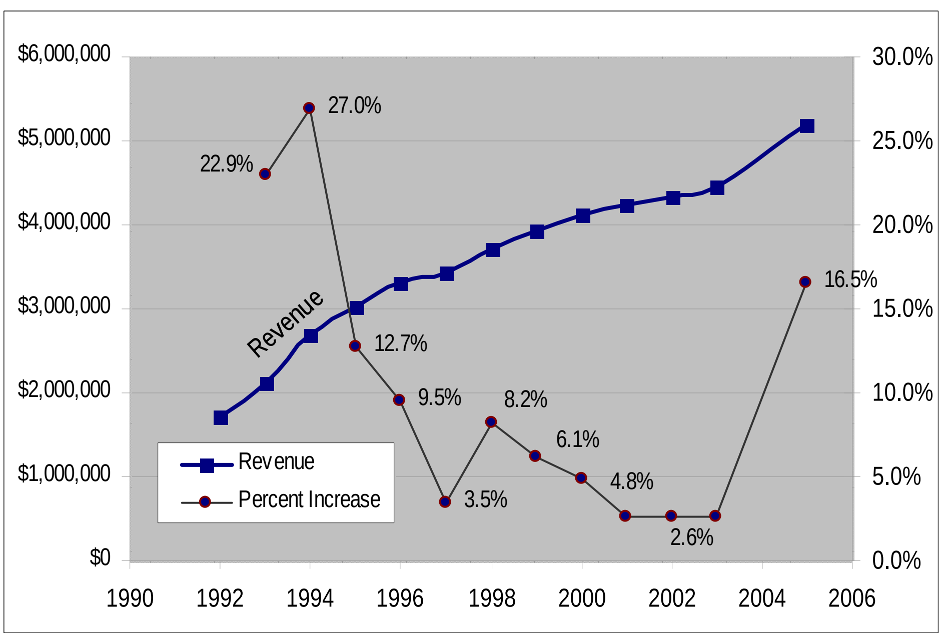
Since the Turning Stone Resort & Casino opened in 1993, traffic flow at Exit 33 along the New York State Thruway has increased over 160 percent. By 2005, average daily traffic leaving Exit 33 increased to more than 7,000 vehicles. The largest yearly increase in traffic flow, 23.5 percent, occurred in 1993, the Casino's opening year. Annual traffic flow continues to increase at rates between 3 and 4 percent each year.

Figure 3.7-19
Exit 33 Traffic Analysis:
Yearly Entry and Exit Traffic Totals, Percent Increase in Traffic, 1992 - 2005

Traffic Volumes



Revenues



Source: New York State Thruway Authority, 2005

In the thirteen year span since the casino opened, more than $25.7 million in tolls have been paid by vehicles passing through Exit 33. Increased traffic at Exit 33 has generated substantial additional revenues for the New York State Thruway Authority.

Between 1992 and 1993, the year the Turning Stone Resort & Casino opened, toll revenue at Exit 33 jumped by about 19 percent. During the casino's first full year in business (between 1993 and 1994), toll revenues collected at Exit 33 increased by an additional 21.2 percent. Since 1992, traffic exiting at Exit 33 has produced over $46.2 million in revenue, an overall increase of approximately 200 percent. Figure 3.7-19 shows how traffic and revenue at Exit 33 continues to increase each year. In 2005, the New York State Thruway raised toll fares for the first time since 1987. Given that that overall percent increase of traffic flow was smaller than it had been in previous years, the sizable percent increase in revenue can be largely attributed to this change in toll pricing. No data is currently available for 2004 Traffic Totals and Revenues.

3.7.7.3 Local Governments

Over the last 15 years the Nation has reacquired lands that were historically part of the Oneida homeland. Before the U.S. Supreme Court City of Sherrill vs. Nation decision in March 2005, the Nation did not pay local property taxes on the land it reacquired. Instead, the Nation chose to make grants to localities to acknowledge its use of municipal services provided by local governments attributable to these land purchases. The Nation has also entered into municipal service agreements with various local governments to ensure that fair payment would be made for essential services and contributed to the development of new infrastructure. In addition to describing the ways in which the Nation has shared its resources with local communities in recent years, this section also lists some of the indirect ways through which the Nation generates revenues for the local governments.

Silver Covenant Chain of Friendship Grants

The Silver Covenant Chain of Friendship Grants ("Silver Covenant Grant") is a cultural representation of the bonds of friendship the Oneidas forged with the American Colonists, as they fought side by side during the Revolutionary War. In 1996, the Nation instituted the Silver Covenant Grant Program to provide funds to local school districts. The Program was expanded in 1998 to include municipalities. The Town of Verona, the Villages of Canastota and Chittenango, and the City of Oneida received Silver Covenant Grant distributions.

From 1996-2005, the Nation made voluntary Silver Covenant Grant payments of $7.7 million to local governments (see Table 3.7-94). Grants were calculated by multiplying the assessed value of Nation-owned land at the time of reacquisition by a rate adjusted yearly based on the Central New York Consumer Price Index. In FY 2005 the rate was 3.72 percent for school districts and 1.49 percent for municipalities. Frequently the amount paid to school districts through Silver Covenant Grants has been greater than the amount that would have been paid if the land were not of sovereign status. See Section 3.7.7.3 for further examination of the grant amounts. The cash grants help school districts and other local governments pay for salaries, equipment, programs and services. Table 3.7-95 highlights major outlays made by the Nation to schools and municipalities.

Local governments did not credit these payments against tax bills and sought to foreclose on these lands after the Supreme Court's decision in the City of Sherrill in March 2005. The Nation ceased their cash payments in the fall of 2005.

Nation Payments Credited Against Property Taxes Claimed

The Nation has made certain payments that have been credited against taxes, interest and penalties claimed by certain local governments.

In mid-2005, the Nation paid Oneida County $650,000, an amount equal to outstanding tax bills on 59 Nation-owned properties.

Pursuant to an October 4, 2005 agreement with the City of Sherrill, the Nation paid the City of Sherrill approximately $60,000. The City waived any further demands as to principal, penalties or interest with respect to previous property tax bills and considered all previous tax bills fully paid. The City also removed any tax liens on the Nation's lands. The Nation made an additional payment of $9,315 to the City of Sherrill in 2006 that was not part of this agreement and that was credited to its 2006-2007 tax bill.

Pursuant to a March 15, 2006 agreement with the City of Oneida, the Nation paid the City of Oneida approximately $5.1 million. The City waived any further demands as to principal, penalties or interest with respect to previous property tax bills and considered all previous tax bills fully paid. The City also removed any tax liens on the Nation's lands.

As for future payments to the City of Sherrill and the City of Oneida, the Nation has agreed to make payments equal to or exceeding the amount shown on each city's tax bills until such time as land is taken into trust by the federal government. Upon these payments, each City has agreed to waive any demand for further payment as to the property tax bill to which the Nation's payment relates.

For the 2005-2006 fiscal year, the Nation paid the local school districts a total of $1.2 million, an amount credited against claimed property taxes.

Municipal Service Agreements

The Nation recognizes that it uses many of the municipal services of the towns in which it owns property. The Nation and municipalities have signed Municipal Service Agreements in order to provide a mechanism by which local governments can be reimbursed for the Nation’s use of municipal services. In these agreements, the Nation agrees to pay for services such as water, sewer, and fire protection. In addition to the municipal service agreements, the Nation used to have deputization agreements with the Oneida and Madison County Sheriffs. The Nation contributed a total of $11.4 million to these service agreements. Additionally, the Nation paid a total of $3.2 million to local governments for water, sewer and utilities. A more detailed description of the various agreements follows in Table 3.7-96.

Table 3.7-94
Silver Covenant Payments by the Nation to Study Area School Districts (in $000s)
1996-2005

Local Government	County	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	Total
School Districts												
Canastota	Madison	$6	$21	$35	$78	$111	$126	$131	$142	$47	$68	$864
Cazenovia	Madison			4	2	2	2	2	2	2	1	15
Madison	Madison				5	10	11	13	14	15	8	76
Morrisville	Madison					3	3	3	3	3	2	16
Oneida	Madison	16	19	35	74	95	155	192	188	201	107	1,082
Stockbridge	Madison	3	5	14	63	109	123	125	27			469
Vernon-Verona-Sherrill	Oneida	120	165	239	382	445	510	603	591	624	297	3,976
Total		**145**	**210**	**327**	**603**	**774**	**929**	**1,068**	**966**	**993**	**482**	**6,499**
Other Localities												
City of Oneida	Madison									100		100
Oneida County	Oneida			79	163	45						287
Village of Canastota	Madison							103	15	16	8	142
Town of Verona	Oneida								218	231	121	570
Chittenango	Madison										125	125
Total				**79**	**163**	**45**		**103**	**233**	**347**	**254**	**1,224**
Grand Total		**$ 145**	**$ 210**	**$ 406**	**$ 767**	**$ 820**	**$ 929**	**$ 1,172**	**$ 1,199**	**$ 1,339**	**$ 736**	**$ 7,723**

Source: The Nation, 2006; unpublished.

Table 3.7-95 Silver Covenant Chain of Friendship Grants

Over the past eight years, the Nation has made Silver Covenant Grants totaling nearly $8 million. The cash grants assist school districts and local governments to pay for salaries, equipment, programs and services.

VERNON-VERONA-SHERRILL SCHOOLS - $3.98 million since 1996
Vernon-Verona-Sherrill schools have received the largest portion of Silver Covenant funds, because most of the Nation's current land holdings are in that district. The district uses 80 percent of its grants to pay the salaries of 11 full-time teachers and one half-time teacher. The remaining funds cover equipment, staff development and college scholarships.

ONEIDA CITY SCHOOLS - $1.08 million since 1996
The Nation's grants to the Oneida City Schools have contributed to the stabilization of the district's programming costs. Like Vernon-Verona-Sherrill Schools, Oneida uses 80 percent of its grants to pay teacher salaries, with the balance for equipment and various types of instructional support.

CANASTOTA CENTRAL SCHOOLS - $864,000 since 1996
The Canastota School District was able to reduce its tax rate by 4 percent and pay for additional reading and math staff with its Silver Covenant Grant, which offset a loss of over $500,000 in state aid to the district.

STOCKBRIDGE VALLEY SCHOOLS - $469,000 since 1996

MADISON CENTRAL SCHOOLS - $76,000 since 1999
The Madison Central School District dedicates its Silver Covenant funds to extra programs that cannot be financed through the district's regular operating budget. The grants cover the costs of the art, music and drama departments, plus field trips, classroom supplies, and supplemental instructional materials.

CAZENOVIA CENTRAL SCHOOLS - $15,000 since 1996
For several years, the Cazenovia School District has channeled its Silver Covenant money into its school libraries, buying books that the district otherwise could not afford through its operating budget.

MORRISVILLE EATON SCHOOLS - $16,000 since 2000
The Morrisville Eaton School District has purchased computers and software with its Silver Covenant Grants, essential resources which are not provided through the district's operating budget.

TOWN OF VERONA - $570,000 since 2003
The Town of Verona used its grant to reduce property taxes by 58 percent in 2004 by direct application of the grants. Funding to date was used for infrastructure improvements, such as the installation of an energy-saving heating system in the Town Building, as well as the purchase of two dump trucks and snow plow equipment that would not have been possible without the grants without raising taxes.

VILLAGE OF CANASTOTA - $142,000 since 2002
The Village of Canastota joined the Silver Covenant Program in 2002, receiving a one-time grant of $100,000 and annual payments of about $13,000. The village put this money into its general fund to help offset the costs of equipment purchases, such as a new snowplow, as well as improvements to the municipal pool, recreation fields and other facilities.

CITY OF ONEIDA - $100,000 since 2004
In 2004, the Nation presented a one-time gift to the City of Oneida in recognition of the government-to-government relationship between the two entities. Oneida purchased hand pump equipment and made roof repairs for the fire department training building that would otherwise have had to been drawn from City revenues.

COUNTY OF ONEIDA - $287,000 since 1998

VILLAGE OF CHITTENANGO -- In July 2005, the Nation gave $125,000 in the Village of Chittenango to pay for downtown street lights and their installation. This was a much needed boost to the downtown improvement and beautification project.

Source: The Nation, 2005, Unpublished.

Water and Sewer Agreements. The Nation has six water and/or sewer agreements with various municipalities. There are two with the Village of Canastota, three with the City of Oneida, and one with the Town of Verona:

- Canastota and the Nation signed two sewer agreements, one to connect a SavOn gas station and convenience store to the sewer system and another to connect other properties to the sewer system. The Nation paid a one time fee of $1200 to connect the SavOn gas station and convenience store. The SavOn gas station and convenience store and other Nation properties pay an agreed upon amount for the services received. In the case of residential uses, Nation members pay the same user fees as those who reside outside the village pay.
- In 1993, the Nation paid for and constructed the extension of a sewer line in the City of Oneida to service its properties on Route 46. Additionally, in 2004, the Nation and The City of Oneida agreed to construct, maintain, and operate a water distribution system to provide water to Nation members living in housing provided by the Oneida Nation Housing Authority (OINHA). The Nation retained full title of the facilities, but agreed to lease the facilities to the City of Oneida to maintain and operate. The City has the right to charge OINHA users the same rate it charges other users. The third water agreement that the Nation and the City of Oneida negotiated concerns reclaimed water. The Nation constructed a pipeline to deliver reclaimed water to maintain its golf courses and reimburses the City for services. However, it does not pay for the reclaimed water.
- The Nation signed a water and sewer agreement with the Town of Verona in 1995, which was updated in 1996. The estimated cost of the additional facilities was $7 million. After the completion of construction, the Nation gave the facilities to the town, which could, in turn, charge users.

Table 3.7-96
Nation Municipal Service Agreements

Date	Local Government	Name	Amount	Purpose	Key Terms
Jan-94	Oneida County	Police Deputization	-	Allowed Nation Police to make arrests of non-Indian subjects on Nation land and use the State court system for prosecution.	Agreement was cancelled by local government. 2000
Oct-94	Madison County	Police Deputization	-	Allowed Nation Police to make arrests of non-Indian subjects on Nation land and use the State court system for prosecution.	Agreement was cancelled by local government. 2000
18-Aug-98	Canastota	SavOn Sewer	$1,200	To connect SavOn properties to the Canastota sewer system.	One time back charge of $1,200. Transportation costs of industries will be included in the "user charges," which the Nation will pay. Transportation costs of domestic/commercial properties are 10% of domestic/commercial "user charges" and "capital recover charges."
14-Mar-02	Canastota	Sewer Use Agreement	$61,747	To allow the use of the Village's sewer system and Wastewater Treatment Facility.	The Village will charge and bill the Nation in the same manner it does to sewer users outside of the village. The agreement applies to all Nation land, except for the SavOn Gas Station and Convenience Store on Route 13.
14-Mar-02	Canastota	Fire Protection Service Agreement	$106,903	To obtain fire protection services for Nation properties within the village boundaries	The Nation will pay an amount equal to $0.08/square foot of all buildings and structures per year. Square footage is calculated on the basis of all floors for commercial properties and ground floors for residential properties. Annual payments will be recalculated on the anniversary of the agreement. Annual payments will increase according to the local CPI. The Nation will allow the fire department to enter Nation lands to conduct courtesy fire inspections.

Date	Local Government	Name	Amount	Purpose	Key Terms
6-Aug-93	City of Oneida	Intercommunity Sewer Agreement	$238,706	To have the benefits of a safe and sanitary sewer system to service Nation territory located on Route 46 in the city, as well as to service other properties owned by the Nation at the intersection of Route 46 and Union Street.	The Nation will use money from an Indian Health Services grant to fund, in part, the construction of a sewer extension line to join the existing City sewer system. The Nation will lease the Nation Sewer line to the City and the City shall have control over and responsibility for the operation and maintenance of the line. The Nation shall control every aspect of construction, which will be in compliance with Federal, State, and local laws, ordinances, and regulations. Both parties agree that the new sewer line will generate and add to the City sewer system 54,000 gallons/day. The entire cost of construction will be borne by the Nation. The City will be responsible for maintenance.
10-Mar-98	City of Oneida	Reclaimed Water Agreement	$2,531,897	To use reclaimed water from the Waste Water Treatment Plant (WWTP) of the City for the irrigation of grass at a golf course of the Nation to be off Patrick Road, Town of Verona, New York, and for other potential future uses.	The Nation will construct and own certain pipeline facilities to deliver reclaimed waters to the Lands from the City WWTP. The expected load is 1.75 million gallons/day. The City will seek a permit modification to allow for wastewater to be used for irrigation of a golf course. The City shall provide certain services, for which the Nation will reimburse the City. The City shall undertake all routine, ordinary, and customary repairs. The Nation will not pay for the reclaimed water and will have first priority on all reclaimed water up to 1.75 million gallons/day.

Date	Local Government	Name	Amount	Purpose	Key Terms
27-Jul-04	City of Oneida	Lease Agreement	$756,636	The City will lease, maintain, repair and operate water mains, pipes, valves, hydrants, distribution mains, and appurtenances used in the sale and distribution of water to consumers residing on OINHA (Oneida Nation Housing Authority) properties located in The City of Oneida. The City will supply water and water service directly to the residents.	OINHA and the City agree to cooperate in the construction, maintenance and operation of the Facilities. Legal title of the Facilities shall be and remain in OINHA's name. Inasmuch as OINHA does not have the capacity to operate and maintain the water supply system, OINHA shall lease the Facilities to the City. OINHA shall have complete control over every facet of the construction of the Facilities, which shall be in accordance with the standards set forth in Federal, State, and City laws, ordinances and regulations. The City agrees to operate, maintain and repair, at its own cost, the facilities and to provide water and water service to the end users of the facilities. The City shall charge and collect from the retail users of the facilities the same rates and charges for water service that the city presently charges to and collects from users of the City Water System. The City shall be compensated for its services and reimbursed for its costs solely from the receipt of the usage fees that the city shall charge and collect. OINHA shall pay to the City a charge for the maintenance and inspection of hydrants on the property. This was fully funded by an Indian Health Services grant.
Mar-99	City of Sherrill	Sanitation Facilities for Marble Hill Homes	$430,337	To obtain sanitation facilities for Nation members residing in the Marble Hill District Area.	The Nation will ensure and provide for water and sewer lines to be extended to appoint of five feet outside homes approved for service. The Nation used its own funds ($115,070) and funds from Indian Health Services ($315,266).
Apr-93	Verona	Addition to Town Hall	$300,000	A gift to the town of Verona to build an addition to the Town Hall.	

Date	Local Government	Name	Amount	Purpose	Key Terms
30-May-95	Verona	Water and Sewer System	$6,840,545	To make a gift to the Town, which the Town shall use to construct the water and sewer system	The Town will establish water and sewer districts and provide the administrative mechanisms that will enable the Districts to own, operate and maintain the water and sewer systems. The Nation agrees that, upon the Town's receipt of the necessary approvals and permits required for the construction of the water and sewer systems and the execution of the agreements between the Town and the City of Oneida in a form satisfactory to the Nation, the Nation shall use its resources to construct, at a cost currently estimated to be approximately $7 million , the water and sewer system facilities identified in the January 1995 report entitled "Route 365 Corridor Water and Sewer Facilities." Upon the completion of the facility construction, the Nation shall gift the facilities to the Districts. The Town agrees to accept the gift. The Nation agrees to pay a reasonable fee, which may be modified from time to time as determined by the parties, for the Nation's use of the water and sewer systems. The fee shall be based upon the per diem volume of water used by the Nation's facilities that are connected to the water and sewer systems multiplied by the wholesale rate.
25-Jan-05	Verona	Fire Protection Service Agreement	For Fire Protection: FY2005 - $75,000 FY2006 to date - $50,000 For Training: FY2005 - $15,857 FY2006 to date -$12,539	To provide fire protection and rescue services to the Nation's commercial and residential properties on sovereign Nation land in Verona, New York, and within Verona Fire District No.3, including, without limitation, all structures located at the Turning Stone Resort & Casino Enterprise, the Inn at Turning Stone, and the Villages at Turning Stone.	The terms of the agreement are for one year, February 1, 2005, to January 31, 2006. The Nation shall pay the Fire Protection Company the $100,000 in quarterly installments. The Nation and the Fire Protection Company agree to develop a Critical Incident Training Program, in which each firefighter employed by the Fire Protection Company shall be required to attend. The Program shall include, but not be limited to, a layout of the structures located on the grounds of the Enterprise and the means by which an emergency plan shall be implemented. This is funded by a grant from the BIA

Source: The Nation, 2005; unpublished.

Fire Protection Agreement. The Nation has signed fire protection agreements with Verona and Canastota. Both agreements secure fire protection of Nation properties in the event of an emergency. In both cases, the Nation has agreed to allow the fire department onto its properties for inspections.

- The Verona Fire District encompasses approximately 27 square miles of the Town of Verona including the hamlets of Verona and Sconondoa, a ten-mile section of the New York State Thruway, Interstate Route 365, State Route 31 and several major Nation enterprises. In 2004, the Department included 60 trained and qualified personnel including 24 Emergency Medical Service (EMS) personnel. Nation enterprises protected by the Fire Department include the Turning Stone Resort & Casino, the Inn at Turning Stone, The Turning Stone Convention Center, the Lodge Hotel, the Turning Stone Resort & Casino Parking Garage, the Turning Stone Resort & Casino Tower Hotel, Sav-On Gas, Sav-On Diesel, Sav-On Car Care, the Turning Stone RV Park, the Patrick Road Maintenance Facility, Shenendoah Clubhouse and three of the Nation's Golf course. The Fire Department also provides fire protection and rescue for homes, barns, and storage buildings utilized by the Nation's Housing Authority, Construction Division and Agricultural Division.

The Verona Fire Department, in conjunction with the Nation's staff, have trained at the casino on numerous occasions to become familiar with the layout and operations. The Verona Fire District/Verona Fire Department has prepared Annual Reports to the Nation outlining the extent of their services and activities with the Nation addressing such topics as: personnel and organization; training and operations at Turning Stone Resort & Casino related to fire and emergency medical services; equipment and apparatus; incident responses and call volumes; significant incidents; and needs for new equipment. The Annual Report provides substantial detail, enabling the Nation and Verona to identify key issues and concerns. The report can be seen as a model for the type of detail needed to support communications relevant to monitoring future service agreements.

The Nation has paid the Verona Fire Department about $653,000 since 1993 for fire protection, emergency rescue, and first aid services on Nation land located within the Verona Fire District (see Table 3.7-97). In 1993, the Nation and the Verona Fire Department negotiated a $10,000 contract for fire protection services associated with the Casino. The contract was renegotiated in 1994 and 1995 for an annual value of $18,000. In 1996 the Nation and the Verona Fire Department agreed to a formula-based method for calculating the contract value that consisted of the payment of $0.077709 per square foot of built space, which would be annually adjusted for inflation based on the CPI. The agreement was renewed for 8 years, with an annual contract value of $92,623 based on 1,012,054 square feet of space in 2003 (value derived from $0.08 per square foot with a CPI adjustment of 1.114).

Table 3.7-97
Nation Payments to Verona Fire District
1993-2004

Year of Contract	Payments
Negotiated Value	
1993	$10,000
1994	18,000
1995	18,000
Formula-based	
1996	28,000
1997	28,000
1998	57,112
1999	63,594
2000	71,028
2001	75,818
2002	90,803
2003	92,623
Negotiated Value	
2004	100,000
Total	**$652,978**

Source: Verona Fire District, 2005.

The Verona Fire District and the Nation negotiated in the Fall and Winter of 2004 regarding the appropriate criteria for cost determination as well as the cost of an annual fire protection agreement addressing the capital and operational needs of the Verona Fire District. The Verona Fire District notes that during this period it advised the Nation that the square foot of the Nation's property within the Verona Fire District was now estimated to approach 3 million square feet with the imminent completion of additional structures (e.g., parking garage, Tower Hotel, the Lodge Hotel, Co-Gen facility, Event Center, and several casino expansions) which would have resulted in a $240,000 annual agreement amount, utilizing the prior method for cost determination. Additionally, according to the Verona Fire District, the number of calls associated with the Nation properties and with motor vehicle accidents on surrounding roads had nearly doubled between 1999 and 2004 to almost 400 annually, including 72 calls for service on Nation land in 2003. The 72 Nation-related calls included 1 structure fire, 2 car fires, 5 hazardous conditions (such as fuel spills) and 17 Emergency Medical Service (EMS) related calls (Verona Fire District/Verona Fire Department, 2004). There were 20 calls for motor vehicle accidents and 28 Turning Stone Resort & Casino alarm calls including fires and false alarms. The reported number of calls (73) in conjunction with Nation owned facilities in 2003 was up sharply from 2000 (17 calls), 2001 (33 calls) and 2002 (40 calls). The reported Nation facility calls accounted for under 20 percent of the calls for assistance in 2003 (73 out of 430 calls).

According to the Verona Fire District, during these negotiations they notified the Nation that they intended to 1) utilize the increased funding to acquire a needed ladder truck for protection; and 2) convert the fire department to a combination-type (i.e., paid and volunteer staff) due to the increase in call volumes.

A new Agreement between the Nation and the Verona Fire Department was effectuated in the winter of 2004. The new Agreement cancelled the prior square footage method for cost determination, in preference for a fixed amount of $100,000 annually without adjustments for square footage. The Verona Fire Department accepted this agreement, albeit with reservations that they were under-compensated in relationship to other resort complexes elsewhere in the country, alleging that the amount was inadequate to address their ladder truck or staffing needs.

In response to the Nation's Trust Application, the Verona Fire District has indicated in a letter from Phil DuChene, Secretary/Treasurer of Verona Fire District to Deputy Supervisor, Town of Verona dated October 2, 2005, that it seeks a denial of the Trust Application or alternatively a compensation clause that would involve federal compensation or Nation compensation at the previously negotiated rate of $0.08 per SF (all floors commercial and residential) with CPI adjustments. Alternatively, the Fire District would accept an assessed value basis identical to the rate in the remainder of the District.

- In 2004, the Verona Fire Department developed a Fire/Rescue Mutual Aid Plan including more than 100 firemen from the Verona Fire Department and from other departments in the event of a large-scale fire, rescue or EMS event at the Turning Stone Resort & Casino. As part of this plan equipment and/or manpower will be contributed by the Verona, Rome, Oneida, Sherrill, Oneida Castle, Durhamville, New London, Vernon, Vernon Center Fire Departments, the Vineall Ambulance Service and the Oneida County Fire and Oneida County EMS coordinators. The Nation received a grant from the BIA to help pay for the costs of a fire safety and training program for fire departments that are part of the Turning Stone Fire/Rescue Mutual Aid Plan.
- In Canastota, the Nation agreed to pay $0.08 a square foot a year for all of its buildings and structures. Square footage is based on the ground floor of residential and all floors for commercial buildings. Under the agreement, the annual fee is adjusted to the Consumer Price Index.

Police Agreements The Nation Police Department entered into deputization agreements with the Sheriff of Oneida County and with the Sheriff of Madison County. The agreements, which were entered into in January 1994 and October 1994, respectively, allowed Nation police to make arrests of non-Indian subjects on Nation land and to use the state court system for prosecution. The agreements were cancelled by the respective local governments in April 2000.

Infrastructure Development

The Nation has provided more than $9 million in the last 10 years to improve and develop infrastructure systems belonging to surrounding local governments and benefiting the local residents. These projects support the Nation Government and Enterprises, but also provide critical services to neighboring communities.

- *Verona Water Line Expansion and Water Tower*. The Nation paid for a $2.6 million water line expansion. It also paid for a $1 million water tower in 1997, which is part of the Water and Sewer Agreement with the Town of Verona and reported above. After construction, both were provided as a gift to the Town of Verona. The Nation is now a customer of the town for water and sewer services, and Verona earns regular revenues from these sales.
- *Feasibility Studies*. The Nation has paid for feasibility studies for the Town of Verona's infrastructure needs for several years, most recently assisting with about $100,000 in costs.
- *City of Oneida Sewer System Improvements*. The Nation paid $5 million for sewer system improvements for the City of Oneida that it could not otherwise afford without raising taxes.
- *Commitment for Water System Improvements*. The Nation spent $1.5 million in an effort to develop a new water system in Oneida County that would serve several towns and add 13 miles of water line. The system improvements would address the Nation's water needs and also generate revenues for the Town of Verona, its partner. Three other towns would also have had the opportunity to tap the line for development and future revenues. However, the development of the system – a $10 - $11 million investment commitment provided by the Nation – has been delayed due to state processes and procedures.

Property Tax Payments by Nation Employees

A total of 3,641 Nation employees, 87 percent of total Nation employment, live in Madison County and Oneida County. A total of 650 employees live in ZIP code 13421, which roughly corresponds to the City of Oneida and 324 live in ZIP code 13032, which includes the Village of Canastota, the Town of Lenox, and the majority of the Town of Lincoln. (See Table 3.7-98).

Table 3.7-98
Residential and Work Location of Nation Employees, 2005

Local Government	ZIP Code	Employees by Place of Residence
Madison County		
Canastota/Lenox/Lincoln	13032	324
Cazenovia/Fenner	13035	14
Stockbridge	13409	94
Sullivan	13037	80
Oneida	13421	650
Municipalities listed above		1,162
Total Madison County		**1,227**
Oneida County		
Sylvan Beach	13157	49
Sherrill	13461	151
Vernon	13476	152
Vernon Center	13477	27
Verona	13478	172
Durhamville	13054	80
Augusta	13425	16
Total Municipalities listed above		647
Total Oneida County **Madison and Oneida County**		**2,414** **3,641**

Notes: Residential location is reported at the ZIP code and county level; At the ZIP code level, residential location was only available for 3,641 of the 4,001 Nation employees who live in Madison and Oneida Counties
Source: Nation, 2005; unpublished.

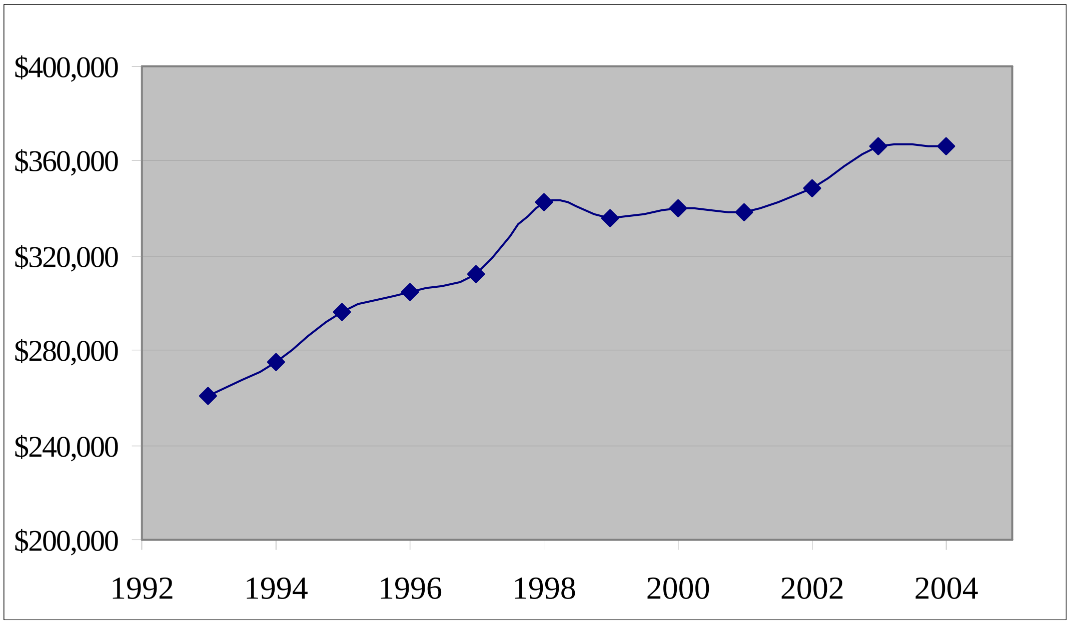
Nation employees who own or rent homes in these communities within Madison or Oneida Counties directly, or indirectly, pay property taxes to the counties, municipalities and school districts. Annual employee property tax payments to Madison and Oneida Counties and to municipalities and school districts where the Nation owns land are estimated at more than $5 million.

County Hotel Receipts/Occupancy Tax Revenues

Oneida County hotel occupancy tax revenue data over the 12-year period 1992-2004 indicates that these revenues have increased alongside the growth in the Turning Stone Resort & Casino operations, suggesting that as the facility expanded its range of offerings to attract visitors, there have been "spill over" business opportunities for local businesses and the government to capture (Figure 3.7-20).

Occupancy tax revenues continued to grow after the Nation started providing on-site lodging. The Nation's first on-site lodging facility was The Hotel, which opened in September, 1997.

Figure 3.7-20
Oneida County Visitor Hotel Occupancy Tax, 1992-2004



Source: Oneida County Convention and Visitors Bureau, 2005.

Other Indirectly Generated Local Tax Revenues

As shown above in Table 3.7-98, a total of 3,641 employees live in Madison and Oneida Counties. Employees spend part of their earnings at local businesses in the counties and municipalities where they live and work and pay local sales taxes. The vendors from which Nation employees buy goods and services use part of their revenues to generate more local economic activity, which in turn creates more local tax revenues.

The expenditures made by Nation Enterprises, Nation Government, and its employees stimulate additional economic activity and tax revenues through the multiplier effect. In 2005 the Nation spent a total of $22 million at businesses located in Madison and Oneida Counties, which in turn used part of their revenues for employee compensation payments and to buy goods and services from other local businesses, generating more local economic activity and tax revenues.

Including the multiplier effect, spending by Nation employees generated an estimated $1.2 million in sales tax revenues for Madison and Oneida Counties and the Study Area municipalities.

Summary of the Nation's Direct Payments

As discussed above, the Nation has made a total $7.7 million of Silver Covenant payments to local governments, has reimbursed several municipalities for the use of their services through agreements for a total of $11.4 million, has paid an additional $3.2 million to local governments for utilities, water and sewer, and has contributed more than $9 million in the last 10 years to local government infrastructure projects. The Nation paid a total of $1.2 million in 2005-2006 to the local school districts and to the City of Sherrill in the Fall of 2005. In March 2006 the Nation paid $5.1 million to the City of Oneida, which exceeds the total principal amount in property taxes billed by the City to the Nation. In total, the Nation directly paid $38.5 million to the local governments in Madison and Oneida Counties (see Table 3.7-99). Local governments credited $6.9 million against claimed property taxes. (see Section 3.7.9.4.)

3.7.7.4 Burden Reduction through Drive for Self-Sufficiency

Because the Nation has charted a path towards greater self-sufficiency and being a responsible partner with local governments, the Nation has assumed various governmental, public safety and social welfare responsibilities, making expenditures otherwise borne by the federal, state and local governments. In so doing, the Nation has assisted in reducing the fiscal burden placed on those governments. For example, the Nation's ability to provide medical insurance, tuition assistance and housing subsidies for all of its members means that those individuals are making relatively fewer demands on the social services provided by State and local governments.

Table 3.7-99
Direct Payments to Local Governments (in $000s) ,1995-2005

Source: The Nation, 2006; unpublished

	Silver Covenant Payments	Municipal Service Agreements	Other Utility/ Water/Sewer Payments	Infrastructure Payments	Other Payments	Total Payments
Counties						
Madison County						
Oneida County	287			1500	650	2,437
Municipalities						
City of Oneida	100	3,527	460	4,977	5,089	14,153
City of Sherrill		430	267		6	766
Town of Augusta						
Town of Cazenovia						
Town of Fenner						
Town of Lenox						
Town of Lincoln						
Town of Smithfield						
Town of Stockbridge						
Town of Sullivan						
Town of Vernon			6			6
Town of Verona	570	7,294	2447	2,700		13,011
Village of Canastota	142	169	16			327
Village of Chittenango	125					125
Village of Sylvan Beach						
Village of Vernon			28			28
School Districts						
V.V.S	3,976				298.4	4,274
Stockbridge	469				137.1	606
Oneida	1,082				510	1,592
Canastota	864				176.5	1,041
Madison	76				11.1	87
Morrisville	16				2.1	18
Cazenovia	15				0	15
Total	**7,722**	**11,421**	**3,223**	**9,177**	**6,943**	**38,486**

3.7.8 Other Regional and Community Contributions

3.7.8.1 Oneida Nation Foundation

The prosperity created by its enterprises enables the Nation to support national and local charities and philanthropic initiatives throughout the United States and Indian Country. The Oneida Nation Foundation was formed to build upon the Oneida people's long tradition of sharing its resources with others to meet current needs and plan for the generations to come. The Foundation has maintained a focus on health, education, youth programs and environmental preservation. The Nation's annual giving program makes special large gifts as well as smaller community gifts to a wide variety of organizations each year. The Foundation makes monetary contributions to government and non-profit organizations located in the Central New York region, the state and the U.S. In 2004, the Oneida Nation Foundation supported nearly 80 organizations through financial awards, in-kind services, and equipment. Local organizations that have received repeated contributions from the Nation include the Great Swamp Conservancy, Inc. in Canastota, the YWCA of the Greater Tri-Valley in the City of Oneida, and Rome Area Chamber of Commerce (see Table 3.7-100 and Table 3.7-101). To date, the Nation has provided New York State organizations with more than $384,000 in cash.

Table 3.7-100
National and Regional Philanthropy – Recent Examples

- **Smithsonian Institution Museum of the American Indian** – The Nation pledged $10 million to help build the museum and house an exhibit of the Nation's history.
- **Tsunami Relief** – In January 2005, the Nation gave a $1 million cash gift.
- **Harvard University Law School in American Indian Law** – The Nation contributed $10 million to endow a chair in American Indian Law.
- **Tri-Valley YMCA**, headquartered in Oneida, benefited from the Nation's donation of all site preparation work – dirt and gravel; earth-moving machines, heavy equipment operation – to assist in a major building expansion. The in-kind gift has been valued at over $15,500.
- **Children's Museum of History, Science and Technology** in Utica sought to renovate exhibits and build a longhouse at the museum. The Nation donated $10,000 for "hardware" components and lent staff (e.g., historian, videography and animation) to develop interactive teaching tools and augment displays.

Source: The Nation, 2005; unpublished.

Table 3.7-101
Recent Community Grants

Each year hundreds of requests are granted for charitable contributions, sponsorships, fundraising contests, booster clubs, door prizes, and raffle items in the Central New York region. Over the last year, the Nation provided over $185,000 in donations to charitable and civic and not-for-profit organizations, including:
AFL-CIO Labor Council
Alzheimer's Association of Central New York
American Cancer Society
ARC Oneida-Lewis Chapter
ARC of Onondaga Foundation
Boys & Girls Clubs of Syracuse
Can-Am Lacrosse Association
Canastota Children's Council
Central New York Korean School
Central Oneida County Volunteer Ambulance Corps
Central New York Stamp, Coin & Cover Show
Children's Museum of History, Natural History, Science & Technology
Cystic Fibrosis Foundation
Earlville Food Cupboard
Erie Canal School Boat Foundation
Faxton-St. Luke's Children's Miracle Network
Friends of the ARC Foundation
Girls Inc. of the Mohawk Valley
Great Swamp Conservancy
Herkimer County Community College
Hiawatha Seaway Council-Boy Scouts
Hospice & Palliative Care
Leadership Mohawk Valley
Leatherstocking Ballet
Madison County Children's Camp
Madison County Office for the Aging
Make-A-Wish Foundation of Central New York
Manlius Pebble Hill School
Mohawk Valley Ballet
Mohawk Valley Frontiers Club
NAACP of Oneida County
Narragansett Indian Tribal Youth Program
National Multiple Sclerosis Society
NYS Coalition for the Aging
Oneida City Schools
Oneida County Historical Society
Oneida Firemen's Benevolent Association
Onondaga Community College Foundation
Perdido River Farms 4-H Program
Post 229 American Legion
Present Company Productions
Rescue Mission
Resource Center for Independent Living
Rome Area Chamber of Commerce
Rome Police Department
Ronald McDonald House of CNY
Rotary Club of Rome
Solvay Tigers A.C.
Special Olympics Onondaga County
Stanley Theatre
Stevens-Swan Humane Society
Sylvan-Verona Beach Resort Association
Syracuse Golden Gloves Charities

Syracuse Northeast Community Center Utica Curling Club Utica Professional Firefighters Charity Vera House Vietnam Veterans of Central New York VietNow of Oneida Wanderers Rest Humane Association YMCA of the Mohawk Valley YWCA of the Tri-Valley Region

Source: Oneida Indian Nation, 2005, Unpublished

3.7.8.2 Scholarship Program

In addition to the Scholarship Program for Nation members, the Nation started an ongoing scholarship program in 2003 for local students (who are not Nation members), which distributes $100,000 each year as 20 one-time grants of $5,000 to seniors in four high schools in the Vernon-Verona-Sherrill, Canastota, Oneida, and Stockbridge school districts. The grants are designed to give financial assistance to students and their families for higher education. Scholarship recipients are selected based on several criteria, including academic ranking, community and school involvement, special needs, individual hardships, and potential for future success. The criteria mirror the experiences of the Nation – financial struggles, obstacles and hardships that must be overcome and the achievement of success through higher education despite initial disadvantages and difficulties. By June 2005, the Nation had awarded a total of $300,000 in scholarships to 60 students, promoting educational opportunity for high school seniors in Madison and Oneida Counties. This program was suspended after the City of Sherrill v. Oneida Nation, 544 U.S. 197 (2005) Supreme Court ruling.

3.7.9 Fiscal Conditions

3.7.9.1 Local Government Revenues

Madison and Oneida Counties

Oneida and Madison Counties, like the local municipalities within them, collect revenue from several sources. These sources include taxes, aid from the state and federal governments, intra-governmental aid and interest payments.

In 2003, the latest year for which statewide data are available, Madison and Oneida Counties generated $347 million in revenues. As can be seen in the Table 3.7-102, the counties receive revenues from a variety of sources with taxes being the single largest revenue category. The counties also receive a large portion of funding from state and federal aid and from other governments, such as town and village payments.

Table 3.7-102
Total Revenues and Sources of Revenue,
Madison and Oneida County, 2003

County	Total Revenue	Property Tax	Non-Property Tax	State Aid	Federal Aid	Other Governments	Interest	Other
Madison	$73,840,419	32.7%	10.9%	17.6%	13.0%	2.8%	0.4%	22.6%
Oneida	$273,309,591	21.2%	21.2%	19.1%	20.8%	7.1%	0.3%	10.3%

Source: Office of the State of New York Comptroller, Local Government Financial Data, 2003; The Louis Berger Group, Inc., 2005.

As shown in Table 3.7-103, Madison County receives an overwhelming majority (71 percent) of its tax-related revenues from property taxes, while Oneida County receives just less than 50 percent of its tax-related revenues from property taxes. In contrast to Madison County, Oneida County depends more heavily on sales taxes. The "Other Tax" category includes payments-in-lieu-of-taxes (PILOTs), which are payments made to compensate a local government for lost revenues, real property transfer tax, hotel occupancy tax, and off-track betting tax.

Municipalities with Nation Land

Municipalities collect revenue from the same major sources as the counties, although the amount and share generated from each source differs. The following sections illustrate various revenue sources and amounts for municipalities where the Nation owns land (see Tables 3.7-104 and 3.7-105)

Table 3.7-103
Total Tax Revenues and Sources of Tax Revenue
Madison and Oneida County, 2003

County	Total Tax Revenues	Property Taxes and Assessments	Sales Tax	Other Tax
Madison	$32,216,945	71.2%	24.2%	4.6%
Oneida	$115,949,137	47.1%	49.2%	3.7%

Source: Source: Office of the State of New York Comptroller, Local Government Financial Data, 2003; The Louis Berger Group, Inc., 2005.

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Table 3.7-104
Revenues and Sources of Revenue
Study Area Municipalities with Nation Land, 2003

	Municipality	Total Revenue	Real Property Taxes	Non-Property Taxes	State Aid	Federal Aid	Other Govern-ment	Interest	Other
Madison County	Village of Canastota	$ 3,456,531	37.1%	15.4%	3.9%	8.9%	3.1%	0.9%	30.7%
	Cazenovia	$ 1,773,280	60.0%	0.0%	23.9%	2.8%	4.1%	0.8%	8.4%
	Fenner	$780,424	50.4%	0.0%	16.8%	11.2%	0.0%	0.5%	21.1%
	Lenox	$1,732,843	59.7%	1.0%	15.8%	0.0%	2.7%	0.9%	19.9%
	Lincoln	$469,287	69.1%	0.9%	21.5%	1.6%	1.5%	1.0%	4.2%
	Smithfield	$436,217	75.4%	0.0%	13.1%	2.3%	5.9%	0.4%	2.9%
	Stockbridge	$692,389	57.8%	0.4%	13.9%	2.8%	5.5%	0.9%	18.8%
	Sullivan	$4,957,591	63.7%	1.5%	16.9%	0.3%	1.9%	0.9%	14.8%
	City of Oneida	$14,152,753	18.5%	21.3%	15.2%	5.1%	2.8%	1.1%	36.0%
Oneida County	Village of Sylvan Beach	$1,475,489	39.0%	18.8%	3.7%	7.7%	0.1%	0.6%	30.0%
	Village of Vernon	$1,402,730	19.0%	9.7%	2.9%	8.1%	3.4%	0.7%	56.2%
	Augusta	$777,836	49.3%	28.1%	9.5%	2.9%	7.8%	0.6%	1.8%
	Vernon	$1,390,202	14.2%	53.5%	17.8%	0.0%	5.9%	1.3%	7.4%
	Verona	$3,050,125	10.5%	36.1%	8.0%	9.1%	3.6%	0.7%	32.0%
	City of Sherrill	$4,176,252	22.1%	13.2%	7.6%	0.0%	1.5%	0.5%	55.2%

Source: Office of the State of New York Comptroller, Local Government Financial Data, 2003; The Louis Berger Group, Inc., 2005.

Municipalities in Madison County rely on real property taxes for the majority of their revenues. The only exception to this is the City of Oneida and the Village of Canastota. However, in Canastota property tax revenues still represent the single largest source of revenue.

In Oneida County, the Village of Vernon and the City of Sherrill both receive the majority of their revenues from other sources. The Town of Vernon generates the majority of it revenues from non-property taxes. Close to half (49.3 percent), of revenues in Augusta come from property taxes.

Table 3.7-105
Tax Revenues
Study Area Municipalities, 2003

	Municipality	Total Tax Revenues	Property Tax	Sales Tax	Other Taxes
Madison County	Village of Canastota	$1,816,044	69.68%	23.38%	6.94%
	Cazenovia	$1,063,551	98.77%	0.00%	1.23%
	Fenner	$393,262	99.20%	0.00%	0.80%
	Lenox	$1,051,324	97.94%	0.00%	2.06%
	Lincoln	$328,512	96.37%	0.00%	3.63%
	Smithfield	$328,936	99.10%	0.00%	0.90%
	Stockbridge	$403,079	97.62%	0.00%	2.38%
	Sullivan	$3,235,689	97.05%	0.00%	2.95%
	City of Oneida	$5,634,441	43.59%	49.66%	6.75%
Oneida County	Village of Sylvan Beach	$852,721	66.58%	29.06%	4.36%
	Village of Vernon	$402,146	65.28%	31.91%	2.81%
	Augusta	$601,830	63.63%	35.79%	0.57%
	Vernon	$941,068	19.60%	77.44%	2.97%
	Verona	$1,420,980	22.6%	74.9%	2.5%
	City of Sherrill	$1,473,204	52.56%	35.11%	12.33%

Source: Source: Office of the State of New York Comptroller, Local Government Financial Data, 2003; The Louis Berger Group, Inc., 2005.

A closer look at tax revenue data reveals stark differences between municipalities in Madison and Oneida Counties with regard to the source of tax revenues. None of the towns in Madison County receive tax revenues from sales taxes or other non-property taxes; property taxes are almost exclusively their sole source of tax revenue. Only the villages and the cities in Madison County collect sales tax. Sales tax and other non-property tax revenues constitute almost half of all the City of Oneida tax revenues and one-fifth of Canastota's tax revenue. In contrast, towns, as well as villages and cities, in Oneida County collect a sales tax that contributes a significant portion of overall tax revenues. Of particular interest are the towns of Verona and Vernon. Three-quarters of their tax revenues in 2003 are derived from sales taxes.

School Districts with Nation Land

In the seven school districts where the Nation owns land per pupil revenues in 2003 range from $6,600 in Madison school district to more than $14,200 in the Stockbridge and Morrisville school districts (see Table 3.7-106). State aid is the largest revenue source for all school district except for the Cazenovia school district, which receives most of its revenues from property taxes.

Table 3.7-106
Sources of Revenue
School Districts with Nation Land, 2003

School Districts	Revenues per Pupil	Property Tax per Pupil	Non-property tax per Pupil	State Aid per Pupil	Federal Aid per Pupil	Interest on Investment per Pupil	All other Revenues per Pupil
Sherrill	$11,412	32.0%	1.0%	55.6%	5.3%	0.3%	5.8%
Stockbridge	$14,270	18.3%	0.0%	68.0%	6.1%	0.1%	7.5%
Oneida	$11,165	30.7%	0.0%	58.8%	6.3%	0.6%	3.6%
Canastota	$11,424	39.0%	0.0%	53.4%	5.3%	0.3%	2.0%
Madison	$6,617	26.8%	0.0%	60.8%	6.1%	1.2%	5.2%
Morrisville	$14,225	23.6%	0.0%	66.5%	5.6%	1.2%	3.1%
Cazenovia	$10,746	58.5%	0.1%	34.7%	3.3%	1.0%	2.5%

Source: Source: Office of the State of New York Comptroller, Local Government Financial Data, 2003; The Louis Berger Group, Inc., 2005.

Fire Districts with Nation Land

There are five fire districts that service the Nation lands. Several of the fire districts derive a significant portion of their revenue source from other sources aside from property taxes (see Table 3.7-107). These sources could include payments in lieu of taxes, charges for services outside of the fire district, and other non-tax based sources. For the Verona fire districts this includes the funds received from the Nation under the fire protection service agreement.

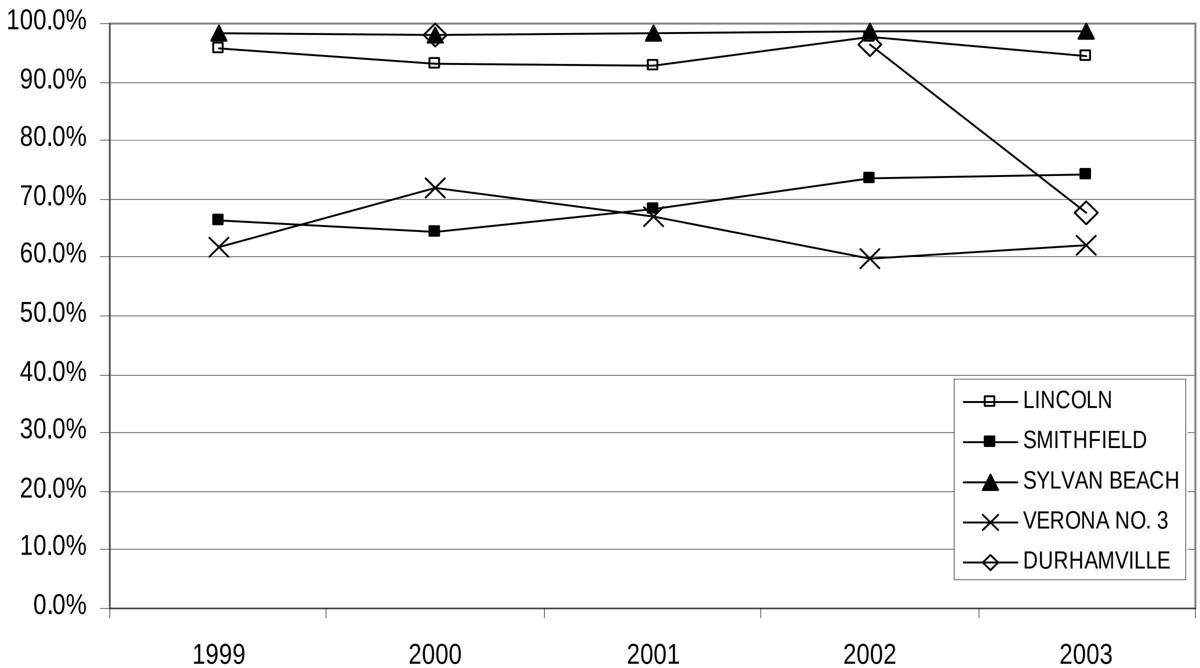
Table 3.7-107
Fire District Revenues, 2003

Fire District	Real Property Taxes	Percent of Total Revenues	Other Revenues	Percent of Total Revenues	Total Revenues
Lincoln	$105,695	94.4%	$6,268	5.6%	$111,963
Smithfield	$41,320	74.1%	$14,446	25.9%	$55,766
Sylvan Beach	$136,000	98.6%	$2,000	1.4%	$138,000
Verona No. 3	$153,000	62.0%	$93,837	38.0%	$246,837
Durhamville	$66,000	67.6%	$31,673	32.4%	$97,673

Source: Source: Office of the State of New York Comptroller, Local Government Financial Data, 2003; The Louis Berger Group, Inc., 2005.

The five-year average of the revenue is shown in Figure 3.7-21. Note that both Smithfield and Verona are significantly below the New York State average.

Figure 3.7-21
Percent of Fire District Revenues from Property Taxes



Source: Source: Office of the State of New York Comptroller, Local Government Financial Data, 2003; The Louis Berger Group, Inc., 2005.
Note: Figures from Durhamville were not available for 1999 or 2001.

3.7.9.2 County and Local Property Tax Exemptions

In 2003, the latest year for which data are available, Madison and Oneida Counties and their constituent municipalities excluded many tax-exempt properties from their taxable rolls. Villages do not report tax exemptions but are grouped together with the town exemptions. Vienna is included because the Village of Sylvan Beach is in Vienna.

As a matter of law or as a reflection of the policies of its representatives and leaders, local governments regularly deliver local government services to exempted lands. Full or partial tax exemptions are extended by State and local governments for several categories including: residential, New York State, municipal government, federal, private community service organizations, industrial, urban renewal, and agricultural properties. As a result of full or partial tax exemptions, these properties do not contribute property tax payments for public services such as fire protection, police, and transportation projects.

Madison County

In Madison County, there are a total of 36,052 parcels of land. According to the New York State Office of Real Property Services, 55.9 percent of the parcels are either wholly or partially tax exempt for county, city/town, or school purposes. The 20,138 exempt parcels account for 25,470 exemptions due to the fact that some parcels of land qualify for two or more exemptions. The 25,470 exceptions account for an equalized exempt value of $1.4 billion, in other words, $1.4 billion is not subject to taxation. Madison County has a total equalized tax value of $3.4 billion; the $1.4 billion tax exempt properties account for 40.7 percent of the county's total equalized value. Of the wholly or partially exempt tax parcels, 6.3 percent are wholly tax exempt and have a total equalized exempt value of $660 million.

Table 3.7-108
Exemptions by Type, Madison County, 2003

Exemption Type	Number of Exemptions	Equalized Exempt Value (in $1,000s)	Percent of All Exemptions	Exempt Value as Percentage of Total Value
Wholly Exempt, Publicly Owned	1,043	405,436	4.1%	11.8%
Wholly Exempt, Privately Owned	563	254,675	2.2%	7.4%
Partially Exempt, Publicly Owned	212	17,406	0.8%	0.5%
Partially Exempt, Privately Owned	23,648	725,708	92.9%	21.1%
Invalidly Coded Exemptions	4	9	0.0%	0.0%
Countywide Exemptions Total	**25,470**	**$1,403,234**	**100.0%**	**40.7%**

Source: New York State of Real Property Services, 2003.

Almost half, 49.1 percent, of the tax exempt value are residential properties, which include veterans' homes, persons over age 65, clergy homes, and STAR (School Tax Relief Program) exemptions. Additionally, 18.0 percent is for community service organizations, and 14.9 percent constitutes New York State properties.

Table 3.7-109
Summary of Tax Exemptions, Madison County, 2003

Description	Number of Exemptions	Percentage of All Tax Exemptions	Equalized Exempt Value (in $1,000s)*	Percentage of Total Equalized Tax Exempt Value
Residential Property	21,779	85.5%	688,497	49.1%
Property of New York State Government	385	1.5%	208,861	14.9%
Property of Municipal Governments	637	2.5%	172,425	12.3%
Property of U.S. Governments	17	0.1%	2,568	0.2%
Property of Private Community Service Organizations, Social Organizations, and Professional Societies	554	2.2%	253,276	18.0%
Industrial, Commercial, and Public Service Property	159	0.6%	19,981	1.4%
Urban Renewal Property, Public Housing, and Private Subsidized Housing	17	0.1%	13,243	0.9%
Agricultural and Forest Property	1,918	7.5%	44,369	3.2%
Invalidly Coded Exemptions	4	0.0%	9	0.0%

Totals	25,470	100.0%	$1,403,234	100.0%

Note: Table includes number of exemptions, not number of exempt tax parcels.
*Equalized Values in Thousands
Source: New York State Office of Real Property Services, 2003.

Total tax exempt value ranges from $22 million in Lincoln to $212 million in the City of Oneida. None of the Study Area's municipalities in Madison County have removed the Nation lands from their tax rolls and, therefore, the Nation lands are not included in this analysis of tax exempt properties.

Table 3.7-110
Equalized Exempt Value of Properties in Study Area Municipalities in Madison County, 2003

Municipality	Equalized Exempt Value (in $1,000s)
Cazenovia	$117,015
Fenner	$42,009
Lenox	$148,052
Lincoln	$22,118
City of Oneida	$211,960
Smithfield	$23,789
Stockbridge	$27,373
Sullivan	$203,394
TOTAL	$795,710

Source: New York State Office of Real Property Services, 2003.

Oneida County

There are 104,513 tax parcels with a total equalized value of $10.7 billion in Oneida County. In Oneida County, there are a combined total of 87,719 tax exemptions for county, town/city and school district purposes with an equalized exempt value totaling more than $5.6 billion. Whole or partial tax exempt parcels constitute 60.5 percent of all tax parcels in the County and 52.6 percent of the County's total equalized value. Of the exemptions, 5.3 percent are wholly exempt and have an equalized exempt value of $3.1 billion.

Table 3.7-111
Exemptions by Type, Oneida County, 2003

Exemption Type	Number of Exemptions	Percentage of All Tax Exemptions	Equalized Exempt Value (in $1,000s)*	Percentage of Total Equalized Tax Exempt Value
Wholly Exempt, Publicly Owned	2,876	3.3%	2,166,492	20.2%
Wholly Exempt, Privately Owned	1,750	2.0%	915,538	8.5%
Partially Exempt, Publicly Owned	823	0.9%	35,289	0.3%
Partially Exempt, Privately Owned	82,231	93.7%	2,523,837	23.5%
Invalidly Coded Exemptions	39	0.0%	1,690	0.0%
Countywide Exemptions Total	87,719	100.0%	5,642,845	52.6%

Source: New York State Office of Real Property Services, 2003.

As with Madison County, close to half (43.1 percent) of the tax exempt value are residential properties. Furthermore, 16.4 percent are New York State properties and another 15.7 percent are community service organizations.

Considering the individual municipalities within Oneida County where the Nation owns land, Verona had the most tax exempt value at $328 million and Augusta had the least amount at $29 million in 2003. In 2003, Verona listed five properties owned by the Nation as tax-exempt which constituted $199 million or 60.7 percent of the total equalized exempt value in Verona. All other municipalities had not removed the Nation lands from their tax rolls and as a result, Nation lands are not included in the reported tax-exempt properties (see Table 3.7-113). In the wake of the United States Supreme Court decision City of Sherrill v. Oneida Nation (decided March 29, 2005), Verona placed the five properties on the tax rolls and removed them from tax exempt status.

3.7.9.3 Local Tax Burden

There are nine major land use categories of properties included on the tax rolls. They are agricultural, residential, vacant, commercial, recreation and entertainment, community service, public service, and public parks including wild, forested and conservation properties. State law requires the assessment of all property values at a uniform percentage

Table 3.7-112
Summary of Tax Exemptions, Oneida County, 2003

Description	Number of Exemptions	Percentage of Exemptions	Equalized Exempt Value (in $1,000s)	Percentage of Equalized Exempt Value
Residential Property	80,152	91.4%	2,429,178	43.0%
Property of New York State Government	399	0.5%	926,043	16.4%
Property of Municipal Governments	2,225	2.5%	482,518	8.6%
Property of U.S. Government	47	0.1%	324,108	5.7%
Property of Private Community Service Organizations, Social Organizations, and Professional Societies	1,690	1.9%	883,088	15.6%
Industrial, Commercial, and Public Service Property	348	0.4%	216,993	3.8%
Urban Renewal Property, Public Housing, and Private Subsidized Housing	649	0.7%	319,663	5.7%
Agricultural and Forest Property	2,170	2.5%	59,562	1.1%
Invalidly Coded Exemptions	39	0.0%	1,690	0.0%
Total	**87,719**	**100.0%**	**$5,642,845**	**100.0%**

Note: Table includes number of exceptions, not number of exempt tax parcels.
Source: New York State Office of Real Property Services, 2003

Table 3.7-113
Equalized Exempt Value of Properties in
Study Area Municipalities in Oneida County, 2003

Municipality	Equalized Exempt Value (in $1,000s)
Vienna*	$88,913
Augusta	$28,826
Vernon	$156,263
Verona	$328,085
Sherrill	$81,279
TOTAL	**$683,366**

Source: New York State Office of Real Property Services, 2003
Note: Prior to City of Sherrill v. Oneida Nation Note:* The Nation owns land in the Village of Sylvan Beach, which is located in the Town of Vienna.

of value, with the exception of New York City and Nassau County. This means that residential and business property must be assessed at the same percentage of value. The Level of Assessment (LOA) is the percentage of full value at which properties are assessed within a community. For instance, an LOA of 50% would indicate that assessments are at half of the market value; an LOA of 100% represents a community that is assessing at full value. In New York State, each municipality is allowed to choose its LOA and no matter what LOA the municipality uses, all of the assessments in the community are required by law to be at a "uniform percentage of value." In other words, if a town chooses to assess at 40% of market value, then all of the properties in the town should be assessed at 40% regardless of use (residential, commercial, manufacturing).

Using information from the New York State Office of Real Property, it can be determined how much each property class contributes to the total taxable assessed value of a specific municipality. In 2003, the latest year for which data are available, the majority of a municipality's taxable base was residential. The residential tax base ranged from 62.4 percent of taxable assessed value in Stockbridge, Madison County, to 80.5 percent in Cazenovia, Madison County. The table on the following page shows total taxable assessed value by property class for each municipality in which the Nation owns land (see Table 3.7-114).

Using this same information and population data, the residential tax burden per capita can be estimated (see Table 3.7-115). The experience of each municipality varies over the time frame. For some, like Fenner, the per capita residential tax burden has declined, while others, such as Smithfield, have experienced an increase. The Towns of Verona and Vernon have a much lower tax burden per capita than the other municipalities.

3.7.9.4 Overview of Nation Land Acquisitions

The Nation began to reacquire its lands on the open market in 1987 with a bulk of purchases made in the late 1990s. Figures 3.7-22 and 3.7-23 illustrate the number of properties the Nation has purchased since 1987. Most were purchased in 1998 when the

Nation reacquired 93 properties followed in 1999 when the Nation purchased 77 properties.

The total assessed value of land at the time of purchase was the greatest during the years 1998 and 1999 when the Nation bought the most land, both in terms of acreage and number of properties. In 1998, the total assessed value at the time of purchase for the 93 properties was $8.95 million. However, in 1999, when the Nation purchased 77 properties, the total was assessed at $4.39 million, while the 45 properties acquired in 2000 were assessed at $4.82 million.

Table 3.7-114
Total Municipal Taxable Assessed Value by Property Class
Study Area Municipalities, 2003

	Municipality	Total Taxable Assessed Value	Agricultural	Commercial	Community Services	Industrial	Public Services	Recreation & Entertainment	Residential	Vacant Land	Public Parks
Madison County	Cazenovia	$400,420,309	2.5%	6.8%	0.0%	0.3%	6.0%	0.5%	80.5%	3.4%	0.07%
	Fenner	$53,880,132	14.74%	2.18%	0.00%	0.00%	8.08%	0.00%	69.93%	5.08%	0.00%
	Lenox	$322,918,514	1.68%	13.72%	0.14%	3.01%	7.34%	1.91%	68.71%	3.50%	0.00%
	Lincoln	$72,972,583	12.11%	0.60%	0.00%	0.59%	6.45%	0.00%	77.58%	2.68%	0.00%
	City of Oneida	$378,967,151	0.77%	23.56%	1.83%	2.73%	5.72%	0.46%	63.61%	1.32%	0.01%
	Smithfield	$33,703,487	18.80%	0.97%	0.00%	0.00%	6.41%	0.21%	68.75%	4.86%	0.00%
	Stockbridge	$58,287,235	21.92%	5.30%	0.10%	2.06%	6.22%	0.00%	62.40%	2.00%	0.00%
	Sullivan	$527,677,127	2.25%	7.85%	0.28%	1.01%	5.67%	0.53%	79.67%	2.74%	0.00%
Oneida County	Augusta	$52,054,346	16.58%	4.28%	0.00%	3.49%	7.80%	1.33%	65.03%	1.41%	0.07%
	Vernon	$307,172,812	5.54%	10.75%	0.00%	6.80%	4.15%	2.12%	69.36%	1.27%	0.01%
	Verona	$200,415,789	7.87%	4.99%	7.20%	0.16%	10.05%	0.40%	67.30%	2.02%	0.00%
	Vienna*	$192,884,869	1.13%	6.95%	0.53%	0.17%	3.79%	2.66%	77.90%	6.64%	0.23%
	Sherrill	$125,718,100	0.10%	7.72%	0.00%	13.68%	1.87%	1.66%	74.26%	0.72%	0.00%

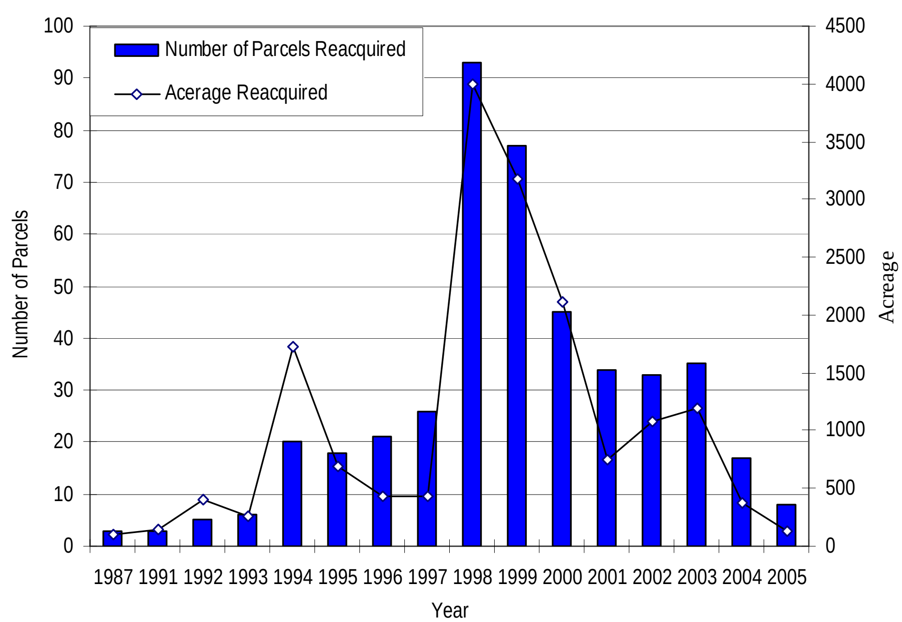
Source: New York State Office of Real Property Services, 2003; The Louis Berger Group, Inc 2005. Note*The Nation owns land in the Village of Sylvan Beach which is located in the Town of Vienna

Table 3.7-115
Residential Property Tax Burden Per Capita
Study Area Municipalities, 2000 - 2003

	Municipality	2000	2001	2002	2003
Madison County	Cazenovia	$108.33	$122.52	$116.74	$125.85
	Fenner	$177.89	$184.57	$179.26	$162.57
	Lenox	$73.97	$81.06	$88.92	$80.27
	Lincoln	$120.75	$122.14	$129.22	$131.34
	Smithfield	$144.84	$171.43	$179.55	$183.70
	Stockbridge	$93.02	$101.34	$104.23	$117.03
	Sullivan	$149.16	$154.53	$160.73	$165.40
	Oneida	$118.78	$132.75	$129.27	$142.15
Oneida County	Augusta	$133.75	$147.95	$150.10	$126.68
	Vernon	$25.91	$23.71	$23.67	$23.69
	Verona*	$31.43			$33.38
	Vienna**	$93.01	$111.22	$100.34	$111.89
	Sherrill	$153.03	$153.12	$168.01	$184.05

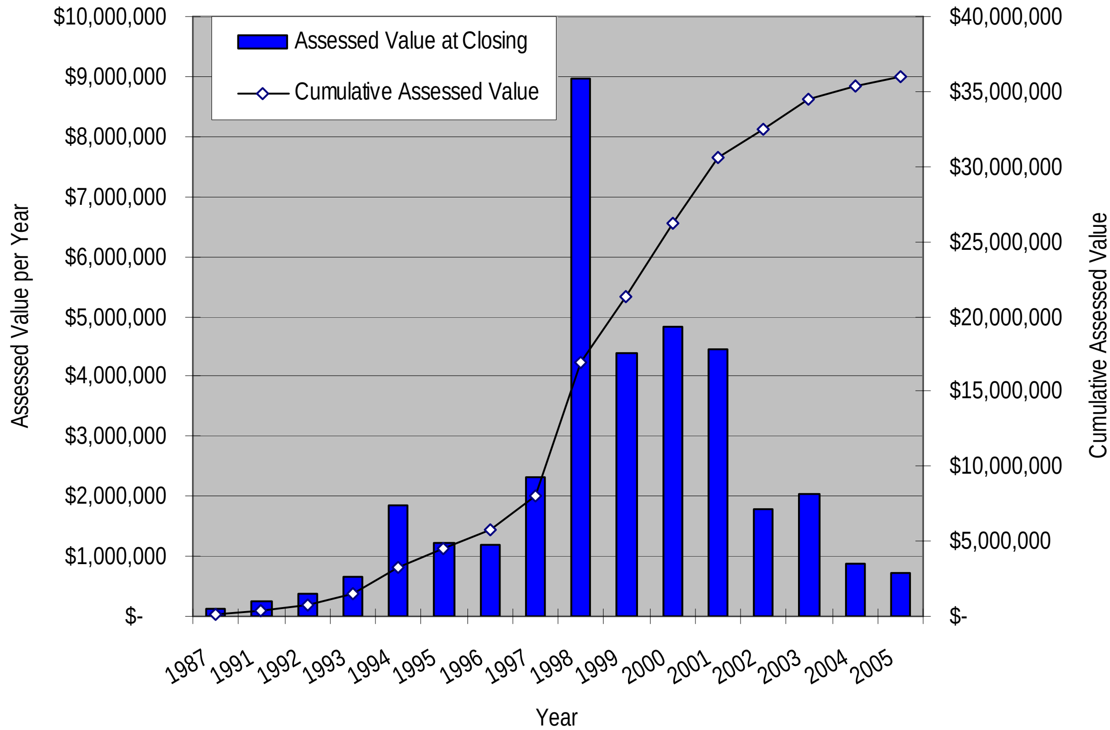
Note: *Missing 2001 and 2002 data. **The Nation owns land in the Village of Sylvan Beach which is located in the Town of Vienna
Source: Source: Office of the State of New York Comptroller, Local Government Financial Data, 2003; The Louis Berger Group, Inc., 2005. New York State Office of Real Property MuniPro 2002 and 2003,

Figure 3.7-22
Acreage and Number of Properties Reacquired by the Nation
in Study Area, 1987-2005



Source: The Nation, 2005; unpublished.

Figure 3.7-23
Assessed Value at Closing and Cumulative Value, Nation Land Purchases, 1987-2005



Source: The Nation, 2005; unpublished.

The Nation currently owns 17,370 acres in Madison and Oneida Counties spread out over three villages—Canastota, Sylvan Beach, and Vernon; nine towns—Augusta, Cazenovia, Fenner, Lenox, Lincoln, Smithfield, Stockbridge, Sullivan, Vernon, and Verona; two cities—Sherrill and Oneida; and seven school districts — Sherrill, Stockbridge, Oneida, Canastota, Madison, Morrisville, and Cazenovia. Nation lands make up approximately 1.4% of all the land in Oneida and Madison County, which together consist of 1,195,904 acres (see Table 3.7-116).

Madison County

Thirty-eight percent of the land owned by the Nation, or 6,595 acres, is located in Madison County. Within Madison County, the Nation owns land in the Town of Stockbridge (21 percent of Nation land), the City of Oneida (6 percent of Nation land) and the Town of Lenox (5 percent of Nation land). The Nation also owns land in the Village of Canastota and in the Towns of Cazenovia, Fenner, Lincoln, Smithfield, and Sullivan.

Table 3.7-116 details the amount of Nation land as a percentage of the municipality's total area. In most cases, the Nation owns less than five percent of a village, town, or city's total land. The exceptions are the Town of Stockbridge, the Village of Canastota, and the City of Oneida where the Nation owns 18, 11, and 7 percent of the total land area, respectively.

Oneida County

Sixty-two percent of land owned by the Nation, or 10,776 acres, is located in Oneida County. Within Oneida County the Nation owns land in the Towns of Verona (49 percent of Nation land) and Vernon (11 percent of Nation land). The Nation also owns land in the Villages of Sylvan Beach and Vernon, the Town of Augusta, and the City of Sherrill.

As in Madison County, the Nation owns comparatively little of most municipalities' total land area (see Table 3.7-116). Only in the Towns of Verona and Vernon, the Nation owns more than two percent of the land. The Nation owns 19 and 8 percent of the total land area in Verona and Vernon, respectively.

Use of Nation Lands

A breakdown of the Nation's land holdings by current use is presented in Table 3.7-117. The distribution illustrates that the active uses (e.g., residential, recreation and entertainment, industrial, commercial, and public and community services) comprise about 25 percent of the total acreage while the remainder are agricultural lands, wild, forested, conservation lands and public parks, or vacant land.

Assessed Value of Nation Land

The Nation holds properties with a 2005 assessed value of $443 million, with $33.9 million in Madison County and $409 million in Oneida County (see Table 3.7-118).

The Nation's land in the Town of Verona, where the Turning Stone Resort & Casino is located, has the largest current assessed value and accounts for 90 percent of the total assessed value of Nation land. The parcel for the Turning Stone Resort & Casino's gaming facilities has an assessed value of $362 million. This is currently being contested by the Nation. Nation properties in the City of Oneida account for five percent of the total assessed value of Nation land while the remaining five percent is divided among the other 13 municipalities.

Table 3.7-116
Nation Land by Municipality and County

	Municipality	Acres of Nation Land	Percent of Nation's Land	Percentage of Municipality's Land Area
Madison County	Village of Canastota	226.4	1.30%	10.70%
	Cazenovia	9.3	0.05%	0.00%
	Fenner	27.9	0.16%	0.10%
	Lenox	826.4	4.76%	3.50%
	Lincoln	367.4	2.12%	2.30%
	City of Oneida	1,039.1	5.98%	7.40%
	Smithfield	296.4	1.71%	1.90%
	Stockbridge	3,620.9	20.85%	17.80%
	Sullivan	180.6	1.04%	0.40%
Oneida County	City of Sherrill	4.1	0.02%	0.30%
	Town of Augusta	259.4	1.49%	1.50%
	Town of Vernon	1,901.2	10.95%	7.80%
	Town of Verona	8,593.9	49.48%	19.40%
	Village of Sylvan Beach	6.6	0.04%	1.50%
	Village of Vernon	10.2	0.06%	1.80%
Madison County		**6,594.5**	**37.96%**	**1.40%**
Oneida County		**10,775.5**	**62.04%**	**1.40%**
Total		**17,370.0**	**100.00%**	**1.40%**

Source: The Nation, 2006; unpublished.

Table 3.7-117
Nation Land Holdings by Use

Land Use	Acres	% of Nation ands
Agricultural	11,451	65.92%
Commercial	215	1.24%
Community Services	155	0.89%
Industrial	224	1.29%
Public Services	166	0.95%
Recreation and Entertainment	1,545	8.89%
Residential	1,973	11.36%
Vacant Land	1,169	6.73%
Wild, Forested, Conservation Lands and Public Parks	472	2.72%
Total	**17,370**	**100%**

Note: Agriculture includes vacant agricultural land.
Source: The Nation, 2006; unpublished

Table 3.7-118
Assessed Value of Nation Land

		Current Assessed Value	% of Total Current Assessed Value
Madison County	Village of Canastota	$3,165,100	0.7%
	Cazenovia	$61,700	0.0%
	Fenner	$6,300	0.0%
	Lenox	$4,372,900	1.0%
	Lincoln	$844,200	0.2%
	City of Oneida	$20,861,611	4.7%
	Smithfield	$125,000	0.0%
	Stockbridge	$4,440,900	1.0%
	Sullivan	$68,000	0.0%
	Total	***$33,945,711***	***7.7%***
Oneida County	City of Sherrill	$1,380,000	0.3%
	Town of Augusta	$366,400	0.1%
	Town of Vernon	$6,511,700	1.5%
	Town of Verona	$399,534,977	90.2%
	Village of Sylvan Beach	$447,600	0.1%
	Village of Vernon	$978,600	0.2%
	Total	**$409,219,277**	**92.3%**
	TOTAL	**$443,164,988**	**100.0%**

Source: The Nation, 2006; unpublished.

The $443 million assessed value of Nation land corresponds to 5.9 percent of the total equalized value that was exempt from property taxes in Madison and Oneida County. 2003 is the latest year for which statewide tax exemption data by county is reported by the New York State Office of Real Property Services.

- In Madison County, the current assessed value of Nation lands of $34 million is 1.0 percent of the total property valuation and 2.4 percent of the total equalized exempt value of all tax exempt properties in Madison County in 2003.
- In Oneida County, the current assessed value of Nation lands of $409 million is 3.8 percent of the total property valuation and 7.2 percent of the total equalized exempt value of all tax exempt properties in Oneida County. (Exemptions as reported by the New York State of Office of Real Property Services, 2003.)

Land Groupings

As explained in Section 2 of the Preliminary Draft EIS, the Nation grouped its land into three categories for the purpose of the Trust Application (see Table 3.7-118). Group 1 is the smallest group in terms of land area and number of tax lots and consists generally of land associated with the Turning Stone Resort & Casino. Group 2 consists generally of land associated with government and cultural facilities, housing, health, education and hunting, as well as lands in current use for Nation enterprises, such as convenience stores, services stations, newspaper operations, marinas and agriculture. It includes 37 percent of Nation land in terms of land area and more than half of all Nation-owned tax lots. Group 3 consists generally of undeveloped land, or lands subject to a competing claim of sovereignty by the Stockbridge-Munsee Community of Wisconsin, an Indian tribe located in Wisconsin. Group 3 includes 43 percent of Nation land in terms of land area.

Table 3.7-119
Grouping of Nation Land, by Use

Grouping	Acres	% of Total Acres	Tax Lots
Group 1 (Gaming)	3,428	20%	96
Group 2 (Non Gaming)	6,475	37%	240
Group 3 (Non Gaming Other)	7,467	43%	104
Total	**17,370**	**100%**	**440**

Source: The Nation, 2006; unpublished.

Group 1 (Gaming)

Group 1 consists of 96 tax lots covering 3,428 acres in the Towns of Verona and Vernon; both in Oneida County (see Table 3.7-118). The real property has a current assessed value of $395 million. While 36 percent of Group 1 land is located in Vernon, 99 percent of the total assessed value is in Verona. The tax lot with the Turning Resort & Casino, gaming floor, valued at $362 million (currently being contested by the Nation), accounts for the largest share of Group 1 Nation land. Estimated county, municipal and school district taxes based on the current assessed value total $12.6 million.

Table 3.7-120
Group 1 (Gaming) Lands

	Tax Lots	Acres	% of Total Acres	Current Assessed Value	% of Total Current Assessed Value	County Tax Estimate	Municipal Tax Estimate	Estimated School District Tax
Vernon	19	1,232	36%	5,397,600	1%	24,829	3,940	117,560
Verona	77	2,196	64%	389,313,000	99%	3,278,015	272,519	8,942,520
Total Oneida County	**96**	**3,428**	**100%**	**$394,710,600**	**100%**	**$3,302,844**	**$276,459**	**$9,060,079**

Source: The Nation, 2006; unpublished.

Based on 2003 (the latest year for which tax exemption data by county is reported by the New York State Office of Real Property Services) county full valuation and exemption data, Nation land in Group 1 accounts for 6.4 percent of Oneida County's total property valuation and corresponds to 6.6 percent of total exempt value in the County.

Group 2 (Non-Gaming)

Group 2 lands are located in Madison and Oneida Counties and 15 of their constituent municipalities (see Table 3.7-119). Group 2 lands are concentrated in Oneida County (72 percent of total Group 2 land area), more specifically in Verona (62 percent). More than half of Group 2 lands in Verona are currently used for agriculture or are vacant agricultural land.

Group 2 lands have a current assessed value of $41 million, with $28 million in Madison County and $13 million in Oneida County. Fifty percent of the valuation of Group 2 properties is from properties located in the City of Oneida, which is the location of Nation government offices and the Nation Village of the White Pines. Estimated county, municipal, and school district taxes based on the current assessed value total $1.4 million.

Table 3.7-121
Group 2 (Non Gaming Lands)

	Tax Lots	Acres	% of Total Acres	Current Assessed Value	% of Total Current Assessed Value	County Tax Estimate	Municipal Tax Estimate	Estimated School District Tax
Village of Canastota	13	226	2%	$3,165,100	7.8%	$26,872	$31,873	$67,504
Cazenovia	2	9	0%	61,700	0.2%	521	57	1,124
Lenox	25	638	10%	4,000,900	9.8%	33,968	6,001	86,728
Lincoln	3	22	0%	275,900	0.7%	2,334	944	6,007
Oneida	40	789	12%	20,528,711	50.3%	223,763	147,396	407,514
Stockbridge	1	121	2%	174,500	0.4%	1,480	900	3,801
Sullivan	2	111	2%	34,800	0.1%	295	132	758
Total in Madison County	**86**	**1917**	**28%**	**$28,241,611**	**69.2%**	**$289,233**	**$187,303**	**$573,435**
Augusta	4	2	0%	115,100	0.3%	1,026	1,014	2,828
Sherrill	9	3	0%	1,243,600	3.1%	9,625	7,773	27,073
Village of Sylvan Beach	7	7	0%	447,600	1.1%	3,872	2,435	9,100
Vernon	8	237	4%	799,200	2.0%	3,676	583	16,624
Village of Vernon	5	10	0%	978,600	2.4%	4,502	6,919	21,314
Verona	122	4,298	67%	8,966,077	22.0%	75,494	6,276	195,625
Total in Oneida County	**155**	**4,557**	**72%**	**$12,550,177**	**30.8%**	**$98,195**	**$25,000**	**$272,564**
TOTAL	**240**	**6,475**	**100%**	**$40,791,788**	**100.0%**	**$387,428**	**$212,303**	**$845,999**

Source: Oneida Indian Nation, 2006, unpublished

Group 3 (Non Gaming - Other)

Group 3 includes 104 tax lots totaling 7,467 acres, 63 percent of which are Madison in County mostly in Stockbridge (46 percent of total Group 3 land area) (see Table 3.7-122). The remaining 37 percent is located in Oneida County, where the majority of Group 3 land is in Verona (27 percent of total Group 3 land area).

Group 3 lands have a total assessed value of $7.6 million, 75 percent applies to properties in Madison County and 25 percent to Oneida County lands. Estimated county, municipal, and school district taxes based on the current assessed value total $0.3 million.

Nation lands in Group 3 account for 0.23 and 0.03 percent of the total assessed value in Madison and Oneida Counties, respectively. The full value of Group 3 lands equals 0.4 percent of the equalized exempt value of Madison County properties and 0.03 percent Oneida County's equalized exempt value.

Table 3.7-122
Group 3 (Non Gaming – Other)

	Tax Lots	Acres	% of Total Acres	Current Assessed Value	% of Total Current Assessed Value	County Tax Estimate	Municipal Tax Estimate	Estimated School District Tax
Fenner	1	28	0.4%	$6,300	0.1%	$58	$31	$149
Lenox	9	189	2.5%	372,000	4.9%	3,158	558	9,498
Lincoln	5	345	4.6%	568,300	7.4%	4,808	1,944	12,377
Oneida	5	250	3.3%	332,900	4.4%	3,629	2,390	6,548
Smithfield	4	296	3.9%	125,000	1.6%	1,114	1,005	2,476
Stockbridge	47	3,500	46.2%	4,266,400	55.8%	36,179	22,015	92,986
Sullivan	2	69	0.9%	33,200	0.4%	282	126	723
Total in Madison County	**73**	**4,677**	**63.2%**	**$5,704,100**	**75.3%**	**$49,227**	**$28,068**	**$124,757**
Augusta	2	258	3.4%	251,300	3.3%	2,239	2,214	6,174
Sherrill	1	0	0.0%	52,000	0.7%	402	325	1,133
Vernon	5	432	5.7%	314,900	4.1%	1,449	230	6,859
Verona	22	2,099	27.7%	1,255,900	16.6%	11,578	963	28,428
Total in Oneida County	**30**	**2,789**	**36.8%**	**$1,874,100**	**24.7%**	**$15,668**	**$3,731**	**$42,594**
TOTAL	**104**	**7,464**	**100%**	**$7,578,200**	**100%**	**$64,895**	**$31,799**	**$167,351**

Source: Oneida Indian Nation, 2006, unpublished

Intensity of Land Usage

Nation land is used by more than 5,000 persons on a daily basis excluding visitors. Average daily number of visitors to Turning Stone Resort & Casino in FY2005 was 12,200.

There is an average of 3.4 acres of Nation land per "daytime user", which includes Nation employees, Nation members who are unemployed or not in the labor force (e.g., retired, student, homemaker) and young children. By comparison, the average land per daytime user in Madison and Oneida Counties as a whole is 3.8 and 1.8 acres per person, respectively (see Table 3.7-123). The calculations for Madison and Oneida Counties are for the counties as a whole, which means that they include the Nation's land, members and employees. Based on the most recent data, employment has decreased in both counties since 2000. In Oneida County population also has decreased since 2000. While 2005 data is not available, the acreage per person in both counties is likely to be higher in 2005 than in 2000.

Thus, even when excluding visitors who increase the intensity of land use activities at select locations, the Nation land is not used less intensively than land in Madison County as a whole.

Nation Payments Credited Against Property Taxes Claimed

As shown in Table 3.7-98, the Nation directly paid $38.5 million to local governments in Madison and Oneida County. From 2005 through March 2006, local governments credited $6.9 million of the Nation's payments against outstanding tax bills (see Table 3.7-124). Other than Vernon-Verona-Sherrill

Table 3.7-123
Land Area per Daytime User
Madison and Oneida Counties and the Nation

	Madison County	Oneida County	The Nation
Not In labor force	60,607	240,649	233*
Unemployed	15,135	49,461	62*
Workers	23,840	108,265	4,611**
Workers who live within the County	16,174	89,035	
In-commuters	7,666	19,230	
Children (less than 16)	9,881	27,374	154***
Total Daytime Population	**109,463**	**425,749**	**5,060**
Land Area (acres)	419,774	776,125	17,402****
Average Acreage per Daytime User	**3.8**	**1.8**	**3.4**

Source: U.S. Bureau of Census, Census 2000, Summary File 1; Census 2000, Journey To Work; Census 2000, American Indian and Alaska Native Summary File (AIANSF) ; Nation.
Notes: * Estimates from the Census 2000 AIANSF; ** 2005 data; *** Sum of Children under age 5 from the Census 2000 AIANSF and non Member children at the Nation's Early Learning Center; ****Includes properties reacquired by the Nation as of 2005 and 32 acres Nation Territory.

District (V.V.S), all local school districts were paid in full for the 2005-2006 fiscal year. The Nation has questioned V.V.S.'s $4.6 million property tax claim on several grounds, including a recent federal court decision stating that the lands are exempt from taxation under state law, the assessment is improperly inflated, and because it improperly includes tax on Indian gaming activity. As of March 2006, the Nation had paid V.V.S. $298,400, which is the fiscal year 2005-2006 tax claim for the properties that are not part of the gaming complex.

The local governments have continued to send the Nation invoices for property taxes, interest, and penalties. As of June 2006, local governments had invoiced the Nation a total of $21.4 million in property taxes, including penalties (see Table 3.7.-125). The local governments did not credit the Nation for its $7.7 million Silver Covenant Grant payments (see Section 3.7.7).

Table 3.7-124
Payments Credited to the Nation
by Local Governments, 2005-2006 (in $000s)

Local Governments	County	Amount Paid
School Districts		
Canastota	Madison	$176.5
Madison	Madison	$11.1
Morrisville-Eaton	Madison	$2.1
Oneida	Madison	$510.0
Stockbridge	Madison	$137.1
Vernon-Verona-Sherrill *	Oneida	$298.4
Other Local Governments		
City of Sherrill	Oneida	$59.8
City of Oneida	Madison	$5,089.0
Oneida County	Oneida	$650.0
Total		**$6,943.0**

* The assessed value of the Turning Stone Resort & Casino is being contested by the Nation. In addition, the Nation made a payment of $9,315 to the City of Sherrill in 2006 that was credited against its 2006-2007 tax bill.
Source: The Nation, 2006; unpublished.

Table 3.7-125
Taxes Claimed by Local Government (including penalties and interest), June 2006

Location	Town and County Total Tax Claims	Village Tax Claims	Total
Town of Augusta	$7,496	-	$7,496
Town of Fenner	91	-	91
Town of Lenox	48,057	-	48,057
Town of Lincoln	10,610	-	10,610
Town of Smithfield	2,301	-	2,301
Town of Stockbridge	59,875	-	59,875
Town of Sullivan	805	-	805
Town of Vernon	171,130	-	171,130
Town of Verona	20,958,230	-	20,958,230
Village of Canastota	72,531	34,453	106,983
Village of Sylvan Beach	13,877	7,636	21,514
Village of Vernon	16,224	6,910	23,134
V.V.S School District			
Total	**$21,361,227**	**$48,999**	**$21,410,226**

Note:* The assessed value of the Turning Stone Resort & Casino is being contested by the Nation.
Source: The Nation, 2006; unpublished.

3.7.9.5 Cost of Local Government Services directly related to the Nation

Under the Indian Gaming Regulatory Act (IGRA), an Indian Casino cannot be taxed, nor is a Tribe allowed to make payments in lieu of taxes, but only may pay mitigation for actual impacts. This section reviews the Nation's activities in relationship to their need or demand for county and local government services. Conceptual estimates are made of the amount of county and local government spending that may be reasonably attributable to Nation activities.

County and local government services are traditionally supported by the local property tax but also by several other non-property tax local sources (e.g., sales taxes, charges, fees, and permits) and non-local sources such as Federal- and State-Aid. To develop an estimate of the amount of county and local government service expenditures that may be impacted by the Nation activities, this section accounts for these supplementary sources and considers only the amount of governmental services spending supported through the property tax levy. The property tax payment is the principal revenue source for county and local government that would be unavailable should the Nation lands get placed into trust. Other socioeconomic sections of this report consider whether, and to what extent, the Nation's activities may contribute revenues to county and local government to mitigate the expenditure effects described below.

Local Schools

The total pupil enrollment, the total costs and the total per-pupil costs to educate children in the School Districts for which the Nation has land holdings are presented in Table 3.7-126. Based upon 2004 data compiled from the New York State's Office of the State Comptroller and the New York State Department of Education, school district expenditures include all funding categories: general support; operations and maintenance; instruction and administration; teaching; school lunch; transportation; and other elements of overhead and administration and incorporates debt service.

Federal-aid and state-aid programs are the dominant means for funding public school education spending. State-Aid is the principal means for supporting educational spending accounting for 54 percent of the revenues reported in aggregate for the school districts with Nation land holdings. By comparison, Federal-Aid accounts for just over 5 percent of revenues. The local property tax accounts for just over one-third of the revenue stream for local school district education. Additional but relatively minor sources of revenue to the subject school districts come from interest earnings and other revenues (e.g. tuition and transportation of non-resident pupils, proceeds of insurance adjustments, surplus property sales and lunch or store fund sales, and non-property tax payments from use and utility taxes). Table 3.7-126 deducts non-local sources of revenue and estimates per-pupil spending supported by the local property tax.

Table 3.7-127 presents a table that estimates the number of Native American school children attending local school districts. Based upon input from the Nation Members Department, the table identifies the number of school-age children residing in the White Pines Village, the 32-acre Territory and the other Nation Land holdings. These estimated 65 school-age children attend the Oneida or Stockbridge Valley School Districts. The table also provides an estimate of the number of Native Americans, approximately 89 school-age children, living on lands that are not owned by the Nation which are expected to make property tax payments either directly or indirectly through rental payments. The table does not include children attending the Manlius Pebble Hill School, a private school that the Nation has provided tuition for talented and gifted children.

Based on the estimated number of public school age children on Nation lands outside the 32-acre territory, the Nation is currently estimated to require about $207,000 of local school spending that is supported by the local property tax levy (in FY 2004 dollars) for districts with Nation land holdings. This aggregate level of spending is concentrated in two school districts that educate Oneida children and who occupy Nation housing. The fiscal analysis does not include the costs for educating all Native American children or children in Nation member households living off Nation-owned lands excluded from this Trust Application (e.g., those on the 32-acre reservation are not included in this analysis). The analysis as reported in Table 3.7-126 finds that spending is concentrated in the Oneida School District followed by the Stockbridge Valley Central District.

For comparison purposes, as illustrated in Table 3.7-124, FY2005-06 payments were credited to the Nation for their contributions to the Oneida School District ($510,000) and Stockbridge ($137,100) which exceed the estimated costs of local school spending required by Nation Member school-age children. Additionally, the Nation made payments for their other land holdings benefiting other school districts for which Nation Member students were not in attendance. Some caution is warranted in this comparison as the school spending estimates are in 2004 dollars while the taxes claimed that were paid by the Nation were in 2005 dollars. Further, pinpointing school district attendance levels for those in Nation housing is somewhat problematic. However, it appears that the amount of school district spending (supported by the property tax) induced by the children residing in Member Housing is less than the property taxes levied upon these lands.

With the Nation's lands officially taken into trust, the fiscal burden to school districts may be lessened or mitigated somewhat through the eligible School District's pursuit of Federal Impact Aid Funding. The amount of Federal Impact Aid is determined by a formula that accounts for the number of eligible students enrolled in the school and the Nation's land within the school district that is tax-exempt due to federal ownership or other allowable tax-exempt status. A minimum enrollment of 3 percent or 400 eligible student must be enrolled in the public school district to meet the eligibility criteria. Based on current estimates of Nation school-age children (approximately 5 percent of total enrollment), the Stockbridge Valley Central School District appears to meet the threshold eligibility requirements to pursue this source of funding.

Additionally, Stockbridge Valley Central, with its District boundaries inclusive of the 32-acre reservation, appears to be the only school district that has received assistance through the New York State Indian Aid for Public Schools program. Through its Office of Native American Education, New York State offers transportation and education reimbursements to schools that have students from Indian families living on tribal lands. There is no minimum number of enrolled students necessary to be eligible for New York State's program. With the lands conveyed into trust, other school districts should be eligible for funding through the program to partially mitigate the costs identified above.

An additional consequence of conveying lands into trust should be an adjustment in the application of the Combined Wealth Ratio Formula used to indicate wealth on the New York State Tax Report. Local Districts have noted that they received less State Aid and reduced eligibility for grants because the formula considers full valuation per pupil which includes the value of Nation lands thus making local school districts appear "wealthier" in terms of the application of the formula.

Table 3.7-126
School District Spending Attributable to School Age Children on Nation Lands

School Districts with Nation Land Holdings	Total District Expenditures	Number of Enrolled Pupils	Expenditures per Pupil	Revenues: State & Federal Aid, Interest, Other Non-Local Per Pupil	Revenues: Supported by Local Property Tax Per Pupil	Existing Children	Current Estimate of Spending Attributable to Nation
Oneida	$40,978,273	2,551	$16,064	$8,049	$3,869	40	$154,778
Cazenovia	$21,181,943	1,805	$11,735	$4,406	$7,329	0	$0
Canastota	$18,773,848	1,547	$12,136	$7,241	$4,895	0	$0
Morrisville-Easton	$15,512,461	877	$17,688	$10,807	$6,881	0	$0
Madison	$8,600,752	464	$18,536	$12,070	$6,466	0	$0
Stockbridge	$7,866,125	532	$14,786	$11,892	$2,894	18	$52,091
Sherrill	$27,949,467	2,328	$12,006	$7,689	$4,317	0	$0
Total	$140,862,869	10,104	$102,950	$62,153	$36,653	58	$206,869

Source: Office of the State of New York Comptroller, Financial Data for Local Governments, 2004; Nation Housing (unpublished), 2006; The Louis Berger Group, Inc., 2006. Note: Total District Expenditures and expenditures per pupil include operations and equipment and capital outlays.

Table 3.7-127
Estimate of Member and Native American Children by School District On- and Off Nation Lands

School District	Nation Housing Lands				Non-Nation Lands	Total
	Village of White Pines	Reservation	Other Nation Land Holdings	Sub-Total		
Oneida	33	1	7	41	46	94
Stockbridge Valley	5	6	13	24	13	50
V.V.S	0	0	0	0	11	11
Canastota	0	0	0	0	19	19
Total	38	7	20	65	89	174

Source: Nation (unpublished), 2006.

Nation Share of County and Local Governments

The Nation's demands for local governments and services have been estimated for the Counties, Cities, Towns, and Villages and in which the Nation has land holdings. The method for cost estimation of the Nation's share of fiscal expenditures for these entities generally involves the following steps:

1. Revenue and expenditure data were collected from the New York State, Office of the State Comptroller for year 2004 budget, the most recent year for which uniformly reported data was available. The Town of Verona's budgetary data was not available in time for the statewide Comptroller's Report for several years including the subject year, but the Town provided their missing budgets upon request.
2. Revenues by source were benchmarked to identify that portion of local government spending that was raised from the Property Tax assessment as opposed to other sources for each relevant jurisdiction. The following are major non-property tax revenue source items to consider for the subject municipalities and counties:

   Intergovernmental Revenues - Federal and State Aid for general purposes, health, highway and transportation and social services, and other sources fall into this category. Intergovernmental revenues also include utility revenues and all revenues not otherwise classified such as repayments of social services and income from health departments, sewer departments, water departments, and home and community services departments. Unclassified or miscellaneous other revenues are in this category from licenses, permits, rentals, sales, fines and forfeits, recoveries, and refunds. This also includes tobacco settlement payments including securitized payments. Interfund revenues are not included under this category.

   Non-Property Tax – This category includes sales taxes or sales tax credits that may be distributed by the County, franchise revenues, off-track betting surtaxes, hotel room occupancies, harness and flat track admission taxes, interest and penalties, etc.

Other Tax - Interest and penalties on taxes inclusive of sewer and water rents, payments in lieu of taxes, gain from sales of tax acquired properties, and town payments to reduce the county tax levy are included in this category.

3. Expenditures by function were then examined for county and local government services and include the following major functional categories which are defined in greater detail below: General Government; Education (county only); Public Safety; Public Health; Transportation; Economic Assistance; Culture-Recreation; and Home and Community Services.
4. An appropriate cost allocation method and metric was applied to each functional expenditure category. Expenditures by function typically involve services to support residential and nonresidential activities undertaken in their respective jurisdictions. Depending on the functional expenditure category and the nexus between the Nation's operations and the governmental service, the appropriate allocation metric for costs may reflect a principally residential beneficiary (i.e. per capita), both residential and non-residential beneficiaries (e.g. full time equivalent population or FTEP), or demand usage requirements (e.g., vehicle-trips, etc.).
5. Based on the assigned cost allocation metric and the Nation's estimated or projected activity volumes, the Nation's demand for local spending that is supported by the property tax levy was estimated.

Public Safety

Police, fire, and other public safety such as traffic control, public safety administration, animal control, building inspection, civil defense, and examining boards are among the departments whose spending is included in this functional category for municipalities (see Table 3.7-128, Column 1). For Counties, the category also includes sheriff, jail, rehabilitation services, and probation, among other activities. The Nation's estimated share of public safety costs and required expenditures is presented in Table 3.7-128.

The cost allocation metric for this category is based upon estimates of the residential population living on Nation's Lands, the workers reporting to job establishment locations on Nation lands, and the daily visitors frequenting the Turning Stone Resort & Casino (Table 3.7-128, Column 3). The resulting FTEP metric is a measure of demand for public services attributable to visitor activity, employment, and population. Time weights are applied to each demand factor to create a resident equivalent population estimate or FTEP which is used as the basis for allocation of public safety costs which are expected to be triggered by visitors, employees and residents.

The property tax is not the sole basis for funding county or local expenditures so a downward adjustment is also made to exclude expenditures that are funded by other revenue sources (Table 3.7-128, Column 6).

The last two columns report the Nation's estimated need for public safety expenditures based on their attributed share of the full-time equivalent population or FTEP (Table 3.7-128, Columns 7 and 8).

Based on this methodology, the activities on Nation's land tend to have a greater impact on public safety expenditures for Oneida and Madison Counties and the City of Oneida than other municipalities. Table 3.7-128 illustrates the order-of-magnitude of these attributed costs for the Nation's activities when other sources of revenue than the property tax are accounted for as sources of funding for service delivery.

As reported elsewhere in Section 3, the burden and responsibility for public safety on the gaming floor of the Turning Stone Resort & Casino extend beyond the jurisdiction of county and local governments to State policing and regulatory institutions. The Nation absorbs these costs through its substantial reimbursement payments to the New York State Police and the New York Racing and Wagering Board, respectively, for their law enforcement and compliance examinations of gaming activities. Additionally, the Nation's police department conducts policing activities that have the practical effect of reducing the number of service calls and/or time commitment required of other policing jurisdictions. In the absence of the Nation's police department, it can be reasonably anticipated that other jurisdictions would have to increase their resource commitments to address the public safety function.

Additionally, as described in Section 3.7.7.3, the Nation has recognized that it uses many of the municipal services of the jurisdictions in which it owns property. The Nation and municipalities have signed service agreements in the past as a means by which local governments can be reimbursed for the Nation's use of municipal services (see Table 3.7-96). In the area of public safety, fire protection agreements have been developed with the Town of Verona and in the past with the Village of Canastota. Police deputization agreements were also in effect with Madison and Oneida County for a period of more than five years before they were cancelled in the year 2000 and, as part of such agreements, the Nation agreed to pay reasonable administrative costs incurred by the Sheriff's department, including fees for background checks, with a minimum guaranteed payment per quarter. The Nation had also agreed to carry liability insurance for indemnification purposes.

Beyond these considerations, it should be recognized that the estimate of the Nation's need for public services presented in this section is an estimate of the county and local costs attributable to the Nation's activities that would fall to the property tax for payment if such payment were to be made. Other economic and fiscal sections account for the indirect means – for example, sales tax or property tax payments made by vendors or workers in the Oneida enterprises and government living outside the Nation lands -- by which local jurisdictions receive revenue or compensation for Nation activities in the absence of the property tax payment.

Health

This category consists of expenditures for ambulance services, public health administration, registrar of vital statistics, and all other health services. These services are primarily serving the residential population of subject jurisdictions and, thus, costs could be fairly allocated on a "per capita" basis. However, the visitors and work force to the Turning Stone Resort & Casino may require health-related services on occasion and therefore a more conservative approach to cost allocation was employed (i.e., the FTEP approach). Table 3.7-129 illustrates the relatively small size of total spending in this category for most local jurisdictions particularly when adjustments are made to account for non-property tax sources of revenue (e.g., health department income). County spending is significantly greater but significant portions of spending are supplemented by Federal-Aid, State-Aid and departmental income from fees and charges.

In addition, as described elsewhere in Chapter 3, it is noted that the Nation operates a health clinic available to its Members and other Native Americans which offers preventative care and medical care services, provides health insurance for its Members and delivers medical care to Nation health center clients whether or not they have medical insurance. Some of these services and benefit programs are funded through Indian Health Service Federal Grants and others are provided by the Nation.

The health benefits and services provided to Nation Members and other Native American tribes in the area offer a measure of relief to county and local government in the area of public health spending. There are likely to be fewer uninsured individuals seeking health care services from County or Local jurisdictions (see Section 3.7.5) and a smaller proportion of total patient visits to the emergency room for medical treatments better handled at clinics.

Economic Assistance

This category consists of expenditures to promote the economic welfare of the town, villages and city residents. For Counties, the category also includes expenditures for infirmaries and social services, administration and programs (including county expenditures for services for recipients, medical assistance - MMIS/Medicaid, aid to dependent children, child care, home relief, etc.).

These services are primarily intended to serve the residential population of subject jurisdictions and, thus, costs have been allocated on a population "per capita" basis. Table 3.7-130 illustrates the very high spending levels required of the Counties, reflective of the substantial dependency in the region on inter-governmental transfers for social services through Federal-Aid and State-Aid programs. The Nation's estimated per capita share of total spending is attributable to its residential populations residing in dwellings established through the Nation's residential housing programs which are more concentrated in Madison County than Oneida County.

Culture-Recreation

This category consists of expenditures for parks, playgrounds, youth and adult recreation programs, libraries, recreational facilities, and other cultural and recreational activities.

These services are generally intended to benefit the residential population, therefore, a population per capita cost allocation method was used to estimate the Nation's attributed costs (see Table 3.7-131). The Nation's demand for these services is minimal from most local jurisdictions with slightly higher costs incurred in the City of Oneida along with the Counties which are the jurisdictions in which more residences are sited on Nation lands.

Home and Community Services

This category typically includes expenditures for the operation and administration of a water, sewer, electric, gas or steam system. Additionally the category includes expenditures for garbage collection and disposal, drainage and storm sewers, housing and community development, natural resources, and activities intended to improve the general environment. These services are generally intended to benefit the residential population; therefore, a population per capita cost allocation method was used to estimate the Nation's attributed costs (see Table 3.7-132).

Many of these service categories such as water and sewer are heavily supported by income from user charges and other fees. Table 3.7-133 illustrates the relative importance of these sources in comparison to the property tax and budget for several communities with Nation lands. It can be seen that in several municipalities in which the Nation has relatively more land holdings, the municipal jurisdictions draw revenues from fees and services to support their activities. For example, the Town of Verona collected more than $700,000 in water and sewer income in FY2004 – 180 percent more than was collected by the property tax. For comparison purposes, and while the fiscal years differ, the Nation paid the Town of Verona $581,400 in water and sewer charges in FY2005. Other municipalities with significant Nation land holdings that rely more heavily upon such fees include Stockbridge, the City of Oneida and the Village of Canastota, among other jurisdictions.

The Nation has recognized that it uses water and sewer services in the jurisdictions in which it owns property. The Nation has developed water and sewer agreements with the Village of Canastota, City of Oneida and the Town of Verona for which it pays user charges and other charges and fees for services provided. Water user charges are also made to the Village of Vernon.

Education

This category includes the county's contribution to the community colleges, tuition payments to community colleges, education of handicapped students, and miscellaneous education expenditures. This category is not applicable to towns, villages and cities. County education expenditures are primarily intended to deliver services to a residential population so costs have been allocated on a per capita basis. Therefore, the Nation's need for these services is primarily confined to its small residential population base (see Table 3.7.-134)

General Government and Debt Service

The general government category includes expenditures for executive, legislative, judicial and financial operations for county and local governments. In the case of general government expenditures, calling upon a separate sovereign nation to absorb the general costs of another local government is a challenge to its sovereignty. As reported in a separate section of the Draft EIS, the Nation's government also maintains executive, legislative, judicial and financial operations. The Nation seeks to *consult* with other governments on a government-to-government basis but does not seek to be subjects of another government and, thus, do not demand these services from them. However, from the county and local government perspective, the policy and administrative functions of general government include the affairs of the Nation and its members and those who work or visit the Nation's lands and enterprises.

Table 3.7-135 presents the estimated costs of general government services on a full time equivalent population basis. The assessed valuation method as a basis for cost allocation is problematic; the valuation approach does not necessarily reflect the actual cost of general governmental services. The valuation method is made further problematic for estimating the Nation's share of general government costs by the continuing dispute over Turning Stone Resort & Casino's valuation.

Debt service is a cost of operating county and local governments that is supported by property tax payments among other revenue sources. The Nation's estimated debt service contribution is derived from a debt-to-operating cost ratio which is then applied to the total estimated operating costs for all other categories for which the Nation makes a demand for county or local governmental services.

Transportation

The transportation category includes expenditures for maintenance and improvements of county and municipal roads and bridges, snow removal, street lighting, landscaping of roads, sidewalk maintenance, off-street parking, and other transportation-related items. The Nation's estimated share of transportation costs and required expenditures is presented in Table 3.7-136.

The cost allocation metric for this category is based upon estimates of the Nation's share of trip generation within the municipal and county jurisdictions. Trip generation for the Nation attributable to its visitors, employment establishments and residents in the study area municipalities and counties were derived from the Nation's land uses and major attractions (e.g., Turning Stone Resort & Casino, SavOn Convenience Stores and Gas Stations). The data was supplemented with estimates of population and employment levels by municipal location. Trip generation rates for the Nation and the surrounding municipalities and counties were based upon rates reported by the Institute of Transportation Engineers and estimates of intensity of land development (i.e., square footage per employee factors) reported by the Energy Information Administration for various land use types.

Trip generation serves as a proxy measure for the degree of roadway usage attributable to the Nation by assessing the number of trips generated or attracted in the individual jurisdictions in which the origin or destination activity is located and calculating the Nation's share against that caused by non-Nation activities. Further refinements in assessing roadway demands would require further consideration of trip distances. Additionally, trip origin-destination surveys may sometimes be deployed to refine trip distributions and traffic routing assignments. Any route assignment share that would track the Nation's contribution to the network vis-à-vis all traffic must be further cross-referenced against the responsible governing jurisdiction for each roadway segments in the transportation network to support a refined estimation of fair share responsibilities for maintenance and operations.

Travel network models can be developed to support such refined analyses at some considerable cost, although they are generally calibrated for the major arterial segments and developed to plan for capital improvements attributable to regional travel movements rather than to assess maintenance obligations. The Traffic Section of the EIS does not note the need for major capital improvements.

Utilization of the travel network model approach for the purpose of supporting fiscal responsibilities related to maintenance would have to include and simulate travel behavior on the minor links of a local roadway network. Such a tool would need to be designed to measure 24-hour volumes for work and non-work trip purposes not only on the major access roads to the Turning Stone Resort & Casino but other portions of the local street network throughout the studied jurisdictions to adequately compare vehicles mile traveled attributable to the Nation with all other vehicle miles traveled.

Table 3.7-128
Nation's Share of Public Safety Spending, 2005 (in 2004 Dollars)

County	Municipality	(Col. 1) Spending	(Col. 2) Per FTEP	(Col. 3) Nation Full-Time Equivalent Population	(Col. 4) Nation Need	(Col. 5) Nation Need Share	(Col. 6) Property Tax Contribution	(Col. 7) Adjusted Nation Need	(Col. 8) Nation Share
Madison	City of Oneida	$4,269,074	$347.44	321	$111,636	2.6%	18.5%	$20,614	0.5%
Madison	Village of Canastota	$917,967	$200.53	10	$2,063	0.2%	36.0%	$742	0.1%
Madison	Cazenovia	$236,754	$34.15	0	$0	0.0%	65.4%	$0	0.0%
Madison	Fenner	$43,797	$30.74	0	$0	0.0%	58.1%	$0	0.0%
Madison	Lenox	$153,070	$17.03	25	$418	0.3%	63.7%	$266	0.2%
Madison	Lincoln	$112,663	$68.45	13	$900	0.8%	77.7%	$700	0.6%
Madison	Smithfield	$44,712	$42.23	0	$0	0.0%	78.4%	$0	0.0%
Madison	Stockbridge	$27,098	$13.62	29	$397	1.5%	62.1%	$246	0.9%
Madison	Sullivan	$640,733	$46.11	3	$132	0.0%	75.1%	$99	0.0%
	Subtotal - Madison	$6,445,868		401	$115,547			$22,667	
Oneida	City of Sherrill	$497,104	$145.36	15	$2,175	0.4%	22.7%	$495	0.1%
Oneida	Village of Sylvan Beach	$92,455	$76.65	0	$0	0.0%	33.9%	$0	0.0%
Oneida	Village of Vernon	$217,962	$196.81	0	$0	0.0%	21.3%	$0	0.0%
Oneida	Augusta	$55,351	$29.64	0	$0	0.0%	50.5%	$0	0.0%
Oneida	Vernon	$132,042	$25.76	12	$314	0.2%	14.1%	$44	0.0%
Oneida	Verona	$15,199	$2.23	3,520	$7,844	51.6%	7.2%	$561	3.7%
Oneida	Vienna	$344,116	$64.76	0	$0	0.0%	40.3%	$0	0.0%
	Subtotal - Oneida	$1,354,229		3,547	$10,333			$1,100	
Oneida	County	$32,651,817	$130.41	3,547	$462,575	1.4%	21.5%	$99,619	0.3%
Madison	County	$8,592,506	$121.56	398	$48,425	0.6%	32.3%	$15,653	0.2%
Total		**$49,044,420**			**$636,880**			**$139,040**	

Source: Office of the State of New York Comptroller, Financial Data for Local Governments, 2004; the Louis Berger Group, Inc., 2006.

Table 3.7-129
Nation's Share of Public Health Spending, 2005 (in 2004 Dollars)

County	Municipality	(Col. 1) Spending	(Col. 2) Per FTEP	(Col. 3) Nation Full-Time Equivalent Population	(Col. 4) Nation Need	(Col. 5) Nation Need Share	(Col. 6) Property Tax Contribution	(Col. 7) Adjusted Nation Need	(Col. 8) Nation Share
Madison	City of Oneida	$55,472	$4.51	321	$1,451	2.6%	18.5%	$268	0.5%
Madison	Village of Canastota	$15,600	$3.41	10	$35	0.2%	36.0%	$13	0.1%
Madison	Cazenovia	$6,978	$1.01	0	$0	0.0%	65.4%	$0	0.0%
Madison	Fenner	$5,664	$3.98	0	$0	0.0%	58.1%	$0	0.0%
Madison	Lenox	$51,505	$5.73	25	$141	0.3%	63.7%	$90	0.2%
Madison	Lincoln	$7,050	$4.28	13	$56	0.8%	77.7%	$44	0.6%
Madison	Smithfield	$3,891	$3.68	0	$0	0.0%	78.4%	$0	0.0%
Madison	Stockbridge	$100	$0.05	29	$1	1.5%	62.1%	$1	0.9%
Madison	Sullivan	$101,620	$7.31	3	$21	0.0%	75.1%	$16	0.0%
	Subtotal - Madison	$247,880		401	$1,705			$430	
Oneida	City of Sherrill	$176	$0.05	15	$1	0.4%	22.7%	$0	0.1%
Oneida	Village of Sylvan Beach	$3,763	$3.12	0	$0	0.0%	33.9%	$0	0.0%
Oneida	Village of Vernon	$64	$0.06	0	$0	0.0%	21.3%	$0	0.0%
Oneida	Augusta	$1,486	$0.80	0	$0	0.0%	50.5%	$0	0.0%
Oneida	Vernon	$1,769	$0.35	12	$4	0.2%	14.1%	$1	0.0%
Oneida	Verona	$2,186	$0.32	3,520	$1,128	51.6%	7.2%	$81	3.7%
Oneida	Vienna	$30,905	$5.82	0	$0	0.0%	40.3%	$0	0.0%
	Subtotal - Oneida	$40,349		3,547	$1,133			$81	
Oneida	County	$20,131,927	$80.40	3,547	$285,207	1.4%	21.5%	$61,422	0.3%
Madison	County	$10,465,526	$148.06	398	$58,980	0.6%	32.3%	$19,065	0.2%
Total		**$30,885,682**			**$347,026**			**$80,999**	

Source: Office of the State of New York Comptroller, Financial Data for Local Governments, 2004; the Louis Berger Group, Inc., 2006.

Table 3.7-130
Nation's Share of Economic Assistance Spending, 2005 (in 2004 Dollars)

County	Municipality	(Col. 1) Spending	(Col. 2) Per Capita	(Col. 3) Nation Population	(Col. 4) Nation Need	(Col. 5) Nation Need Share	(Col. 6) Property Tax Contribution	(Col. 7) Adjusted Nation Need	(Col. 8) Nation Share
Madison	City of Oneida	$1,086	$0.10	163	$16	1.5%	18.5%	$3	0.3%
Madison	Village of Canastota	$27,539	$6.16	6	$39	0.1%	36.0%	$14	0.1%
Madison	Cazenovia	$6,446	$0.95	0	$0	0.0%	65.4%	$0	0.0%
Madison	Fenner	$545	$0.32	0	$0	0.0%	58.1%	$0	0.0%
Madison	Lenox	$12,274	$1.39	23	$32	0.3%	63.7%	$20	0.2%
Madison	Lincoln	$0	$0.00	10	$0	0.0%	77.7%	$0	0.0%
Madison	Smithfield	$0	$0.00	0	$0	0.0%	78.4%	$0	0.0%
Madison	Stockbridge	$320	$0.15	34	$5	1.6%	62.1%	$3	1.0%
Madison	Sullivan	$1,600	$0.11	3	$0	0.0%	75.1%	$0	0.0%
	Subtotal - Madison	$49,810		239	$92			$40	
Oneida	City of Sherrill	$0	$0.00	9	$0	0.0%	22.7%	$0	0.0%
Oneida	Village of Sylvan Beach	$0	$0.00	0	$0	0.0%	33.9%	$0	0.0%
Oneida	Village of Vernon	$0	$0.00	0	$0	0.0%	21.3%	$0	0.0%
Oneida	Augusta	$1,200	$0.61	0	$0	0.0%	50.5%	$0	0.0%
Oneida	Vernon	$2,000	$0.37	3	$1	0.1%	14.1%	$0	0.0%
Oneida	Verona	$3,452	$0.53	52	$28	0.8%	7.2%	$2	0.1%
Oneida	Vienna	$5,565	$0.95	0	$0	0.0%	40.3%	$0	0.0%
	Subtotal - Oneida	$12,217		64	$29			$2	
Oneida	County	$158,064,112	$672.72	62	$41,467	0.0%	21.5%	$8,930	0.0%
Madison	County	$30,126,231	$427.89	239	$102,389	0.3%	32.3%	$33,097	0.1%
Total		**$188,252,370**			**$143,976**			**$42,069**	

Source: Office of the State of New York Comptroller, Financial Data for Local Governments, 2004; the Louis Berger Group, Inc., 2006.

Table 3.7-131
Nation's Share of Culture and Recreation Spending, 2005 (in 2004 Dollars)

County	Municipality	(Col. 1) Spending	(Col. 2) Per Capita	(Col. 3) Nation Population	(Col. 4) Nation Need	(Col. 5) Nation Need Share	(Col. 6) Property Tax Contribution	(Col. 7) Adjusted Nation Need	(Col. 8) Nation Share
Madison	City of Oneida	$867,128	$78.99	163	$12,851	1.5%	18.5%	$2,373	0.3%
Madison	Village of Canastota	$217,047	$48.56	6	$304	0.1%	36.0%	$109	0.1%
Madison	Cazenovia	$52,696	$7.79	0	$0	0.0%	65.4%	$0	0.0%
Madison	Fenner	$4,968	$2.96	0	$0	0.0%	58.1%	$0	0.0%
Madison	Lenox	$60,236	$6.81	23	$155	0.3%	63.7%	$99	0.2%
Madison	Lincoln	$8,458	$4.51	10	$46	0.5%	77.7%	$36	0.4%
Madison	Smithfield	$4,600	$3.76	0	$0	0.0%	78.4%	$0	0.0%
Madison	Stockbridge	$11,570	$5.52	34	$188	1.6%	62.1%	$116	1.0%
Madison	Sullivan	$531,807	$35.05	3	$119	0.0%	75.1%	$90	0.0%
	Subtotal - Madison	$1,758,510		239	$13,663			$2,823	
Oneida	City of Sherrill	$251,523	$80.46	9	$735	0.3%	22.7%	$167	0.1%
Oneida	Village of Sylvan Beach	$76,914	$71.15	0	$0	0.0%	33.9%	$0	0.0%
Oneida	Village of Vernon	$89,684	$76.13	0	$0	0.0%	21.3%	$0	0.0%
Oneida	Augusta	$9,710	$4.92	0	$0	0.0%	50.5%	$0	0.0%
Oneida	Vernon	$17,995	$3.31	3	$9	0.1%	14.1%	$1	0.0%
Oneida	Verona	$23,536	$3.61	52	$189	0.8%	7.2%	$14	0.1%
Oneida	Vienna	$27,992	$4.77	0	$0	0.0%	40.3%	$0	0.0%
	Subtotal - Oneida	$497,354		64	$934			$182	
Oneida	County	$2,775,316	$11.81	62	$728	0.0%	21.5%	$157	0.0%
Madison	County	$536,529	$7.62	239	$1,823	0.3%	32.3%	$589	0.1%
Total		**$5,567,709**			**$17,149**			**$3,751**	

Source: Office of the State of New York Comptroller, Financial Data for Local Governments, 2004; the Louis Berger Group, Inc., 2006.

Table 3.7-132
Nation's Share of Home and Community Services, 2005 (in 2004 Dollars)

County	Municipality	(Col. 1) Spending	(Col. 2) Per Capita	(Col. 3) Nation Population	(Col. 4) Nation Need	(Col. 5) Nation Need Share	(Col. 6) Property Tax Contribution	(Col. 7) Adjusted Nation Need	(Col. 8) Nation Share
Madison	City of Oneida	$4,260,346	$78.99	163	$12,851	0.3%	18.5%	$2,373	0.1%
Madison	Village of Canastota	$888,622	$48.56	6	$304	0.0%	36.0%	$109	0.0%
Madison	Cazenovia	$122,109	$7.79	0	$0	0.0%	65.4%	$0	0.0%
Madison	Fenner	$9,765	$2.96	0	$0	0.0%	58.1%	$0	0.0%
Madison	Lenox	$184,802	$6.81	23	$155	0.1%	63.7%	$99	0.1%
Madison	Lincoln	$9,552	$4.51	10	$46	0.5%	77.7%	$36	0.4%
Madison	Smithfield	$13,905	$3.76	0	$0	0.0%	78.4%	$0	0.0%
Madison	Stockbridge	$114,965	$5.52	34	$188	0.2%	62.1%	$116	0.1%
Madison	Sullivan	$644,817	$35.05	3	$119	0.0%	75.1%	$90	0.0%
	Subtotal - Madison	$6,248,883		239	$13,663			$2,823	
Oneida	City of Sherrill	$2,346,729	$80.46	9	$735	0.0%	22.7%	$167	0.0%
Oneida	Village of Sylvan Beach	$290,851	$71.15	0	$0	0.0%	33.9%	$0	0.0%
Oneida	Village of Vernon	$519,034	$76.13	0	$0	0.0%	21.3%	$0	0.0%
Oneida	Augusta	$25,657	$4.92	0	$0	0.0%	50.5%	$0	0.0%
Oneida	Vernon	$156,702	$3.31	3	$9	0.0%	14.1%	$1	0.0%
Oneida	Verona	$979,949	$3.61	52	$189	0.0%	7.2%	$14	0.0%
Oneida	Vienna	$188,069	$4.77	0	$0	0.0%	40.3%	$0	0.0%
	Subtotal - Oneida	$4,506,991		64	$934			$182	
Oneida	County	$8,482,284	$36.10	62	$2,225	0.0%	21.5%	$479	0.0%
Madison	County	$5,563,864	$79.02	239	$18,910	0.3%	32.3%	$6,112	0.1%
Total		**$24,802,022**			**$35,732**			**$9,597**	

Source: Office of the State of New York Comptroller, Financial Data for Local Governments, 2004; the Louis Berger Group, Inc., 2006.

Table 3.7-133
Sewer and Water Income in Comparison to Property Tax and as Share of Total Revenues, 2004

County	Municipality	Sewer Income	Water Income	Property Taxes	Sewer and Water/ Property Taxes Ratio	Sewer and Water as as Percentage of Revenues	Percentage of Municipality's Land Area
Madison	City of Oneida	$1,959,288	$2,116,145	$2,678,424	152.2%	28.1%	7.4%
Madison	Village of Canastota	$1,036,482	$0	$1,307,578	79.3%	28.5%	10.7%
Madison	Cazenovia	$0	$22,383	$1,163,058	1.9%	1.3%	0.0%
Madison	Fenner	$0	$0	$397,971	0.0%	0.0%	0.1%
Madison	Lenox	$4,801	$107,305	$1,092,075	10.3%	6.5%	3.5%
Madison	Lincoln	$0	$0	$462,825	0.0%	0.0%	2.3%
Madison	Smithfield	$0	$0	$368,831	0.0%	0.0%	1.9%
Madison	Stockbridge	$0	$84,036	$396,801	21.2%	13.1%	17.8%
Madison	Sullivan	$0	$0	$3,356,541	0.0%	0.0%	0.4%
Oneida	City of Sherrill	$229,586	$0	$925,767	24.8%	5.6%	0.3%
Oneida	Village of Sylvan Beach	$269,116	$5,559	$487,209	56.4%	19.1%	1.5%
Oneida	Village of Vernon	$303,973	$398,822	$276,840	253.9%	54.0%	1.8%
Oneida	Augusta	$0	$0	$405,184	0.0%	0.0%	1.5%
Oneida	Vernon	$0	$26,274	$201,297	13.1%	1.8%	7.8%
Oneida	Verona	$298,325	$419,181	$252,651	284.0%	20.3%	19.4%
Oneida	Vienna	$0	$41,582	$871,946	4.8%	1.9%	0.0%
Oneida		$6,540,513	$0	$60,094,162	10.9%	2.3%	1.4%
Madison		$411,498	$0	$25,982,446	1.6%	0.5%	1.4%

Source: Office of the State of New York Comptroller, Financial Data for Local Governments, 2004; the Louis Berger Group, Inc., 2006..

Table 3.7-134
Nation's Share of County Education Spending, 2005
(in 2004 Dollars)

County		(Col. 1) Spending	(Col. 2) Per Capita	(Col. 3) Nation Population	(Col. 4) Nation Need	(Col. 5) Nation Need Share	(Col. 6) Property Tax Contribution	(Col. 7) Adjusted Nation Need	(Col. 8) Nation Share
Oneida		$17,608,632	$74.94	62	$4,619	0.0%	21.5%	$995	0.0%
Madison		$3,221,348	$45.75	239	$10,948	0.3%	32.3%	$3,539	0.1%
Total - Two Counties		$20,829,980		301	$15,568			$4,534	

Source: Office of the State of New York Comptroller, Financial Data for Local Governments, 2004; the Louis Berger Group, Inc., 2006.

Table 3.7-135
Nation's Share of General Government Spending, 2005 (in 2004 Dollars)

County	Municipality	(Col. 1) Spending	(Col. 2) Per FTEP	(Col. 3) Nation Full-Time Equivalent Population	(Col. 4) Nation Need	(Col. 5) Nation Need Share	(Col. 6) Property Tax Contribution	(Col. 7) Adjusted Nation Need	(Col. 8) Nation Share
Madison	City of Oneida	$1,176,913	$95.78	321	$30,776	2.6%	18.5%	$5,683	0.5%
Madison	Village of Canastota	$387,082	$84.56	10	$870	0.2%	36.0%	$313	0.1%
Madison	Cazenovia	$264,075	$38.09	0	$0	0.0%	65.4%	$0	0.0%
Madison	Fenner	$92,639	$65.03	0	$0	0.0%	58.1%	$0	0.0%
Madison	Lenox	$519,854	$57.84	25	$1,421	0.3%	63.7%	$904	0.2%
Madison	Lincoln	$91,696	$55.71	13	$733	0.8%	77.7%	$570	0.6%
Madison	Smithfield	$89,572	$84.61	0	$0	0.0%	78.4%	$0	0.0%
Madison	Stockbridge	$93,938	$47.23	29	$1,375	1.5%	62.1%	$854	0.9%
Madison	Sullivan	$1,291,677	$92.95	3	$265	0.0%	75.1%	$199	0.0%
	Subtotal - Madison	$4,007,446		401	$35,440			$8,523	
Oneida	City of Sherrill	$608,707	$177.99	15	$2,664	0.4%	22.7%	$606	0.1%
Oneida	Village of Sylvan Beach	$193,692	$160.58	0	$0	0.0%	33.9%	$0	0.0%
Oneida	Village of Vernon	$105,861	$95.59	0	$0	0.0%	21.3%	$0	0.0%
Oneida	Augusta	$119,917	$64.22	0	$0	0.0%	50.5%	$0	0.0%
Oneida	Vernon	$353,572	$68.97	12	$840	0.2%	14.1%	$119	0.0%
Oneida	Verona	$765,648	$112.27	3,520	$395,133	51.6%	7.2%	$28,257	3.7%
Oneida	Vienna	$298,022	$56.09	0	$0	0.0%	40.3%	$0	0.0%
	Subtotal - Oneida	$2,445,419		3,547	$398,637			$28,982	
Oneida		$31,041,484	$80.40	3,547	$285,207	0.9%	21.5%	$61,422	0.2%
Madison		$9,919,126	$148.06	398	$58,980	0.6%	32.3%	$19,065	0.2%
Total		**$47,413,475**			**$778,265**			**$117,992**	

Source: Office of the State of New York Comptroller, Financial Data for Local Governments, 2004; the Louis Berger Group, Inc., 2006.

Table 3.7-136
Nation's Share of Transportation Spending, 2005

County	Municipality	(Col. 1) Spending	(Col. 2) Nation Trip Generation Share	(Col. 3) Nation Need	(Col. 4) Property Tax Contribution	(Col. 5) Adjusted Nation Need	(Col. 6) Nation Share Spending
Madison	City of Oneida	$1,716,854	2.07%	$35,524	18.5%	$6,560	0.4%
Madison	Village of Canastota	$652,882	6.21%	$40,550	36.0%	$14,580	2.2%
Madison	Cazenovia	$1,878,796	0.02%	$362	65.4%	$236	0.0%
Madison	Fenner	$436,059	0.05%	$202	58.1%	$118	0.0%
Madison	Lenox	$563,513	0.95%	$5,335	63.7%	$3,396	0.6%
Madison	Lincoln	$278,720	0.25%	$703	77.7%	$546	0.2%
Madison	Smithfield	$267,668	0.54%	$1,448	78.4%	$1,135	0.4%
Madison	Stockbridge	$429,895	1.15%	$4,962	62.1%	$3,080	0.7%
Madison	Sullivan	$1,472,218	0.01%	$175	75.1%	$131	0.0%
	Subtotal - Madison	$7,696,605		$89,260		$29,781	
Oneida	City of Sherrill	$478,895	3.65%	$17,480	22.7%	$3,975	0.8%
Oneida	Village of Sylvan Beach	$300,416	3.33%	$10,006	33.9%	$3,393	1.1%
Oneida	Village of Vernon	$80,085	0.20%	$163	21.3%	$35	0.0%
Oneida	Augusta	$666,595	0.00%	$0	50.5%	$0	0.0%
Oneida	Vernon	$700,842	3.71%	$25,987	14.1%	$3,675	0.5%
Oneida	Verona	$799,305	54.79%	$437,963	7.2%	$31,320	3.9%
Oneida	Vienna	$1,155,173	0.00%	$0	40.3%	$0	0.0%
	Subtotal - Oneida	$4,181,311		$491,599		$42,398	
Oneida		$30,000,198	1.43%	$427,996	21.5%	$92,172	0.3%
Madison		$13,347,265	0.79%	$105,875	32.3%	$34,223	0.3%
Total		**$55,225,379**		**$1,114,730**		**$198,575**	

Source:. Office of the State of New York Comptroller, Financial Data for Local Governments, 2004; the Louis Berger Group, Inc., 2006.

Summary

Under the Indian Gaming Regulatory Act (IGRA), an Indian Casino cannot be taxed, nor is a Tribe allowed to make payments in lieu of taxes, but only may pay mitigation for actual impacts. This section seeks to first determine the cost of services resulting from the Nation's enterprises. The estimated level of Nation's costs by each functional category and jurisdiction that are attributable to the property tax is summarized and reported in Table 3.7-137.

The total cost estimate and the respective individual cost estimates per functional category and jurisdiction should be interpreted as giving an "order-of-magnitude" estimate of the size and types of cost incidence resulting from the Nation's use of county and local services. The allocation methods used to estimate the actual cost of government services by government jurisdiction that are described in this section do not use the value of property as a "proxy" for assigning costs. As can be seen in this section, the value of property is not necessarily a good indicator of the costs of services required of that property from county or local governments.

The section considers the Nation's demand for local government services for all the jurisdictions for which the Nation has land holdings. The analytical methods used here provide a means for considering the types of governmental services and specific communities that are more likely to be affected by the Nation's activities. These communities would appear to be the Town of Verona, the City of Oneida, Village of Canastota along with Oneida and Madison Counties. Additionally, the Stockbridge Valley Central School District and the Oneida School District appear to be more affected by the current enrollment patterns, requiring local funding of students.

Along with other discussions in this Draft EIS, this section has described the Nation's approach to payment for the costs of services required. The Nation has indicated that it recognizes that it uses many of the services of county and local jurisdictions in which it owns property. In fact, the Nation and locally affected jurisdictions have signed service agreements in the past as a means for reimbursing local governments for their use of services required. The Nation has indicated a continued willingness to enter into service agreements in the future.

Additionally, other sections of this report describe several linkages between the economic activities of the Nation and the generation of revenues for local government. The Nation's governmental activities and the success of some its enterprises may also mitigate the demand for local government services (e.g., education, health, social services).

Table 3.7-137
Summary of Nation's Share of County and Local Spending, 2005 (in 2004 Dollars)

County	Municipality	General Govt.	Public Safety	Health	Transport	Economic Assistance	Culture & Recreation	Home Community	Education	Debt Service	Total
Madison	City of Oneida	$5,683	$20,614	$268	$6,560	$3	$2,373	$2,373	$0	$6,229	$44,102
Madison	Village of Canastota	$313	$742	$13	$14,580	$14	$109	$109	$0	$2,177	$18,057
Madison	Cazenovia	$0	$0	$0	$236	$0	$0	$0	$0	$1	$237
Madison	Fenner	$0	$0	$0	$118	$0	$0	$0	$0	$0	$118
Madison	Lenox	$904	$266	$90	$3,396	$20	$99	$99	$0	$704	$5,577
Madison	Lincoln	$570	$700	$44	$546	$0	$36	$36	$0	$10	$1,941
Madison	Smithfield	$0	$0	$0	$1,135	$0	$0	$0	$0	$58	$1,193
Madison	Stockbridge	$854	$246	$1	$3,080	$3	$116	$116	$0	$149	$4,566
Madison	Sullivan	$199	$99	$16	$131	$0	$90	$90	$0	$47	$672
	Subtotal - Madison	$8,523	$22,667	$430	$29,781	$40	$2,823	$2,823	$0	$9,375	$76,463
Oneida	City of Sherrill	$606	$495	$0	$3,975	$0	$167	$167	$0	$171	$5,581
Oneida	Village of Sylvan Beach	$0	$0	$0	$3,393	$0	$0	$0	$0	$1,489	$4,882
Oneida	Village of Vernon	$0	$0	$0	$35	$0	$0	$0	$0	$8	$42
Oneida	Augusta	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Oneida	Vernon	$119	$44	$1	$3,675	$0	$1	$1	$0	$0	$3,842
Oneida	Verona	$28,257	$561	$81	$31,320	$2	$14	$14	$0	$533	$60,782
	Subtotal - Oneida	$28,982	$1,100	$81	$42,398	$2	$182	$182	$0	$2,200	$75,128
Oneida	County	$61,422	$99,619	$61,422	$92,172	$8,930	$157	$479	$995	$11,115	$336,311
Madison	County	$19,065	$15,653	$19,065	$34,223	$33,097	$589	$6,112	$3,539	$2,103	$133,447
Total - County and Local		**$117,992**	**$139,040**	**$80,999**	**$198,575**	**$42,069**	**$3,751**	**$9,597**	**$4,534**	**$24,792**	**$621,348**
					School District:						
	Oneida								$154,778		$154,778
	Stockbridge								$52,091		$52,091
	Subtotal - Schools	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$206,869**	**$0**	**$206,869**
	Total	**$117,992**	**$139,040**	**$80,999**	**$198,575**	**$42,069**	**$3,751**	**$9,597**	**$211,403**	**$24,792**	**$828,217**

Source: Office of the State of New York Comptroller, Financial Data for Local Governments, 2004; the Louis Berger Group, Inc., 2006.

Transportation – State Roads

To assess the fiscal impact of the Nation on state transportation infrastructure, a framework was created to estimate the magnitude of Nation impacts on the region's (New York State Region 2) roadways. To this end, a trip generation analysis, traffic volume analysis, a roadway capacity inventory and cost estimate provides a basis for measuring fiscal burdens. Table 3.7-138 shows traffic volumes associated with Nation land. Table 3.7-139 provides an inventory of area roadway mileages by jurisdiction. Table 3.7-140 calculates the share of fiscal burden attributable to the Nation based on estimated costs per centerline mile.

Table 3.7-138
Traffic Volume Estimates for Oneida Nation Operations

(Col.1) TAZ ID	(Col. 2) Peak Hour Volumes on Major Roadway	(Col.3) Volumes Generated by Nation Lands	(Col.4) Major Roadway Associated With TAZ	(Col.5) Associated Towns, Villages or Cities	(Col. 6) Length in Segment in TAZ (miles)	(Col.7) % of Major Roadway Volumes Associated with Nation Lands	(Col.8) Nation's Estimated Share of Roadway (miles)
1	2086	1550	NYS RT 365	Verona	3.7	74%	2.7
2	536	1	NYS RT 31	Verona	3.9	0%	0.0
3	536	104	NYS RT 31	Verona	3.8	19%	0.7
4		0	N/A	N/A	N/A	0%	N/A
5	536	2	NYS RT 31	Verona	3.6	0%	0.0
				Verona	2.0		0.8
				Lenox	0.8		0.3
				Vienna	2.5		1.0
6	668	255	NYS RT 13	Sylvan Beach	0.2	38%	0.1
				Lenox	2.5		0.03
7	552	5	NYS RT 31	Sullivan	1.5	1%	0.02
8	856	189	NYS RT 5	Lenox	4	22%	0.9
				Oneida	3.6		1.0
9	1186	324	NYS RT 5	Sherrill	2.4	27%	0.65
				Stockbridge	2.6		0.78
10	548	167	NYS RT 46	Oneida	3.4	30%	1.02
11	548	2	NYS RT 46	Stockbridge	4	0%	0.0
No TAZ**		2					

Source: C&S Engineers, 2006; The Louis Berger Group, Inc. 2006.

Traffic volume studies were performed on primary roadways associated with Nation lands and activities in ten Traffic Analysis Zones (TAZs). Table 3.7-138 provides detail on the roadway segments that were analyzed and shows the adjacent jurisdictions. It provides the first step in creating a basis for estimating costs attributable to the Nation. The traffic volume analyses focused on segments of New York State Routes 365, 31, 13, 5 and 46.

These roadway segments were selected because of their proximity to Nation lands and activities, and for their role as either primary commuter or access roads for visitors to the Turning Stone Resort & Casino. The highest share of traffic attributable to the Nation occurs on NYS RT 365 in Verona, where the Nation lands were calculated to generate about 74 percent of the trips during peak hours. This segment is one of the most heavily trafficked roads in the area and is a main access route to Turning Stone Resort & Casino. The 74 percent share of trips on this roadway segment translates into about 2.7 centerline miles, which allows for the estimation of cost impacts in centerline mile terms.

Table 3.7-139 provides an additional scale for assessing the impact of Nation's activities on the region's roadway network. It shows the inventory of centerline highway (roadway) miles in the region by jurisdiction, including totals for local municipal (towns, villages, and cities), County and New York State Region 2 (D.O.T. and other State) mileages.

Table 3.7-139
Inventory of Centerline Mileage Oneida Area Jurisdictions

Local Jurisdictions	Centerline Highway Mileage by Jurisdiction					
	Town, Village or City	County	Total Local	D.O.T. Owned	Other State	State & Local Combined
Oneida County						
Verona	98	35	132	31	7	171
Vienna	79	19	98	18	0	116
Sylvan Beach	10	0	10	1	0	12
Sherrill	16	0	16	2	0	18
County Total	1790	594	2385	421	48	2853
Madison County						
Lenox	33	25	58	16	4	78
Stockbridge	34	24	58	7	0	65
Sullivan	91	40	131	17	9	156
Oneida	36	0	36	4	1	42
County Total	836	439	1274	170	18	1463
Combined County Totals	2626	1033	3659	591	66	4316
New York State DOT Region 2	4486	2244	6729	1332	133	8194

Source: New York State Department of Transportation, Centerline Mileage, 2006
Region 2 includes Fulton, Hamilton, Herkimer, Madison, Montgomery, and Oneida counties.
County Totals reflect all jurisdictions within each county, not just those listed.

Most of the roadway mileage consists of local city, town or village roads. In Oneida County, for example, 83 percent of the centerline mileage in the county is made up of roads under local government jurisdiction. In Madison County, local roads make up 87 percent of the total roadway mileage. The total centerline mileage for Region 2 is shown at the bottom of Table 3.7-139. The mileages generally match the scope of fiscal responsibility for each level of government.

State Level Impact – Region 2

The majority of visitors to the Turning Stone Resort and Casino travel in and out of the region on New York State roads, using the roadways listed in Table 3.7-138. Likewise, locally-based trips attributable to Nation properties are concentrated primarily on State Roads. The Nation's fiscal impact on the region's roadway operations and maintenance budgets, therefore, fall mainly on the State level.

In Table 3.7-140 the Nation's Region 2 impact is presented in cost per centerline mile terms and provides low and high scenarios. The low and high scenarios are based on five factors. First, an estimate of the cost per centerline mile for State DOT owned and operated roads in Region 2 was calculated by dividing the annual transportation maintenance and operations budget of about $8.5 million (FY06-07) by the total mileage under State DOT jurisdiction, which is 1,332. This resulted in a cost per centerline mile of $6,383. In the low scenario the cost per centerline mile is multiplied by the total length of the roadways studied and was then multiplied by the weighted average percent of trips attributable to the Nation over the total length (40.5 miles) of the segments. In the high scenario, the cost per centerline mile is multiplied by the entire length (226) of the studied roadways and then multiplied by half of the weighted average percent of trips attributable to the Nation.

The results in Table 3.7-140 show that the low end estimate for the Nation's attributed budgetary responsibility is 0.7 percent of Region 2's operations and maintenance budget with the high end equaling about 2.0 percent of the budget. The high-end range is very conservative and probably overstates the level of fiscal impact. Even with the weighted average percentage of trips attributable to the Nation cut in half (i.e., at a 12 percent share of traffic), the scenario still assumes this share of traffic over the entire length of the State roads (Route 5, Route 13, Route 31, Route 46, and Route 365) in Madison and Oneida Counties.

The rationale for providing this high-end estimate is solely to consider the sensitivity of costs to traffic share volumes over the approach road network. Indeed, the traffic study for this Draft EIS presents evidence that the volume of traffic declines precipitously over a 10-TAZ zonal network with increasing distance from the Turning Stone Resort & Casino. Thus, the lower range of roadway miles (i.e., 40.5 miles) is likely to be the portion of the roadway network in which Nation traffic contributes a burden.

Against these costs, there is also a positive fiscal impact to consider associated with the increased Thruway traffic occasioned by the Nation's development: the State has collected millions of dollars of additional toll revenues because of the casino.

Table 3.7-140
Estimated New York State D.O.T. Region 2 Costs Attributable to Nation Lands – High/Low Range

Impact Scenarios	Centerline Highway Mileage	Total Transport Budget	Cost Per Centerline Mile	Length of Roadway	New York State Highways: RTs 5, 13, 31, 46, 365	% Trips Generated by Nation Lands	Estimated Cost Attributable to Oneida*	% of Total Budget
Low	1332	$8,500,000	$6,383	40.5	Traffic Study Segments	24%	$62,041	0.7%
High	1332	$8,500,000	$6,383	226	Entire Length, Oneida & Madison Cntys.	12%	$173,106	2.0%

Source: New York State Department of Transportation; Cost per Centerline Mile; Personal communication with Paul Obernesser, Regional Transportation Maintenance Engineer, Region 2; July 28, 2006. The Louis Berger Group Inc., 2006.

3.7.9.6 Community Comparison

The Nation's increased ownership presence allegedly puts an unspecified burden on neighboring community jurisdictions including Madison and Oneida Counties, 15 constituent cities, towns, and villages and seven school districts, along with other special districts (e.g., fire, library). To assess whether this claim can be substantiated, the current fiscal conditions of local governments before and after the Nation's increased ownership were examined.

Counties, Cities, Towns, and Villages

Overview

According to the New York State Comptroller's 2005 Annual Report on Local Governments, local governments in Upstate New York are facing difficult challenges. These communities have experienced a long-term population decline, due to regional job losses. This demographic trend and the recent economic slowdown, combined with the increased costs of Medicaid and employee benefits, have put many communities under a great deal of fiscal stress. (In New York State the counties are required to share responsibility for Medicare costs with the State.) Attempting to balance the budget and facing stagnant property values, many local governments have resorted to increasing property tax rates. Local governments have also increased their reliance on debt, which has led outstanding debt to increase considerably.

The approach used in this section attempts to isolate the local changes faced by the neighboring communities from the broader regional trends in Upstate New York. When examining changes in the neighboring communities' fiscal health, spending patterns and revenues, between 1990 and 2003 (before and after the bulk of the land reacquisition by the Nation took place), only changes that are different from those experienced by comparable communities in Upstate New York could potentially be attributed to the Nation increased land ownership presence.

The analyses, which are explained in more detail below, show that neighboring communities generally did not experience a worsening of their fiscal health, a decrease in per capita revenues, or a change in per capita expenditures patterns, relative to comparable communities, after the land reacquisition by the Nation. Local governments' rankings on the fiscal health indicators that gauge their external resources, spending pressures, and long-term debt commitments generally did not change in a negative way during the analyzed time period. Local spending on those government functions that could potentially be more sensitive to the alleged non-contiguous nature of the land, such as public safety, transportation, and home and community services, generally did not increase more than in comparable communities during the 1990-2003 time period. Finally, neither Madison nor Oneida County faced relative increases in economic assistance expenditures after the Nation began reacquiring lands within their historic homeland. The number of exceptions to the general positive or stable trend is limited and cannot be attributed directly to the Nation ownership presence.

The following bullet points provide an overview of the key findings of this section and the major exceptions:

- Per capita property tax generally did not change relative to comparable communities.

The interpretation of per capita property tax revenues is ambiguous. An increase in property tax revenues denotes an increasing burden on the tax payer, which is symptomatic of decreasing fiscal health. An increase in property tax revenues is desirable, however, from the point of view of a community faced with high expenditures and low revenues from other sources or with a low property tax collection rate. Madison County experienced an increase in per capita property tax revenues during the 1990-2003 time period. The City of Sherrill, on the other hand, experienced a decrease.

- Per capita revenues from all sources did not change considerably faster than in comparable governments.

An exception to this trend is the City of Oneida, which ranked very high in terms of per capita revenues in 1990, experienced a relative decline in per capita revenues, which was partly due to unusually large health care revenues in the early 1990s. The Town of Verona, on the other hand, experienced a relative increase in per capita revenues, mainly due to an increase in revenues from other sources, which is a residual category that includes funds received from the Nation.

- Community needs, as measured by the poverty rate and spending on economic assistance, generally did not increase after the Nation's land reacquisition.

Even though several of the neighboring communities had high poverty rates, only the Village of Canastota experienced a considerable increase in its poverty rate between 1990 and 2000. While in 2003 Oneida County had relatively high economic assistance expenditures, both adjusted for population size and compared to its revenues, it exhibited the same pattern in 1990. Madison County had very low per capita economic assistance expenditures in both years. As the bulk of economic assistance spending takes place at the county level, per capita economic assistance spending at the city, town, and village level is either very low or non- existent.

- In most neighboring communities, wealth, as measured by per capita value and per capita income, increased or remained stable.

In Madison County, the City of Oneida, and the Town of Vernon per capita value increased considerably between 1990 and 2003, a trend which could potentially be attributed to the Nation's activities in the area. The only exception to the stable or increased per capita value is Oneida County, which experienced a decrease in its per capita full value. While some of the neighboring towns had per capita incomes that were substantially lower than the median, none of the neighboring communities experienced a relative decrease in per capita income between 1990 and 2000. Per capita income in Madison County and the City of Oneida actually increased, from being around the median in 1990 to ranking near the top in 2000. This positive trend could potentially be attributed to the impact of the Nation's economic activities.

- Neighboring communities generally did not increase their reliance on debt more than comparable communities.

The fiscal stress caused by growing costs and limited revenues increased the reliance on debt in many Upstate New York communities. While some neighboring communities had a high debt burden in 2003, they exhibited the same pattern in 1990. Only the Village of Vernon increased its debt service per capita considerably between 1990 and 2003. The Cities of Oneida and Sherrill, and the Towns of Stockbridge, Vernon, and Smithfield decreased their debt commitment considerably by reducing their outstanding debt and/or their debt service.

- Per capita expenditures on public safety, transportation, and home and community services generally did not change considerably.

In terms of public safety, only the Town of Smithfield increased per capita spending considerably between 1990 and 2003 while the Town of Sullivan experienced a decrease in public safety expenditures. The Village of Vernon spent relatively more on transportation in 2003 than in 1990. The City of Oneida, on the other hand, decreased its per capita transportation spending during the time period. At the same time, the City of Oneida increased its per capita spending on home and community services. The Village of Canastota decreased its per capita home and community services expenditures.

Detailed methodology and findings

To examine the counties and municipalities' fiscal condition, a set of fiscal health indicators for 1990 and 2003 were calculated. These indicators provide information about the localities' fiscal capacity (or their external resources), their current spending pressure, and their long-term commitments. To obtain a more in depth look into the neighboring communities' fiscal condition, spending patterns and revenue sources have been examined including per capita expenditures and revenue metrics for both years. Because changes could have occurred in intermediate years, per capita expenditures and revenue metrics have been compiled for several years (See Appendix A for 1992, 1994, 1996, 1998, 2000, and 2002 Tables). Local fiscal data has been gathered from the New York State Office of the State Comptroller except the data from the Town of Verona which was collected directly from the Town and categorized using the Comptroller's template because the Town of Verona failed to report its budget information within the required time period to the New York State Comptroller's Office for 2002 and 2003. Population data has been compiled from the U.S. Bureau of Census. Table 3.7-141 provides definitions and criteria for a series of fiscal indicators.

To take into account the reality that changes in a local government's fiscal condition can be caused by a multitude of "external" factors such as broader regional economic trends and changes in Federal or State laws and regulations, each neighboring community was ranked among comparable municipalities throughout Upstate New York. Comparing a neighboring community's ranking in terms of per capita revenue and expenditures and other fiscal health indicators in 1990 with its ranking in 2003 enables assessment of changes that are likely to be attributable to local causes. In other words, only those changes that were different from the changes that comparable municipalities exhibited during the same period (and thus led to a change in the neighboring community's relative ranking) could potentially be attributable to the Nation's reacquisition program during that time. All changes discussed in this report refer to a change in the neighboring community's ranking relative to comparable communities and do not indicate a change in the absolute value of the indicator. For example, if Municipality A's per capita property tax burden was \$200 in 1990 and \$180 in 2003 and it was ranked in the 10th percentile in 1990 and in the 50th percentile in 2003, Municipality A's fiscal health worsened between 1990 and 2003 relative to comparable communities even though the value of its per capita property tax burden decreased. (Because of this approach, we did not need to adjust the dollar amounts for inflation.)

Comparable communities were selected based on their geographic location, population size, and population growth rate. Because each class of local government has distinct responsibilities, separate analyses were conducted for counties, cities, towns, and villages. Madison and Oneida County were compared with a group of 22 Upstate counties with a similar population size and growth rate. The City of Oneida and Sherrill were ranked among 43 comparable cities. Towns and villages in which the Nation owns land were compared to a group of 580 and 177 communities, respectively.

Table 3.7-141
Fiscal Health Indicators for Comparative Analysis

Fiscal health indicators were calculated (indicator selection based on Miller, G. (2002)) to assess the locality's available external resources, its spending pressures, and its long-term commitments.

1. Available External Resources
This report discusses four indicators of the current and future external resources that are available to the locality. The first indicator, ***per capita property tax revenues,*** provides a partial view of the current real property tax burden on the taxpayer. (Per capita overlapping property tax revenues - property taxes paid by local taxpayers to all jurisdictions - would give a more complete view but was not calculated due to a lack of 1990 data.) The ***intergovernmental revenues as a percent of total revenues*** indicator illustrates the local government's current dependence on revenues from other governments, which is revenue over which it has no direct control. Finally, ***per capita full value*** (which is the value of all taxable property in the locality divided by population) and ***per capita income*** are used as indicators of the community's wealth and its current and future ability to generate revenues.

2. Spending Pressures
Three indicators gauge the spending pressures faced by the locality. First, ***operating expenditures as a proportion of total revenues*** compares the existing revenues with the amount required for daily operations such as personnel and supplies. The ***poverty rate*** gives information about the residents' need for government services. For counties, ***the economic assistance as a percent of total expenditures*** indicator examines the degree to which the locality's spending is concentrated in services that promote the locality's economic welfare, such as Medicaid and Temporary Assistance for Needy Families (TANF).

3. Long-term Commitments
The locality's long-term commitments in terms of debt are assessed using three indicators. ***Per capita debt service*** adjusts the principal and interest payments for bonds and notes by population. ***Outstanding debt as a percent of full valuation*** compares all of the debt that is outstanding at the end of the year to the total value of taxable property in the locality. The ***outstanding debt that is subject to the constitutional debt limit, as a percent of that limit***, provides an indication of the local government's remaining debt capacity. Long-term commitments such as pension agreements and paid vacation are not included in this analysis because this information is not included in the Comptroller's Office data set.

For all of these indicators, except per capita income and per capita full value, a lower percentage or value is more desirable than a higher one.

PER CAPITA EXPENDITURES

Per capita expenditures were broken down into the following categories: general government, health, public safety, economic assistance, culture and recreation, home and community services and debt service. The New York State Comptroller's Office definitions of these categories can be found in Appendix E.

PER CAPITA REVENUES

Per capita revenues were broken down by the following sources: property tax, non-property tax, intergovernmental revenues, interest earnings, other revenues.

For each class, the report includes the following three tables: (1) fiscal health indicators; (2) per capita expenditures calculations; and (3) per capita revenue calculations. Each table specifies the criteria used to select the comparable communities. The tables are located at the end of each section. The results of the analyses are discussed below.

Counties

As part of the fiscal health indicator analysis, presented in Table 3.7-141 and discussed in detail below, Madison and Oneida County were ranked among a group of 22 Upstate New York counties with a population size between 50,000 and 300,000 in 2003 and an average annual growth rate of -1% to +0.1% during the last decennium. Tables 3.7-142 and 3.7-143 present per capita expenditures and revenues metrics for Madison and Oneida Counties as well as their rankings among comparable counties.

Madison County

The Nation currently owns about 6,594 acres of land in Madison County, which is 1.5 percent of the County's total land area. The land and its improvements account for approximately 1.4 percent of the value of all real property in Madison. The land holdings are located in the Town of Stockbridge, in the City of Oneida, and in seven other constituent towns and villages.

Available External Resources - Madison County had a relatively strong resource base in 2003. The County relied very little on intergovernmental revenues in 1990 and 2003. Improvements in 2003 included an increase in per capita income and per capita full value, which could potentially be attributed to the Nation's economic activities within the county. The property tax burden, however, became larger during this time period with per capita property tax revenues increasing from 38th percentile in 1990 to the 70th percentile in 2003. Because the data do not distinguish between residential and non-residential sources of property tax, we cannot know whether the increase in per capita property tax translates into a property tax burden for the residents. According to the New York State Office of Real Property Services (ORPS), 62 percent of the County's property tax revenues in 2003 came from residential tax payers. A breakdown by source of the 1990 property tax revenues is not available from ORPS. (See Table 3.7-142) (Biennial data shows that the real property tax burden increase occurred between 2000 and 2002.)

Spending Pressures - With the exception of high operating expenditures, Madison County's spending pressures were relatively low in both 1990 and 2003 as the County had a low poverty rate in both 1990 and 2000 and spent a relatively small part of its revenues on economic assistance.

Long-term Commitments - Madison County scored relatively well in terms of long-term spending commitments in both 1990 and 2003. Debt was low compared to its full valuation in both years. While Madison still ranked around the middle of the range in terms of per capita debt service and debt to debt limit ratio in 2003, its situation was better in 1990. (A closer look at per capita debt service throughout the time period shows that the County's debt service burden fluctuated over time without a clear pattern.)

Per Capita Revenues and Expenditures - Per capita expenditures and revenues in Madison County were low in both 1990 and 2003 and in each of the intermittent years included in the study. Disaggregating expenditures by function shows that Madison County spent more than the majority of comparable counties on home and community services (which includes utilities and other community services, such as garbage collection and housing and community development) and spent relatively little on economic assistance in both 1990 and 2003.

Oneida County

The Nation started to reacquire land in Oneida County in 1992, with the most valuable transactions taking place in 1998. Currently, the total acreage of land holdings in Oneida County is 10,776 acres or 1.3 percent of the County's land area. The land is concentrated in the Town of Verona where the Nation owns 8,550 acres of land that include the Turning Stone Resort & Casino buildings and grounds. Other constituents with the Nation's land holdings are the City of Sherrill and five of Oneida County's towns and villages. The Nation does not own land in the Cities of Utica and Rome, which together accounted for forty percent of Oneida County's population in 2000.

Oneida County's fiscal health was worse than Madison County's in both 1990 and 2003 but improved over time.

Available External Resources - While Oneida County did not have substantial external resources in 1990, its resource base was weaker still in 2003. In both years, the County heavily relied on intergovernmental revenues. However, county tax payers had low property tax burdens throughout this time period and Oneida County ranked around the middle in terms of per capita income in both years. Oneida County's ranking in terms of per capita full value decreased after 1998 and the County scored low on this indicator in 2003. The decrease in the per capita full value coincided with the purchase of valuable land holdings by the Nation. However, as these properties remained on the tax rolls, the decrease in per capita full value cannot be attributed to the Nation.

Spending Pressures - Oneida County used a high proportion of its revenues for economic assistance in both 1990 and 2003. Data for intermittent years show a decrease in per capita spending on economic assistance that started in the mid-1990s and continued to 2002. While Oneida scored well in terms of the percent of its revenues that it uses to cover its operating expenditures in 1990, it was ranked more in the middle of the range in 2003. The County's poverty rate was relatively close to the median in both years.

Long-term Commitments - In both 1990 and 2003, Oneida County had relatively high long-term commitments with its outstanding debt being large compared to its full valuation and its debt limit. Oneida County's per capita debt service was relatively high in 1990 but ranked more around the middle of the range in 2003. This decrease was, however, not part of a steady trend as debt service per capita fluctuated throughout the 1990-2003 time period.

Per Capita Revenues and Expenditures - Oneida County ranked relatively low in terms of per capita spending and revenues in both 1990 and 2003 with some fluctuation in intermittent years. The County had relatively high per capita economic assistance expenditures in both years and received a relatively high proportion of its income from other governments.

Cities

The City of Oneida and the City of Sherrill, the two cities in which the Nation owns land, as well as Utica and Rome, the two other cities in Oneida County, were ranked as part of a group of 43 cities with comparable characteristics for the fiscal health indicator analysis presented in Table 3.7-145 and discussed below. All cities included in this analysis had a population of less than 65,000 in 2003 and grew at an average annual rate between -1% and +1.5% during the 1990-2000 time period. Tables 3.7-146 and 3.7-147 show the cities' rankings in terms of per capita expenditures and revenues among other Central New York cities.

City of Oneida

The Nation's land holdings of 1,046 acres within the City of Oneida account for 7.5 percent of the City's total land area. The land and improvements represent 5.8 percent of the City's tax base.

Available External Resources - The City of Oneida exhibited a very strong resource base in both 1990 and 2003. The City had relatively high level of wealth, especially in 2003 when it ranked near the top both in terms of per capita income and per capita full value. This increase in wealth could potentially be associated with the impact of the Nation's economic activities. The City also kept its property tax burden low throughout the 1990-2003 time period. While the City of Oneida received a very small share of its revenues from other governments in 1990, in 2003 the City ranked more in the middle for this indicator.

Spending Pressures - Spending pressures eased in the City of Oneida between 1990 and 2003 as operating expenditures claimed a smaller part of total revenues. Relative to comparable cities, the City had a relatively low poverty rate in both years.

Table 3.7-142
Fiscal Health Indicators for Counties with Nation Land

			Available External Resources				Spending Pressures			Long-term Commitments		
			Per Capita Property Tax Revenues ($)	Intergovernmental Revenues as % of Total Revenues	Per Capita Income ($)	Per Capita Full Valuation ($)	Operating Expenditures as % of Total Revenues	Poverty Rate	Economic Assistance Expenditures as % of Total Revenues	Per Capita Debt Service ($)	Outstanding Debt as % of Full Valuation	Outstanding Debt Subject to Constitutional Debt Limit as % of Debt Limit
Madison	1990	value	178	32.4%	12,334	20,719	100.0%	9.2%	31.7%	14	0.4%	7.5%
		percentile	38%	9%	61%	57%	80%	9%	4%	28%	19%	28%
	2003	value	343	33.34%	19,105	35,384	97.7%	9.8%	37.7%	23	0.3%	4.9%
		percentile	70%	5%	75%	70%	70%	15%	5%	45%	15%	35%
Oneida	1990	value	129	46.8%	12,227	19,326	89.6%	11.9%	50.3%	45	1.5%	18.3%
		percentile	19%	95%	57%	42%	23%	66%	90%	85%	90%	85%
	2003	value	248	47.0%	18,516	29,005	97.3%	13.0%	54.5%	35	1.2%	16.7%
		percentile	15%	100%	65%	10%	60%	55%	100%	55%	80%	80%

Source: The Louis Berger Group, Inc., 2005; Office of the State of New York Comptroller, Local Government Financial Data, 1990 and 2003; U.S. Census Bureau, Census 2000, Summary File 1; 1990 Census of Housing and Population, Summary Tape File 1.
Note: Per capita income and poverty rates were calculated for 1990 and 2000.

Criteria met by counties included in this analysis:		Number of counties included in this analysis:		Legend	
Geographic:	Upstate NY	1990	22	(green)	Better than Most (ranks in top 33%)
Population Size in 2003:	50,000-300,000	2003	22	(white)	Middle of the Range (34th to 66th percentile)
1990-2000 Growth:	minus 1% plus 0.1%			(red)	Worse than Most (ranks in bottom 33%)

Table 3.7-143
Per Capita Expenditures in Counties with Nation Land

Per Capita Expenditures ($) in Counties with Nation Land compared to the Central New York Region[1] (N=15)

			Total Spending per Capita	Expenditures by function: General Government	Public Safety	Health	Trans-portation	Economic Assistance	Culture Recreation	Home and Community	Debt Service Per Capita
Madison	1990	value	652	71	47	118	106	190	4	70	14
		percentile	14%	28%	14%	71%	50%	MIN.	21%	85%	14%
	2003	value	1,063	125	109	135	153	396	6	66	23
		percentile	0%	21%	14%	36%	43%	7%	29%	64%	43%
Oneida	1990	value	671	60	47	69	49	335	6	22	45
		percentile	21%	0%	21%	35%	MIN.	71%	57%	28%	85%
	2003	value	1,225	127	126	85	98	636	13	34	35
		percentile	21%	29%	29%	7%	14%	71%	64%	7%	64%

Source: The Louis Berger Group, Inc., 2005; Office of the State of New York Comptroller, Local Government Financial Data, 1990 and 2003.
MIN indicates minimum value, meaning that the community ranked the lowest.
1. The Central New York Region includes the following counties Broome, Chenango, Cortland, Fulton, Hamilton, Herkimer, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego,Otsego, Schoharie, and Tioga.

Table 3.7-144
Per Capita Revenues in Counties with Nation Land

Per Capita Revenues ($) in Counties with Nation Land compared to the Central New York Region[1] (N=15)								
			Per Capita Total Revenues	Per Capita Real Property Taxes	Per Capita Non-Property Taxes	Per Capita Intergov. Transfer	Per Capita Interest Earnings	Per Capita Other Revenues
Madison	1990	value	599	178	71	194	9	147
		percentile	7%	28%	7%	0%	21%	64%
	2003	value	1,051	343	115	350	4	238
		percentile	MIN	50%	MIN	MIN	21%	35%
Oneida	1990	value	665	129	107	311	4	114
		percentile	28%	MIN	35%	78%	MIN	35%
	2003	value	1,166	248	247	549	3	120
		percentile	21%	7%	57%	78%	MIN	MIN

Source: The Louis Berger Group, Inc., 2005; Office of the State of New York Comptroller, Local Government Financial Data, 1990 and 2003.
MIN indicates minimum value, meaning that the community ranked the lowest.
1. The Central New York Region includes the following counties Broome, Chenango, Cortland, Fulton, Hamilton, Herkimer, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego,Otsego, Schoharie, and Tioga.

Long-term Commitments - While the City had heavy long-term commitments in 1990, its situation had improved by 2003 when outstanding debt had become considerably lower relative to full valuation and to the City's debt limit. Per capita debt service was high in 1990 and 2003 and in each of the intermittent years included in this report.

Per Capita Revenues and Expenditures - The City of Oneida experienced a relative decline in terms of per capita expenditures and revenues, partly due to its unusually large health care expenditures (and corresponding revenues) in the first half of the 1990s. As these expenditures had disappeared by 1996, the City's per capita revenue and expenditures became more similar to that of comparable cities and was ranked near the middle of the range in 2003. The City of Oneida spent little on public safety in both 1990 and 2003. While the City had high per capita expenditures on transportation in 1990, its spending level was below the median in 2003. (The decrease, however, was not part of a steady decreasing trend during the time period.) Per capita expenditures on home and community services increased to a relatively high level after 1998.

City of Sherrill

The Nation currently owns six acres of land in Sherrill, which is 0.5 percent of the City's total land area. The valuation of real property owned by the Nation represents 1.1 percent of the value of all taxable property within the City. Most of the land was acquired in 1997 and 1998, with only one purchase in 2002.

Available External Resources - Sherrill had a very strong resource base in both 1990 and 2003 with high per capita incomes and full valuation, and a low reliance on intergovernmental revenues. While Sherrill's property tax burden was around the middle of the range in 1990, it was low in 2003. The decrease started in the mid-1990s, before the Nation acquired the land. While the decrease continued in later years, the Nation's increased ownership presence was not a major factor in the decline of Sherrill's property tax burden ranking as the magnitude of the uncollected property taxes on the Nation's land holdings was too small. All property tax bills that the City submitted to the Nation from 1997 to the present add to less than $60,000, or an annual average of $7,500 which is less than $2.50 per capita.

Spending Pressures - The City had the lowest poverty rate of all comparable cities included in the analysis in both 1990 and 2003. The proportion of revenues it needed to cover operations increased which indicates an increase in spending pressure.

Long-term Commitments - Sherrill had relatively low long-term commitments in 2003. The City's relatively high per capita debt service in 1990 started decreasing between 1996 and 1998 and remained low in 2003. The debt subject to the constitutional debt limit also decreased between 1990 and 2003.

Per Capita Revenues and Expenditures - Per capita expenditures and revenues in the City of Sherrill remained stable between 1990 and 2003. Sherrill spent little on public safety throughout the 1990-2003 time period while having high home and community services expenditures.

Other Cities in Central New York

While the Nation does not own any land in Utica and Rome, these cities were included in the analysis because they account for forty percent of the population of Oneida County.

Utica, the largest city in Oneida County, had one of the highest poverty rates among comparable communities in both years. A relatively weak resource base in 1990 had weakened further by 2003, due to a decline in full value per capita, but had improved in terms of a decreased property tax burden. In both years, the City exhibited low per capita incomes and a high dependence on intergovernmental revenues. In both periods Utica kept its debt commitments low.

Rome, Oneida County's second largest city, also had a relatively weak resource base in 2003. The City's situation deteriorated between 1990 and 2003, mainly in terms of an increased reliance on intergovernmental revenues. The City ranked around the middle of the range in both years in terms of per capita full value and experienced a considerable increase in per capita incomes between 1990 and 2003. Operating expenditures used a

Table 3.7-145
Fiscal Health Indicators for Selected Cities

			Available External Resources				Spending Pressures		Long-term Commitments		
			Per Capita Property Tax Revenues ($)	Intergovernmental Revenues as % of Total Revenues	Per Capita Income ($)	Per Capita Full Valuation ($)	Operating Expenditures as % of Total Revenues	Poverty Rate	Per Capita Debt Service ($)	Outstanding Debt as % of Full Valuation	Outstanding Debt Subject to Constitutional Debt Limit as % of Debt Limit
Cities with Nation Land											
Oneida	1990	value	164	6.17%	11,637	18,772	91.32%	9.97%	172	5.31%	52.51%
		percentile	23%	MIN.	50%	71%	90%	14%	95%	85%	90%
	2003	value	238	23.13%	18,966	32,991	75.83%	12.50%	163	2.83%	22.83%
		percentile	7%	52%	83%	88%	19%	16%	80%	28%	38%
Sherrill	1990	value	191	12.46%	14,081	23,595	81.21%	4.07%	99	2.59%	31.52%
		percentile	42%	2%	95%	90%	50%	MIN.	73%	33%	54%
	2003	value	295	9.10%	22,311	39,697	88.16%	2.16%	36.20	0.36%	5.30%
		percentile	28%	2%	97%	92%	69%	MIN.	7%	2%	16%
Other Cities in Central New York											
Rome	1990	value	215	12.59%	11,171	15,474	89.01%	12.06%	90	4.76%	40.11%
		percentile	61%	4%	38%	47%	78%	23%	66%	80%	69%
	2003	value	390	25.31%	18,604	22,610	88.10%	14.99%	130	4.36%	59.45%
		percentile	71%	76%	78%	40%	66%	35%	61%	61%	90%
Utica	1990	value	186	29.85%	10,726	14,783	80.16%	21.73%	69	2.98%	30.14%
		percentile	35%	80%	23%	45%	40%	90%	42%	42%	50%
	2003	value	278	40.73%	15,248	18,966	84.80%	24.50%	73	3.05%	41.69%
		percentile	16%	97%	19%	11%	47%	90%	26%	35%	78%

Source: The Louis Berger Group, Inc., 2005; Office of the State of New York Comptroller, Local Government Financial Data, 1990 and 2003; U.S. Census Bureau, Census 2000, Summary File 1; 1990 Census of Housing and Population, Summary Tape File 1.
Note: Per capita income and poverty rates were calculated for 1990 and 2000.
MIN indicates minimum value, meaning that the community was ranked the lowest.

Criteria met by cities included in this analysis:		Number of cities included in this analysis:		Legend
Geographic:	Upstate NY	1990	43	Better than Most (ranks in top 33%)
Population Size in 2003:	less than 65,000	2003	43	Middle of the Range (34th to 66th percentile)
1990-2000 Growth:	minus 1% plus 1.5%			Worse than Most (ranks in bottom 33%)

Table 3.7-146
Per Capita Expenditures in Selected Cities

Per Capita Expenditures ($) in Selected Cities compared to All Cities in the Central New York Region[1] (N=15)										
			Total	Expenditures by function						
			Spending per Capita	General Government	Public Safety	Health	Trans-portation	Culture Recreation	Home and Community	Debt Service Per Capita
Cities with Nation Land										
Oneic	1990	value	2,834	168	163	1,889	154	45	243	172
		percentile	100%	92%	7%	100%	71%	35%	42%	85%
	2003	value	1,339	104	350	4	171	66	480	163
		percentile	42%	14%	14%	85%	35%	71%	71%	85%
Sherr	1990	value	1,010	106	136	0	103	30	537	99
		percentile	57%	42%	0%	21%	21%	14%	92%	71%
	2003	value	1,268	157	152	0	126	60	736	36
		percentile	35%	42%	MIN.	21%	14%	35%	92%	MIN.
Other Cities in Central New York										
Rome	1990	value	1,359	117	184	636	128	49	154	90
		percentile	85%	57%	28%	92%	50%	50%	0%	64%
	2003	value	1,497	356	452	4	222	63	263	130
		percentile	64%	100%	64%	78%	64%	42%	14%	42%
Utica	1990	value	781	105	264	0	68	57	217	69
		percentile	21%	35%	71%	42%	0%	71%	35%	28%
	2003	value	1,122	121	482	1	126	65	251	73
		percentile	7%	28%	71%	50%	7%	57%	7%	14%

Source: The Louis Berger Group, Inc., 2005; Office of the State of New York Comptroller, Local Government Financial Data, 1990 and 2003.
MIN indicates minimum value, meaning that the community ranked the lowest.
1. The Central New York Region includes the following counties Broome, Chenango, Cortland, Fulton, Hamilton, Herkimer, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego,Otsego, Schoharie, and Tioga.

Table 3.7-147
Per Capita Revenues in Selected Cities

Per Capita Revenues ($) in Selected Cities compared to All Cities in the Central New York Region[1] (N=15)								
			Per Capita Total Revenues	Per Capita Real Property Taxes	Per Capita Non-Property Taxes	Per Capita Intergov. Transfer	Per Capita Interest Earnings	Per Capita Other Revenues
Cities with Nation Land								
Oneida	1990	value	2,766	164	161	171	53	2,217
		percentile	100%	21%	78%	28%	92%	100%
	2003	value	1,288	238	275	298	14	464
		percentile	50%	7%	78%	42%	71%	78%
Sherrill	1990	value	1,048	191	100	131	18	608
		percentile	71%	42%	28%	0%	21%	85%
	2003	value	1,337	295	176	122	6	737
		percentile	71%	35%	14%	MIN.	28%	100%
Other Cities in Central New York								
Rome	1990	value	1,326	215	111	167	8	824
		percentile	85%	71%	35%	21%	7%	92%
	2003	value	1,294	390	235	328	16	327
		percentile	57%	71%	64%	64%	85%	21%
Utica	1990	value	793	186	117	237	32	221
		percentile	28%	28%	42%	64%	50%	57%
	2003	value	987	278	210	402	4	94
		percentile	MIN.	28%	42%	71%	14%	MIN.

Source: The Louis Berger Group, Inc., 2005; Office of the State of New York Comptroller, Local Government Financial Data, 1990 and 2003.
MIN indicates minimum value, meaning that the community ranked the lowest.
1. The Central New York Region includes the following counties Broome, Chenango, Cortland, Fulton, Hamilton, Herkimer, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego,Otsego, Schoharie, and Tioga.

smaller proportion of revenues in 2003 but an increased poverty rate added to the City's spending pressures. The City also experienced a positive change in its long-term commitments with a decreasing debt burden.

Towns

The ten towns in which the Nation owns 16,189 acres (which is 93 percent of the land reacquired) were ranked among a group of comparable towns in Upstate New York. All of the 580 towns included in the fiscal health indicator analysis (presented in Table 3.7-148) had a population between 1,000 and 20,000 in 2003 and experienced an average annual population growth between -1% and +1.5% during the last decennium. Tables 3.7-149 and 3.7-150 present per capita expenditures and revenues for each of the towns where the Nation owns land and ranks the neighboring communities among other towns in the Central New York Region.

Town of Verona

The Turning Stone Casino Resort is mostly located in Verona and is built on part of the 8,594 acres of land that the Nation owns in the Town, which comprises 19.3 percent of the Town's land area. Reacquisition started in 1992 and continued from 1994 through

1997. The Nation's most valuable land holdings were not part of Verona's tax prior to the Sherrill decision in 2005. After the decision, the land was placed on the tax rolls.

Available External Resources - Verona exhibited a slight improvement between 1990 and 2003 in terms of its resource base. The Town retained low property taxes throughout the time period. While ranked in the middle of the range in terms of per capita income in both 1990 and 2000, per capita full value, another indicator of wealth, was especially low in both years. The reliance on intergovernmental revenues was high in 1990 but fell significantly by 2003.

Spending Pressures - Verona's spending pressures were similar or lower than those faced by most comparable towns in both 1990 and 2003. It ranked near the middle of the range in both years in terms of the percent of its revenues that it needs to cover its operations. The Town's poverty rate decreased, from 36th percentile in 1990 to 15th percentile in 2003.

Long-term Commitments - Due to a lack of data on outstanding debt in 2003, we cannot draw any conclusions about the Town's long-term debt commitments. The Town's per capita debt service remained in the middle of the range in both years.

Per Capita Revenues and Expenditures - Verona's per capita expenditures slightly increased between 1990 and 2003 with the increase occurring between 1990 and 1992. Verona was ranked high in terms of its spending on home and community services for each of the years included in this report. Per capita revenues started increasing between 1992 and 1994 and were ranked higher in 2003 than in the early 1990s. While having a very low property tax burden throughout the 1990-2003 time period, Verona relied more than most comparable towns on revenues categorized in the residual "other revenues" category, which includes funds received from the Oneidas, fines, sales revenues and licenses and on sales tax and other non-property taxes.

Town of Stockbridge

The Nation owns 3,620 acres of land in Stockbridge, which is 17.9 percent of the Town's land area. Land reacquisition started in 1997, with most of the properties being purchased between 1997 and 1998.

Available External Resources - The Town of Stockbridge had relatively few external resources available in both 1990 and 2003. Stockbridge is a relatively low wealth community with low per capita incomes and full values. Its reliance on intergovernmental revenues, however, was never particularly high. Per capita property tax revenue was near the middle of the range throughout the 1990-2003 time period.

Spending Pressures - While its poverty rate was close to the median in 1990, Stockbridge had a relatively high poverty rate in 2000. Stockbridge experienced a reduced spending pressure by needing less of its revenues for daily operations.

Long-term Commitments - The Town saw a clear improvement during the 1990-2003 period in terms of long-term commitments. While ranking low in 1990 with very high per capita debt and a high debt to full valuation ratio, the Town ranked near the median for all of these indicators in 2003 and eliminated the part of its debt that is subject to the constitutional debt limit. Data for intermittent years shows that the decrease in debt service started between 1998 and 2000.

Per Capita Revenues and Expenditures - Stockbridge ranked relatively low in terms of per capita revenues and expenditures throughout the 1990-2003 period. It relied more than most comparable towns on departmental income and spent relatively large amounts on home and community services throughout the time period.

Town of Vernon

In the Town of Vernon, a total of 1,911 acres of land - about 7.8 percent of the Town's total land area - is owned by the Nation.

Available External Resources - The Town of Vernon exhibited a strong resource base in 2003, with an increase in the availability of external resources compared to 1990. Vernon had a low property tax burden through the 1990-2003 time period. Vernon experienced some improvements in terms of the community's wealth, with a per capita income and per capita full value exceeding that of most comparable towns in 2003. Data for intermittent years show that the increased per capita full value started around 1994, which is when the Nation started purchasing land in the town.

Spending Pressures - Although Vernon's spending pressures were not particularly high in 2003, it ranked better in 1990 when it was using a smaller percentage of its revenues for operating expenditures. Vernon ranked in the middle of the range in terms of poverty rate in both years.

Long-term Commitments - Vernon had very low long-term commitments in 2003, an improvement compared to 1990 when it was ranked closer to the middle of the range. In 2003 the Town did not have any outstanding debt. While its per capita debt service was zero in both 1990 and 2003, it fluctuated somewhat throughout the time period but was always ranked in the bottom 40th percentile.

Per Capita Revenues and Expenditures - Per capita expenditures in Vernon fluctuated throughout the time period but the Town mostly stayed at or below the 25th percentile in most years. Per capita revenues were also relatively low throughout the time period with a relatively strong reliance on sales tax revenues.

Town of Lenox
The Nation owns 826 acres of land in Lenox, 3.5 percent of the Town's total land area.

Available External Resources - Lenox had a relatively strong resource base in 2003, which was an improvement from 1990 when the Town relied heavily on intergovernmental revenues. The Town ranked in the middle of the range in terms of wealth as measured by per capita income and per capita full value. Lenox had a low property tax burden throughout the time period.

Spending Pressures - The Town of Lenox faced increased spending pressures between 1990 and 2003. Although it still ranked in the middle of the range for both indicators in 2003, operating expenditures soaked up a larger proportion of the Town's revenues and the poverty rate increased.

Long-term Commitments - Lenox had very high long-term commitments in both years, with high per capita debt service and a debt burden. Per capita debt service fluctuated somewhat throughout the 1990-2003 time period but the Town was always ranked at the 60th percentile or above. While ranking near the median in 1990 in terms of its debt to debt limit ratio, the Town had exhausted a relatively high percent of its debt limit in 2003.

Per Capita Revenues and Expenditures - Lenox had low per capita expenditures and revenues throughout the 1990-2003 time period.

Town of Lincoln
The Nation owns 367 acres of land in the Town of Lincoln, accounting for 2.3 percent of the Town's land area.

Available External Resources - Lincoln scored relatively well in terms of the available external resources in both years. The Town had a high per capita income, per capita full value was close to the median, and the per capita revenue burden was kept below the median.

Spending Pressures - The Town's spending pressure eased as the share of revenues needed for operations decreased considerably between 1990 and 2003. The Town had a low poverty rate in both years.

Long-term Commitments - The Town of Lincoln had relatively low debt commitments in both years, especially in 2003. Per capita debt service decreased between 1990 and 2003 the debt that is subject to the constitutional debt limit was reduced to zero by the end of 2003.

Per Capita Revenues and Expenditures - Per capita spending fluctuated considerably throughout the 1990-2003 time period, starting very low in 1990 to increase to the middle of the range, reaching its peak in 1996, and decreasing again to a very low ranking in

2002 and 2003. The high level of spending in the mid-1990s was associated with a temporary increase in spending on contractual services related to the home and community services. In both 1990 and 2003, however, the Town ranks very low in terms of home and community services expenditures. Per capita revenues followed a similar pattern, ranking low (13th percentile) both in 1990 and 2003 but hitting the 76th percentile in 1994. Increased federal revenues from 1994 to 1998 accounted for this revenue increase.

Town of Smithfield

The Town of Smithfield includes 296 acres of Nation Indian land, which account for 1.9 percent of its land area.

Available External Resources - Smithfield had a very weak resource base in both years, with low wealth and a high property tax burden. In 2003 the Town experienced a decrease in its reliance on intergovernmental revenues which strengthened its resource base slightly.

Spending Pressures - In both years, Smithfield was facing very high spending pressures due to very high poverty rates. In 2003 operational expenditures accounted for a larger part of the Town's revenues, creating more pressure on the budget.

Long-term Commitments - The Town of Smithfield showed improvements in terms of its long-term commitments in 2003. The Town scored well in terms of per capita debt service and reduced its outstanding debt to zero.

Per Capita Revenues and Expenditures - Throughout the 1990-2003 period, per capita revenues in Smithfield were in the middle of the range when ranked among comparable towns. Per capita expenditures were slightly less stable but remained between the 25th and 55th percentile in each of the years included in this report. Public safety expenditures increased significantly between 2000 and 2002, going from 4th percentile in 1990 to 53rd in 2003 due to spending on contractual services related to fire protection.

Town of Augusta

The Nation owns 259 acres of land in Augusta, which accounts for 1.5 percent of the Town's area.

Available External Resources - Augusta had relatively limited external resources in both 1990 and 2003. The Town experienced an increasing property tax burden but a decreased reliance on intergovernmental revenues between 1990 and 2003. Community wealth was low in both years.

Spending Pressures -Spending pressures were eased between 1990 and 2003 as a smaller share of the revenues was needed to cover the costs of operations. Augusta ranked around the middle of the range in both years in terms of poverty.

Long-term Commitments - The Town ranked very well in terms of long-term commitments in both years. Per capita debt service increased between 1990 and 2003. However, at the end of 2003 outstanding debt was back down to zero.

Per Capita Revenues and Expenditures - Per capita expenditures and revenues hovered around the median for all years included in the study.

Town of Sullivan

The Nation owns 181 acres of land in the Town of Sullivan, accounting for 0.4 percent of Sullivan's land area.

Available External Resources - Sullivan had a relatively strong resource base in both years. The Town had high per capita incomes and ranked near the median in terms of per capita full value in both years. The property tax burden had been stable throughout the 1990-2003 time period and ranked the Town in the middle of the range.

Spending Pressures - Sullivan had low spending pressures in both years. The Town had a low poverty rate and spent only a small share of its revenues on operating expenditures.

Long-term Commitments - 1990 Sullivan had a high outstanding debt and high debt service payments. While per capita debt service was still very high in 2003, total debt had come down considerably and ranked the Town near the median.

Per Capita Revenues and Expenditures - Both per capita expenditures and revenues remained relatively low (around the 20th to 30th percentile) each of the years included in this report. Sullivan had particularly high public safety expenditures in the 1990s due to spending on contractual services and capital outlay related to fire safety.

Town of Fenner

Fenner is one of the municipalities in which the Nation owns very little land, just one 28-acre tax lot. Fenner had a relatively weak resource base in both years, with a high property tax burden in both years and an increased reliance on intergovernmental revenues in 2003. Fenner ranked well in 2003 in terms of the spending pressure indicators and did not have any outstanding debt in 2003.

Town of Cazenovia

In Cazenovia, the Nation owns only two properties (burial grounds)with a combined area of 9 acres. Cazenovia is a high wealth community compared to other Upstate New York towns and kept the property tax burden right under the median in both 1990 and 2003. It scored well on the spending pressure indicators and had low debt commitments in both years. (The Nation's lands in Cazenovia are tax-exempt.)

Table 3.7-148
Fiscal Health Indicators for Towns with Nation Land

		Available External Resources				Spending Pressures		Long-term Commitments		
		Per Capita Property Tax Revenues	Intergovernmental Revenues as % of Total Revenues	Per Capita Income ($)	Per Capita Full Valuation ($)	Operating Expenditures as % of Total Revenues	Poverty Rate	Per Capita Debt Service	Outstanding Debt as % of Full Valuation	Outstanding Debt Subject to Constitutional Debt Limit as % of Debt Limit
Verona	1990 value	19	30.14%	11,665	17,792	81.05%	8.34%	13	0.71%	0.00%
	percentile	1%	79%	49%	27%	46%	36%	62%	86%	MIN
	2003 value	49.59	21%	18,017	29,418	79%	6%	21.54		
	percentile	5%	51%	53%	25%	45%	15%	65%		
Stockbridge	1990 value	114	24.94%	9,694	16,304	88.48%	11.24%	22	1.05%	1.63%
	percentile	47%	62%	11%	16%	74%	62%	79%	91%	55%
	2003 value	190.71	22.12%	15,856	26,126	70.71%	12.86%	9	0.32%	0.00%
	percentile	53%	57%	24%	13%	17%	77%	43%	63%	MIN
Vernon	1990 value	37	25.80%	12,632	21,308	66.03%	9.60%	0	0.06%	1.10%
	percentile	5%	67%	66%	50%	6%	49%	MIN	36%	46%
	2003 value	37	23.62%	19,523	56,130	81.68%	9.79%	0	0.00%	0.00%
	percentile	2%	65%	71%	83%	55%	50%	MIN	MIN	MIN
Lenox	1990 value	59	40.38%	11,511	19,886	71.67%	7.81%	16	0.78%	1.04%
	percentile	14%	96%	44%	42%	15%	32%	68%	88%	45%
	2003 value	117	18.57%	17,398	35,012	78.95%	10.64%	24	0.59%	8.54%
	percentile	26%	41%	45%	45%	44%	57%	68%	73%	95%
Lincoln	1990 value	107	25.98%	13,133	23,771	91.84%	7.54%	7	0.05%	1.01%
	percentile	43%	67%	75%	63%	82%	30%	44%	33%	45%
	2003 value	173	24.73%	20,751	36,858	74.92%	5.09%	2	0.07%	0.00%
	percentile	43%	66%	80%	50%	28%	10%	28%	36%	MIN
Smithfield	1990 value	147	33.93%	9,594	16,196	82.99%	12.51%	20	0.11%	1.82%
	percentile	65%	88%	10%	15%	54%	72%	76%	46%	57%
	2003 value	270	21.37%	14,860	25,818	91.29%	16.22%	8	0.00%	0.00%
	percentile	77%	54%	10%	12%	84%	93%	39%	MIN	MIN
Augusta	1990 value	84	28.24%	10,425	15,990	91.85%	9.60%	0.00	0.00%	0.00%
	percentile	27%	74%	23%	13%	82%	48%	MIN	MIN	MIN
	2003 value	195	20.24%	16,367	26,213	84.28%	8.64%	16	0.00%	0.00%
	percentile	54%	50%	29%	13%	65%	40%	56%	MIN	MIN
Sullivan	1990 value	136	19.91%	13,222	19,770	66.55%	6.14%	31	1.72%	16.06%
	percentile	59%	35%	77%	41%	7%	19%	86%	96%	98%
	2003 value	209	19.09%	20,982	32,536	66.05%	7.01%	73	0.26%	0.00%
	percentile	59%	43%	83%	37%	10%	27%	93%	58%	MIN
Fenner	1990 value	204	19.20%	12,780	18,884	75.29%	12.91%	27	0.32%	5.58%
	percentile	84%	31%	69%	35%	24%	74%	83%	72%	86%
	2003 value	234	27.97%	19,409	34,960	69.87%	7.12%	24	0.00%	0.00%
	percentile	68%	76%	70%	45%	15%	28%	69%	MIN	MIN
Cazenovia	1990 value	98	27.93%	19,684	38,690	84.13%	4.30%	0	0.00%	0.00%
	percentile	36%	74%	99%	89%	60%	7%	MIN	MIN	MIN
	2003 value	158	30.77%	28,957	61,707	73.60%	4.33%	1	0.01%	0.19%
	percentile	39%	82%	99%	88%	24%	7%	27%	28%	58%

Source: The Louis Berger Group, Inc., 2005; Office of the State of New York Comptroller, Local Government Financial Data, 1990 and 2003; U.S. Census Bureau, Census 2000, Summary File 1 and 1990 Census of Housing and Population, Summary Tape File 1; Town of Verona, Budget Office, Budget, 2002-2004.

Note: Per capita income and poverty rates were calculated for 1990 and 2000; Due to lack of data, poverty rates and per capita income in 2000 were calculated for 558 towns only.

MIN indicates minimum value, meaning that the community ranked the lowest.

Criteria met by towns included in this analysis:		Number of towns included in this analysis:		Legend
Geographic:	Upstate NY	1990	580	Better than Most (ranks in top 33%)
Population Size in 200	1,000-20,000	2003	580	Middle of the Range (34th to 66th percentile)
1990-2000 Growth:	minus 1% plus 1.5%			Worse than Most (ranks in bottom 33%)

Table 3.7-149
Per Capita Expenditures in Towns with Nation Land

Per Capita Expenditures ($) in Towns with Nation Land compared to Central New York Towns[1]

		Total Spending per Capita	Expenditures by function: Health	Transportation	Economic Assistance	Culture Recreation	Home and Community	Debt Service Per Capita
Verona	1990 value	201	0	110	5	1	27	13
	percentile	25%	22%	31%	88%	13%	71%	60%
	2003 value	371	0	132	0	3	131	22
	percentile	40%	37%	18%	MIN.	26%	88%	69%
Stockbridge	1990 value	217	1	110	0	5	34	22
	percentile	32%	49%	30%	MIN.	65%	75%	77%
	2003 value	332	0	205	0	3	57	9
	percentile	28%	9%	45%	MIN.	29%	74%	49%
Vernon	1990 value	166	0	94	6	1	16	0
	percentile	14%	0%	22%	90%	18%	58%	MIN.
	2003 value	321	0	133	0	13	22	0
	percentile	26%	41%	19%	MIN.	72%	54%	MIN.
Lenox	1990 value	126	3	39	0	2	25	16
	percentile	3%	76%	0%	MIN.	35%	67%	67%
	2003 value	184	6	54	1	9	21	24
	percentile	3%	84%	1%	0.81	61%	53%	71%
Lincoln	1990 value	157	3	107	0	0	3	7
	percentile	12%	80%	28%	MIN.	2%	29%	46%
	2003 value	190	4	139	0	4	4	2
	percentile	4%	74%	21%	MIN.	38%	25%	35%
Smithfield	1990 value	238	1	157	0	2	4	20
	percentile	42%	51%	55%	MIN.	33%	35%	74%
	2003 value	390	3	257	0	3	10	8
	percentile	44%	70%	57%	MIN.	31%	40%	46%
Augusta	1990 value	233	0	167	8	4	4	0
	percentile	39%	0%	59%	94%	54%	36%	MIN.
	2003 value	382	1	267	1	3	10	16
	percentile	42%	56%	60%	66%	28%	41%	59%
Sullivan	1990 value	214	3	65	0	16	15	31
	percentile	31%	75%	7%	MIN.	87%	57%	85%
	2003 value	314	7	83	0	32	24	73
	percentile	23%	87%	3%	MIN.	90%	57%	94%
Fenner	1990 value	251	0	163	0	3	4	27
	percentile	46%	34%	57%	MIN.	35%	35%	82%
	2003 value	405	2	293	0	3	4	24
	percentile	49%	66%	67%	MIN.	27%	26%	73%
Cazenovia	1990 value	168	1	112	0	8	7	0
	percentile	15%	61%	32%	MIN.	72%	43%	MIN.
	2003 value	220	1	125	1	5	18	1
	percentile	8%	55%	16%	76%	44%	52%	34%

Source: The Louis Berger Group, Inc., 2005; Office of the State of New York Comptroller, Local Government Financial Data, 1990 and 2003;Town of Verona, Budget Office, Budget, 2002-2004.

Note:1. The Central New York Region includes the following counties Broome, Chenango, Cortland, Fulton, Hamilton, Herkimer, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego,Otsego, Schoharie, and Tioga. MIN. indicates minimum values, meaning that the community ranked the lowest. The number of towns included in the 1990 analysis is 248; 235 towns are included in the 2003 analysis.

Table 3.7-150
Per Capita Revenues in Towns with Nation Land

Per Capita Revenues ($) in Towns with Nation Land compared to All Towns in the Central New York Region[1]

			Per Capita Total Revenues	Per Capita Real Property Taxes	Per Capita Non-Property Taxes	Per Capita Intergov. Transfer	Per Capita Interest Earnings	Per Capita Other Revenues
Verona	1990	value	200	19	92	60	5	24
		percentile	26%	1%	84%	53%	19%	73%
	2003	value	471	50	170	98	3	151
		percentile	64%	4%	89%	62%	58%	93%
Stockbridg	1990	value	214	114	0	53	6	41
		percentile	34%	41%	MIN.	45%	28%	86%
	2003	value	330	191	1	73	3	62
		percentile	32%	47%	13%	47%	50%	80%
Vernon	1990	value	189	37	80	49	15	8
		percentile	21%	5%	81%	36%	77%	36%
	2003	value	257	37	138	61	3	19
		percentile	14%	2%	80%	33%	61%	37%
Lenox	1990	value	121	59	1	49	3	9
		percentile	4%	13%	47%	36%	5%	37%
	2003	value	197	117	2	37	2	39
		percentile	5%	20%	15%	5%	24%	68%
Lincoln	1990	value	163	107	1	42	6	7
		percentile	13%	38%	47%	24%	26%	28%
	2003	value	251	173	2	62	3	11
		percentile	13%	40%	17%	35%	42%	14%
Smithfield	1990	value	235	147	0	80	5	3
		percentile	44%	58%	MIN.	69%	16%	5%
	2003	value	358	270	0	76	1	10
		percentile	41%	70%	MIN.	50%	15%	14%
Augusta	1990	value	220	84	59	62	8	6
		percentile	36%	23%	75%	56%	50%	21%
	2003	value	396	195	111	80	2	7
		percentile	47%	48%	76%	52%	33%	5%
Sullivan	1990	value	194	136	1	39	10	8
		percentile	23%	53%	48%	18%	63%	37%
	2003	value	328	209	5	63	3	48
		percentile	30%	52%	22%	36%	48%	74%
Fenner	1990	value	266	204	0	51	7	4
		percentile	57%	80%	MIN.	40%	38%	14%
	2003	value	465	234	0	130	3	98
		percentile	63%	60%	MIN.	70%	40%	86%
Cazenovia	1990	value	156	98	0	44	6	8
		percentile	12%	31%	MIN.	26%	31%	30%
	2003	value	264	158	0	81	2	22
		percentile	15%	34%	MIN.	52%	32%	40%

Source: The Louis Berger Group, Inc., 2005; Office of the State of New York Comptroller, Local Government Financial Data, 1990 and 2003; Town of Verona, Budget Office, Budget, 2002-2004.

MIN indicates minimum value, meaning that the community ranked the lowest.

1. The Central New York Region includes the following counties Broome, Chenango, Cortland, Fulton, Hamilton, Herkimer, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego,Otsego, Schoharie, and Tioga.

Note: The number of towns included in the 1990 analysis is 248; 235 towns are included in the 2003 analysis.

Villages

For the fiscal health indicator analysis (presented in Table 3.7-151), the three villages in which the Nation currently owns land are part of a set of 177 Upstate New York villages that had a population size between 500 and 5,999 in 2003 and a population growth rate between -1% and +0.1% between 1990 and 2000. Tables 3.7.-152 and 3.7-153 present the per capita expenditures and revenues metrics for each of the three villages, comparing them to other villages in the Central New York Region.

Village of Canastota

The Village of Canastota includes 226 acres of land owned by the Nation, which represents 10.7 percent of the Village's land. Most of the land was purchased in the late 1990s.

Available External Resources - Canastota had a relatively weak resource base in 1990 and was slightly better in 2003. The Village had relatively low per capita income in both years. Per capita full value slightly increased but ranked around the middle of the range in both years. Between 1990 and 2003, the Village's property tax burden slightly increased and the Village's reliance on intergovernmental tax revenues decreased.

Spending Pressures - Canastota's spending pressures increased with a growing population living in poverty. (The Village ranked in the middle in 1990, but was ranked in the 77th percentile in 2000.)

Long-term Commitments - While Canastota had a very high debt burden in 1990, its outstanding debt ratios were better in 2003. Throughout the 1990-2003 period, the Village had a high per capita debt service.

Per Capita Revenues and Expenditures -Canastota exhibited relatively high per capita spending throughout the 1990-2003 period, ranking high in each single spending category, except general government. Canastota's revenues remained high throughout most of the time period but ranked closer to the median in 2003.

Village of Vernon

In 1998 and 1999, the Nation reacquired 5 properties of land, totaling 10 acres, in the Village of Vernon.

Although the Village of Vernon still had a relatively strong resource base in 2003, its situation was somewhat better in 1990. A relatively high wealth village, it ranked near or above the median both in terms of per capita income and per capita full value in both years. Vernon increased its reliance on intergovernmental revenues between 1990 and 2003 and ranked around the median in the latter year. The Village had a very low poverty rate in both years and reduced spending pressures by using less of its revenues on operations. While the Village was ranked near the median in terms of the debt to valuation ratio in both 1990 and 2003, its per capita debt service had become very high in 2003, an increase that commenced in the late 1990s. Vernon exhibited relatively high per capita revenues and expenditures in both years, with an increase in per capita spending on transportation-related equipment and construction after 2000.

Village of Sylvan Beach

The Nation reacquired seven properties of land in 2004, for a total of 5 acres. No reacquisition activities had taken place in or before 2003.

Table 3.7-151
Fiscal Health Indicators for Villages with Nation Land

		Available External Resources				Spending Pressures		Long-term Commitments		
		Per Capita Property Tax Revenues ($)	Intergovernmental Revenues as % of Total Revenues	Per Capita Income ($)	Per Capita Full Valuation ($)	Operating Expenditures as % of Total Revenues	Poverty Rate	Per Capita Debt Service ($)	Outstanding Debt as % of Full Valuation	Outstanding Debt Subject to Constitutional Debt Limit as % of Debt Limit
Canastota	1990 value	161	31.8%	10,681	15,186	55.1%	10.1%	165	6.7%	12%
	percentile	65%	92%	20%	45%	5%	50%	94%	90%	68%
	2003 value	288	15.9%	16,324	28,915	72.7%	14.8%	133	3.3%	5%
	percentile	73%	56%	34%	60%	31%	77%	78%	58%	51%
Vernon	1990 value	107	5.7%	12,853	22,155	83.8%	6.9%	68	2.2%	20%
	percentile	34%	5%	67%	82%	67%	25%	65%	53%	78%
	2003 value	226	14.4%	17,930	32,707	62.5%	9.7%	189	3.5%	46.1%
	percentile	48%	52%	62%	75%	11%	32%	92%	59%	95%
Sylvan Beach	1990 value	109	22.5%	10,205	17,069	75.4%	20.1%	209	10.5%	1.6%
	percentile	35%	80%	13%	60%	35%	97%	97%	96%	27%
	2003 value	539	11.6%	15,876	44,355	60.6%	17.0%	376	10.2%	7.9%
	percentile	98%	43%	26%	90%	9%	88%	99%	95%	61%

Source: The Louis Berger Group, Inc., 2005; Office of the State of New York Comptroller, Local Government Financial Data, 1990 and 2003; U.S. Census Bureau, Census 2000, Summary File 1; 1990 Census of Housing and Population, Summary Tape File 1.
Note: Per capita income and poverty rates were calculated for 1990 and 2000.

Criteria met by villages included in this analysis:		Number of villages included in this analysis		Legend
Geographic:	Upstate NY	1990	177	Better than Most (ranks in top 33%) (green)
Population Size in 2003:	500 - 5,999	2003	177	Middle of the Range (34th to 66th percentile) (white)
1990-2000 Growth:	minus 1% plus 0.1%			Worse than Most (ranks in bottom 33%) (red)

Table 3.7-152
Per Capita Expenditures in Villages with Nation Land

Per Capita Expenditures ($) in Villages with Nation Land compared to All Villages in the Central New York Region[1]

			Total Spending per Capita	Expenditures by function: Public Safety	Health	Trans-portation	Culture Recreation	Home and Community	Debt Service Per Capita
Canast	1990	value	830	86	2	86	17	430	165
		percentile	83%	76%	90%	64%	58%	85%	97%
	2003	value	861	209	3	157	37	192	133
		percentile	68%	85%	85%	72%	66%	51%	79%
Vernon	1990	value	661	78	0	37	8	409	68
		percentile	74%	68%	58%	17%	34%	83%	76%
	2003	value	1,201	141	0	185	156	440	189
		percentile	82%	66%	47%	85%	96%	80%	92%
Sylvan	1990	value	910	8	3	167	68	331	209
		percentile	88%	6%	91%	94%	95%	78%	98%
	2003	value	1,819	36	5	385	95	497	376
		percentile	94%	22%	87%	98%	95%	84%	99%

Source: The Louis Berger Group, Inc., 2005; Office of the State of New York Comptroller, Local Government Financial Data, 1990 and 2003.
1. The Central New York Region includes the following counties Broome, Chenango, Cortland, Fulton, Hamilton, Herkimer, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego,Otsego, Schoharie, and Tioga.

Table 3.7-153
Per Capita Revenues in Villages with Nation Land

Per Capita Revenues ($) in Villages with Nation Land compared to All Villages in the Central New York Region[1]

			Per Capita Total Revenues	Per Capita Real Property Taxes	Per Capita Non-Property Taxes	Per Capita Intergov. Transfer	Per Capita Interest Earnings	Per Capita Other Revenues
Canastota	1990	value	637	161	69	202	23	181
		percentile	78%	74%	61%	90%	77%	73%
	2003	value	775	288	119	123	7	238
		percentile	62%	81%	65%	57%	64%	58%
Vernon	1990	value	686	107	60	39	20	460
		percentile	80%	46%	56%	22%	70%	92%
	2003	value	1,190	226	115	172	8	669
		percentile	84%	60%	61%	69%	68%	90%
Sylvan Beach	1990	value	858	109	121	193	77	358
		percentile	86%	48%	89%	88%	97%	87%
	2003	value	1,382	539	260	160	9	415
		percentile	87%	97%	99%	65%	75%	82%

Source: The Louis Berger Group, Inc., 2005; Office of the State of New York Comptroller, Local Government Financial Data, 1990 and 2003.

1. The Central New York Region includes the following counties Broome, Chenango, Cortland, Fulton, Hamilton, Herkimer, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego,Otsego, Schoharie, and Tioga.

School Districts

Overview

The Annual Report on Local Governments from the New York State Office of the State Comptroller shows that, between 1993 and 2003, the State's school districts (not including New York City) increased expenditures more than other local governments. In 2003, school districts throughout the State continued to be largely dependent on property tax revenues and State aid, two revenue sources which together accounted for more than 90 percent of statewide school district revenues (not including New York City). Total outstanding debt for New York State school districts (not including New York City) increased by 125 percent between 1998 and 2003.

The following summarizes the findings of this assessment:

- While per pupil expenditures in the neighboring districts followed the statewide upward trend, they generally increased less than in comparable communities.
- In the two main neighboring districts (V.V.S and Stockbridge) per pupil revenues increased more than in comparable communities.
- Neighboring districts were generally ranked at or above the median in terms of State aid per capita in both years.
- In the three school districts in which the Nation reacquired lands to the highest degree (V.V.S., Stockbridge, and Oneida), per pupil property tax revenues were low and remained stable.

- The neighboring districts' per pupil full value also remained relatively stable before and after the Nation reacquired land.
- Although most neighboring communities faced an increased property tax burden, as measured by the real property tax levy as a percent of full valuation, the increase was part of a trend among Upstate New York school districts and not all districts saw an increase in their ranking relative to comparable communities.
- While most of the neighboring school districts increased their debt between 1990 and 2003, most did not exhibit an increase in their ranking among comparable communities.
- Only Stockbridge and two school districts in which the Nation acquired little land (Madison and Morrisville) ranked higher in terms of per capita debt service in 2003 than in 1990.

Detailed methodology and findings

The fiscal condition of the neighboring school districts was analyzed by calculating per pupil revenues, expenditures, and full value metrics and a real property tax to full valuation ratio (See Table 3.7-154). As with the county and municipality analysis presented above, the seven school districts in which the Nation reacquired land were ranked among comparable communities in Upstate New York for both 1990 and 2003. Considerable changes in a school district's ranking over time could potentially be linked to a local event that occurred during that time period, such as the reacquisition of lands by the Nation.

The school districts where the Nation owns land include Sherrill, Stockbridge, Oneida, Canastota, Madison, Morrisville and Cazenovia. The number of school districts included in this analysis is 460 in 1990 and 459 in 2003. The Sylvan-Verona Beach School District, which included the Sylvan-Verona Beach Elementary School, was eliminated in the mid-1990s. The Sylvan-Verona Beach Elementary School is now part of the Oneida City School District.

Verona-Vernon-Sherrill (V.V.S.) District

The V.V.S. District includes schools in Verona, Vernon and Sherrill. The district includes about 9,400 acres of Nation land, which is more than 50 percent of the land that was reacquired by the Oneidas.

Per pupil expenditures and revenues fluctuated considerably between 1990 and 2003 but were relatively low in both years. Per pupil State aid hovered around the median throughout the 1990-2003 period. Sherrill's per pupil property tax revenue was relatively low in both years, though it increased slightly from the 18th percentile in 1990 to the 27th percentile in 2003. The district's per pupil full value was relatively low (around 30th percentile) and stable during the 1990 to 2003 time period. The real property tax burden increased during the 1990-2003 period as the tax levy grew faster than the full valuation.

The district had a relatively low debt service in both years. Its total outstanding debt per pupil decreased relative to other school districts, from being ranked around the middle in 1990 to ranking in the lower third in 2003.

Stockbridge School District

All or part of the land reacquired by the Nation in the Towns of Stockbridge, Lincoln, Vernon, and Smithfield and in the City of Oneida is located in the Stockbridge School District. With 4,250 acres, the district has the second largest acreage of reacquired land.

Expenditures per pupil fluctuated over time but were around the median in both years. Stockbridge was ranked around the median in terms of per pupil revenues in 1990 but was ranked considerably higher in 2003 mainly due to an increase in other revenues, a residual category that includes payments received from the Oneidas under the Silver Covenant Grant Program. Throughout the time period, per pupil state aid was high (90th percentile), while per pupil real estate taxes were very low (below 10th percentile). Nevertheless, as full value per pupil remained very low throughout the 1990-2003 period (below 10th percentile), the property tax debt burden increased because the property tax levy grew more than the full valuation.

While the district was doing relatively well in terms of debt commitments in 1990 when it ranked at the median in terms of per capita debt service and ranked low in terms of outstanding debt per capita, it had high per capita debt service and very high per capita outstanding debt in 2003.

Oneida School District

The Oneida City School District includes approximately 1,400 acres of land reacquired by the Nation.

Per pupil expenditures and revenues both decreased between 1990, when they were ranked around the middle of the range, and 2003, when they were ranked in the lowest third. While the Oneida District was ranked high in terms of State aid in 1990, it ranked near the median in 2003. Compared to other Upstate New York school districts, the Oneida district received little revenue from property taxes throughout the time period. Between 1990 and 2003 per pupil full value increased but was still well below the median value of Upstate school districts in 2003. The Oneida District experienced a decreased property tax burden with the tax levy to full valuation ratio growing less than in comparable communities.

Per capita outstanding debt was high in 1990 but was below the median in 2003. Its per capita debt service was relatively low in 1990 and even lower in 2003.

Canastota School District

Currently, the Nation owns 1,230 acres of land in the Canastota School District (Nation, 2006).

In terms of per pupil expenditures, the district ranked around the median in 1990 while ranking around the 10th percentile starting in 2000. Its per capita revenues were lower than in most school districts in 1990 and were lower still in 2003. Reliance on State aid decreased between 1990 and 2003, ranking the district relatively low in 2003. Canastota's per pupil property tax revenue increased from the lower third in the early 1990s to the median from 1996 on. Per pupil full value increased only slightly over time, ranking around the median in 2003. The real property tax levy outpaced full valuation, resulting in an increased property tax burden.

In terms of outstanding debt, Canastota ranked around the median in 2003, which was an improvement compared to 1990. The district's per capita debt service was ranked around the middle in both years.

Other School Districts

The school districts of Madison, Morrisville and Cazenovia also include land that was reacquired by the Nation. Together these districts account for about four percent of the Oneidas land or about 700 acres. Per pupil metrics for these school districts are included in Table 3.7-154 below.

Table 3.7-154
School Districts with Nation Land

School Districts with Nation Land compared to All School Districts[1]													
								Revenues by Source					
			Full Valuation per Pupil	Real Property Tax Levy as % of Full Valuation	Expenditures per Pupil	Debt Service per Pupil	Outstanding Debt per Pupil	Revenues per Pupil	Property Taxes per Pupil	State Aid per Pupil	Federal Aid per Pupil	Interest on Investments per Pupil	All Other Revenues per Pupil
Sherrill	1990	value	112,846	1.3%	6,746	173	1,712	5,804	1,436	3,783	195	141	249
		percentile	34%	17%	36%	20%	55%	6%	18%	52%	39%	63%	64%
	2003	value	191,603	1.9%	11,980	678	6,530	11,412	3,657	6,342	599	29	666
		percentile	31%	51%	18%	34%	32%	14%	27%	42%	34%	12%	87%
Stockbridge	1990	value	80,448	1.3%	7,059	331	812	6,569	1,053	4,861	435	38	181
		percentile	6%	20%	50%	50%	30%	43%	6%	89%	94%	5%	27%
	2003	value	141,046	1.8%	13,429	1,797	18,715	14,270	2,607	9,706	866	18	1,073
		percentile	5%	41%	42%	88%	86%	73%	8%	91%	64%	3%	96%
Oneida	1990	value	93,519	1.6%	7,189	231	2,787	6,634	1,523	4,371	242	215	284
		percentile	16%	53%	54%	31%	73%	47%	23%	78%	58%	82%	77%
	2003	value	200,726	1.7%	12,534	206	7,258	11,165	3,427	6,566	703	64	404
		percentile	36%	36%	29%	6%	37%	10%	23%	46%	45%	50%	51%
Canastota	1990	value	107,608	1.4%	7,056	423	2,726	6,301	1,531	4,086	222	184	279
		percentile	29%	29%	49%	67%	72%	27%	24%	66%	50%	76%	74%
	2003	value	220,887	2.0%	11,563	980	10,323	11,424	4,452	6,101	604	32	234
		percentile	47%	62%	12%	55%	54%	14%	49%	39%	35%	15%	5%
Madison	1990	value	96,140	1.6%	8,064	350	2,791	6,625	1,545	4,457	376	64	183
		percentile	19%	53%	76%	54%	73%	46%	25%	80%	91%	21%	27%
	2003	value	189,857	2.3%	25,637	1,960	18,503	16,617	4,451	10,097	1,016	193	859
		percentile	30%	87%	96%	91%	86%	90%	48%	94%	78%	93%	93%
Morrisville	1990	value	103,837	2.1%	6,718	93	1,526	6,765	2,151	4,029	275	90	219
		percentile	27%	93%	35%	10%	50%	54%	48%	62%	68%	40%	51%
	2003	value	181,786	1.8%	17,721	1,614	17,763	14,225	3,361	9,459	803	168	434
		percentile	25%	45%	77%	82%	84%	73%	21%	90%	57%	90%	57%
Cazenovia	1990	value	199,284	1.9%	6,714	449	1,547	6,674	3,750	2,393	125	233	167
		percentile	77%	80%	34%	71%	50%	48%	83%	13%	13%	85%	19%
	2003	value	318,237	2.0%	11,096	658	5,305	10,746	6,286	3,725	350	108	269
		percentile	76%	58%	6%	32%	23%	5%	76%	10%	8%	75%	11%

Source: The Louis Berger Group, Inc., 2005; Office of the State of New York Comptroller, Local Government Financial Data, 1990 and 2003

1. School Districts in New York City, on Long Island, and in the Hudson Valley are excluded from this analysis; a total of 460 and 459 school districts are included in the 1990 and 2003 analysis, respectively.

MIN indicates minimum value, meaning that the district ranked the lowest.

Note: Non-property taxes are included in the total revenues but are not listed separately in the table. In 1990, only the Cazenovia School District had non-property tax revenues, with per capita values being $5. In 2003, the Sherrill school district had per capita non-property tax revenues of $119 and the Cazenovia district's per capita non-property tax revenues equaled $8.

3.7.10 Social Conditions

In 1999, the federal government commissioned a study to examine the behavioral impacts of gambling. The National Gaming Impact Study Commission, which was charged by Congress to study the impacts of gaming, set out to update a previous 1976 federal study on gambling. The 1999 report addressed a wide array of behaviors associated with gambling including personal bankruptcy, crime, employment related impacts, mental health and divorce.

Numerous other government and academic studies have been conducted since the National Gaming Impact Study Commission's report. These studies assess a wide range of potential social impacts associated with the prevalence of gaming. Below is a discussion of possible social costs associated with casino gambling. Whether these social conditions have affected the Study Area communities and the broader area are considered.

3.7.10.1 Bankruptcy

National Trends and Studies

Over the past fifteen years the rate of individuals declaring bankruptcy has risen dramatically. In the same time period, the number of commercial gaming facilities and casinos has soared. This had led some to an allegation that there is a connection between the two.

In 1999 concern over a possible link between bankruptcy and gambling led the federal government to direct the Department of Treasury to study the relationship between bankruptcy and gambling. Its report, entitled "A Study of the Interaction of Gambling and Bankruptcy," found that there are numerous contributing factors when an individual files for bankruptcy. Three major factors were identified:

- Higher national levels of debt relative to income;
- Increased access to credit cards and consumer credit; and
- Reduced social stigma of declaring bankruptcy.

It also identified demographic factors that put one at risk for bankruptcy, such as divorce, high medical expenses, and unemployment.

The study found no statistically significant connection between state bankruptcy rates and the presence of casino gambling. Further, it found no statistically significant relationship between bankruptcy rates and casinos at a county level. With regard to frequent high-risk gamblers, the U.S. Treasury determined that there is a weak relationship between high-risk gambling and probability of declaring bankruptcy.

A more recent working paper by Creighton University in 2005 by Ernie Goss and Edward Morse analyzed the same topic as the Treasury Department but came to a different conclusion. The paper concludes that there is a 2.0 percent higher bankruptcy rate in counties with casinos than those without a casino. The study examined the "lifecycle" effects of casinos and found that after the opening of a casino bankruptcy rates actually decline. However, over time bankruptcy rates increase and after a period of nine years bankruptcy rates in counties with gaming facilities are higher than those with no casino. Specifically, there are 7.82 bankruptcies per 1000 people in casino counties compared to 6.39 bankruptcies per 1000 people in counties without a casino.

Madison and Oneida Counties

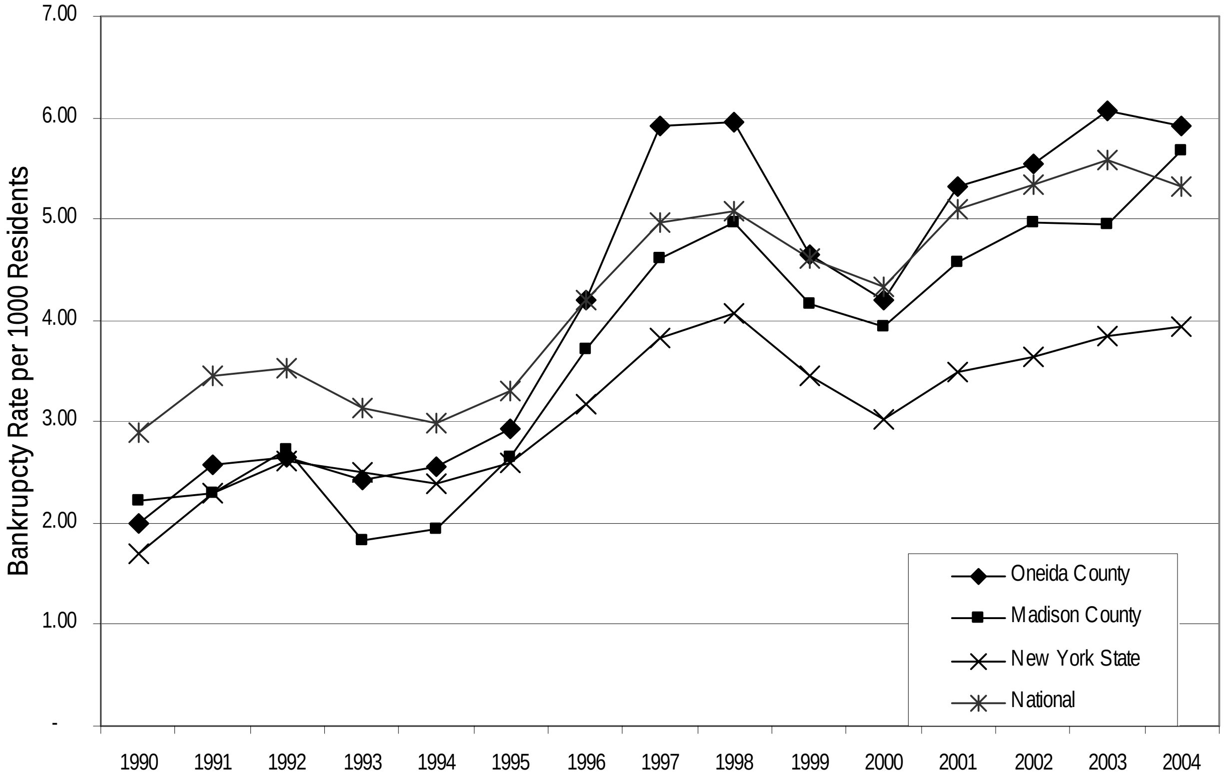
Turning Stone Resort & Casino has been in operation since 1993. As previously mentioned, the bankruptcy rate in the United States has been rising since the early 1990s. Figure 3.7-24 demonstrates the number of non-business related bankruptcy filings per 1000 people in the United States, New York State, Madison County, and Oneida County. As can be seen all four lines mirror one another. Oneida County experienced increased bankruptcy filings in 1997. In 1999, rates briefly dipped below the national average.

Madison County, like the rest of the country, experienced an increase in bankruptcy filings. With the exception of 2004, it has consistently been below national filing trends. While below the national average, Madison County's bankruptcy rate is higher than New York State. It was lower than the State's rate only in 1993 and 1994.

In the mid-1990s Griffiss Air Force Base in Rome closed down leading to large layoffs in the Madison and Oneida County region. Prior to 1996, Oneida County had a bankruptcy rate that was higher than New York State but lower than the national rate. In 1996 one more person per 1000 residents filed for bankruptcy in Oneida County than in the nation. The following year had a similar number of bankruptcy filings for both Oneida County and the country. In 1998, both the national and Oneida County's bankruptcy rate fell. Oneida County's fell more steeply and was the same as the national rate. Since then, the County's rate has been slightly higher than the national average and follows national trends.

As has been noted, many factors contribute to bankruptcy. While the counties have bankruptcy rates higher than the State average, Madison County's is lower than the national rate and Oneida's is slightly higher than the national rate. Bankruptcy trends in Madison and Oneida County generally trend with those of the State and the nation. This suggests that larger national and state trends, such as unemployment and the economy, play a role in the bankruptcy rates experienced in Madison and Oneida County.

Figure 3.7-24
Non-Business Bankruptcy Filings per 1000 Residents, Madison County and Oneida County, 1990 2004



Source: Public Access to Court Electronic Records (PACER), Administrative Office of the United States Courts, United States Judiciary, 2005.

3.7.10.2 Crime

National Trends and Studies

Increased crime is often cited as a negative externality of casinos. This topic has been studied by economists and social scientists as the number of gambling facilities has increased. The previously mentioned National Gaming Impact Study Commission's report did not study the impacts of gambling on crime. It did determine that pathological gamblers are more likely to commit crime than other citizens. The report also noted other studies that have found a connection between gambling and increased crime may be unreliable due to the methodology.

The Governmental Accountability Office (GAO) in a report entitled "Impact of Gambling: Economic Effects More Measurable than Social Effects" published in 2000 analyzed Atlantic City and found that crime did increase after the introduction of casinos. However, it concluded that too many factors play a role in crime and it is unknown whether or not crime would not have increased without the casinos.

More recent studies conducted after the publication of these government reports by Gazel,et al. suggest that crime may increase after the introduction of a casino to a community. Stitt, et al. found that in 51 percent of communities with casinos crime increased. They did not find any change in crime rates two or three years after the casino opened.

Grinols and Mustard, in their 2005 study, concluded that casinos increase all index crimes (index crimes are categorized as murder, rape, robbery, aggravated assault, burglary, larceny and motor vehicle theft) except murder. Specifically, their study determined that 8.6 percent of property crimes and 12.6 percent of violent crimes in counties with casinos were attributable to the casino. The crimes were estimated to cost the average person $75 in 1996 dollars. Additionally, crime does not generally increase until three years after the casino opening.

Madison County and Oneida County

In 1996, the New York State Task Force on Casino Gambling issued a report to the Governor George Pataki to assess the potential effects of casino gambling throughout New York State. The report notes that nationwide there were modest increases in low-level offenses after the introduction of a casino. The report cites the Turning Stone Resort and Casino as an example of what may happen if casino gambling were to expand in New York State. It states, "crime has been low and limited to less serious property crimes. Moreover, an analysis of crime within a 50-mile radius of Turning Stone does not support the notion that casino gambling has brought crime to surrounding communities.

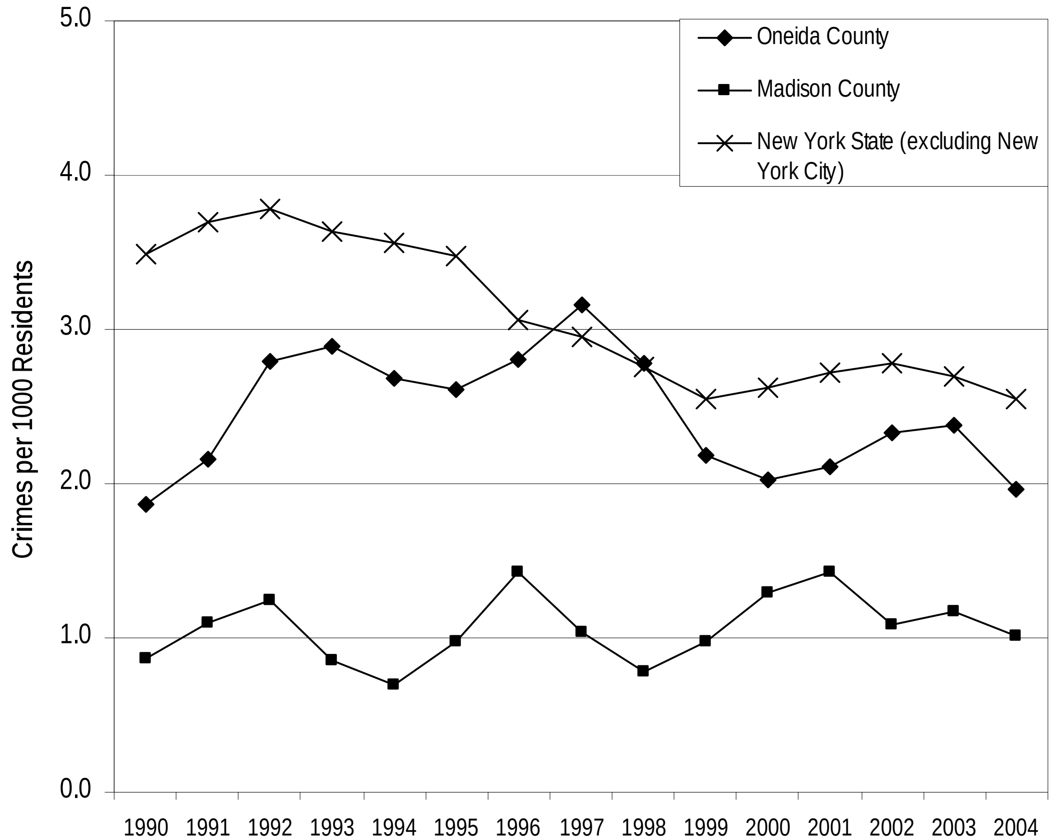
Index crimes, due to their seriousness and frequency, serve as indicators of the nation's crime experience. Like other law enforcement agencies, the New York State Division of Criminal Justice Services divides index crimes into two categories, violent crime and property crime. Within the violent crime category are murder, rape, robbery, and aggravated assault. Property crime consists of burglary, larceny, and motor vehicle theft.

Madison and Oneida Counties have lower violent crime rates than New York State (excluding New York City). Both have experienced fluctuations over time. In the case of Madison County, its violent crime rate and property crime rate are much lower than the State. Oneida County's violent crime rate is lower than the State's with the exception of 1997; the County's property crime rate was lower than the State's prior to 1995, but in 1995 it climbed to above the State rate. Though it has declined since then, it is still higher than the overall State.

Below are graphics that illustrate violent and property crime rates for the two Counties and New York State (non New York City). With regard to violent crimes, after 1993 when the casino opened both counties experienced a drop in violent crime. However, in subsequent years the rate increased at a time when the overall State rate had been steadily declining. In 1997, both counties began to experience a drop in violent crime and by 2004 the violent crime rates were similar to pre-Turning Stone Resort & Casino levels.

In the early 1990s, property crime rates in both Counties were lower than the State's property crime rate. Like the State, both Counties were experiencing a decline in property crime. However, in 1993 the Counties began to experience an increase in property crimes while the

Figure 3.7-25
Violent Crime Rates, Madison County, Oneida County, and New York State, 1990-2004

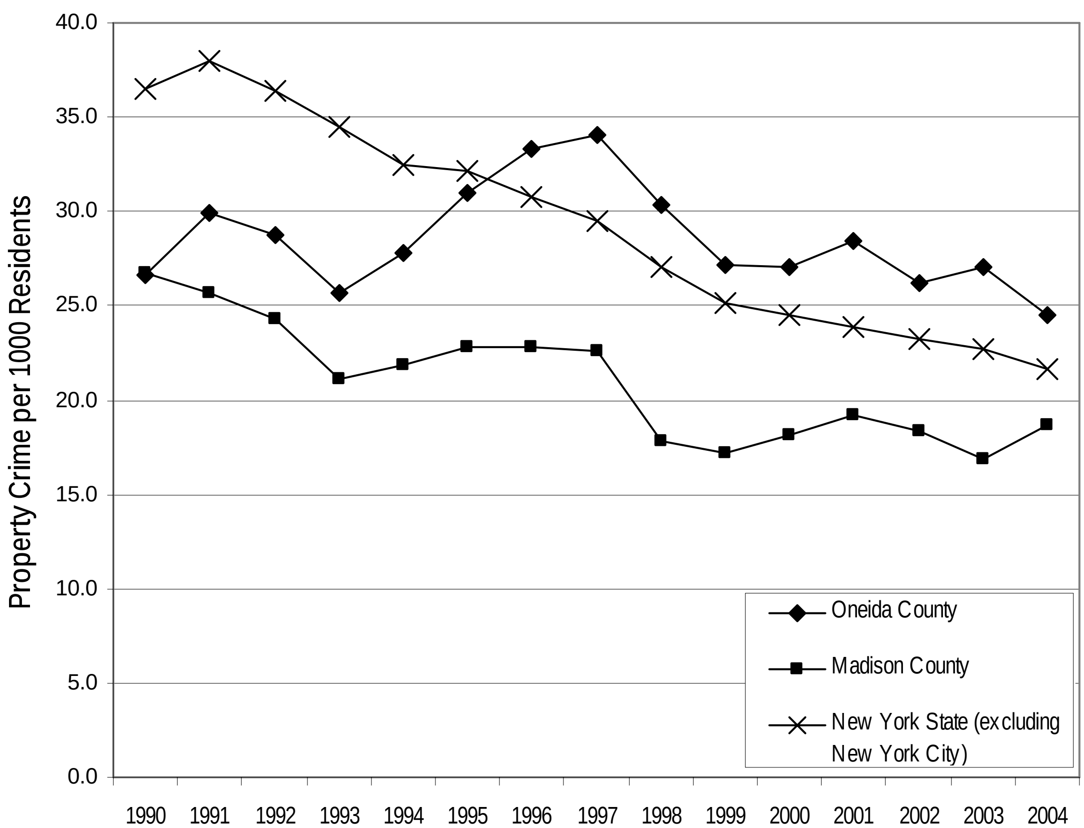


Source: New York State Division of Criminal Justice Services, Uniform Crime Reporting system 1990-2004.

State property crime rate continued to decline. The number of crimes began to decline again in 1997. By 2004 crime in Madison County was lower than in 1990 and the State rate. Oneida County's crime rate in 2004 was lower than in 1990 but it was still higher than the State rate.

It is worth noting that the Nation lands occupy only a small portion of the two counties, 1.6 percent in Madison County and 1.4 percent in Oneida County, and that the Nation did not own much land in the early 1990s. Oneida County contains the cities of Utica and Rome, two of the twenty largest New York cities, which both have problems typical to large urban areas. To analyze more closely the crime rates in the surrounding communities, crime rates were examined at the police district level. In Madison and Oneida County, towns

Figure 3.7-26
Property Crime Rates
Madison County, Oneida County, and New York State, 1990-2004



Source: New York State Division of Criminal Justice Services, Uniform Crime Reporting system, 1990-2004.

do not have their own police department; only villages and cities do. Towns and some villages in these counties do not have their own force; rather, they rely on the state police and county sheriff for policing services. The following graphs highlight the local police districts in which the Nation owns property.

Madison County Municipalities

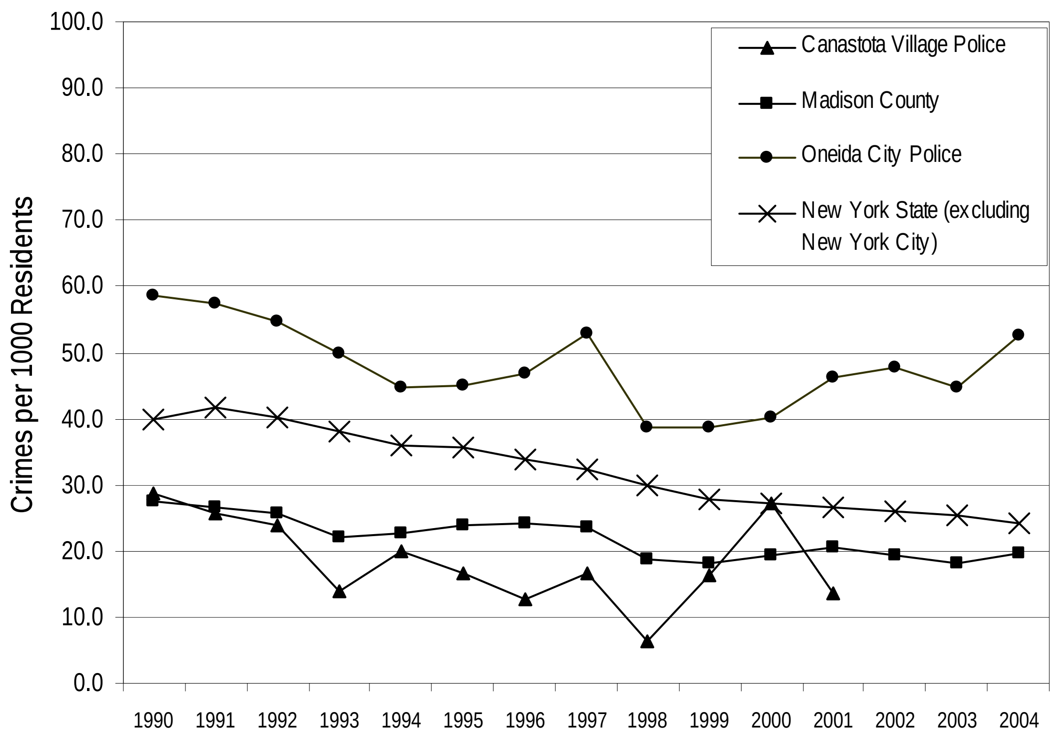
As depicted in Figure 3.7-27, Canastota experienced a drop in index crimes from 1990 to 1993. After 1993 both the village (from 14 crimes per 1000 to 20) and the County rates rose (from 22 crimes per 1000 to 23), though Canastota's rose at a much steeper rate.

Canastota has crime rates lower than the overall County with the exception of 2000. In 2001 the rate dropped below the County level and was at its second lowest reported number of crimes per 1000 residents from 1990 to 2001.

In contrast to Canastota, the City of Oneida has had higher crime rate than the County average. Like Canastota it experienced a decline in the crime rate from 1997 to 1998. However, after 1998, crime rate increased in the City.

For comparison's sake, New York State (excluding New York City) was also included in the graph. As can be seen, the City of Oneida had a higher number of crimes per 1000 residents than the overall State. On the other hand, Madison County and Canastota have a lower crime rate than the State (non-New York City).

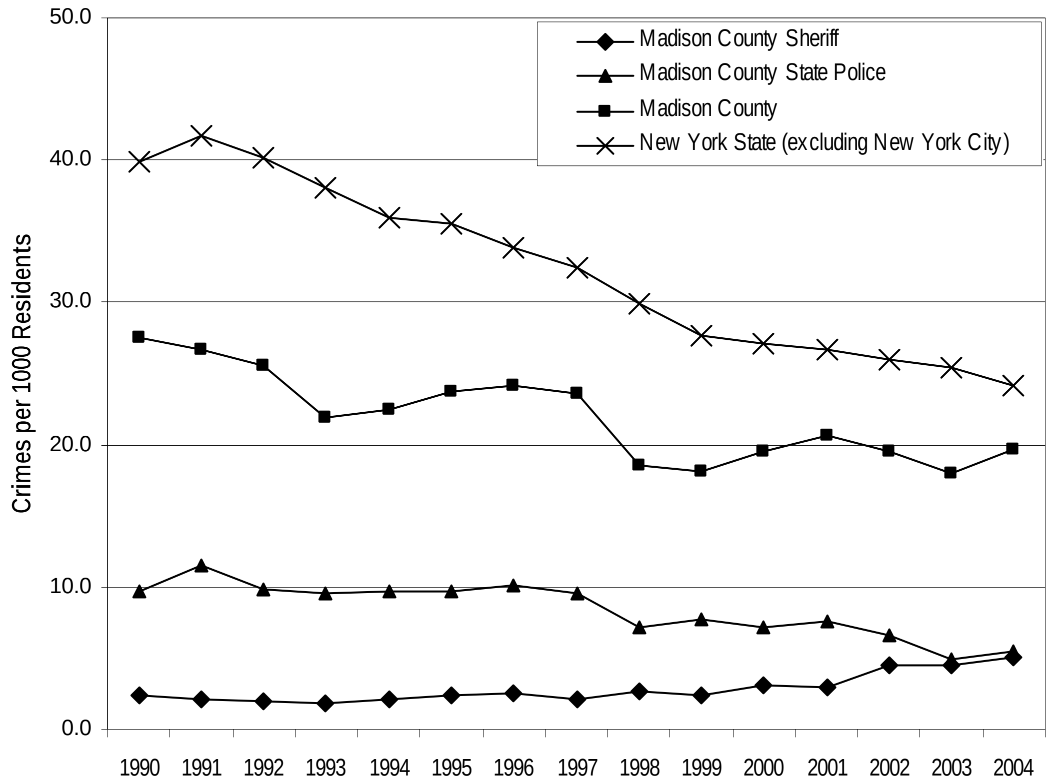
Figure 3.7-27
Index Crimes in Canastota Village and City of Oneida, Madison County 1990 – 2004



Source: New York State Division of Criminal Justice Services, Uniform Crime Reporting system, 1990-2004.
Note: The Village of Canastota did not report crimes to the New York State Division of Criminal Services for the years 2002-2004.

In New York State, villages and cities have their own police forces; towns are patrolled by the county sheriff's office and the county state police. Figure 3.7-28 illustrates the number of crimes reported to the county sheriff and county state police. Overall, the crime rate in the towns is significantly less than the County or State average.

Figure 3.7-28
Index Crimes in Madison County, 1990 to 2004



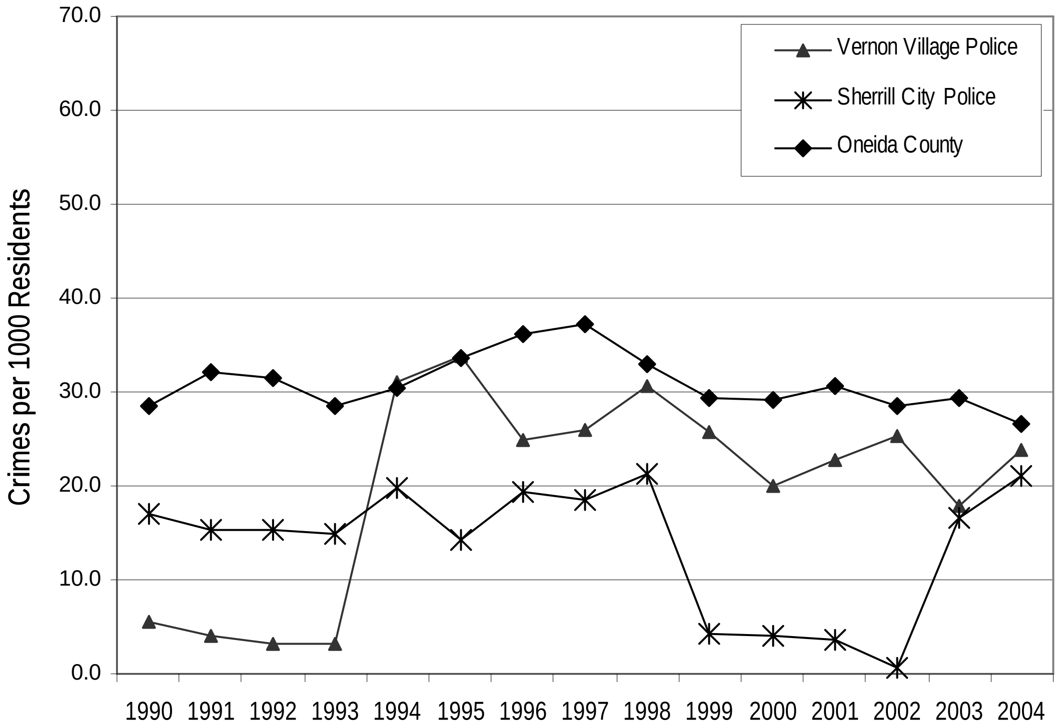
Source: New York State Division of Criminal Justice Services, Uniform Crime Reporting system 1990 - 2004.

Oneida County Municipalities

Both the Village of Vernon and the City of Sherrill experienced an increase in crime in 1993. Prior to then, both had a crime rate lower than that of Oneida County. However, after 1993, Vernon Village's rate rose dramatically and matched Oneida County's crime rate. Sherrill experienced a much smaller increase of 14.9 crimes per 1000 residents to 19.8 crimes per 1000 residents. In 1998 crime rates in Vernon Village, Sherrill, and Oneida County all began to drop. Since then they have risen again and in 2004 Vernon and Sherrill had crime rates higher than their 1990 levels.

As in Madison County, the Oneida County Sheriff and Oneida County State Police, which patrol the towns, reported crime rates much lower than the overall County levels (See Figure 3.7-28). Both the Sheriff and the County State Police crime rates have remained fairly level over time.

Figure 3.7-29
Index Crimes for Selected Oneida County Villages and Cities, 1990-2004

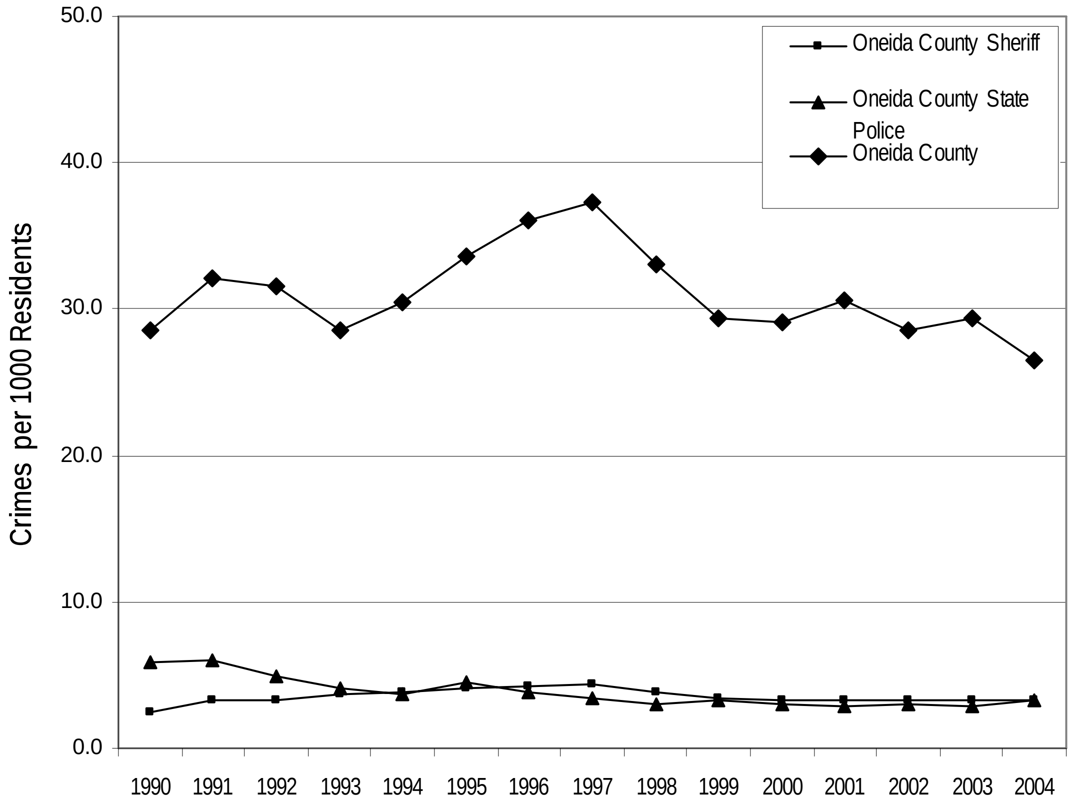


Note: The City of Sherrill reported 11 months for the years 2001 and 2002.
Source: New York State Division of Criminal Justice Services, Uniform Crime Reporting system 1990-2004.

Crime at the Turning Stone Resort & Casino

As discussed in Section 3.7.5.1, the Nation maintains its own police force to patrol its properties, including the Turning Stone Resort & Casino. The Nation Police maintains detailed records of their call response activities. In 2003, the Nation Police received 12,488 calls for service. Of the calls, 21.5 percent, or 2,683 calls, occurred at the Turning Stone Resort & Casino. Many of the calls were for regularly scheduled tasks such as money escorts, which totaled 1,433 calls or an average of four a day, and background investigations on potential employees, which in 2003 totaled 871 calls. The Nation's SavOn gas stations and convenience stores accounted for the largest number of service calls attributable to drive-offs, according to Arthur Pierce, Oneida Indian Nation Police Department Commissioner.

Figure 3.7-30
Index Crimes in Oneida County, 1990-2004



Source: New York State Division of Criminal Justice Services, Uniform Crime Reporting system, 1990-2004.

3.7.10.3 Problem Gambling

National Trends and Studies

The previously mentioned National Gambling Impact Study Commission report estimates that there are 117.5 million adult gamblers in the United States that do not "evidence negative consequences" and 7.5 million who are either problem or pathological gamblers. The American Psychiatric Association classifies pathological gambling as an impulse control disorder with three dimensions: damage, loss of control, and dependence. Pathological gambling often occurs in conjunction with other behavioral problems such as substance abuse, mood disorders and personality disorders.

Based on a National Opinion Research Center at the University of Chicago study conducted in the 1999 for the National Gambling Impact Study Commission, living within 50 miles of a casino increases the lifetime prevalence of problem gambling from 1.2% of the population to 2.3% and of pathological gambling from 0.9% to 2.1%.

Madison County and Oneida County

Recognizing that problem gambling is a serious concern, the Nation has taken steps to ensure that problem gamblers are aware of available programs. Additionally, the Nation has taken active measures to ensure that their business operations do not enable problem gambling. This includes annual mandatory compulsive gambling intervention training for all player development hosts, Oneida Nation Gaming Commission inspectors, and all managers and supervisors in the gaming and security departments. In addition, a variety of printed materials concerning problem gaming, such as posters and rack cards, are displayed in public areas of the casino and identify organizations that provide help and treatment. Employees can also orally distribute the information. There are public service announcements on the Turning Stone & Casino's web site, and via telephonic recordings (i.e., "on hold" messages).

The Turning Stone Resort & Casino also has extensive interaction with outside agencies that work with problem gamblers. The Human Resources group at Turning Stone Resort & Casino works very closely with the New York Council on Problem Gambling (NYCPG), a not-for-profit independent corporation not affiliated with the Government of the State of New York. Once a year, the NYCPG comes to train employees to recognize and deal with problem gamblers. Positions requiring Annual Problem Gaming Awareness Training are as follows:

- Games Shift Managers
- Games Pit Managers
- Games Floor Supervisors
- Security Shift Managers
- Security Shift Supervisors
- Security Officers
- Player Development Hosts
- Gaming Commission Inspectors

The Turning Stone Resort & Casino reimburses NYCPG for the cost of this training. The NYCPG also periodically reviews internal policies and controls for managing problem gamblers. Additionally, the Turning Stone Resort & Casino recently joined the National Conference on Problem Gaming.

Finally, the Turning Stone Resort & Casino management and the Oneida Nation Gaming Commission have implemented a voluntary program whereby patrons with a gambling problem can have their names included on a list of individuals who are to be denied admission to the casino. Individuals on this list cannot return to the casino without the prior approval of the Oneida Nation Gaming Commission and strict rules govern whether someone may be reinstated. For a voluntarily excluded person to be taken off the list, he or she must send a written request to the Gaming Commission after staying on the list for a minimum of one year. If a person places himself on the list a second time, he must wait a minimum of two years to return and a hearing before the Gaming Commission is mandatory. If a person places herself on the list for a third time, the ban is permanent and she may not be reinstated.

The Oneida Nation Gaming Commission, the principal government entity that is responsible for regulating all gaming activities at the casino, provided a statistical snapshot of its exclusion list for months in 2001, 2003, and 2006.

Table 3.7-155
Number of Persons on Turning Stone Resort & Casino Exclusion List

	Voluntary	Involuntary	Total
October 2001	166	300	466
March 2003	211	351	562
March 2006	384	514	898

Source: Oneida Nation Gaming Commission, The Nation, unpublished, 2006

When an individual asks to put his name on the voluntary exclusion list, Turning Stone Resort & Casino, in addition to honoring the patron's request, refers the individual to the professional counselors at Human Technologies Corporation, a Utica-based organization that provides gambling counseling and educational services in Central New York. Human Technologies began providing professional counseling and education services in 1996. Additionally, it provides general education, training and outreach programs to mental health and addiction service providers, schools, families, and significant others affected by someone with a gambling problem.

According to Human Technologies, an average of 179 people a year have sought their counseling services. Approximately 55 percent are casino gamblers; others trace their addiction to the lottery, internet gambling, horse track racing, and/or sports betting. Additionally, 25 percent have a co-occurring disorder such as substance abuse or depression. The following table illustrates the number of people seeking help at Human Technologies.

Table 3.7-156
Number of Individuals Seeking
Treatment at Human Technologies, 1996 - 2005

Year	Individuals Seeking Treatment	Total Number of Visitors to Turning Stone Resort & Casino	Percentage of Total Visitors
1996	130	2,397,200	0.005%
1997	140	2,504,562	0.006%
1998	150	3,386,682	0.004%
1999	153	3,547,603	0.004%
2000	167	3,501,938	0.005%
2001	180	3,805,922	0.005%
2002	176	4,163,002	0.004%
2003	223	3,942,275	0.006%
2004	250	4,164,751	0.006%
2005	223	4,458,063	0.005%

Source: Human Technologies, Utica, New York, 2006, unpublished

As can be seen, the number of people seeking help at Human Technologies represents a small fraction of the total number of visitors to the Turning Stone Resort & Casino. Additionally, the Nation has put in place numerous support systems to ensure that individuals and their families have access to support and counseling.

3.7.10.4 Suicide

National Trends and Studies

An increase in suicide rates is believed to be an unfortunate result of the introduction of casinos. A 1992 study concluded that problem and pathological gamblers have a higher suicide rate than the rest of the public (Lesieur). Another study completed by Phillips et al. examined whether gamblers or those associated with them experience atypically high suicide rates. Phillips et al. found that Las Vegas, which is home to many of the nation's casinos and gambling facilities, has the highest levels of suicide in the nation, both for residents of Las Vegas and for visitors to that setting. "In general, visitors to and residents of major gaming communities experience significantly elevated suicide levels. In Atlantic City, abnormally high suicide levels for visitors and residents appeared only after gambling casinos were opened. The findings do not seem to result merely because gaming settings attract suicidal individuals." Specifically, visitors to Atlantic City, NJ, and to Reno, NV, were 1.75 and 1.5 times more likely to commit suicide.

Madison and Oneida County

Suicide rates in Madison and Oneida County have experienced fluctuations over time. Table 3.7-157 below illustrates the number of suicides per 10,000 residents from 1991 to 2003, the earliest and latest data available.

Table 3.7-157
Suicide Rates per 10,000 Residents,
Madison and Oneida County, 1991 - 2003

Year	Madison County	Oneida County	New York State (non New York City)
1991	0.6	1.0	0.9
1992	0.9	1.0	0.9
1993	0.7	1.0	0.8
1994	0.6	0.6	0.9
1995	0.7	0.9	0.8
1996	0.4	1.0	0.8
1997	0.9	0.5	0.8
1998	0.7	0.8	0.8
1999	0.6	0.5	0.7
2000	1.0	0.8	0.8
2001	2.0	1.2	0.8
2002	1.0	0.6	0.8
2003	1.3	0.9	0.7

Source: New York State Department of Health, 1991-2003.

New York State's (non-New York City) suicide rate has remained constant over the time range with both an average and median of 0.81 suicides per 10,000 residents. Both counties experienced a drop in suicides in 1993 while the State rate remained level.

Madison County's rate has risen and fallen above and below the State rate with no discernable direction. It had a low of 0.4 in 1996 to a high of 2.0 in 2001. Oneida County has experienced similar ups and downs with a low of 0.5 in 1997 and a high of 2.0 in 2001. The two counties experience rises and falls in the suicide rate at similar times.

Suicide and the depression that generally precedes suicide is an extremely complex matter, both sociologically and psychologically. It is very difficult to measure how much of an impact gambling has on the decision making process that leads someone to take his own life. Those who argue that there are large social costs to casinos concede that "the literature has not provided sufficiently reliable social cost estimates" (Grinols, and. Mustard, 2001).

3.7.10.5 Social Costs

Several cost-benefit analyses have attempted to quantify the social cost of gambling, with estimates ranging from insignificant to very serious (Collins and Lapsley). Most studies lack a clear definition of the term "social cost" and the elements included in the cost estimates vary across studies (Collins and Lapsley, Walker and Barnett). Examples of costs used in the literature are bankruptcy, theft, suicide, depression, divorce, unemployment benefits, income lost from missed work, and corruption of public officials. Many of the costs that are included in the cost-benefit analyses are difficult to quantify and many studies do not indicate how they quantified the costs. Furthermore, because pathological gambling is often accompanied by other behavioral problems, such as substance abuse, it is difficult to establish the causality between gambling and the problems faced by the pathological gambler such as unemployment and depression. Even when gambling is a factor, it is very difficult to establish whether it is a primary factor and to quantify the degree to which it contributed to the problem.

Walker and Barnett address the lack of a social cost definition in the gambling literature by defining an action's social cost as "the amount by which that action reduces aggregate societal wealth". According to this definition, transfer payments (e.g., unemployment benefits) and other transfers of wealth from one person to another (e.g., theft) do not constitute social costs. While theft itself does not represent a social cost (because it is a transfer of wealth from the victim to the thief), social costs associated with theft include the psychological cost on the victim and the opportunity cost associated with the use of resources to prevent theft (e.g., buying locks).

Collins and Lapsley highlight the difference between social costs and private costs, the latter including only those costs to the gambler himself that he rationally considered prior to gambling. Following this definition, costs borne by problem and pathological gamblers could thus constitute social costs. However, there is no agreement in the literature about the definition of "rationality" or even about the legitimacy of including any costs borne by the gambler in a social cost estimate.

Examples of estimates of the social costs of gambling are presented below. All of these studies presented itemized cost estimates.

- Thompson, et al. estimated the annual cost per problem gambler at $9,496. Costs include lost work hours, unemployment compensation, lost productivity, bad debts, civil court, thefts, arrests, trials, probation, incarceration, therapy, and welfare.
- While Walter and Barnett do not provide their own estimate of the social cost of gambling, they reduce the estimated cost per compulsive gambler that was presented by Thompson et al. in a 1997 study from $9,469 to $2,974 by taking out transfers of wealth such as unemployment benefits, theft, and bad debts. The adjusted cost estimate includes the cost of civil court cases, police, trials, incarceration, the cost to collect bad debts, and the cost of treatment. The authors point out that this adjusted estimate would be lowered further if these costs were not solely attributed to pathological gambling.
- A study prepared by the National Opinion Research Center (NORC) at the University of Chicago performed for the National Gambling Impact Study Commission in 1999 provides an estimate of the social cost of gambling that includes the cost of job loss, unemployment benefits, welfare benefits, poor physical and mental health, and pathological gambling treatment. The study estimated an annual social cost of $715 per problem gambler and of about $1,200

per pathological gambler. NORC estimated that after deducting the costs that are transfer payments such welfare and unemployment benefits, the annual social cost is $560 per problem gambler and $1,050 per pathological gambler.

- In addition to annual impacts, NORC also estimated lifetime impacts, which include the cost of bankruptcy, arrests and corrections, and divorce. They estimated lifetime cost at $5,130 and $10,550 for problem and pathological gamblers, respectively. Without transfer payments, lifetime social costs are $3,580 for problem gamblers and $7,250 for pathological gamblers.

3.7.11 Lifestyle and Cultural Values

This section specifically addresses the lifestyle and cultural values of the Nation as they relate to the importance of the lands proposed for conveyance into trust. Other sections of the document (Section 3.7.1 through 3.7.10, 3.8 Resource Use Patterns and Section 3.9 Other Values) address the broader socioeconomic context and community character of the surrounding towns, counties and populations contained there.

At one time, the Nation's historic and cultural homeland was located across the central section of New York State extending from the Susquehanna River in the south to the St. Lawrence River in the north, an area of approximately six million acres. For thousands of years, Indians lived throughout this region adapting to the changing environmental and social conditions as events demanded first as nomadic hunter-gatherers, later as prehistoric agriculturalists, and finally as historic farmers and tradesman. With the arrival of the Europeans into New York State, there were a series of encounters between the Oneida and these new settlers over control of the Nation's historic and cultural homeland. By the early 1900's, the Oneida were left with a mere 32 acres despite special treaties (including the 1794 Treaty of Canandaigua) with the U. S. government which acknowledged the debt owed to the Oneida in recognition of their help to the colonists during the Revolutionary War, and acknowledged their 300,000 acre reservation and sovereignty to govern their lands.

The Nation has survived and through hard work and determination has reacquired 17,370 acres of their original homeland on which to create self-sustaining business enterprises, establish essential services for Nation members and other tribes, and rebuild and preserve their culture. Below is a discussion of the many different programs that the Nation has instituted to preserve their culture and distinct lifestyle.

The Nation constructed a building located on Parcel 3 on Group 2 lands to preserve their history and culture, which is called the Shako:wi Cultural Center. This handcrafted, white pine log building contains arts and crafts created by members of the Nation as well as many exhibits that display both the past and present culture and history of the Oneida people. The Shako:wi Cultural Center is also utilized by Nation members for gatherings and presentations celebrating cultural traditions and history thereby portraying their living history in various mediums. The Shako:wi Cultural Center, which contains an Iroquois

Gift Shop, is open to the public and for group tours so that both Nation members and non-members may enjoy and celebrate this rich cultural history. The Ray Elm Children & Elders Center is also a place where Nation and non-nation members gather to experience cultural events and exchanges which link older and younger generations in the language and tradition of the Oneida (The Nation, 2006f). This facility also serves as day care center for both Nation members and employees of their various enterprises.

The Nation operates an Education Resource Center, which is located on the 32 acres. This center contains the Nation's library, classrooms for language instruction, a computer lab, an office for career and academic counseling, and a community room for special events. The Nation's library collection contains information on Native American history and is believed to be the largest of its kind in upstate New York. The collection of Native American Art in the library was expanded in 1999 by the addition of more than 200 books on the subject (The Nation, 2006b).

The Nation has been active in developing the Language Project to preserve the Oneida language. For more than 10 years, classes have been held in the Education Resource Center for Nation members of all ages to learn the Oneida language. Even though these classes had been held weekly, it was concluded that participants were still not able to speak the Oneida language fluently because it is a complicated language that is difficult to learn (The Nation, 2004a). In early 2004, the Nation hired Berlitz, a company that teaches languages through immersion techniques rather than the more traditional classroom methods, to assist them with the Language Project. Eight members were hired by the Nation to participate in this program so that they could create a critical mass of Oneida speakers who could revive this lost part of their culture. In October of 2004, these members graduated from the program and are now successfully teaching the Oneida language to other Nation members so that it may once again become a living language for the Nation (The Nation, 2004a).

The Nation has also instituted the Oneida Elders Oral History Project to gather information on the past and provide a forum for listening to the elders' perspective for the future. Many of the Nation's elders in each of the three clans (bear, turtle, and wolf) were interviewed and their oral histories were collected on tape. The knowledge and memories of each of the elders interviewed were collected on the following important subjects to the Nation: the annuity cloth, crafts, traditional foods, herbal cures, land claims, and the Oneida language (The Nation, 2006d). Of particular cultural importance is the annuity cloth. The annuity cloth is a piece of cloth provided each year to the Nation by the federal government that symbolizes the continued obligations of the 1794 Treaty of Canandaigua recognizing the sovereignty of the Nation over their homeland. According to Nation member Kim Jacobs, of the Wolf Clan, "The cloth is a symbol of our sovereignty and the respect accorded to us by the United States government. It is proof that the United States is still bound by the mandates of the treaty which acknowledged our exemption from taxation and assures that we may always remain on our lands undisturbed" (The Nation, 2006a).

Currently the Nation uses their land holdings for a broad variety of activities, from business enterprises to recreational uses such as hunting and fishing, as well as for passive recreation that are currently considered wilderness. The Nation, in its planning process, has contemplated its various needs from a cultural and lifestyle perspective and has identified specific lands within its holdings to be utilized to meet these needs. Table 3.7-158 and 3.7-159 identify the Nation lands that are utilized for cultural activities by acreage and percentage.

Table 3.7-158
Nation Lands Used for Cultural Activities by Acreage

Nation Uses	Group 1 Lands	Group 2 Lands	Group 3 Lands	Total
Festival Site	0	34	0	34
Historical	0	559	985	1,544
Burial Grounds	0	151	0	151
Living History	0	164	0	164
Nation Garden/Crops	0	0	140	140
Four Directions Productions	0	5	0	5
Ray Elm Children & Elders Center and Village of the White Pines	0	188	0	188
Forestation	0	21	0	21
Hunting/Fishing	0	2,359	2,119	4,478
Gym/Rec Center and Shako: wi Cultural Center	0	8	0	8
Total	0	3,489	3,244	6,733

Source:

Table 3.7-159
Nation Lands Used for Cultural Activities by Percentage

Nation Use	Group 1 Lands	Group 2 Lands	Group 3 Lands	Total
Festival Site	0	0.2	0	0.2
Historical	0	3	6	9
Burial Grounds	0	0.9	0	0.9
Living History	0	0.9	0	0.9
Nation Garden/Crops	0	0	0.8	0.8
Four Directions Productions	0	0.03	0	0.03
Ray Elm Children & Elders Center and Village of the White Pines	0	1	0	1
Forestation	0	0.1	0	0.1
Hunting/Fishing	0	14	12	26
Gym/Rec Center and Shako: wi Cultural Center	0	0.1	0	0.1
Total	0	20.23	18.8	39.03

Source:

The Nation, in recognition of the value of the many cultural and historic resources located on their lands, has established the Oneida Indian Nation Cultural, Historical or Archeological Resources Ordinance (No: 0-00-01) to protect these critical resources; all of the Nation's lands are subject to this ordinance. The purpose of this ordinance is to evaluate a parcel of land's cultural, historical and/or archaeological potential prior to the initiation of land development activities. This ordinance establishes a Historic Preservation Committee that performs this evaluation and recommends additional investigations to mitigate any potential impact. The Historic Preservation Committee consists of the following members; Nation Historian, Environmental Manager, Nation Council Representative for Historic Preservation, and any other member or outside expert that would assist this committee. The Nation Historian's role on this committee is to conduct preliminary evaluations of proposed construction projects and to fulfill other obligations identified in Ordinance No: 0-00-01. The Environmental Manager's role is to evaluate the cultural, historical or archeological effect on environmental procedures. The Nation Council Representative for Historic Preservation's role is to act as a liaison to the Nation and to the public for the sites that have been preserved for cultural, historical or archeological significance.

The Nation's belief in the value of cultural preservation expands well beyond the boundaries of their land holdings. Several years ago, the Nation pledged $10 million dollars to the creation of a National Museum of the American Indian at the Smithsonian Institution in Washington, D.C. This museum, which opened in September 2004 in the last open space on the National Mall, details the history of the Indian people as told by them (The Nation, 2004b). The fourth floor of the National Museum of the American Indian is dedicated to the Nation. Featured on this floor of the museum is a bronze statue commissioned by the Nation and named "Allies in War, Partners in Peace" that illustrates the help provided by the Nation to the colonists during the Revolutionary War. This statue depicts the trinity of General George Washington, and two Oneidas, Polly Cooper and Chief Oskanondonha, with General Washington holding a Wampum Belt that symbolizes an agreement between the U. S. and the Nation with respect to the issue of sovereignty (The Nation, 2004b).

A full discussion of the historic and archaeological resources of the Nation can be found in Section 3.6 Cultural Resources. Resources discussed in that section are also described in the context of the Groupings and should be considered in the full assessment of these important elements that constitute the Nation's culture and lifestyle.

3.7.11.1 Group 1 Lands

An Indian retail gallery known as Oneida Sky is operated by the Nation in its Turning Stone Resort & Casino, which is located on the Group 1 lands. Besides being utilized for retail business, this gallery also features cultural arts exhibits and presentations and serves as an important outlet for expressive art and a connection to a larger viewing public. In April 2006, a number of Indian artists and authors presented their work at Oneida Sky. While not a formal cultural site in the more traditional sense, the Turning Stone Resort & Casino is one of the many places where both Nation and non-nation members alike meet (The Nation, 2006e).

3.7.11.2 Group 2 Lands

Nation artisans utilize well-established, historic skill sets that have been passed down from generation to generation for the creation of baskets, beadwork, "no face" corn husk dolls, and pots for themselves and for sale to non-members. The black ash that is utilized for the baskets created by the Nation is grown on a 21-acre parcel of land (Parcel 286) that is located in Group 2 lands in the Town of Verona. These traditional materials, as well as others, are used in many of the artistic expressions of the Nation.

As noted in Tables 3.7-158 and 3.7-159 above, the Nation's Festival Site, the Living History sites, and many acres for hunting and fishing are located on Group 2 lands. The Shako:wi Cultural Center and the Nation's recreation facilities and fields are also located on Group 2 lands.

3.7.11.3 Group 3 Lands

Group 3 lands are the most undeveloped of the Nation's holdings. Like many Group 2 lands, these Nation parcels are contemplated by the Nation as potential sites for member hunting and fishing activities as well as passive recreational opportunities that may be part of spiritual rituals and rites. Many Group 3 lands are also used for agricultural purposes, another traditional practice of the Nation. As the Oneida cultural history is based in hunting and gathering as well as settlement activities, the Nation's designated classification of their lands is intended to be reflective of the requirements of preserving this past as well as accommodating the future.

The Nation also maintains a portion of land along NYS Route 46 near the Shako:wi Cultural Center for the cultivation of traditional strains of vegetables that were historically grown in garden systems that contributed to subsistence strategies. The Three Sisters are the traditional crops of the Nation; which include ceremonial white corn, beans, and squash; and are grown on Group 3 lands. The meaning of the Three Sisters also represents the interrelationships of the Oneida people. According to Iroquois lore, the Three Sisters are known as the "sustainers of life," and are believed to be special gifts from the Creator. Many oral traditions or stories tell of "Three Sisters - sisters who would never be apart from one another- sisters who should be planted together, eaten together and celebrated together" and as such are quite evocative of the Oneida cultural beliefs. The Three Sisters are typically grown in an interplanted manner which uses the strength of the corn stalks to support the upward, twining beans. The roots of the corn are afforded additional moisture through protective cover provided by squash vines as they spread across the field floor showing the logical patterns of the planting method. Studies have shown that this form of companion planting also benefits the soils with respect to the nitrogen cycle.

The Nation also utilizes native herbs for a wide variety of applications. These herbs are grown on several Nation lands including a 139.46 acre parcel (Parcel 211) located on West Road in Stockbridge. These herbs are used in both ceremonies and in culinary applications of time honored traditions.

Like many other aspects of the Nation’s cultural history, there is interplay between recreational activities such as sports, hunting, and fishing, and cultural events. While all these forms of entertainment hold an inherent value for Nation members with respect to their value in a recreational setting, there are often historically based rites and ceremonies that are linked, though oral histories and lore to the early history of the Nation. For example, the sport of lacrosse is derived from a Haudenosaunee game of historical significance to the Oneida called Ga-lahs. According to the Nation’s website, “The Oneida Creation Story”, for example, describes a Spirit World which preceded earth and hangs above it. The residents of the Spirit World do not experience sickness and death they know only happiness -- possibly because they enjoy lacrosse. A centerpiece of the Nation's cultural renaissance, this ancient tradition has been brought back into the daily lives of its members after long decades of poverty and despair. Today the men's team, the Silverhawks, compete again against other Haudenosaunee teams in the Iroquois Lacrosse Association. In some Iroquois communities, lacrosse is prescribed (through a dream or by a fortune teller) as a curing ritual. The Nation also sponsors a lacrosse stick-making class taught by Russell George (The Nation, 2006c). Stands of hickory trees, which are utilized for the creation of lacrosse sticks, are located on a number of Nation lands including Parcel 310 in Group 3.

3.7.12 Community Facilities/Public Service

Public Schools

The Nation owns land in the following seven school districts: Canastota, Madison, Morrisville-Eaton, Oneida, Vernon-Verona-Sherrill (V.V.S.), Stockbridge, and Cazenovia. The seven school districts served 10,302 students in 2003, the last year for which statewide data are available (New York State Education Department and New York State Comptrollers Office, 2006). Table 3.7-160 shows the increases in full valuation per pupil for the five-year period ending in 2003 for the seven school districts in which the Nation owns land. Full valuation is the actual valuation of real property as shown on the assessment rolls used to assess school taxes for the fiscal year. For comparison, the average full valuation per pupil in New York State, excluding New York City, is also included in this table. As identified in this table, the valuation of real property for which school district taxes are derived has increased across all seven school districts and in New York State in the five year period. However, property valuations in the municipalities where the Nation owns land did not increase at the same rate as New York State.

Table 3.7-160
Full Valuation per Pupil I the School Districts

School Districts	Full Valuation per Pupil in Dollars						Percent Increase
	1999	2000	2001	2002	2003	Increase	
Canastota	200,205	198,455	205,529	210,279	220,887	20,682	10
Madison	167,704	185,626	186,365	194,533	189,857	22,153	13
Morrisville-Eaton	139,343	150,292	162,910	177,379	181,786	42,443	30
Oneida	185,733	177,246	190,216	200,734	200,726	14,993	8
Sherrill (V.V.S.)	121,741	125,098	132,644	139,843	141,046	19,305	16
Stockbridge	176,721	181,902	180,506	185,713	191,603	14,882	8
Cazenovia	283,355	291,398	305,180	323,466	318,237	34,882	12
New York State (non New York City)	324,048	341,678	364,598	392,936	442,903	118,855	37

Note: The information in this table is not adjusted for inflation.
Source: New York State Education Department and New York State Comptrollers Office, 2006

The New York State Comptrollers Office publishes financial data for all school districts located in New York State, including revenue and expense data. Table 3.7-161 shows the total teaching expenditures per pupil for the 2003 school year within the seven school districts where the Nation owns land. As identified in this table, the seven school districts, with the exception of the Madison School District, spend less per student than the New York State average. The Madison School District spends 13.9 percent more per student than the State average. The other school districts in the area spend 17 to 39 percent less than the State average. All seven school districts have operated at an average loss of $1,151 over the five year period of 1999-2003.

The New York State Education Department keeps records of students who participate in a program that provides free and reduced lunches for students of low income families.

Participation in this program by a school district is an indicator of the economic status of its student population. As identified in Table 3.7-161, four of the school districts in which the Nation owns land had lower levels of students participating in the free and reduced lunch program than the rest of New York State during the 2003-2004 school year. The Sherrill (V.V.S.) School District experienced a decrease in the percentage of students qualifying for free or reduced lunches from 2001 to 2004 while the Madison School District experienced an increase of 14 percent. The Cazenovia School District exhibits the lowest level of eligibility for the free and reduced lunch program amongst the seven school districts where the Nation owns land.

Table 3.7-161
Expenditures per Pupil in the School Districts in 2003

School District	Total Teaching Expenditures (dollars)[1]	Pupils	Expenditures per Pupil (dollars)	New York State (non- New York City) Comparison (dollars)	Percent Comparison
Canastota	11,284,315	1,570	6,381	-1,864	-29
Stockbridge Total Students Eligible for Free and Reduced Lunches	4,299,964	567	6,726	-1,519	-23
Madison	4,804,732	467	9,580	1,335	14
Morrisville-Eaton	6,938,273	911	6,638	-1,607	-24
Oneida	21,123,624	2,589	7,071	-1,174	-17
Sherrill (V.V.S.)	17,953,160	2,376	6,667	-1,578	-24
Cazenovia	12,851,513	1,822	5,942	-2,303	-39
New York State (non-New York City)	16,735,535,763	1,788,066	8,245	N/A[2]	N/A[2]

Note: [1] These expenditures are for instruction administration (operation and capital), and for teaching (operation and capital).
[2] N/A – not applicable
Source: New York State Education Department

Table 3.7-162 reports a school indicator that is useful in understanding staffing adequacy of schools, student to teacher ratio. Table 3.7-163 shows the student-teacher ratio for the seven school districts in which the Nation owns land as compared to the average student to teacher ratio for New York State, non-New York City. All seven school districts have a student to teacher ratio that is equal to or higher than New York State (non-New York City), with the exception of the Madison School District.

Table 3.7-162
Total Students Eligible for Free and Reduced Lunches

School District	2001-2002			2002-2003			2003-2004		
	Total Students[1]	Students Eligible for Free and Reduced Lunches		Total Students[1]	Students Eligible for Free and Reduced Lunches		Total Students[1]	Students Eligible for Free and Reduced Lunches	
Canastota	1,624	474	29%	1,570	445	28%	1,547	445	29%
Madison	451	122	27%	467	187	40%	464	189	41%
Morrisville-Eaton	925	316	34%	909	368	40%	877	311	36%
Oneida	2,551	597	23%	2,589	777	30%	2,550	742	29%
Sherrill (V.V.S)	2,418	726	30%	2,377	681	29%	2,318	680	29%
Stockbridge	563	199	35%	567	184	32%	532	194	36%
Cazenovia	1,794	143	8%	1,822	179	10%	1,804	165	9%
New York State (non-New York City)	1,803,991	554,119	31%	1,806,181	499,234	28%	1,802,467	572,153	32%

Note: [1]The total student figures were taken from the New York State Education Department publication "Public School Enrollment and Staff". The number does not include students who receive education from another public or private school that is paid for by the district.
Source: New York State Education Department, 2006

Table 3.7-163
Student to Teacher Ratios in 2003

School District	Total Students	Total Teachers	Student to Teacher Ratio
Canastota	1,547	111	14:1
Madison	464	42	11:1
Morrisville-Eaton	877	71	12:1
Oneida	2,550	201	13:1
Sherrill (V.V.S.)	2,318	186	13:1
Stockbridge	532	43	12:1
Cazenovia	1,804	141	13:1
New York State (non-New York City)	1,802,467	156,063	12:1

Source: New York State Education Department, 2006 * Includes teachers only

State and Federal Support for New York State Public School Systems

Several types of dedicated financial assistance (Federal Impact Aid, the Johnson-O'Malley Act, the Indian Education Act, and New York State Indian Aid) are available to public school systems to offset the impacts of the tax-exempt status of Indian lands. These financial assistance programs are discussed below.

Federal Impact Aid Program

Impact Aid, now Title VIII of the Elementary and Secondary Education Act of 1965, consists of four parts dealing with: loss of federal property, basic support payments for federally connected children, disabled federally-connected children, and construction grants for school systems that serve large numbers of federally connected children. In excess of 90 percent of the annual allotments are distributions for the basic support payments to federally connected children, meaning students from families that live or work on military or federally recognized Indian lands that do not make tax payments that reach local school systems. Federal Aid makes payments via wire transfer directly to the public school district. The amount of aid is determined by a formula recognizing the number of eligible students enrolled in the school and land within the school district that is tax-exempt due to federal ownership or other allowable tax-exempt status. A minimum enrollment of three percent or 400 eligible students must be enrolled in the public school district to meet the eligibility criteria.

In addition to the basic eligibility requirements listed below, each school system must develop a set of Indian Policies and Procedures (IPP) to ensure that the needs of Indian students are being met at the same level as non-Indian students. Records have indicated that none of the school districts in New York State accepted Impact Aid funds due to Indian student enrollment in 2005, the most recent year for which data were available.

Johnson-O'Malley Act

The Johnson-O'Malley Act (JOM) was passed in 1934, amended in 1936, and has remained essentially unchanged in the intervening years (Public Law 104-477). Eligibility is based on one quarter–blood Indian student populations aged 3 through grade 12. The JOM is managed by the BIA. JOM funds are intended to be used for operational, not construction, funds and in cases of "extraordinary unmet needs" of schools. These funds are supplementary to meet the unique needs of Indian students. States, school districts, and tribal councils are eligible to be fund recipients. An Indian Education Committee (IEC) comprised of parents of Indian children and an Education Plan must be created to direct the funds received through JOM.

The JOM program has limited or no applicability to schools located in Madison and Oneida Counties because none of the school districts can meet the minimum 70 percent Indian enrollment criterion.

Indian Education Act

The Indian Education Act of 1972 (IEA) is administered by the U.S. Department of Education. It was last substantially updated with the No Child Left Behind Act of 2001 and now exists as Title VII, Part A of the Elementary and Secondary School Education Act. The IEA provides grants based on the average amount spent on each child in the state containing the applying school system (or 80 percent of all students of all states) and the number of Indian students in the school district. The annual, minimum grant amount for each school district is $3,000. It is designed to focus on programs, not capital construction or repairs/maintenance of facilities.

School districts in Madison and Oneida Counties meeting or exceeding the 10 student or 25 percent Indian matriculation minimum and are willing to undertake the cooperation and management initiatives required by the program are eligible to receive IEA funding.

New York State Indian Aid for Public Schools

New York State, through its Office of Native American Education, offers financial assistance directly to public schools (K-12) that have students from Indian families living on tribal lands. Two forms of reimbursement are available: one for transportation assistance and another for education assistance. All financial aid through this program is provided on a reimbursement basis from general state revenues directly to the affected school district, meaning that expenditures for the current year are not be reimbursed until the following year.

For transportation reimbursements, school district would have to provide maps showing bus routes that deviate into Indian lands to pick up students. Mileage would be reported and then reimbursed the following year. For education assistance, school districts need to provide the proportion of enrolled Indian students and enrollment records as part of the voucher program. For both transportation and education assistance, only the additional resources required to service Indian students are allowable for reimbursement. Hence, if a bus deviates to pick up a child on Indian lands, then only that additional mileage to pick up the student is reimbursable.

There is no minimum number of enrolled students necessary to be eligible for this program. Only services provided to students living on Indian lands can be counted towards a reimbursement. At this point in time and for the recent past, of all the school districts located in Madison and Oneida Counties only the Stockbridge Valley Central School System in Oneida County has received reimbursements through this program.

State Aid for College Tuition

New York State, through its Office of Native American Education Unit, offers tuition assistance to Indians in a New York tribe entering college. The program originates from the Education Law Section 4118 passed in 1953. The amount is up to $1,000 per semester ($2,000/year) for full-time enrollment or $85/credit hour for part-time students. Two, four, and five-year program options are available. Payments are sent directly to the participant's college based on a voucher system. While there is no age restriction on participants of the New York State Indian Aid Program, the following restrictions do apply:

- The student must be a resident of New York State and be on an official tribal roll of a New York State tribe or be the child of an enrolled member of a New York State tribe. New York State tribes include members of the Iroquoian tribes like the Oneida. An official tribal roll is a list of individuals designated by the tribal authorities as member of their tribe.
- The student must have graduated from an accredited high school, attained a high school equivalency diploma or be enrolled in a special program at an approved, accredited postsecondary institution which will lead to degree status and to a high school equivalency diploma.

- The student must be enrolled in an approved program offered by a college, university, technical school, school of nursing, and business or trade school located in New York State.

The New York State Indian Aid Program is designed to help fund Indian students of accredited undergraduate college programs, not provide additional assistance to schools.

Healthcare Facilities

The focus of this discussion is to provide an overview of the major medical facilities located in Oneida and Madison Counties. Medical facilities located in the two-county area rather than those located in municipalities with Nation lands was determined to be the appropriate unit of observation because specialized care centers, regional service areas, and preferred provider plans override distance concerns.

Hospitals

According to the New York State Department of Health, there are six major hospitals located in Oneida and Madison Counties. These six hospitals have a total of 866 patient beds and perform over 75,000 procedures each year. The relative size of the hospitals and range of services that are offered, which is measured by the number of beds dedicated to a particular category of medical service, is identified in Table 3.7-164. The Faxton-St. Lukes Healthcare Center (St. Lukes Division) is the largest facility in the area, comprising nearly 40 percent of the patient beds available in the two counties; the majority of all patient beds in this facility are dedicated to surgical recovery.

In addition to these service providers, a number of satellite medical centers for dialysis, imaging, and other specialized services are located in Oneida County through the Mohawk Valley Network, Inc. The majority of these satellite centers are located in the City of Utica, although there are satellite offices in the City of Rome and the Towns of Oneida, Barneveld, Waterville, and Boonville.

Table 3.7-164
Oneida and Madison County Hospitals

PERFORMANCE	Oneida Healthcare Center	Community Memorial Hospital, Inc.	Faxton-St. Lukes Healthcare (Faxton Division)	Faxton-St. Lukes Healthcare (St. Lukes Division)	Rome Memorial Hospital, Inc.	St. Elizabeth Medical Center
Appropriate heart attack care	82%	100%	94%	94%	89%	96%
Appropriate heart failure care	80%	76%	87%	87%	84%	91%
Appropriate pneumonia care	77%	91%	72%	72%	75%	76%
Appropriate surgical infection prevention	63%	58%	0%	0%	0%	59%
BEDS	**Oneida Healthcare Center**	**Community Memorial Hospital, Inc.**	**Faxton-St. Lukes Healthcare (Faxton Division)**	**Faxton-St. Lukes Healthcare (St. Lukes Division)**	**Rome Memorial Hospital, Inc.**	**St. Elizabeth Medical Center**
Intensive Care	6	6	0	22	11	20
Maternity	12	4	0	26	15	0
Medical-Surgical	71	28	0	238	86	149
Pediatric	12	2	0	14	7	8
Physical-Medical-Rehabilitation	0	0	26	0	14	0
Coronary Care	0	0	0	8	0	0
Neonatal Continuing Care	0	0	0	4	0	0
Neonatal Intermediate Care	0	0	0	8	0	0
Psychiatric / Mental	8	0	0	26	11	24
Total	109	40	26	346	144	201
PROCEDURES	**Oneida Healthcare Center**	**Community Memorial Hospital, Inc.**	**Faxton-St. Lukes Healthcare (Faxton Division)**	**Faxton-St. Lukes Healthcare (St. Lukes Division)**	**Rome Memorial Hospital, Inc.**	**St. Elizabeth Medical Center**
Miscellaneous Diagnostic and Therapeutic	3,721	5,386	2,044	5,699	4,867	4,952
Obstetrical	896	1,202	0	5,260	2,582	1
Operations	1,481	2,319	2,268	12,495	2,870	17,624
Total	6,098	8,907	4,312	23,454	10,319	22,577

Source: New York State Department of Health, 2006

Adult Care Centers

The New York State Department of Health, which licenses adult care facilities in New York State, identifies that there are 12 adult care facilities located in Oneida County. These facilities, which are listed in Table 3.7-165, have a total of more than 600 beds. Two of the adult care facilities, the Loretto Utica Center Enriched Housing Program and the Presbyterian Residential Community, have an additional 111 assisted living program patient beds. Madison County only has two adult care centers with a total of 72 beds and no assisted living patient accommodations, as identified in Table 3.7-166.

Table 3.7-165
Adult Care Centers in Oneida County

Adult Care Centers	Number of Beds	Assisted Living Program Beds
Adirondack Manor HFA D.B.A. Willow Park HFA	60	0
Adirondack Manor Home for Adults	40	0
Adirondack Manor Home for Adults	21	0
Alterra Clare Bridge of Clinton	40	0
Hillcrest Home for Adults	18	0
Loretto Utica Center Enriched Housing Program	110	87
Lutheran Home of Central New York	68	0
Masonic Home	96	0
Pounder Hall EHP	17	0
Presbyterian Residential Community	96	24
Rome Home	19	0
Swancott Home	21	0
Total	606	111

Source: New York State Department of Health, 2006

Table 3.7-166
Adult Care Centers in Madison County

Adult Care Centers	Number of Beds	Assisted Living Program Beds
Hamilton Manor	49	0
Hazel L. Carpenter Home	23	0
Total	72	0

Source: New York State Department of Health, 2006

Emergency Services

Emergency services, including ambulance service, are categorized as health services by the New York State Office of the Comptroller. Health services also include hospital expenditures, public health administration, and all other health services. Table 3.7-167 identifies the health department income that is defined as repayments of health-related social services, total municipal revenues, and the percent of the total revenues from the health departments of all municipalities located in the Study Area during 2003 and the Oneida and Madison County Health Departments. Many of the municipalities have very small or no revenues for health services. Additionally, Table 3.7-168 identifies the health revenues less the health expenses for the same municipalities during 2003.

Table 3.7-167
Health Services Expenditures by Municipal and County Health Depts. in 2003

Municipality/County	Health Department Income (dollars)	Total Revenues (dollars)	Percent of Total Revenues from Health Department
Augusta	0	777,836	0
Canastota	0	3,456,531	0
Cazenovia	3,690	1,773,280	0.2
Fenner	0	780,424	0
Lenox	15,749	1,732,843	0.9
Lincoln	0	469,287	0
Oneida	656,637	14,152,753	5
Sherrill	0	4,176,252	0
Smithfield	0	436,217	0
Stockbridge	0	692,389	0
Sullivan	4,190	4,957,591	0.08
Sylvan Beach	0	1,475,489	0
Vernon	0	1,390,202	0
Village of Vernon	0	1,402,730	0
Verona[1]	0	0	0
Vienna	11,969	2,059,136	0.6
Madison County	5,902,448	73,840,419	8
Oneida County	2,693,400	273,309,591	1

Note: [1]Municipal financial data is not included in this table for the Town of Verona because they did not file an annual report in time for publication.
Source: New York State Office of the Comptroller, 2006a

Table 3.7-168
Health Revenues Less Expenses by Municipal Health Department in 2003

Municipality/County	Health Department Income (dollars)	Total Health Expenditures (dollars)	Health Revenues less Expenditures (dollars)
Augusta	0	2,279	-2,279
Canastota	0	15,600	-15,600
Cazenovia	3,690	6,788	-3,098
Fenner	0	4,144	-4,144
Lenox	15,749	52,223	-36,474
Lincoln	0	7,050	-7,050
Oneida	656,637	48,596	608,041
Sherrill	0	609	-609
Smithfield	0	3,904	-3,904
Stockbridge	0	50	-50
Sullivan	4,190	101,544	-97,354
Sylvan Beach	0	5,312	-5,312
Vernon	0	1,911	-1,911
Village of Vernon	0	61	-61
Verona[1]	0	0	0
Vienna	11,969	715	11,254
Madison County	5,902,448	9,500,649	-3,598,201
Oneida County	2,693,400	19,904,184	-17,210,784

Note: [1]Municipal financial data is not included in this table for the Town of Verona because they did not file an annual report in time for publication.
Source: New York State Office of the Comptroller, 2006a

3.7.12.1 Fire

Fire district data were gathered from the New York State Office of the Comptroller and were used to determine the expenditures of public fire safety facilities. Table 3.7-169 shows the expenditures for the fire departments in the Study Area and their revenues minus their expenses for 2003. The total expenses identified in the table are both principal and interest payments on debt issued by the fire districts.

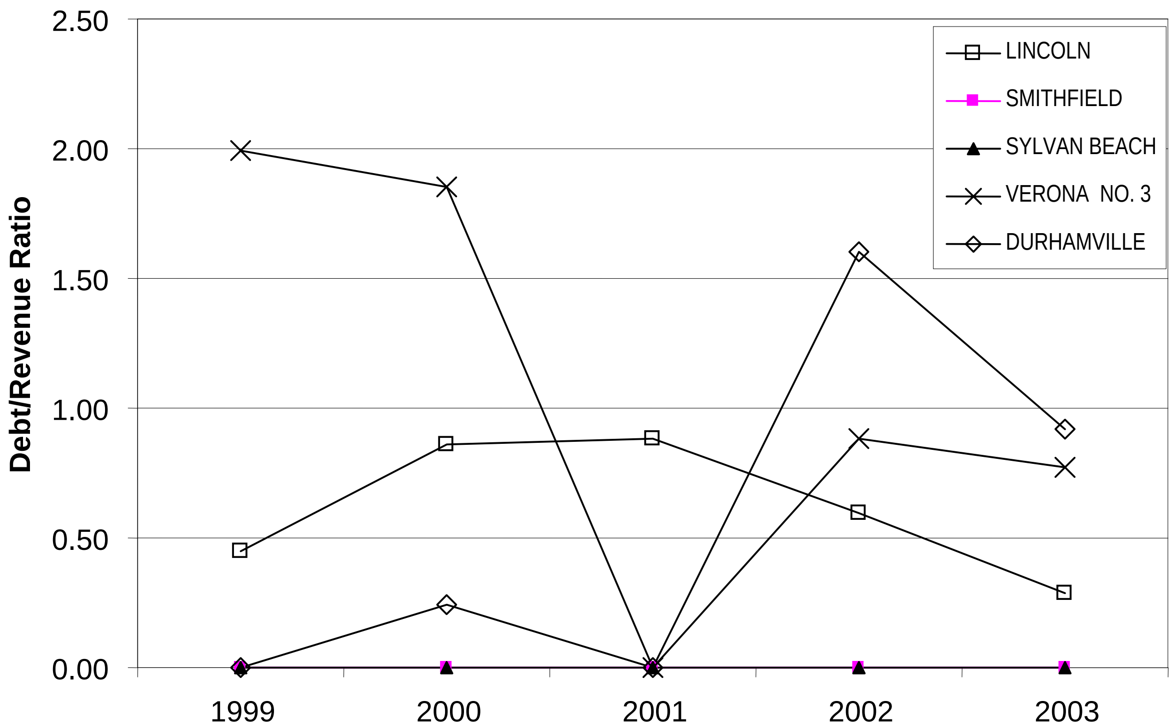
Table 3.7-169
Fire District Expenses for 2003

Fire Districts	Total Revenues (dollars)	Total Expenses (dollars)	Total Revenue Less Total Expenses (dollars)
Lincoln	111,963	90,072	21,891
Smithfield	55,766	31,018	24,748
Sylvan Beach	138,000	215,625	-77,625
Verona No. 3	246,837	293,043	-46,206
Durhamville	97,673	58,660	39,013

Source: New York State Comptrollers Office, 2006b

Other financial indicators for the fire districts were developed based on data gathered from the New York State Office of the Comptroller. Debt-to-revenue ratios were calculated for the years 1999 through 2003 and are displayed in Figure 3.7-31. The debt-to-revenue ratio indicates how much debt a fire district has compared to its annual revenues. Several of the fire districts in the Study Area had debt-to-revenue ratios that fluctuated significantly. See Section 3.7.8 Fiscal Conditions for more information about fire district revenues.

Figure 3.7-31
Fire District Debt-to-Revenue Ratio, 1999-2003



Source: NY State Comptrollers Office, 2006b

The Nation has a service agreement with the Verona Fire Department to protect Nation-owned property located in the Verona Fire District No. 3, including all commercial and first-floor residential property. The Verona Fire Department along with other fire departments have created a Mutual Aid Plan that ensures that adequate personnel and equipment would be available to respond to an emergency situation at the Turning Stone Resort & Casino and its facilities.

3.7.12.2 Police

Using public data obtained from the New York State Office of the Comptroller, financial public safety measures were established. Table 3.7-170 shows the public safety expenditures per capita for each of the police departments located in the municipalities with Nation lands, and for Madison and Oneida Counties. Municipalities vary significantly in expenditures for public safety, from a high of $194 per person in the City of Oneida to a low of $36 per person in the Village of Sylvan Beach. Towns are not included in Table 3.7-170 because they do not maintain their own police force.

Table 3.7-170
Police Department Public Safety Expenditures Per Capita

Community	Population 2000	Total Police Expenditures (dollars)	Public Safety Expenditures (dollars)	Total Public Safety Expenditures per Capita (dollars)
Village of Canastota	4,425	533,064	23,118	126
City of Oneida	10,987	1,947,451	186,902	194
City of Sherrill	3,147	367,768	6,150	119
Village of Sylvan Beach	1,071	0	38,736	36
Village of Vernon	1,155	140,944	185	122
Madison County	69,441	6,454,598	1,115,170	109
Oneida County	235,469	26,384,402	3,131,688	125

Source: New York State Comptrollers Office, 2006c

The Nation Police Department, which was created in 1993, currently employs 38 sworn officers all of whom are commissioned as Deputy Special Officers by the BIA. Each officer had, prior to joining the Nation's force, at least five years of law enforcement experience in New York State. Officers participate in at least 40 hours of in-service training per year; training ranges from firearms to community policing concepts to physical fitness. The Nation Police Department also regularly participates in training programs sponsored by New York State.

The Nation's Police department was accredited in 1998 and 2004 by the Commission on Accreditation for Law Enforcement Agencies, a national organization that establishes standards for law enforcement professionalism. The Nation Police Department is the only Indian police force in the U.S. and only the seventh police force in New York State to receive this accreditation; it is the only accredited police force in either Oneida or Madison Counties.

There is a history of cooperation between the Nation Police Department and Madison and Oneida County's law enforcement personnel. Representatives from the Nation and both counties attend monthly meetings to discuss law enforcement techniques and insure inter-agency cooperation. Nation and local law enforcement personnel frequently cooperate in criminal investigations, and local police departments typically help Nation officers manage large crowds at events at the Event Center; on the latter occasions the Nation pays the overtime incurred by these local officers. Pursuant to the Nation's gaming compact with New York State, the Nation funds 21 New York State police officers who conduct background checks on Nation employees and vendors, and who enforce state law within gaming areas in the Turning Stone Resort & Casino.

The Nation Police Department volunteered the services of its officers to help with relief efforts in the State of Louisiana in the wake of Hurricane Katrina. Officers were selected by the BIA to conduct law enforcement patrols, control access to oil refineries, and enforce curfews.

4.7 Socioeconomics

This section presents the results of the analyses of direct, indirect, and cumulative effects on existing and anticipated economic, demographic, housing, fiscal, and social conditions including lifestyles and cultural values and community facilities in the Study Area, as previously defined in Section 3.7 Socioeconomic Conditions. The analysis of future conditions in the reasonably foreseeable future takes into consideration the anticipated growth in visitors to the Turning Stone Resort & Casino and the associated increase in employment and other changes that are likely to occur with that growth, as well as changes in future conditions resulting from ongoing and planned actions by the Nation that are unrelated to the Federal action.

4.7.1 Economic Effects

This section presents the direct, indirect and cumulative effects of Alternatives A through G on local employment, local employee earnings, and on the local unemployment rate.

4.7.1.1 Direct Effects

Alternatives A through G

As described elsewhere in this document, the conveyance of lands into trust is an action where title to the Nation's existing lands would be conveyed to the Federal government with no change in use. The Proposed Action and alternatives do not involve new construction or changes in land use and, as a result, would not result in any direct economic effects. Changes in economic activity under the Proposed Action or alternatives are reasonably foreseeable consequences and are discussed under Section 4.7.1.2 Indirect Effects.

4.7.1.2 Indirect Effects

Implementation of the Proposed Action or any alternative and the associated taxation and regulatory scenario, as described in Section 4.1.3, Taxation/Jurisdictional Scenarios, applied to lands not conveyed into trust will influence the Nation's anticipated plans for development, visitor growth projections, and governmental programs and services in the future. The alternatives and scenarios indirectly affect Nation employment and employee earnings as well as the employment and earnings of other local businesses that are supported by the Nation's operational expenditures.

Alternative A

Nation Employment and Employee Earnings

In 2005, the Nation employed 4,611 persons. Under Alternative A, the Nation is expected to employ 4,882 persons in 2011. A discussion of the 2011 employment projections for the Nation's enterprises and the Nation's government is presented below.

Turning Stone Resort & Casino

The Turning Stone Resort & Casino employed 3,779 people in FY 2005. It is anticipated that these jobs would be maintained as long as the Turning Stone Resort & Casino continues to operate.

In FY 2011, the Nation expects the Turning Stone Resort & Casino to draw 5.56 million visitors, an increase of 1.1 million visitors from FY 2005. To serve these future visitors, the Turning Stone Resort & Casino would need to employ an additional 196 workers, a 5.2 percent increase in the current employment levels based upon an historic average for the Turning Stone Resort & Casino of one employee per 1,400 visitors.

The ongoing expansions including the new spa, swimming pool, and night club would also generate an additional increase in the need for new employees. Assuming one employee per 350 square feet, the night club would generate 43 new employees. It is also assumed that the new spa and pool would employ 15 new workers. In summary, there would be an estimated 4,033 jobs at the Turning Stone Resort & Casino by 2011 (see Table 4.7-1).

Table 4.7-1
Nation Employment, Alternative A, 2005 and 2011

	2005		2011	
	Employees	**Earnings (in $M)**	**Employees**	**Earnings (in $M)**
Turning Stone Resort & Casino	3,779	81.8	4,033	87.3
SavOn Gas Stations and Convenience Stores	279	4.9	279	4.9
Other Nation Enterprises	65	1.9	65	1.9
Total Nation Enterprises	4,123	88.6	4,377	94.1
Nation Government	488	21.2	505	22.0
Grand Total	4,611	109.9	4,882	116.1

Source: The Louis Berger Group, Inc., 2006.

This projection of future permanent jobs at the Turning Stone Resort & Casino does not include an estimate of the temporary construction jobs that are generated by the construction of the Nation's on-going and planned development projects at the Turning Stone Resort & Casino. The growth in the Turning Stone Resort & Casino would increase the demand for goods and services provided by outside vendors. The regional economic effect of this additional demand is described later in this section.

SavOn Gas Stations and Convenience Stores

The SavOn gas stations and convenience stores employed 279 workers in 2005. While the increase in visitors to the Turning Stone Resort & Casino could potentially cause an increase in SavOn gas station and convenience store sales, it is assumed that employment at these establishments would remain constant in the next five years due to the business model of the SavOn gas stations and convenience stores. There are a fixed number of cashiers, gasoline pumps, and repair bays regardless of the demand and all SavOn gas stations and convenience stores have pay-at-the-pump facilities. Seven of the 13 SavOn gas stations and convenience stores operate 24 hours a day while the rest are open 12 to 18 hours a day. There are currently no plans by the Nation to construct another SavOn gas station and convenience store.

Nation Government

Four hundred and eighty eight people were employed in the Nation government in FY 2005. Growth of the Nation enterprises would be accompanied by an increase in Nation Government employment. For example, the increase in Nation enterprise jobs would create additional jobs in the Nation's human resource department, which is part of the Nation government. Similarly, the increase in Turning Stone Resort & Casino visitors would likely require additional Nation police officers.

In FY 2005, approximately 89 percent of Nation government expenditures were supported by Nation enterprises. The Turning Stone Resort & Casino accounted for 78 percent of the Nation's enterprises positive net revenues (i.e., operating surpluses) and the SavOn gas station and convenience store earnings accounted for the remaining 22 percent. Based on this information, it is assumed that 69 percent (78 percent of 89 percent) of government jobs would grow at the rate of Turning Stone Resort & Casino employment and that 20 percent of government jobs would grow at the rate of SavOn gas station and convenience store employment (22 percent of 89 percent). As a result, 339 government jobs would grow at a rate of 5.2 percent over five years and 96 government jobs would grow at a rate of zero percent. Therefore, by 2011, 17 new jobs are expected to be created by the Nation government.

Other Nation Enterprises Jobs

The number of jobs at the other Nation enterprises is not expected to grow in the next five years. In FY 2005, the Nation's total payroll was $110 million. Assuming that the average salary per worker remains constant (i.e., in constant 2005 dollars), the Nation's payroll would increase by 5.9 percent in the next five years. For the purpose of this analysis, it is also assumed that net revenues would increase proportionally with the number of jobs.

Non-Nation Jobs and Earnings

In 2005, the Nation indirectly supported many jobs at other Madison County and Oneida County businesses including jobs associated with the spending by the Nation and its employees, jobs generated by off-site visitor spending, and jobs generated by household spending of persons who are not employed at the Nation but who would have left the region in the Nation's absence (tertiary effect) (see Section 3.7.6 Regional Economic Impact). It can be expected that the anticipated Nation employment growth in the next five years would generate an increase in Nation spending, Nation employee spending, off-site visitor spending, and the number of jobs associated with this spending.

Jobs Generated by Nation and Nation Employee Spending

In FY 2005, spending by the Nation and its employees supported 912 jobs and $31.9 million in earnings (wages, salaries, and proprietor's income) at other businesses in Madison and Oneida Counties (see Section 3.7.6 Regional Economic Impact). The vast majority of these estimated jobs were probably net additions to the local economy, which would not have occurred in the Nation's absence (i.e., they are supported by the injection of spending that would not have been attracted to the region in the Nation's absence).

In the next five years, a modest increase in the number of jobs indirectly supported by the Nation is expected. The Turning Stone Resort & Casino would be required to make additional purchases to serve the increased demand caused by a growth in visitors. The vendors supplying the Nation's demand for additional goods and services would likely adjust their production levels (e.g., hire additional employees) to satisfy the increasing demand from the Nation caused by the visitor growth and added entertainment operations. Additionally, the added Nation employees would likely make consumer purchases to maintain their households. Businesses that satisfy this consumer demand would also need to adjust their production levels to satisfy this demand; these multiplier effects are described in more detail in Section 3.7.6 Regional Economic Impact. Taking into account the multiplier effect, spending by the Nation and its employees would be expected to generate 963 jobs at other local businesses in 2011 (see Table 4.7-2).

Table 4.7-2
Total Employment at Other Regional Businesses due to Spending by the Nation and its Employees, Alternative A, 2005 and 2011

	2005		2011	
	Employees	Earnings (in $M)	Employees	Earnings (in $M)
Turning Stone Resort & Casino	685	24.0	731	25.6
SavOn Gas Stations and Convenience Stores	43	1.5	43	1.5
Other Nation Enterprises	30	1.2	30	1.2
Total Nation Enterprises	758	26.7	804	28.3
Nation Government	154	5.3	159	5.4
Grand Total	**912**	**31.9**	**963**	**33.7**

Source: The Louis Berger Group, Inc., Nation, 2006.

Jobs Generated by Off-Site Visitor Spending

While the largest attraction for visitors in the region is the Turning Stone Resort & Casino, visitors also spend their money at businesses other than Nation enterprises (off-site spending). For example, after the Turning Stone Resort & Casino opened, revenue from Oneida County's hotel occupancy tax began increasing. Even after the Nation started to provide on-site lodging in September 1997, not all visitors chose to stay at these lodging facilities where Oneida County's hotel occupancy tax is not collected. As shown in Section 3.7.6 Regional Economic Impact; if non-local visitors to the Turning Stone Resort & Casino in 2005 spent an average of $5 at non-Nation local businesses, their spending would support an increase of 206 jobs and $4.8 million in earnings at non-Nation businesses. The Nation's projected increase of 1.1 million visitors in the next five years under Alternative A would be expected to lead to an increase in the off-site visitor spending effect.

Tertiary Effect

As explained in Section 3.7.6 Regional Economic Impact, employment with the Nation affords a number of long-term local residents the ability to remain in Madison and Oneida Counties, where a relatively poor regional economy offers limited employment opportunities. These residents are sometimes part of households in which there is more than one worker. The earnings of the second worker in the household are partly spent at local businesses and generate jobs and earnings through the multiplier effect.

As discussed in Section 3.7.6 Regional Economic Impact, it cannot be estimated how much of the economic activity generated by this spending is attributable to the Nation. As an example, if only 25 percent of these households would not have been in the region in the absence of the Turning Stone Resort & Casino, the Nation's tertiary effect would be $5.1 million in output, $1.4 million in earnings, and 41 jobs in Madison and Oneida Counties in 2005. Based on expected job growth under Alternative A, the tertiary effect likely would be at or above the 2005 level in 2011.

Local Unemployment

The unemployment rate is not expected to change from its current levels as no major job changes (job creation or layoffs) are expected to occur in the next five years under Alternative A. A comparison of alternatives in terms of jobs and earnings at the Nation and at other regional businesses that are supported by Nation and Nation employee spending is presented in Table 4.7-3

Alternative B

The Nation does not have any plans to expand operations on the additional 17,630 acres that would possibly be acquired under Alternative B. Nation employment in 2011 under Alternative B would be the same as in Alternative A. Nation employment and employment indirectly supported by the Nation through the multiplier effect under Alternative B would also be the same as discussed above for Alternative A. Local unemployment would not be affected.

Alternative C

Nation Employment and Employee Earnings

With the exception of the Black Angus farm and other agricultural activities, the Nation's business operations are located on Group 1 and 2 lands. Under Alternative C, the future of the jobs on Group 3 lands would be uncertain. The Nation employs a total of eight workers for its agricultural operations, which are located on Group 2 and 3 lands. The agricultural jobs on Group 3 lands could possibly be relocated to Group 2 lands or could be eliminated if the Nation decides to sell the land or if Madison and Oneida Counties foreclosed due to the Nation's failure to pay property taxes. If the Nation were to pay property taxes on the lands not placed into trust, all jobs would most likely be maintained because the annual property taxes on Group 3 lands are relatively minor ($264,000) and would not significantly reduce the Nation's net revenues. All of the Nation's ongoing and planned projects; with the exception of the anaerobic digester would take place on Group 1 and 2 lands and would not be adversely affected.

Table 4.7-3
Nation Jobs and Jobs Supported by Nation and Nation Employee Spending, Alternatives A through G, 2011

		Gaming and Resort Operations	SavOn Gas Stations and Convenience Stores	Other Non-Gaming Enterprises	Total Nation Enterprises	Government	**Total Nation Jobs**	Jobs supported by Nation and Nation Employee Spending	**Grand Total**
	Total Number of Jobs in 2005	***3,779***	***279***	***65***	***4,123***	***488***	***4,611***	***912***	**5,523**
A	Short-term Loss of Jobs	0	0	0	0	0	**0**	0	**0**
	Long-term Job Growth	+254	0	0	+254	+17	**+271**	+51	**+322**
	Total Number of Jobs in 2011	**4,033**	**279**	**65**	**4,377**	**505**	**4,882**	**963**	**5,845**
B	Short-term Loss of Jobs	0	0	0	0	0	**0**	0	**0**
	Long-term Job Growth	+254	0	0	+254	+17	**+271**	+51	**+322**
	Total Number of Jobs in 2011	**4,033**	**279**	**65**	**4,377**	**505**	**4,882**	**963**	**5,845**
C	Short-term Loss of Jobs	0	0	-8	-8	0	**-8**	-4	**-12**
	Long-term Job Growth	+254	0	0	+254	+17	**+271**	+51	**+322**
	Total Number of Jobs in 2011	**4,033**	**279**	**57**	**4,369**	**505**	**4,874**	**959**	**5,834**
D	Short-term Loss of Jobs	0	-231	-10	-241	-42	**-283**	-53	**-336**
	Long-term Job Growth	+253	0	0	+253	0	**+253**	+46	**+299**
	Total Number of Jobs in 2011	**4,032**	**48**	**55**	**4,135**	**446**	**4,581**	**905**	**5,485**
E	Short-term Loss of Jobs	-373	-231	-10	-614	-59	**-673**	-127	**-800**
	Long-term Job Growth	0	0	0	0	0	**0**	0	**0**
	Total Number of Jobs in 2011	**3,406**	**48**	**55**	**3,509**	**429**	**3,938**	**785**	**4,723**
F	Short-term Loss of Jobs	0	0	-10	-10	0	-10	-5	-15
	Long-term Job Growth	+254	0	0	+254	+17	+271	+51	+322
	Total Number of Jobs in 2011	**4,033**	**279**	**55**	**4,367**	**505**	**4,872**	**958**	**5,830**
G	Short-term Loss of Jobs	-3,779	-279	-65	-4,123	-433	-4,556	-895	-5,450
	Long-term Job Growth	0	0	0	0	0	0	0	0
	Total Number of Jobs in 2011	**0**	**0**	**0**	**0**	**55**	**55**	**17**	**72**

Source: The Louis Berger Group, Inc., 2006.

Non-Nation Jobs and Earnings
The number of jobs associated with the Nation's operations and Nation employee spending, off-site visitor spending, and with the tertiary effect would be similar to that described above for Alternative A.

Local Unemployment
The unemployment rate would be unaffected as no major job changes (job creation or layoffs) are expected to occur in the next five years under Alternative C.

Alternative D
Under Alternative D, Group 1 lands would be conveyed into trust and the Turning Stone Resort & Casino operations would not be adversely affected. Group 2 and 3 lands would not be conveyed into trust and, as a result, the future of Nation enterprises, government operations, and jobs on these lands would be uncertain and could likely be diminished.

In 2005, there were 792 jobs on Group 2 lands and not more than eight jobs on Group 3 lands. These jobs included all Nation government jobs, most SavOn gas station and convenience store jobs, and all of the jobs at the other Nation enterprises. The SavOn gas stations and convenience stores and other Nation enterprises play a key role in the Nation's long-term diversification strategy, which aims at avoiding over-dependence on the gaming industry and is integral to the Nation's long-term strategies for self-sufficiency and economic development.

Under Alternative D, Group 2 and 3 lands would not be conveyed into trust. As described in Section 2.0 Alternatives, the disposition of the lands omitted from trust status presents several taxation and jurisdiction scenarios for consideration as described below:

- **PTP** scenario - The Nation would experience a reduction in net revenues because of the added operating expenses, which in turn would lead to a reduction in employment and in the employment growth rate. Based on the current assessed valuation and 2005 tax rates, property taxes on Group 2 and 3 lands would be approximately $1.7 million. New York State's collection of excise taxes from wholesalers that supply cigarettes and petroleum to the Nation's SavOn gas stations and convenience stores on Group 2 lands would also reduce the Nation's net revenues.
- **PTNP-F** scenario - The Nation might be forced to discontinue its operations on lands not taken in to trust. The Nation jobs on Group 2 and 3 lands could either be relocated to Group 1 lands or would be lost. Relocation would disrupt the Nation's operations, negatively affecting its net revenues, employment, and growth potential. Alternatively, the threat of foreclosure could lead the Nation to sell all or some of its Group 2 and 3 land holdings and discontinue its operations on these lands.
- **PNTP-DC** scenario - The current situation of uncertainty about the Nation's jurisdiction over Group 2 and 3 lands would continue, adversely affecting the Nation's net revenues and future growth. Under recent Federal court decisions

(2006 U.S. Dist. LEXIS 35987 and 2006 U.S. Dist. LEXIS 36327); Madison and Oneida Counties may not foreclose on the properties due to failure to pay property taxes though they have the right to collect property taxes. In this scenario, the Nation does not pay local property taxes and there is no remedy for Madison or Oneida Counties to enforce the collection of taxes. Furthermore, there is continued uncertainty regarding wholesalers' liability for New York State excise taxes on fuel and cigarette sales to Indian retailers.

The indirect effects of the **PTNP** scenarios are evaluated and quantified in this section as they represent the greatest potential for adverse effects on the surrounding communities. The quantitative analysis of indirect effects assumes that the Nation discontinues its business operations on Group 2 and 3 lands and does not pay property taxes on those lands. The Nation would continue its operations on Group 1 lands.

Nation Employment and Earnings

Under Alternative D, Turning Stone Resort & Casino employment and net revenues would not be adversely affected as Group 1 lands would be placed into trust. The Patrick Road SavOn gas station and convenience store would be the only SavOn establishment operating on trust lands and would not be subject to New York State and local taxation. In this scenario, sales and employment at the Patrick Road SavOn gas station and convenience store would likely increase because it would offer lower prices than any other local store. (It is not expected that the price differential between the Patrick Road SavOn gas station and convenience store and other local stores would become larger). Based on the Nation's estimates that fuel sales would increase by 15 percent and cigarette sales by 100 percent, overall sales at the Patrick Road SavOn gas station and convenience store would increase by 46 percent. For the purpose of the analysis, it is assumed that net revenues would increase proportionally with sales. To satisfy this demand, the Nation assumes that employment at the Patrick Road SavOn gas station and convenience store would increase by 20 percent in the next five years.

New York State's collection of an excise tax from the wholesalers that supply cigarettes and gasoline to the SavOn gas stations and convenience stores on Group 2 lands would lead to an increase in the cost of goods sold and a decrease in the gross operating margins and profits available to support the operation; this would likely lead to the closing of most of the stores. The need to collect and remit taxes from non-Indian customers could also be imposed under this taxation and regulatory scenario. For the purpose of this analysis, it is assumed that Group 2 SavOn gas stations and convenience stores would close, resulting in a loss of 231 jobs.

The reduction in the SavOn gas station and convenience store net revenues (partially offset by the unrelated projected increase in Turning Stone Resort & Casino net revenues) would lead to a decrease of 42 jobs at the Nation government because the Nation enterprises provide 89 percent of the Nation government expenditures. The Turning Stone Resort &

Casino and the SavOn gas stations and convenience stores also support 20 percent of the other Nation enterprises expenditures. For the purpose of this analysis, it is assumed that 89 percent of Nation government jobs and 20 percent of the jobs at other Nation enterprises would change proportionally with the change in Turning Stone Resort & Casino and SavOn gas station and convenience store net revenues. It is reasonable to expect that the Nation would seek additional Federal funding, which could potentially allow them to preserve more Nation government jobs, albeit at some cost to the Nation's goal of self-sufficiency.

Non-Nation Jobs and Earnings

Jobs Generated by Nation and Nation Employee Spending
Taking into account the multiplier effect, the discontinuation of all business activity on Group 2 and 3 lands would indirectly lead to the loss of 53 jobs at other businesses. Some of these jobs would be replaced through a shift in local consumer expenditures. That is, some local Nation patrons would spend the funds that they previously spent at Nation enterprises at other local businesses, which in turn would support new jobs. The estimation of net new effects is discussed in Section 3.7.6.2. Net New Economic Activity By 2011, the growth of the gaming and resort operations on group 1 lands would support an additional 253 jobs at other businesses. The jobs associated with the spending by the Nation and its employees are presented in Table 4.7-2.

Jobs Generated by Off-site Visitor Spending
Because the Turning Stone Resort & Casino would be conveyed into trust under Alternative D, the number of visitors and the off-site visitor spending would be unaffected.

Tertiary Effect
The tertiary effect – the jobs generated by household spending of persons who are not employed at the Nation but who would have left the region in the Nation's absence - would be reduced if Nation employment were diminished (see Section 4.7.1.3 Cumulative Effects for more detail).

Local Unemployment
Because no major job changes (job creation or layoffs) are expected to occur in the next five years under Alternative D, the unemployment rate would be unaffected by the alternative.

Alternative E
Under Alternative E, only the Turning Stone Resort & Casino tax lot would be conveyed into trust as the future of all other Nation lands would become uncertain and the jobs on those lands would be at risk. In 2005, there were 1,175 Nation jobs in addition to the 3,436 jobs on the Turning Stone Resort & Casino tax lot. The future scenarios presented above for Alternative D would be applicable to all lands not conveyed into trust under Alternative E.

Regardless of which scenario would prevail, Alternative E would compromise the future growth of the Turning Stone Resort & Casino because the golf courses, the luxury lodge hotel, and part of the event center would not be conveyed into trust. While these resort components currently do not generate positive net revenues, they are complementary to the operations of the Turning Stone Resort & Casino as a resort destination. These facilities attract a significant number of customers to the Turning Stone Resort & Casino, creating a fuller experience for visitors by offering diverse activities and amenities that can promote longer or more frequent visits and that cater to non-gaming family members. Under Alternative E, Turning Stone Resort & Casino jobs and all other Nation jobs would be at greater risk in the long run.

Under Alternative E, only the Turning Stone Resort & Casino tax lot would be conveyed into trust. As described in Section 2.0 Alternatives, the disposition of the lands omitted from trust status presents several taxation and jurisdiction scenarios for consideration. The indirect effects of the **PTNP-F** scenario are evaluated in detail below. Under this scenario the Nation would not pay property taxes on the lands omitted from trust. The Nation would close those components of the Turning Stone Resort & Casino that are not part of the Turning Stone Resort & Casino tax lot and all but one SavOn gas station and convenience store would cease operation.

Nation Employment and Employee Earnings

For the purpose of the analysis, it is assumed that the jobs at the Inn, the luxury lodge hotel, and at the golf courses would be lost because they would not be on trust land. Gaming, other lodging and retail employment at the Turning Stone Resort & Casino would remain at the 2005 level. While the lodge and the golf courses currently have negative net revenues for their financial operations, they have the potential to attract more visitors to the Turning Stone Resort & Casino, which would offset part of their loss for the overall enterprise. It is, therefore, assumed that Turning Stone Resort & Casino net revenues would remain at the 2005 levels. SavOn gas station and convenience store employment and net revenues would be the same as presented for Alternative D.

The reduction in the SavOn gas station and convenience store and the Turning Stone Resort & Casino net revenues would probably lead to a decrease in jobs at the Nation government and at other Nation enterprises as both are primarily supported by the Turning Stone Resort & Casino and SavOn gas station and convenience stores. Following the same assumptions used to estimate government and other enterprise jobs presented for Alternative D, this analysis assumes that 89 percent of Nation government jobs and 20 percent of the jobs at other Nation enterprises would decrease proportionally with the decrease in Turning Stone Resort & Casino and SavOn gas station and convenience store net revenues. (Because the loss of gaming and resort net revenues is greater under Alternative E than under Alternative D, the decrease in government and other enterprise jobs is larger under Alternative E than under Alternative D.) It is reasonable to expect that the Nation would seek additional Federal funding, which could potentially allow it to preserve more Nation government jobs.

Non-Nation Jobs and Earnings

Jobs Generated by Nation and Nation Employee Spending

Taking into account the multiplier effect, Alternative E would lead to the loss of 127 jobs at other businesses. While some of these jobs would be replaced through a shift in local consumer expenditures, most jobs would not be replaced.

Jobs Generated by Off-site Visitor Spending

It is unclear whether off-site visitor spending would decrease or increase relative to Alternative A. It can reasonably be expected that the number of visitors would decrease because the Turning Stone Resort & Casino would no longer operate the golf courses, the lodge, and the event center. The average spending per visitor at non-Nation local businesses (off-site spending) could potentially increase relative to the baseline because the Nation would offer fewer accommodations.

Tertiary Effect

The tertiary effect in Alternative E would be lower than in the baseline due to the job losses associated with Alternative E.

Local Unemployment

Based on the residential location of current Nation employees, an estimated 3,418 Nation employees in Alternative E would live in Madison and Oneida Counties, which is about 528 less than under Alternative A. Furthermore, taking into account the multiplier effect of the Nation and Nation employee spending, the Nation would support 176 fewer jobs in Alternative E than in 2005. Because of the area's poor economic performance, these job losses are likely to increase local unemployment significantly in the short-term.

Alternative F

Nation Employment and Employee Earnings

While the majority of the Nation's employment sites would be conveyed into trust under Alternative F, some of the Nation's agricultural lands and the quarry would not be included. There were a total of 8 agriculture jobs and 2 jobs at the quarry in 2005. While the agricultural jobs not included in Alternative F could possibly be relocated to trust land, the jobs at the quarry could not. If the Nation was to sell the land or the County was to foreclose on the property, these Nation jobs would be eliminated. If the jobs were lost, the number of Nation enterprise and government jobs and the Nation's payroll in Alternative F would be slightly lower than under Alternative A.

Non-Nation Jobs and Earnings

The Nation's economic activities in Alternative F would be almost the same as in Alternative A. There are no significant indirect effects associated with Alternative F.

Local Unemployment

Because no major job changes (job creation or layoffs) are expected to occur in the next five years under Alternative F, the unemployment rate would be unaffected by this alternative.

Alternative G

Under Alternative G, all of the Nation's lands would be omitted from trust. As described in Section 2.0 Alternatives, the disposition of the lands omitted from trust status presents several taxation and jurisdiction scenarios for consideration. In 2005, there were 4,611 Nation jobs on Group 1, 2, and 3 lands. For the purpose of this analysis, the following four scenarios were considered:

- **PTP** scenario - The Nation's net revenues would be reduced significantly because of substantial taxes on the Turning Stone Resort & Casino tax lot, which would lead to a reduction in Nation employment. The assessed value of the Turning Stone Resort & Casino Tax Lot of $362 million is currently contested by the Nation. New York State's collection of excise taxes from wholesalers that supply cigarettes and petroleum to the Nation's SavOn gas stations and convenience stores would also reduce the Nation's net revenues. The imposition of a sales tax to be collected on purchases by non-Indian customers would limit the resources available for the Nation's government programs and services.
- **PTNP-F** scenario – If Madison and Oneida Counties were to foreclose on Nation lands because of the Nation's failure to pay property taxes, the Nation would be forced to discontinue its enterprise and government operations with the impossibility to relocate its activities other than to the 32-acre territory. The vast majority of Nation jobs would be lost. Alternatively, the threat of foreclosure could lead the Nation to sell all or some of its land holdings and discontinue its operations on these lands.
- **PTNP-DC** scenario - A continuation of the current situation. The scenario has two main aspects: the Nation's failure to pay property taxes and Madison and Oneida Counties' lack of remedy; the continued uncertainty about wholesalers' liability for New York State excise taxes on fuel and cigarette sales to Indian retailers. The uncertainty associated with the status quo scenario could adversely affect the Nation's long-term economic health and compromise its economic self-sufficiency. For example, private capital markets or vendors may conclude that the future risks from such uncertainty outweigh the current benefits of engagement with the Nation government and enterprises.
- **CC-AEC** scenario - The Turning Stone Resort & Casino would close and the vast majority of Nation jobs would be lost. The Turning Stone Resort & Casino employs the majority of Nation employees and supports the Nation government and all other Nation enterprises (other than the SavOn gas stations and convenience stores).

Those scenarios that result in the closure of the Turning Stone Resort & Casino have the greatest potential for adverse effects on the surrounding communities in terms of economic consequences. As such, the indirect effects of the **PTNP-F** and **CC-AEC** scenarios are evaluated and quantified in this section.

Nation Employees and Employee Earnings

For the purpose of the analysis of Alternative G, it is assumed that all of the Turning Stone Resort & Casino jobs and SavOn gas station and convenience store jobs would be eliminated. The Nation's other enterprises would discontinue their operations because they are dependent on the Turning Stone Resort & Casino and SavOn gas station and convenience store net revenues.

The 434 Nation government jobs that are supported by Nation enterprise revenues (89 percent of total Nation government jobs) would be at risk as well (see Table 4.7-5). The Nation would probably seek additional Federal funding, which could allow them to preserve some Nation government jobs.

Non-Nation Jobs and Earnings

Taking into account the multiplier effect, the closing of the Turning Stone Resort & Casino and all other Nation enterprises would indirectly lead to the loss of 895 jobs at other businesses (see Table 3.7-9). A small portion of these jobs may be replaced through a shift in local consumer expenditures (i.e., local Nation patrons may spend some of the funds that they previously spent at the Nation enterprises at other local businesses, which in turn would use part of the funds to support new jobs). The majority, however, would not be replaced in the community since the quality of the entertainment options offered by the Nation – gaming, world class golf, and premier entertainment – cannot be found elsewhere in Oneida County or Madison County.

Jobs Generated by Off-site Visitor Spending

The closing of the Turning Stone Resort & Casino would lead to the loss of all of the jobs that are currently supported by off-site visitor spending.

Tertiary Effect

The Nation would no longer generate a tertiary effect if the Turning Stone Resort & Casino closed. Thus, some of the dual worker households with a Nation employee in the household would leave the region with the cessation of employment opportunities at the Turning Stone Resort & Casino. The household spending of former Nation employees who remain in the region after being laid off also would no longer be attributable to the Nation. In addition, property values in the community generally may decline if the Turning Stone Resort & Casino closes because there may be an increase in the number of homes and rental units placed on the market following its closure.

Local Unemployment

The closing of all Nation enterprises is expected to lead to the loss of 4,556 Nation jobs. In 2005, 87 percent of Nation employees lived in Madison and Oneida Counties. Under

Alternative G, an estimated 4,190 Madison County and Oneida County residents would lose their jobs at the Nation. The closure would lead to reduced spending by the Nation's enterprises and operations and by its former employees, leading to 895 fewer non-Nation jobs than in 2005. Additional non-Nation jobs would be lost due to the loss of off-site visitor spending and the tertiary effects as explained above. In the year 2000, 85 percent of jobs in Madison and Oneida Counties were held by residents of these two counties. Because of the poor job creation and economic performance of the area, the job losses associated with this alternative are likely to increase local unemployment significantly.

Some of the laid-off employees would likely remain unemployed in the long-term, while others would find a new job, withdraw from the labor force or migrate out of the region entirely. An analysis of past employment data from the Bureau of Economic Analysis shows that if non-Nation employment in Madison and Oneida Counties would grow at the same rate it did between 1990 and 2004, it would take 36 years before employment is back to the 2004 level; data from the year 2004 is the most recent available. When the local economic base is unable to provide suitable replacement job opportunities, there is a strong likelihood of higher unemployment levels and out-migration effects. The closure of operations at Griffiss Air Force Base provides an example of the potential out-migration effects and was illustrated in Figure 3.7.9. To the extent that the region exhibits higher rates of unemployment as a result of closure, it can be anticipated that the region would become more dependent on transfer payments; see Table 3.17-18 for an example of relationship between transfer payments and unemployment rates.

Summary

Table 4.7-4 presents a comparative summary of the indirect effects by alternative. The indirect effects are calculated by comparing the employment change for each of the alternatives in 2011 with the 2005 baseline presented in Section 3.7 Socioeconomic Conditions. The indirect effects are reported in terms of the total number of Nation jobs and the non-Nation jobs supported by Nation spending within Madison and Oneida Counties. The indirect effects are also reported in terms of the number of local Madison County or Oneida County residents who work for the Nation or who are supported by Nation spending in non-Nation jobs. Table 4.7.4 presents the indirect effects in terms of the net change in employment between 2005 and 2011 but also details how each alternative varies in terms of short-term jobs losses and long-term job growth effects.

Alternatives A, B, C, and F

Under Alternatives A, B, C, and F, the number of Nation jobs and jobs supported by spending by the Nation, its employees, and its visitors is expected to grow in the next five years. Comparing these alternatives to the 2005 baseline, there would be an estimated 271 new Nation jobs by 2011. In addition, spending by the Nation and its employees would support an estimated 51 jobs at other local businesses. Additional jobs may also be created due to an increase in off-site visitor spending. In the short-term however, the

Table 4.7-4
Indirect Effects: Change in Employment between 2005 and 2011, Alternatives A through G

Short-term Job Losses						
	Nation Jobs		Non-Nation Jobs[1]		Total	
	Total	Local Residents	Total	Local Residents	Total	Local Residents
A	0	0	0	0	0	0
B	0	0	0	0	0	0
C	-8	-7	-4	-3	-12	-10
D	-283	-245	-53	-45	-336	-290
E	-673	-584	-127	-108	-800	-692
F	-10	-9	-5	-4	-15	-13
G	-4,556	-3,953	-895	-761	-5,451	-4,714

Long-term Job Growth						
	Nation Jobs		Non-Nation Jobs[1]		Total	
	Total	Local Residents	Total	Local Residents	Total	Local Residents
A	271	235	51	43	322	278
B	271	235	51	43	322	278
C	271	235	51	43	322	278
D	253	219	46	39	299	258
E	0	0	0	0	0	0
F	271	235	51	43	322	278
G	0	0	0	0	0	0

Net Effect						
	Nation Jobs		Non-Nation Jobs[1]		Total	
	Total	Local Residents	Total	Local Residents	Total	Local Residents
A	271	235	51	43	322	278
B	271	235	51	43	322	278
C	263	228	47	40	310	268
D	-30	-26	-7	-6	-37	-32
E	-673	-584	-127	-108	-800	-692
F	261	226	46	39	307	265
G	-4,556	-3,953	-895	-761	-5,451	-4,714

Note: [1]Non-Nation jobs are jobs at other Madison County and Oneida County businesses supported by Nation and Nation employee spending. Local residents are those employees who are living in Madison and Oneida Counties.

discontinuation of some of the Nation's enterprise activities in Alternative C and F would lead to a loss of 8 and 10 jobs, respectively.

Based on current residential locations, it is estimated that most of the jobs would be held by residents of Madison and Oneida Counties. This job creation is not expected to significantly affect the local unemployment rate because the job increase is relatively small.

Alternatives D, E, and G

If the Nation discontinues the activities located on lands not conveyed into trust, employment at the Nation and at other businesses that are supported by the Nation would decrease under Alternatives D, E, and G. An estimated 336 jobs, including Nation jobs and other local jobs that are supported by Nation and Nation employee spending, would be lost in Alternative D. Larger job losses would occur under Alternatives E (800 jobs) and G (5,451 jobs).

Major layoffs of Madison County and Oneida County residents under Alternatives E and G would increase the number of locally unemployed. Under Alternative G **PTNP-F** and **CC-AEC** scenarios, an estimated 4,714 Madison County and Oneida County residents would lose their job, overwhelming in historical terms the ability of the two-county local employment base to absorb the excess supply of labor.

4.7.1.3 Cumulative Effects

Alternatives A, B, C, and F

Since the opening of the Turning Stone Resort & Casino in 1993, the Nation created jobs at a rate that outpaced overall job growth in Madison and Oneida Counties and in upstate New York as a whole. In 2006, the Nation was the single largest employer in Madison and Oneida Counties. The Nation's job growth has partly offset regional job losses, including the closings of Griffiss Air Force Base in the City of Rome and the Lockheed Martin Plant in the City of Utica in the mid-1990s, as well as the more recent closing of the Oneida Ltd. manufacturing plant in the City of Sherrill (see Section 3.7.5.2 Nation Enterprises).

Under Alternatives A, B, C and F, it can be expected that existing Nation jobs would be maintained and that the Nation would continue to grow, albeit at more modest pace than in the past. By 2011, Nation employment is expected to reach 4,882 under Alternatives A and B, and 4,874 and 4,872 under Alternatives C and F, respectively.

The local expenditures made by the Nation, its employees, and its visitors would likely increase as well, creating additional employment through the multiplier effect. By 2011, about 960 jobs would be supported by Nation and Nation spending under Alternatives A, B, C, and F.

Limited information is available about possible future job creation by other businesses that are not supported by spending by the Nation, its employees or its visitors. Woods & Poole, an economic forecasting firm, projects an average annual employment growth of 1.1 percent for Madison County and 0.8 percent for Oneida County in the next five years. These employment projections, which include the jobs directly and indirectly created by the Nation, assume that Madison and Oneida Counties would perform significantly better than over the past 30 years.

Specific information about future projects proposed by others is presented in Section 4.1.5 Potential Nation Development Projects. Examples of projects that could create new jobs include a residential population-serving 231,000 square-foot retail strip featuring a Lowe's Home Improvement Store in the City of Oneida and a 250,000 square-foot office building for the East Coast Olive Oil Company in the City of Rome.

In addition to permanent jobs at the proposed facilities, the construction of the new office, retail, and residential facilities and the construction of several proposed infrastructure projects (e.g., water system improvements in the City of Oneida, the Village of Vernon, and the Towns of Vernon, Verona, and Westmoreland) would generate temporary local construction jobs.

Alternative D

Under Alternative D, in addition to the Nation government jobs, most SavOn gas station and convenience store jobs and the jobs at other Nation enterprises on Group 2 and 3 lands would be at risk. As part of the Nation's diversification strategy, these Nation enterprise jobs are an integral component of the Nation's goals for long-term self-sufficiency and economic development. Reductions in the Nation's operational spending and cut-backs in the Nation's payroll and subsequent employee spending would lead to job losses at other local businesses. The level of regional economic activity stimulated by the Nation's operations would be lessened under this alternative and, as such, the Nation would be less well-positioned to assist in offsetting any potential regional job losses or serving as a catalyst for additional economic activity for the region than under Alternatives A, B, C, and F.

Alternative E

Under Alternative E, the Nation jobs that are not located on the Turning Stone Resort & Casino tax lot would be subject to greater uncertainty and their growth would be compromised. Alternative E would compromise the future growth of the Turning Stone Resort & Casino because several resort components would not be conveyed into trust (i.e., the golf courses, the luxury lodge hotel, and part of the event center). These components are critical elements of the Nation's overall strategy for diversification and creating a regional destination resort for tourism and visitors (see Section 3.7.5.2 Nation Enterprises for discussion of Resort Destination Investments). By narrowly defining the type and scope of facilities that can be conveyed into trust, Alternative E imposes more complexity in terms of taxation and regulation and, potentially, requires additional institutions or entities and contracting relationships in order to maintain a cohesive and complementary resort destination. As noted in Section 3.7.5.2 Nation Enterprises, several of the resort assets have not to-date been proven to have financial solvency without subsidization from the Turning Stone Resort & Casino, which may further affect the feasibility, cost-effectiveness, and practicality of this alternative. Alternative E would put all Turning Stone

Resort & Casino jobs at risk in the long term. Reduced Nation spending and Nation employee spending would also lead to job losses at other local businesses.

As explained under Alternative A, B, C, and F, there is limited information about the future actions of others. It is unlikely that under Alternative E the Nation would be able to offset any potential future regional job losses. Most likely, the Nation would have to reduce its own employment levels significantly.

Alternative G

While the effect of Alternative G is uncertain and a wide range of possible future scenarios could occur, it is highly unlikely that Nation employment would grow as currently projected. Most of the Nation jobs would be eliminated if the Turning Stone Resort & Casino were to close. The payment of property taxes would result in a reduction of the Nation's net revenues, which would be reflected in reduced employment levels. Furthermore, the continuation of the current uncertainty regarding the legality of the gaming operations likely would strongly compromise the Nation's growth. In summary, under Alternative G it is highly unlikely that the Nation would be able to continue its operations at or above the baseline level in the next five years.

The Nation would be in no position to partially offset the job losses, out-migration and dependencies on transfer payments that have deeply affected the region's economic base. Alternative G would result in reductions in Nation operations spending and payroll, consequent reductions in employee spending, and less overall visitor spending, leading to direct and indirect jobs losses at other local businesses.

Given the past economic performance of Madison and Oneida Counties, it is unlikely that the counties would be able to absorb the large job losses that would occur in the event of the closing of the Nation enterprises. An analysis of labor data from the Bureau of Labor Statistics shows that if non-Nation employment in the two-county region would grow at the same annual rate as it did between 1990 and 2004, employment would reach the 2004 level only by the year 2040. The Woods & Poole employment projections of a 1.1 percent and 0.8 percent average annual growth rate between 2006 and 2011 in Madison and Oneida Counties, respectively, anticipate the employment directly and indirectly generated by the Nation and may assume some sizable Nation growth.

The future of the proposed developments that directly serve the consumer spending of local residents (e.g., the Lowe's Home Improvement Plaza) may be adversely affected.

4.7.2 Demographic Effects

This section presents the direct, indirect, and cumulative effects of Alternatives A through G, including the effect upon the number of persons on Nation lands and on the number of Nation employees residing in Madison and Oneida Counties.

4.7.2.1 Direct Effects

Alternatives A through G

The conveyance of lands into trust is an action where title to the Nation's existing lands would be conveyed to the Federal government with no change in the use. Implementation of the Proposed Action or any of the alternatives would not involve new construction or changes in land use, and therefore, would not result in direct demographic effects. Growth in economic activity from the Nation's existing enterprises is reasonably foreseeable and is discussed under Section 4.7.2.2 Indirect Effects.

4.7.2.2 Indirect Effects

Implementation of the Proposed Action or any of the alternatives could indirectly affect the number of residents living on Nation lands and the number of employees residing in Madison and Oneida Counties.

Nation Member Households

Alternatives A, B, and F

As presented in Section 3.7.5 Nation Operations, the Nation Homeownership and Rental Programs currently include 104 units; six are on the Nation Territory and 98 are on Group 1, 2, and 3 lands. Under Alternatives A, B, and F, the land where all 98 housing units are located would be conveyed into trust.

Table 4.7-5 presents the number of persons residing in Nation housing units on trust land under Alternatives A and B. As presented in Section 3.7 Socioeconomic Conditions, there are currently 58 school-aged children living on Group 1, 2 or 3 lands who attend public school. An estimated 70 percent of these children attend schools that are part of the Oneida School District, while the balance attends Stockbridge Valley schools. Table 4.7-6 compares the number of persons living in existing Nation housing units that would be on trust land under each alternative.

Alternative C and F

Under Alternative C, the existing 13 homeownership units on Group 3 lands would no longer be on Nation land. If the Nation were not to pay property taxes, these units would be at risk and the 44 residents in these units may leave the region (see Table 4.7-7). Similarly, the residents of the existing 19 units that would not be taken into trust under Alternative F would be at risk and these residents may leave the region.

Alternatives D, E, and G

As a result of Alternatives E and G, the 98 existing Nation housing units would no longer be on Nation land. If the Nation did not pay property taxes, these units might be foreclosed and the 284 residents living in these units may leave the region. The situation would be similar under Alternative D, as only 2 units on Group 1 lands would be on Nation land and the remaining 96 units would be at risk.

Table 4.7-5
Nation Housing Program: Housing and Population Projections, 2011 by Group Lands and Municipality, Alternatives A and B

Allocation By Group and Municipality	Total Housing Units	Estimated Residents
Group 1		
Verona	2	6
Group 2		
Canastota	2	6
Lenox	7	23
Oneida	55	146
Sherrill	3	9
Vernon	1	3
Sullivan	1	3
Verona	14	44
Group 3		
Lincoln	3	10
Stockbridge	10	34
Unassigned		
Verona	1	3
Oneida	5	17
Group 1	2	6
Group 2	83	234
Group 3	13	44
Unassigned	6	20
Totals	104	304

Source: United States Census 2000 Public Use Microdata Sample; Nation; and The Louis Berger Group, Inc.

Table 4.7-6
Population of Existing Nation Housing

	Persons in Existing Nation Housing Units			
	On Trust Land		Not On Trust Land	
	Total Number of Persons	Number of Public School Children	Total Number of Persons	Number of Public School Children
Alternative A	284	58	0	0
Alternative B	284	58	0	0
Alternative C	236	48	48	10
Alternative D	6	1	278	57
Alternative E	0	0	284	58
Alternative F	232	47	52	11
Alternative G	0	0	284	58

Source: The Louis Berger Group, Inc.; United States Census 2000 Public Use Microdata Sample; Nation, 2006.

Table 4.7-7
Estimate of Total Persons in Households in Select Municipalities with One or More

Municipality by Zip Code	Number of Nation Employees (FY 2005)	Total Persons in Nation Employee Households (FY 2005)	Number of Nation Employees (2011)	Total Persons in Nation Employee Households (2011)	Change in Total Persons in Nation Employee Households (2005-2011)
Madison County					
Canastota/Lenox/Lincoln	324	1,059	343	1,122	62
Cazenovia/Fenner	14	46	15	48	3
Stockbridge	94	307	100	325	18
Sullivan	80	262	85	277	15
Oneida	650	2,126	688	2,250	125
Municipalities listed above:	1,162	3,800	1,230	4,023	223
Total Madison County	1,227	4,012	1,299	4,248	236
Oneida County					-
Sylvan Beach	49	71	23	170	99
Sherrill	151	218	71	523	305
Vernon	152	220	71	526	306
Vernon Center	27	39	13	93	54
Verona	172	249	81	595	346
Durhamville	80	116	37	277	161
Augusta	16	23	7	55	32
Municipalities listed above	647	2,116	685	2,240	124
Total Oneida County	2,774	9,071	2,937	9,604	533
Madison and Oneida Counties	4,001	13,083	4,236	13,852	769

Source: The Louis Berger Group, Inc.

Nation Employee Households

Alternatives A and B

In FY 2005, the Nation employed 4,611 people. Of these Nation employees, 60.2 percent live in Oneida County and 26.6 percent live in Madison County according to the Nation Enterprise payroll records. According to the PUMS data from the U.S. Bureau of Census, the average household size with one or more workers in Madison and Oneida Counties is 3.27 people. To be conservative in population forecasts, it is assumed that each household contains only one Nation employee. As a result, in FY 2005, it is estimated that there were 9,071 people living in a household with a Nation employee in Oneida County and 4,012 people living in a household with a Nation employee in Madison County, which represents 3.4 percent of the Oneida County population and 5.7 percent of the Madison County population (based on U.S. Census estimates for 2004).

As a result of Alternatives A and B, Nation employment is expected to have reached 4,882 by 2011. Taking into account the current residential settlement distribution, it is estimated that in 2011 there would be 9,604 people and 4,248 people living in a household with a Nation member employee in Oneida County and Madison County, respectively, representing an increase of 769 persons in the two-county area.

Given that 57 percent of new hires already live in Madison and Oneida Counties, of the new hires, 331 people (43 percent of 769) would migrate to the two-county area. Most likely this estimate is high because while 43 percent of new hires do not live in Madison and Oneida Counties, it does not necessarily mean that new hires would move to the two counties. Some new hires live in nearby counties such as Herkimer and Onondaga and commute to the Turning Stone Resort & Casino. Table 4.7-7 further illustrates the estimated population by municipality in which the Nation owns land.

According to U.S. Census Bureau PUMS data, the average number of public school children per household with one or more workers is 0.85 in the two-county area. Under Alternatives A and B, it is expected that the number of school-aged children in Nation employee households would increase by 26 children in Madison County and by 60 in Oneida County over the next five years (see Table 4.7-9). Table 4.7-8 presents a comparison of alternatives in terms of the number of Nation employees residing in Madison and Oneida Counties.

Table 4.7-8
Persons in Households with One or More Nation Employees, Madison and Oneida Counties, Alternatives A through G

	Number of Nation Employees	Total Persons in Nation Employee Households in Madison and Oneida Counties[1]	Estimated in- and out-migration between 2005 and 2011[2]	
			Total Persons	Public School Pupils[3]
Alternative A	4,882	13,852	331	86
Alternative B	4,882	13,852	331	86
Alternative C	4,874	13,830	321	83
Alternative D	4,581	12,998	-9	-2
Alternative E	3,940	11,179	-190	-50
Alternative F	4,872	13,824	318	83
Alternative G	55	157	-1293	-336

Notes: [1]Average household size is 3.27 persons.
[2]In and out-migrants are those moving to/from the two-county region.
[3]Average number of children attending public school per household is 0.85.
Source: United States Census 2000 Public Use Microdata Sample; Nation; The Louis Berger Group, Inc.

Table 4.7-9
Indirect Effects: Change in the Number of Residents in Nation Housing on Nation Land between 2005 and 2011, Alternatives A through G

	Persons on Trust Land	Change in Persons on Nation Land (2005-2011)
Alternative A	284	0
Alternative B	284	0
Alternative C	236	-48
Alternative D	6	-278
Alternative E	0	-284
Alternative F	232	-52
Alternative G	0	-284

Source: The Louis Berger Group, Inc.; United States Census 2000 Public Use Microdata Sample; Nation, 2006.

Alternatives C and F

If the Nation discontinues its economic activities on lands not conveyed into trust under Alternatives C and F, Nation employment would grow slightly less than under Alternative A to a total of 4,872 employees (Alternative F) and to 4,874 employees (Alternative C). Using the assumptions about household size and in-migration explained above, 318 to 321 residents including Nation employees and their household members would move to Madison and Oneida Counties including 83 children attending public schools.

Alternative D

If the Nation discontinued operations on Group 2 and 3 lands, a total of 283 workers would be laid off. 87 percent of these employees live locally and it can be assumed that 245 Madison County and Oneida County residents would lose their Nation job. By 2011, an estimated 253 new Nation jobs would be created at the Turning Stone Resort & Casino.

While there is significant evidence of out-migration and low levels of job replacement in the area, particularly in Oneida County, there remains a high level of uncertainty as to whether laid-off Nation employees would leave the region or stay. Many factors besides employment — family, community ties, spousal employment, home ownership — influence a person's choice to leave his or her residence.

To be conservative in this scenario, it is assumed that five percent of households have more than one Nation employee. Assuming that 10 percent of employees and their respective households leave the area, an out-migration of nine people including two children attending public school from the two counties would occur.

Alternative E

As a result of Alternative E, many of the Nation's business operations would be at risk. If the enterprises on Nation lands not conveyed into trust were to cease operations, 614

Nation jobs would be lost as described in Section 4.7.1 Economic Effects. Given that 87 percent of current employees live in Madison and Oneida Counties, there would be approximately 534 fewer local residents employed by the Nation enterprises. To be conservative in this scenario, it is estimated that five percent of households have more than one Nation employee and that 10 percent of households would leave as a result of the loss of jobs. Assuming that 10 percent of employees and their respective households leave the area, an out-migration of 190 people including 50 school-aged children from the two counties would occur. This out-migration is further exacerbated by other employees who may be laid off if their place of work is reliant upon the Nation's purchases or spending.

Alternative G

If the Turning Stone Resort & Casino and the SavOn gas stations and convenience stores were to cease operations, nearly all employees would be laid off with the exception of some Nation government employees. Taking into consideration that 87 percent of the Nation employees live locally, it can be anticipated that 4,190 local residents would be affected by lay-offs attributable to the cessation of the Nation's Turning Stone Resort & Casino and other enterprises.

Following the conservative assumptions previously described in this section regarding the percentage of households with more than one Nation worker (five percent) and the percentage of households that would leave the area (10 percent), it is estimated that an out-migration of 1,293 persons including 336 children attending public school would occur from the two counties. This number is conservative, as there would also be a contraction of demand for goods and services from non-Nation businesses, which may cause additional staffing cuts.

Furthermore, because of the large job loss associated with the **CC-AEC** scenario and given the region's poor job creation performance in the past, the percentage of Nation households that would leave the area may be significantly larger than 10 percent. For example, if 30 percent of the laid-off Nation workers would leave the region, out-migration could rise to as high as 3,878 persons, including 1,008 children attending public schools in Oneida and Madison counties.

Summary

Implementation of the Proposed Action or any of the alternatives could indirectly affect the number of residents living on Nation lands and the number of employees residing in Madison and Oneida Counties. A summary of the indirect effects is presented in Tables 4.7-9 and 4.7-10. The indirect effects are calculated by comparing the alternatives in 2011 with the 2005 baseline.

Table 4.7-10
Indirect Effects: Change in the Number of Nation Employee Households Residing in Madison and Oneida Counties between 2005 and 2011, Alternatives A through G

	Change in the Number of Persons in Nation Employee households between 2005 and 2011		Estimated in- and out-migration between 2005 and 2011	
	Total Persons	**Public School Pupils**	**Total Persons**	**Public School Pupils**
Alternative A	769	200	331	86
Alternative B	769	200	331	86
Alternative C	746	194	321	83
Alternative D	-86	-22	-9	-2
Alternative E	-1,905	-495	-190	-50
Alternative F	741	193	318	83
Alternative G	-12,926	-3,360	-1,293	-336

Source: The Louis Berger Group, Inc., 2006.

Nation Member Households

Alternatives A, B, and F

As a result of Alternatives A, B and F, all of the existing Nation housing units would be on trust land and the residents would not be adversely affected.

Alternatives C and F

As a result of Alternative C, 13 existing homeownership units would not be on lands placed into trust and the associated 48 residents may be adversely affected. If the Nation does not pay property taxes and Oneida and Madison Counties were to foreclose (**PTNP-F** scenario), these residents could lose their homes. Under Alternative F, 18 existing units would not be on lands placed into trust and 52 residents could be adversely affected.

Alternative D

As a result of Alternative D, only two of the Nation's existing housing units would be on land conveyed into trust and, therefore, the remaining 96 units and the associated 278 persons living in these units would be at risk should the Nation decide not to pay property taxes and Madison County and Oneida Counties were to foreclose (**PTNP-F** scenario).

Alternatives E and G

As a result of Alternative E and G, none of the Nation's existing housing units would be located on trust land. 284 residents could lose their homes if the Nation does not pay property taxes and Oneida and Madison Counties were to foreclose (**PTNP- F** scenario). Under Alternative G, (**CC-AEC** scenario), the Nation may not be able to pay property taxes.

<u>*Nation Employee Households*</u>

Alternatives A, B, C, and F

As a result of ongoing Nation activities on land conveyed into trust under Alternatives A, B, C, and F, Nation employment is expected to grow in the next five years and, consequently, the number of Nation employees residing in Madison and Oneida Counties is expected to increase. Based on the assumptions described above, an estimated 318 to 331 persons (Nation employees and their household members), including 83 to 86 children attending public school, are expected to migrate to Madison and Oneida Counties under these alternatives.

Alternatives D, E, and G

If the Nation discontinues its operations on lands not conveyed into trust (**PTNP-F** or **CC** scenarios), Nation employment is expected to decrease. Laid-off Nation employees may leave the region. Based on the assumptions discussed above, estimated out-migration would be small under Alternative D (9 persons) but would be significant under Alternatives E and G when a total of 190 and 1,293 persons would leave Madison and Oneida County. Under Alternative G (**CC-AEC**), it is likely that a larger out-migration would occur as non-Nation jobs that are supported by spending by the Nation, its employees, and its visitors, also would be eliminated. Furthermore, because of the large job loss associated with the **CC-AEC** scenario and given the region's poor recent history of job creation, the percentage of Nation households that would leave the area may be significantly larger than 10 percent. If 30 percent of the laid-off Nation workers were to leave the region, it is estimated that an out-migration of 3,878 persons, including 1,008 children attending public school, would occur within Oneida and Madison Counties.

4.7.2.3 Cumulative Effects

Alternatives A, B, C, and F

<u>*Nation Members*</u>

The success of the Nation's economic activities and the resources committed to several of its governmental programs and services have led some Nation Members to consider participating in the Nation's targeted housing program. The housing program has encouraged some Oneidas that are not living in the area to return to Nation lands. As presented in Section 3.7.5 Nation Operations, the Nation Homeownership and Rental Programs currently include 98 units on Group 1, 2, and 3 lands that have an estimated 284 residents. There are an additional six housing units on the Oneida Territory.

As a result of Alternatives A and B, the 98 existing Nation units would be on lands conveyed into trust. Under Alternative C and F, 13 and 18 units, respectively would be on lands not conveyed into trust and the residents in those units (48 residents under Alternative C and 52 under Alternative F) may lose their home if the Nation does not pay property taxes on the land.

Nation Employee Households

In FY 2005, 60.2 percent and 26.6 percent of the 4,611 Nation employees lived in Oneida County and Madison County, respectively. Under Alternatives A and B, it is estimated that a total of 331 residents -- Nation employees and their household members -- would migrate to Oneida and Madison Counties in the next five years. An estimated 86 of these residents would be school-aged children. In Alternatives C and F, in-migration would be 321 and 318 persons, respectively.

Other Proposed Projects

Eleven new or proposed projects by private developers have been identified in Madison and Oneida Counties. The new projects would total 591 housing units. Of the housing units, 293 are residential homes, 100 are condominiums or townhouses, and 198 are senior housing. Additionally, the plans include an expansion of existing Cazenovia College dormitory to create living space for 96 students. A more detailed description of future projects is presented in Table 4.7-11.

Table 4.7-11
Future Housing Projects in Madison and Oneida Counties

Municipality	County	Description	Number of Units
Cazenovia Village	Madison	The action involves demolition of existing single family home and construction of an addition to the existing Shove Hall dormitory to create living space for approximately 96 students; expansion and improvement of parking facility and minor addition to dining facility.	
Cazenovia Village	Madison	Residential proposal of 29 units including 8 townhouses and 21 single-family residences. Currently R-30 to be rezoned to PUD.	29
Cazenovia Village	Madison	52 single-family residential structures	52
Cazenovia Village	Madison	20-25 residential units	25
Town of Sullivan	Madison	Construction of 120 $300,000 residential homes	120
Town of Sullivan	Madison	Construction of 92 residential condominiums. (approximately 2,000 square feet apiece	92
Town of Sullivan	Madison	The development of a 20-25 single-family residential structures.	25
Rome	Oneida	Construction of a 558,000 square-foot senior housing complex consisting of 160 apartments connected to a commons building with 21,000 square-feet of retail space and an additional 38 single-family duplex townhouse.	198
Village of Vernon	Oneida	40-50 single-family residential structures	50
		Total Units	**591**

According to the U.S. Bureau of Census, the average household size is 2.46 in Madison and Oneida Counties. The residents of the 591 new housing units plus the 96 students would constitute 2,029 people. It is not expected that all 1,549 people would be the result of in-migration or that the new units would cause an increase in population. As discussed in Section 3.7.2 Demographic Trends, IRS data showed that the region has experienced a net out-migration (in-migration of residents that is less than the out-migration of residents) in every single year between 1990 and 2003, which has resulted in an overall declining population.

Population projections by CISER and Woods & Poole presented in Section 3.7.2 Demographic Trends show a declining population for Oneida County between 2005 and 2010. For Madison County, CISER projects a stable population while Woods & Poole projects a population growth. These projections likely include the Nation's induced population growth described above. Given the very small Nation-related in-migration, it cannot be expected that the Nation would offset any potential net out-migration

Alternatives D, E, and G

Nation Members
If the Nation did not pay property taxes on lands not conveyed into trust, the residents could lose their homes and may leave the area. If the Nation were to pay property taxes and subsequently increases the rent, units may become unaffordable for some renters.

Nation Employee Households
Nation job losses may lead to an out-migration of Nation employee households and of persons employed at businesses that were supported by the Nation.

Other Proposed Projects
In the event of major Nation layoffs, the future of the residential developments proposed by private developers discussed above may be adversely affected. The out-migration of Nation members and employees would contribute to the region's net out-migration.

4.7.3 Housing Effects

This section presents the direct, indirect, and cumulative effects of Alternatives A through G on the number of housing units on Nation lands specifically and in Madison and Oneida Counties as a whole in general.

4.7.3.1 Direct Effects

Alternatives A through G

The conveyance of lands into trust is an action where title to the Nation's existing lands would be conveyed to the Federal government with no change in use. The Proposed Action or any of the alternatives does not involve new construction or changes in land use, and therefore would not result in direct demographic effects. Growth in economic activity from the Nation's existing enterprises is reasonably foreseeable and is discussed under Section 4.7.3.2 Indirect Effects.

4.7.3.2 Indirect Effects

Implementation of the Proposed Action or any of the alternatives could indirectly affect the number of housing units on Nation lands and the number of Madison County and Oneida County housing units that are occupied by Nation employees.

Housing on Nation Land

Alternatives A and B

There are currently 98 housing units on the Nation's Group 1, 2, and 3 lands, which would all be located on trust lands. A comparison of the alternatives is presented in Table 4.7-12.

Table 4.7-12
Nation Housing Program, Alternatives A through G, 2011

Alternatives	Existing Nation Housing Units on Trust Lands
Alternative A	98
Alternative B	98
Alternative C	85
Alternative D	2
Alternative E	0
Alternative F	80
Alternative G	0

Source: The Louis Berger Group, Inc., Nation, 2006.

Alternative C and F

There are currently 13 existing homeownership properties located on Group 3 lands. There is a high level of uncertainty regarding what would happen to the 13 homeownership properties under Alternative C. Currently, the Nation owns the lands while the household owns the house. If the Nation does not pay property taxes, Nation members could potentially lose their homes if they cannot afford to pay the property taxes and Madison and Oneida Counties were to foreclose. Under Alternative F, 18 existing housing would not be on trust land with a similar result.

Alternative D, E, and G

Under Alternative D all but two of the Nation's 98 existing housing units would be at risk. Under Alternatives E and G, all of the existing Nation housing units would be at risk. There is a high level of uncertainty regarding what would happen to the homeownership properties. Currently, the Nation owns the lands while the household owns the house. If the Nation does not pay property taxes, Nation members could potentially lose their home if provisions are not established or they cannot afford to pay the property tax and

Madison and Oneida Counties were to foreclose. There is also a great deal of uncertainty surrounding the rental units. If the Nation does not pay for the property taxes and Madison and Oneida Counties foreclose on the property, Nation members could be evicted depending on who takes ownership of the properties. Under Alternative G (**CC-AEC** scenario), the Nation would not be able to afford to continue the homeownership program.

Housing for Nation Employees

Alternatives A, B, C, and F

In FY 2005, 86.8 percent of the 4,611 Nation employees lived in Madison and Oneida Counties. By 2011, Nation employment is expected to have reached 4,882, with 4,238 Nation employee households residing in Madison and Oneida Counties under Alternatives A and B and 4,229 and 4,227 under Alternatives C and F, respectively. A comparison of the alternatives is presented in Table 4.7-13.

Table 4.7-13
Nation Employee Households Residing in Madison and Oneida Counties, Alternatives A through G, 2011.

Alternatives	Number of Nation Employees	Total Persons in Nation Employee Households in Madison and Oneida Counties
Alternative A	4,882	4,236
Alternative B	4,882	4,236
Alternative C	4,874	4,229
Alternative D	4,581	3,975
Alternative E	3,938	3,419
Alternative F	4,872	4,227
Alternative G	55	48

Source: The Louis Berger Group, Inc., Nation, 2006.

Alternatives D, E, and G

As discussed in Section 4.7.2 Demographic Effects, it is estimated that three to 328 households in Madison and Oneida Counties may leave the area in the event that there are job layoffs. Reflecting only the Nation's direct employees, this estimate of out-migration should be viewed conservatively; depending on the employer and their dependency on the Nation for their business, other local suppliers and vendors may have to contract their operations in response to the Nation's cessation of economic activity at the Turning Stone Resort & Casino. This would yield higher levels of out-migration of households and increased housing vacancy.

Major business closures would have a ripple effect on local housing markets, as some workers may no longer have the savings and resources to continue to make rental and mortgage payments. An influx of rental or for-sale housing at a time of declining demand can place downward pressures on the housing market.

Summary

Implementation of the Proposed Action or any of the alternatives could indirectly affect the number of housing units on Nation lands and the number of Madison County and Oneida County housing units that are occupied by Nation employees. The indirect effects, particularly the change between 2005 and 2011, are summarized and compared in Tables 4.7-14 and 4.7-15.

Table 4.7-14
Indirect Effect: Change in the Number of Housing Units on Nation Lands, 2005-2011

Alternatives	Change from 2005 Baseline (98 units)
Alternative A	0
Alternative B	0
Alternative C	-13
Alternative D	-96
Alternative E	-98
Alternative F	0
Alternative G	-98

Source: The Louis Berger Group, Inc., Nation, 2006

Table 4.7-15
Indirect Effect: Change in the Number of Housing Units in Study Area Municipalities with One or More Nation Employee, 2005-2011

Alternatives	Change in Nation Employee Households	Estimated in-and out migration of Nation Employee households
Alternative A	235	101
Alternative B	235	101
Alternative C	228	98
Alternative D	-26	-3
Alternative E	-582	-58
Alternative F	226	97
Alternative G	-3,953	-395

Source: The Louis Berger Group, Inc., Nation, 2006.

4.7.3.3 Cumulative Effects

Alternatives A and B

There are currently 98 housing units on Group 1, 2, and 3 lands. Under Alternatives A and B, all of these units would be on trust land.

Currently, 4,001 Nation employees live in Madison and Oneida Counties. Based on planned employment growth, an estimated 4,236 Nation employees are expected to live in the two-county area in 2011 under Alternative A, B, and 4,227 under Alternative F. An estimated 97 to 101 Nation employee households are expected to be new to Madison and Oneida County. As discussed in Section 4.7.2.3 Cumulative Effects, private developers propose to build 591 new housing units in the two counties.

Alternative C and F
The existing 13 Nation homeownership units on Group 3 land would be at risk in Alternative C. Similarly, 18 existing units not located on trust land would be at risk under Alternative F. If the Nation does not pay property taxes (**PTNP-F** scenario) on lands not conveyed into trust and Madison and Oneida Counties foreclose on the land, the residents may lose their homes. An estimated 98 Nation employee households are expected to be new to Madison and Oneida Counties. As discussed in Section 4.7.2.3 Cumulative Effects, private developers propose to build 591 new housing in the two counties.

Alternatives D, E, and G
Under Alternatives E and G, the existing 98 housing units would no longer be on Nation lands. In Alternative D, only two existing units would be on Nation lands. Units not conveyed into trust could become vacant if the Nation does not pay property taxes and Madison and Oneida Counties were to foreclose.

Furthermore, Nation job losses would lead to out-migration of Nation employee households and of persons employed at businesses that were supported by the Nation, leading to an increase in the number of vacant units. In the event of major Nation layoffs, the future of the 591 residential units proposed by private developers also may be adversely affected.

4.7.4 Nation Government Programs and Services

4.7.4.1 Direct, Indirect, and Cumulative Effects

Alternative A
The proceeds from the Turning Stone Resort & Casino and other Nation enterprises have supported tribal government operations and programs, provided for the general welfare of the Nation and its members, promoted economic development, both within the Nation and local community, provide support to charitable organizations and helped fund the operations of local government agencies.

As described in the Section 3.7 Socioeconomic Conditions, the Nation's government programs have increased in size and scope along with the Nation's success in expanding net revenue distributions from resort and casino and convenience store operations along with a diverse set of other business enterprises. The Nation also collects a hotel occupancy tax and a retail sales tax to defray the cost of certain tribal government programs and services. In FY 2005, the Nation contributed $16.8 million to its government programs and services.

The Nation government provides social welfare services similar to programs sponsored by the New York State and local governments including critical programs for the health, public safety and welfare of its members and their families. The Nation has fostered fundamental improvements in the social conditions of its members. Members have access to steady jobs, a college education, health care, day care and youth programs, elder programs, family services, and affordable housing. Major tribal government programs and services that have been established by the Nation's governing institutions are described in the Section 3.7 Socioeconomic Conditions.

The Proposed Action involves the conveyance of 17,370 acres of land owned by the Nation in Oneida and Madison Counties to the U.S. government to be held in trust. The Proposed Action anticipates the preservation of the Nation's enterprises, cultural and historic resources, and land use patterns and anticipates a modest increase in economic activities – for example, guest visitation, enterprise employment, and vendor spending. The Nation would continue to modernize or expand existing facilities to meet changing demand such as indoor/outdoor swimming pool, spa, a reconfigured poker room, a helipad, and a nightclub.

Under the Proposed Action, it is anticipated that there would be a relatively stable source of surplus funds generated by enterprise operations along with a dedicated revenue stream from sales and occupancy taxes to support the Nation's commitments to a diverse range of government programs and services.

The Oneida Nation Police Department would likely require more personnel to meet the service demand generated by a growing number of patrons that are expected to frequent the Turning Stone Resort & Casino, the SavOn gas stations and convenience stores and marinas. As the number of patrons rises, the number of routine, planned and anticipated duties of Nation police officers must be adjusted to accommodate a growing number of emergency calls (e.g., larceny/gas drive-off, motor vehicle accidents, and risk management among others).

Alternative B

Alternative B would accommodate the conveyance of 35,000 acres of land to be held in trust. This alternative assumes that the Nation would reacquire an additional as yet unspecified 17,630 acres within its reservation boundaries. Development in the next five years would be the same as described above in Alternative A. As additional lands would be purchased to eventually attain the 35,000 acres, the Nation would prepare and implement usage plans for those properties.

Alternative C

Under Alternative C, Group 3 lands would not be conveyed into trust. As described in Section 2.0 Alternatives, the disposition of the lands omitted from trust status presents several taxation and jurisdiction scenarios for consideration as described below:

- **PTP** scenario - The Nation would experience a slight reduction in net revenues associated with the cost of paying property taxes on Group 3 lands. This would not have an effect on the Nation's ability to provide government programs and services.

- **PTNP-F** scenario - The Nation might be forced to discontinue its operations on lands not taken in to trust. This would not have an effect on the Nation's ability to provide government programs and services.
- **PNTP-DC** scenario - The current situation of uncertainty about the Nation's jurisdiction over Group 3 lands would continue. This would not have a significant effect on the Nation's ability to provide government programs and services.

Alternatives D and E

Under Alternative D, only the lands that are in Group 1 would be transferred into trust. Under this alternative, 3,428 acres would be conveyed into trust. Development would be the same as under Alternative A, above.

Alternative E would place the tax lot that supports the Turning Stone Resort & Casino gaming floor proper into trust. The tax lot consists of approximately 225 acres. Development at the Turning Stone Resort & Casino would be limited to activities within this 225-acre parcel, which does not include significant amenities currently offered to resort patrons.

Under Alternative D, Group 2 and 3 lands would not be conveyed into trust. Under Alternative E, all Group 1, 2 and 3 lands would be omitted from conveyance into trust with the exception of the tax lot that supports the Turning Stone Resort & Casino gaming floor. As described in Section 2.0 Alternatives, the disposition of the lands omitted from trust status presents several taxation and jurisdiction scenarios for consideration. Under the **PTP** scenario, the Nation would experience a reduction in net revenues associated with the cost of paying property taxes on lands omitted from conveyance into trust. This would, in turn, result in a reduction in funds available to support Nation government programs and services. New York State could also impose a tax collection regime for excise taxes from wholesalers who supply cigarettes and petroleum to the Nation's SavOn gas stations and convenience stores as well as collect sales taxes from non-Indian customers. This would diminish the Nation's ability to collect its own sales tax and use those tax revenues to subsidize various tribal government programs.

Under the **PTNP-F** scenario the Nation might be forced to discontinue its operations on lands omitted from conveyance into trust. Under Alternative D, fewer resources would be available for Nation government programs and services after the closing of Group 2 SavOn gas stations and convenience stores. The economic analysis suggests that there could be an estimated 12 percent reduction in the total number of government jobs attributable to this scenario.

This estimate, however, does not fully account for the potential reduction or elimination of various government programs resulting from removing Group 3 lands (see discussion of Alternative C) and the Group 2 lands. Alternative D would result in major disruptions to the Nation's governmental programs and services. Under this scenario, lands with governmental facilities would not be conveyed into trust, requiring the Nation's government to be subjected to the regulatory and taxation authority of New York State. The full range and type of cut-backs required to address this loss of resources cannot be fully foreseen.

Under Alternative E, the complementary or synergistic linkages between the resort land and casino would be severely disrupted. The Nation's casino operations have cross-subsidized other operations both at the Turning Stone Resort & Casino and elsewhere in the region; severing of the operations by the tax lot would impede the Nation's economic development strategy, which includes the branding or positioning of the Turning Stone Resort & Casino as a vacation destination. The ability of another operator to assume managerial control of the non-gaming assets and create a financially sustainable venture is questionable in light of the poor stand-alone financial performance of the non-gaming assets as a separate business unit.

Under this scenario, an estimated $10 million drop in fiscal surpluses available to government would occur – a cut of 62 percent – along with a near complete loss of Nation sales taxes ($1.9 million in 2005 dollars). This would result in a severe contraction in Nation's government programs and services that are not funded through Federal grants, forcing Nation members to turn to New York State and local agencies and services for support.

PNTP-DC scenario – Under this scenario, the current situation would continue whereby the Nation does not pay property taxes and Madison and Oneida Counties do not have a remedy as currently held by the U.S. District Court for the Northern District of New York. Under this scenario, the uncertainty about wholesalers' liability for New York State excise taxes on fuel and cigarette sales to Indian retailers would also continue. While this scenario creates uncertainties that would affect the Nation's long-term economic health and would compromise its economic self-sufficiency, this would not result in a significant effect on the Nation's ability to provide government programs and services.

Alternative F

Alternative F is based upon combining all of the properties contained in Group 1 with additional properties from Groups 2 and 3 to facilitate the formation of a more compact and contiguous group of trust lands. Alternative F totals 11,986 acres and encompasses an area of about 10 by 14 miles. Alternative F includes the majority of the existing Nation member housing, most of the Nation's enterprises, all the Nation's government facilities, and all of the properties containing Nation member services. Development would be the same as described above in Alternative A.

This alternative avoids most of the adverse effects identified under Alternatives C, D, E, and G and conveys into trust those lands that sustain the Nation's government programs and services.

Alternative G

Under the No Action Alternative, the Federal government would not acquire any lands from the Nation to be held in trust. As described in Section 2.0 Alternatives, the disposition of the lands omitted from trust status presents several taxation and jurisdiction scenarios for consideration. Under the PTP scenario, the Nation would experience a reduction in net revenues associated with the cost of paying property taxes on lands omitted from conveyance into trust. This would, in turn, result in a reduction in funds available to support Nation government programs and services. New York State could also impose a tax collection regime for excise taxes from wholesalers who supply cigarettes and petroleum to the Nation's SavOn gas stations and convenience stores as well as collect sales taxes from non-Indian customers. This would diminish the Nation's ability to collect its own sales tax and use those tax revenues to subsidize various tribal government programs.

The **PTNP-DC** scenario would, at least temporarily, preserve most Nation government programs and services as a continuation of the current situation which is characterized by two main aspects: the Nation does not pay property taxes and Madison and Oneida Counties' lack a remedy as currently held by the U.S. District Court for the Northern District of New York; and the continued uncertainty about wholesalers' liability for New York State excise taxes on fuel and cigarette sales to Indian retailers. This scenario creates uncertainties that would affect the Nation's long-term health and would compromise its economic self-sufficiency.

Those scenarios that result in the closure of the Turning Stone Resort & Casino have the greatest potential for adverse effects on Nation's ability to provide government programs and services. As such, the indirect effects of the **PTNP-F** and **CC-AEC** scenarios are evaluated and quantified in this section. Under these scenarios the Turning Stone Resort & Casino closes and the Nation discontinues operation of all other Nation Enterprises including operation of the SavOn gas stations and convenience stores. Several consequences are anticipated under these scenarios that would significantly impair the Nation's ability to exert its control and administer its governmental programs and services for the benefit of its members:

- Turning Stone Resort & Casino – The Turning Stone Resort & Casino would cease operations and its other resort and lodging facilities would also close, resulting in no further net revenues (i.e., surplus distributions) for the Nation's governmental programs and services. While claims for the outstanding debt service obligations of the Turning Stone Resort & Casino are without recourse to the Nation's government, there would be severe opportunity costs for the leadership of the Nation from cessation of the Nation's enterprises that are likely to result in far less managerial attention and staffing for government affairs and services. Cessation of the Turning Stone Resort & Casino operations would lead to a severe adverse effect on the human and fiscal resources that the government depends on for its sustainability.

- Other Nation Enterprises – The Nation would discontinue its enterprises such as the SavOn gas stations and convenience stores. This would have an adverse consequence to the total size and range of government programs and services that could be made available, because there would little or no net revenues (i.e., financial surpluses) to fund government services and programs.
- Divestiture of Land Portfolio - There are legal, cultural, and economic reasons that could cause the divestiture of Nation lands and major elements of its real estate portfolio. The divestiture would likely consume the Nation's managerial resources to the detriment of the governmental programs and services. Depending on the timing of divestitures, a glut of gas and convenience store facilities may come to the market that under-perform in a price-competitive environment, unlike current conditions, and with little destination draw (i.e., non-local sources of demand). The market or appraised value of these assets would be depressed by excess supply and the lowered income-producing performance of the properties. The one-time liquidation value of these assets for the Nation would not match the long-term value of the properties in their current functions and uses with their current advantages; the liquidation value would not provide a sustainable basis for the Nation's continued commitment to the administration of governmental programs. Further, tribal governmental facilities performing traditional governmental functions but on New York State-regulated, non-trust lands would find themselves subject to New York State's taxation and regulatory authority. This condition may prove incompatible with the Nation's cultural values or history, resulting in further divestiture of governmental properties and the relocation and consolidation of governmental affairs onto territory lands.
- Nation Government Services and Affairs – Situated in several localities, the Nation's governmental services and affairs would be operated out of facilities that would be outside the Nation's sovereign control. Additionally, with governmental functions and services starved of the financial surpluses and resources provided by the Turning Stone Resort & Casino, the Nation's governmental services would not be able to effectively deliver the range of public health, safety and welfare services that it currently provides. Rather than continuing its drive toward self-sufficiency, the Nation would have to become increasingly reliant on tribal government grants from the BIA, HUD, and other Federal agencies to conduct its affairs. Among the most affected programs and services are the following:
  - Nation Member Housing – The Nation's housing program would rely primarily on Federal funding to sustain it. Lands upon which member residences exist would no longer be under the Nation's regulatory control.
  - Educational Programs would be severely cut that have made considerable strides in educational attainment such as counseling services, scholarships for advanced degrees, private schools for talented and gifted children, library services, language programs, and youth work and learn programs.
  - Family Services would no longer be able to deliver childcare, eldercare and social services programs at the scale and breadth currently conduced. The Ray Elm Children and Elders Center in the Village of the White Pines is home to several programs that strengthen families and community life for Members and their friends. The Nation's resources would be insufficient to make the

payments to operate and maintain this state-of-the-art institutional facility (i.e., heating, cooling, real estate taxation, etc.).

- Recreation and Cultural Enrichment programs such as the operations of the Nation's Shako: wi Cultural Center in the Nation's territory would be adversely affected by the loss of available financial resources. Outside the territory, the Nation's current cultural, historic and archaeological resources would no longer be under the Nation's regulatory control.
- The Recreation Center and Gymnasium and the After School Programs that are jointly sponsored by the Nation's education and recreation departments would be similarly adversely affected by the loss of resources.
- Public Safety – The Oneida Nation Police Department is a law enforcement agency with little outside funding. The department's size, functions and service-calls would be severely diminished by the loss of casino complex, golf course, and gas station and convenience store retail locations – approximately 80 percent of the service calls are to these locations. The Nation would be more reliant on New York State, county, and local policing jurisdictions to address criminal complaints and would no longer provide assistance to these jurisdictions within areas with Nation land holdings. To the extent that the Nation's SavOn gas station and convenience store facilities are transferred into private non-Indian ownership or continued as Nation operations but subject to a different taxation and regulation regime, an increasing burden of service calls (approximately 39 percent or 4,900 calls in 2003) would be shifted to New York State Police, county sheriff or local police forces in the absence of the Oneida Nation Police Department.
- Member Benefits – The Nation would no longer be able to distribute benefits that strengthen the bonds between tribal members and their tribal government. Among the benefits programs subject to cut-backs without the surplus financial operating resources would be burial plots, advocacy and credit counseling, medical and dental insurance for Nation members and families, quarterly member distributions, and housing. Without these Nation programs and services, Nation members will have no alternative but to look to New York State and local agencies for assistance and support, placing greater fiscal demands on those governments.

4.7.5 Fiscal Effects

The section presents the direct, indirect, and cumulative effects of the alternatives on local and New York State government revenues and expenditures.

4.7.5.1 Direct Effects

Implementation of the Proposed Action or any of the alternatives could directly affect local property tax revenues of Madison County and Oneida County and the study area municipalities. The counties, municipalities, and the school districts would not receive property taxes on the lands conveyed into trust. These lands would be permanently exempt from property taxes.

Under Alternatives C through G, a transfer of ownership of Nation lands not taken into trust could occur if the land is alienated or if Madison and Oneida Counties were to foreclose on the land due to the Nation's failure to pay property taxes (**PTNP-F** scenario). Whether local governments would collect property taxes on former Nation lands is uncertain and depends on whether a sale to a non-tax-exempt owner would take place.

In Alternative G, the sale process could be undermined by the large amount of land involved and the fact that much land is already available in the area. Buyers may be wary of the quality and security of title in Nation lands. The sale of the Turning Stone Resort & Casino complex would be particularly unlikely, as only the Nation can operate the property as a casino, and the facility's high maintenance costs would likely make other uses financially infeasible. The resort's component facilities, such as the golf courses and the luxury lodge hotel, currently generate an operating loss and would likely not survive without the casino. Finally, many of the resort facilities and associated infrastructure, unless properly maintained, will fall into a state of disrepair, potentially creating serious environmental problems that will impose additional fiscal burdens on both the owner, New York State, and the local government.

Payments by the Nation to Local Governments

Based on the current assessed valuation and 2005 property tax rates, the annual property taxes on Group 1, 2, and 3 lands would be $2.7 million, not including the Turning Stone Resort & Casino tax lot in the Town of Verona, of which the taxable assessed value is currently contested (see Table 4.7-16).

Table 4.7-16
Overview of Property Taxes on Nation Lands, 2005

Group	Municipal	County	School	Total
Group 1	22,674	250,173	732,306	1,005,154
Group 2	212,303	387,428	845,999	1,445,730
Group 3	31,799	64,896	167,351	264,046
Total	$266,777	$702,497	$1,745,656	$2,714,930

Note: Does not include the Turning Stone Resort & Casino tax lot because the assessed value is currently contested by the Nation. Calculations based on current assessed value and 2005 tax rates.
Source: Nation; The Louis Berger Group, 2006.

Tables 4.7-17 and 4.7-18 exhibit the property tax estimates on Nation lands by municipality for Oneida and Madison Counties for 2005, and Table 4.7-19 illustrates the property tax estimates by school district; these estimates are calculated by applying the 2005 tax rates to the current assessed values.

Under Alternative A, the counties, municipalities, and school districts would not receive the $2.7 million in property tax revenues from Group 1, 2, and 3 lands, and the lands would become permanently exempt from local property taxes.

Table 4.7-17
Oneida County and Municipal Property Taxes on Nation Lands, 2005

Group	Municipality	Current Assessed Value	Municipal Tax Estimate	County Tax Estimate
Group 1	Vernon	5,397,600	3,940	24,829
	Verona	389,313,000	272,519	3,278,015
	Total	**$394,710,600**	**$276,459**	**$3,302,844**
Group 2	Augusta	115,100	1,014	1,026
	Sherrill	1,243,600	7,773	9,625
	Village of Sylvan Beach	447,600	2,435	3,872
	Vernon	799,200	583	3,676
	Village of Vernon	978,600	6,919	4,502
	Verona	8,966,077	6,276	75,494
	Total	**$12,550,177**	**$25,000**	**$98,195**
Group 3	Augusta	251,300	2,214	2,239
	Sherrill	52,000	325	402
	Vernon	314,900	230	1,449
	Verona	1,375,100	963	11,578
	Total	**$1,993,300**	**$3,731**	**$15,668**
All Groups	Augusta	366,400	3,228	3,265
	Sherrill	1,380,000	8,098	10,028
	Village of Sylvan Beach	447,600	2,435	3,872
	Vernon	6,511,700	4,754	29,954
	Village of Vernon	978,600	6,919	4,502
	Verona	399,654,177	279,758	3,365,088
	Total	**$409,338,477**	**$305,191**	**$3,416,708**

Note: Calculations based on current assessed value and 2005 tax rates. The Turning Stone Resort & Casino tax lot in the Town of Verona whose taxable valuation is disputed by the Nation is shown for clarity and discussion purposes.
Source: Nation; The Louis Berger Group, Inc., 2006.

If the Nation were to acquire an additional 17,630 acres under Alternative B, these lands would be permanently exempt from local property taxes. Based on the current average assessed value per acre of Nation lands and the 2005 tax rate, the annual property tax on Group 1, 2, and 3 lands and on the additional 17,630 acres would be $5.4 million (not including the Turning Stone Resort & Casino tax lot, of which the assessed value is currently being contested). However, this value is hypothetical for those lands not currently part of the Nation's land holdings, as the specific parcels, type of land use activities, intensity of uses, jurisdiction, and taxable assessed values of these lands are currently unknown.

Under Alternative C, the counties, municipalities, and school districts would not receive property tax revenues from Group 1 and 2 lands, which would become permanently exempt from local property taxes. Based on the current assessed valuation and 2005

Table 4.7-18
Madison County and Municipal Property Taxes on Nation Lands, 2005

Group	Municipality	Current Assessed Value	Municipal Tax Estimate	County Tax Estimate
	Village of Canastota	3,165,100	31,873	26,872
	Cazenovia	61,700	57	521
	Lenox	4,000,900	6,001	33,968
	Lincoln	275,900	944	2,334
	Oneida	20,528,711	147,396	223,763
	Stockbridge	174,500	900	1,480
	Sullivan	34,800	132	295
	Total	**$28,241,611**	**$187,303**	**$289,233**
Group 3	Fenner	6,300	31	58
	Lenox	372,000	558	3,158
	Lincoln	568,300	1,944	4,808
	Oneida	332,900	2,390	3,629
	Smithfield	125,000	1,005	1,114
	Stockbridge	4,266,400	22,015	36,179
	Sullivan	33,200	126	282
	Total	**$5,704,100**	**$28,068**	**$49,227**
All Groups	Village of Canastota	3,165,100	31,873	26,872
	Cazenovia	61,700	57	521
	Fenner	6,300	31	58
	Lenox	4,372,900	6,559	37,126
	Lincoln	844,200	2,887	7,142
	Oneida	20,861,611	149,786	227,392
	Smithfield	125,000	1,005	1,114
	Stockbridge	4,440,900	22,915	37,659
	Sullivan	68,000	258	577
	Total	**$33,945,711**	**$215,371**	**$338,460**

Note: Calculations based on current assessed value and 2005 tax rates.
Source: Nation; The Louis Berger Group, Inc., 2006.

property tax rates, the annual property tax on Group 1 and 2 lands would be $2.4 million (not including the Turning Stone Resort & Casino tax lot assessed value, which is currently contested). Based on the current assessed valuation and 2005 property tax rates, Group 3 lands would generate annual property taxes of $264,000.

Based on the current assessed valuation and 2005 property tax rates, the annual property tax on Group 1 land would be $1.0 million (not including the Turning Stone Resort & Casino tax lot, of which the assessed value is currently contested). Under Alternative D, the county, municipalities, and school districts would not receive property tax revenues

Table 4.7-19
School District Property Taxes on Nation Lands, 2005

		Current Assessed Value	School District Tax Estimate
Group 1	V.V.S.	394,710,600	9,060,079
Group 2	Canastota	7,232,200	157,445
	Madison	115,100	2,828
	Oneida	23,732,651	467,619
	Stockbridge	1,409,260	32,309
	V.V.S.	8,176,577	184,674
Group 3	Canastota	571,300	12,449
	Madison	359,800	8,602
	Morrisville	96,300	1,818
	Oneida	471,900	9,321
	Stockbridge	4,659,400	101,515
	V.V.S.	1,483,800	33,646
All Groups	Canastota	7,803,500	169,894
	Madison	474,900	11,430
	Morrisville	96,300	1,818
	Oneida	24,204,551	476,941
	Stockbridge	6,068,660	133,823
	V.V.S.	404,370,977	9,278,400

Note: Calculations based on current assessed value and 2005 tax rates. The Turning Stone Resort & Casino tax lot in the Town of Verona whose taxable valuation is disputed by the Nation is shown for clarity and discussion purposes under Group 1, V.V.S.
Source: Nation, The Louis Berger Group, 2006.

from Group 1 lands, as they would be placed into trust and permanently exempt from local property taxes. Group 2 and 3 lands would generate annual property taxes of $1.7 million.

Under Alternative E, the Turning Stone Resort & Casino tax lot would be exempt from local county, municipal, and school district taxes. The assessed value of the Turning Stone Resort & Casino tax lot of $362.6 million is currently contested by the Nation. Based on the current assessed valuation and 2005 property tax rates, the annual property tax on Nation lands other than the Turning Stone Resort & Casino tax lot would be $2.7 million.

Under Alternative F, a total of 11,986 acres would be permanently exempt from county, municipal and school district property taxes. Based on current assessed valuation and 2005 property tax rates, the annual property tax on this land would be $2.5 million, not including the Turning Stone Resort & Casino tax lot. Property taxes on the lands that would not be conveyed into trust are estimated at $0.2 million.

Under Alternative G, none of the Nation's Group 1, 2 or 3 lands would be exempt. Based on the current assessed valuation and 2005 property tax rates, the annual property tax on

Group 1, 2, and 3 lands would be $2.7 million (not including the Turning Stone Resort & Casino tax lot assessed value, which is currently contested).

A comparison of the estimated property taxes on Nation lands under the alternatives is presented in Table 4.7-20.

Table 4.7-20
Property Tax, Alternatives A through G, 2011

	Estimated Property Taxes on Nation Lands	
	on Lands into Trust	on Lands not into Trust
Alternative A	$ 2,713,806	N/A
Alternative B	$ 5,463,119	N/A
Alternative C	$ 2,449,759	$ 264,046
Alternative D	$ 1,005,154	$ 1,708,652
Alternative E	See Note	$ 2,713,806
Alternative F	$2,501,747	$212,059
Alternative G	N/A	$ 2,713,806

Notes: Property tax estimates do not include the tax on the Turning Stone Resort & Casino Tax lot as the assessed of this tax lot is currently contested by the Nation; Calculations based on current assessed value and 2005 tax rates; Property taxes include County, Municipal and School District property taxes; N/A means Not Applicable.
Source: The Louis Berger Group, Inc.; Nation.

As explained in Section 3.7.7.3 Local Governments, the Nation has made grants and other payments to local governments totaling $38.5 million since 1995. Payments that have not been credited to the local governments' tax claims include Silver Covenant grants to schools and localities, reimbursements to several municipalities for the use of their services, and contributions to infrastructure projects. In addition to supporting local governments, the Nation has provided scholarships to local high school students and the Oneida Nation Foundation supports several local organizations. It can be reasonably expected that the Nation would continue to make payments to local governments for actual services provided (e.g., fire protection) under Alternatives A through F. Under Alternative G, local governments would likely no longer receive any payments from the Nation, as the Nation's revenues would be very low. Municipal service agreements would likely be discontinued if all Nation Enterprises would cease operation under Alternative G **CC-AEC** scenario.

4.7.5.2 Indirect Effects

The Proposed Action and other alternatives have several indirect fiscal effects. The fiscal effects are described in terms of revenues from payments made by the Nation to New York State, payments made by others to New York State, and payments made by others to local government. Indirect fiscal effects are also considered in terms of the costs of local government services that are attributable to the Nation's enterprise and governmental activities.

Payments by the Nation to New York State

As described in Section 3.7.7.2 New York State, in FY 2005, $3.4 million in New York State income taxes were withheld and remitted to New York State from the Nation's payroll. New York State income tax revenues are expected to increase as a result of the increase in Nation jobs over the next five years under Alternatives A, B, C and F. Assuming that the average income tax per job remains constant, a total of $3.6 million in New York State income taxes would be withheld from the Nation's payroll in 2011 under Alternatives A, B, C, and F. If the Nation were to discontinue its operations on lands not conveyed into trust under Alternatives D, E, and G, the resulting decrease in jobs would lead to a reduction in the Nation's New York State income tax withholdings (see Table 4.7-21).

The Nation has historically made payments to the New York State Police and the New York State Racing and Wagering Board. In FY 2005, the Nation paid $2.2 million and $2.8 million to the New York State Police and to the New York State Racing and Wagering Board, respectively, in exchange for their services related to the Turning Stone Resort & Casino. For example, the New York State Police conduct background investigations on employees and provide law enforcement on the gaming floor; and the New York State Racing and Wagering Board conducts regular compliance examinations for the Turning Stone Resort & Casino. Under Alternatives A through F, it is expected that the Nation would still be making these payments in 2011 (see Table 4.7-22). If the Turning Stone Resort & Casino closes under the Alternative G **CC-AEC** scenario, these payments would cease as these services would no longer be needed.

Payments by Others to New York State

Since the opening of the Turning Stone Resort & Casino, the Nation's operations have indirectly supported many jobs at other Madison County, Oneida County, and New York State businesses as well as New York State tax revenues. As explained in Section 3.7.6 Regional Economic Impact, the Nation generates economic activity through its spending, its employees' spending, spending by its visitors, and in some cases, spending by Nation employee household members (tertiary effect) based on the multiplier effect (i.e., every dollar spent locally is partly recycled, creating more spending, jobs, and tax revenues).

Nation Spending and Nation Employee Spending

Nation spending and Nation employee spending generated an estimated $7.3 million in New York State personal income and business sales taxes in FY 2005. Based on the expected increase in Nation jobs and sales in the next five years under Alternatives A, B, C, and F, New York State tax revenues generated by Nation spending and Nation employee spending would increase to $7.7 million (see Table 4.7-23). If the Nation were to discontinue its operations on lands not conveyed into trust, New York State tax revenues would be lower under Alternatives D and E, $7.3 million and $6.3 million, respectively, and less than $0.2 million under Alternative G.

Table 4.7-21
Payments to New York State, Alternatives A through G, 2011 (in $millions)

	Nation's New York State Income Tax Withholdings	Nation's Payments to New York State Police and New York State Racing and Wagering Board	New York State Tax on Multiplier Effect generated by Nation/Nation Employee Spending
Alternative A	3.57	5.0	7.74
Alternative B	3.57	5.0	7.74
Alternative C	3.57	5.0	7.73
Alternative D	3.33	5.0	7.28
Alternative E	2.90	5.0	6.33
Alternative F	3.57	5.0	7.72
Alternative G	$0.09	$0.0	$0.16

Source: The Louis Berger Group, Inc., Nation, 2006.

Table 4.7-22
Payments to Study Area Municipalities and Madison and Oneida County, Alternatives A through G, 2011 (in $millions)

	Local Sales Tax on Multiplier Effect Generated by Nation Employee Spending	Nation Employee Property Tax Payments
Alternative A	1.22	5.96
Alternative B	1.22	5.96
Alternative C	1.22	5.95
Alternative D	1.15	5.60
Alternative E	1.00	4.81
Alternative F	1.22	5.95
Alternative G	0.03	0.07

Source: The Louis Berger Group, Inc., Nation, 2006.

Off-site Visitor Spending

Visitors to the Turning Stone Resort & Casino often spend money at other local businesses (hotels, restaurants, etc.) While the current effect of off-site visitor spending is not quantified, Section 3.7.6 Regional Economic Impact states that if every out-of-region visitor in 2005 spent $5 at non-Nation local businesses, the total economic activity generated in Madison and Oneida Counties would be 206 jobs and $4.8 million in earnings.

As the number of visitors is expected to increase to 5.56 million by the year 2011 as a result of continued operation of the Turning Stone Resort & Casino on lands conveyed into trust under Alternatives A through D and F, the tax revenues associated with the off-site visitor spending would likely also increase. Under Alternative E, it is unclear whether off-site visitor spending and the associated tax revenues would decrease or increase compared to the baseline. The number of Turning Stone Resort & Casino visitors would likely decrease if the Nation would no longer operate the golf courses, the lodge, and the event center. The off-site spending per visitor could potentially increase, as the Nation

Table 4.7-23
Comparison of Alternatives – Summary of Nation's Share of County and Municipal Spending, 2011

County	Municipality	A	B	C	D	E	F	G
Madison	City of Oneida	$45,674	$45,674	$45,633	$44,115	$40,795	$45,633	$20,681
Madison	Village of Canastota	$19,061	$19,061	$19,031	$17,945	$15,569	$19,031	$1,176
Madison	Cazenovia	$251	$251	$251	$236	$203	$251	$3
Madison	Fenner	$125	$125	$124	$117	$100	$124	$1
Madison	Lenox	$5,820	$5,820	$5,813	$5,550	$4,976	$5,813	$1,496
Madison	Lincoln	$2,001	$2,001	$2,000	$1,934	$1,792	$2,000	$929
Madison	Smithfield	$1,263	$1,263	$1,261	$1,185	$1,019	$1,261	$14
Madison	Stockbridge	$4,751	$4,751	$4,746	$4,545	$4,107	$4,746	$1,450
Madison	Sullivan	$680	$680	$680	$671	$651	$680	$533
	Subtotal - Madison	**$79,626**	**$79,626**	**$79,538**	**$76,298**	**$69,213**	**$79,538**	**$26,283**
Oneida	City of Sherrill	$5,855	$5,855	$5,847	$5,554	$4,913	$5,847	$1,029
Oneida	Village of Sylvan Beach	$5,169	$5,169	$5,160	$4,850	$4,171	$5,160	$59
Oneida	Village of Vernon	$45	$45	$45	$42	$36	$45	$1
Oneida	Augusta	$0	$0	$0	$0	$0	$0	$0
Oneida	Vernon	$4,065	$4,065	$4,059	$3,817	$3,287	$4,059	$81
Oneida	Verona	$63,890	$63,890	$63,814	$61,023	$54,919	$63,814	$17,939
	Subtotal - Oneida	**$79,024**	**$79,024**	**$78,925**	**$75,286**	**$67,327**	**$78,925**	**$19,108**
Oneida	County Total	$346,291	$346,291	$345,967	$334,084	$308,097	$345,967	$150,644
Madison	County Total	$143,974	$143,974	$143,863	$139,795	$130,898	$143,863	$76,991
Total - County and Local		**$648,916**	**$648,916**	**$648,293**	**$625,463**	**$575,534**	**$648,293**	**$273,027**
Total - School District		**$206,869**	**$206,869**	**$206,869**	**$206,869**	**$206,869**	**$206,869**	**$206,869**
Total - All Jurisdictions		**$855,785**	**$855,785**	**$855,162**	**$832,332**	**$782,403**	**$855,162**	**$479,896**

would offer fewer accommodations to its visitors. If the Turning Stone Resort & Casino were to close under the Alternative G **CC-AEC** scenario, tax revenues associated with the off-site visitor spending would be lost.

Tertiary Effect

As explained in Section 3.7.6.1 Economic Activity, Nation employment provided the means for some long-term local residents to remain along with their families or households in Madison and Oneida Counties. These residents are sometimes part of families or households with more than one worker. The earnings of the second worker in the household are also partly spent at local businesses and generate jobs, earnings and taxes, and are referred to as the tertiary effect.

Based on the expected job growth, the tertiary effect would likely be at or above baseline level by the year 2011 under Alternatives A, B, C, and F. The tertiary effect would likely be smaller under Alternatives D and E than in the baseline due to the job losses associated with these alternatives. Under the Alternative G **CC-AEC** scenario, the Nation would no longer generate a tertiary effect. The employee households who stayed in (or came to) the region for their job at the Turning Stone Resort & Casino could choose to leave the region in pursuit of other employment opportunities. The household spending of laid-off employees who would remain in the region would no longer be attributable to the Nation.

Payments by Others to Local Governments

Since the Turning Stone Resort & Casino opening, spending by the Nation and its employees also generated substantial local tax revenues. As explained in Section 3.7.6 Regional Economic Impact, spending by the Nation and its employees indirectly generated an estimated $1.16 million in sales tax revenues for Madison and Oneida Counties and the Study Area municipalities in 2005.

Based on the Nation's growth, an estimated $1.22 million of annual local sales tax revenues would be created by Nation employee spending by the year 2011 under Alternatives A, B, C, and F (see Table 4.7-24). An increase in off-site visitor spending and the tertiary effect would also generate additional local sales tax revenues under these alternatives.

Under Alternatives D, E, and G, local sales tax revenues indirectly generated by the Nation would decrease proportionally with the Nation's economic activity. If the Nation enterprises were to close under the **PTNP-F** or **CC – AEC** scenarios, local sales tax revenues generated by Nation employee spending would decrease to almost zero. Local sales and hotel occupancy tax revenues associated with the off-site Turning Stone Resort & Casino visitor spending and tertiary effect would be lost.

Nation employees paid an estimated $5.6 million in property taxes to local governments in FY 2005 (see Section 3.7.7.3 Local Governments). Under Alternatives A through C and F,

Table 4.7-24
Alternatives A and B - Summary of Nation's Share of County and Municipal Spending, 2011

County	Municipality	General Government	Public Safety	Health	Transportation	Economic Assistance	Culture & Recreation	Home Community	Education	Debt Service	Total
Madison	City of Oneida	$5,866	$21,279	$276	$6,939	$3	$2,373	$2,373	$0	$6,565	$45,674
Madison	Village of Canastota	$321	$762	$13	$15,436	$14	$109	$109	$0	$2,296	$19,061
Madison	Cazenovia	$0	$0	$0	$250	$0	$0	$0	$0	$1	$251
Madison	Fenner	$0	$0	$0	$125	$0	$0	$0	$0	$0	$125
Madison	Lenox	$915	$269	$91	$3,595	$20	$99	$99	$0	$733	$5,820
Madison	Lincoln	$582	$715	$45	$579	$0	$36	$36	$0	$10	$2,001
Madison	Smithfield	$0	$0	$0	$1,202	$0	$0	$0	$0	$62	$1,263
Madison	Stockbridge	$854	$246	$1	$3,260	$3	$116	$116	$0	$154	$4,751
Madison	Sullivan	$199	$99	$16	$139	$0	$90	$90	$0	$48	$680
	Subtotal – Madison	**$8,737**	**$23,370**	**$441**	**$31,524**	**$40**	**$2,823**	**$2,823**	**$0**	**$9,868**	**$79,626**
Oneida	City of Sherrill	$623	$509	$0	$4,208	$0	$167	$167	$0	$181	$5,855
Oneida	Village of Sylvan Beach	$0	$0	$0	$3,592	$0	$0	$0	$0	$1,576	$5,169
Oneida	Village of Vernon	$0	$0	$0	$37	$0	$0	$0	$0	$8	$45
Oneida	Augusta	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Oneida	Vernon	$124	$46	$1	$3,891	$0	$1	$1	$0	$0	$4,065
Oneida	Verona	$28,937	$574	$83	$33,707	$2	$14	$14	$0	$560	$63,890
	Subtotal - Oneida	**$29,684**	**$1,129**	**$83**	**$45,435**	**$2**	**$182**	**$182**	**$0**	**$2,326**	**$79,024**
Oneida	County	$62,904	$102,024	$62,904	$97,464	$8,930	$157	$479	$995	$10,434	$346,291
Madison	County	$19,601	$16,093	$19,601	$36,235	$33,097	$589	$6,112	$3,539	$9,107	$143,974
Total - County and Local		**$120,926**	**$142,616**	**$83,030**	**$210,658**	**$42,069**	**$3,751**	**$9,597**	**$4,534**	**$31,734**	**$648,916**
School District											
	Oneida								$154,778		$154,778
	Canastota								$0		$0
	Stockbridge								$52,091		$52,091
	Sherrill								$0		$0
	Subtotal - Schools	$0	$0	$0	$0	$0	$0	$0	$206,869	$0	$206,869
	Total	$120,926	$142,616	$83,030	$210,658	$42,069	$3,751	$9,597	$211,403	$31,734	$855,785

Source: New York State Office of the State Comptroller; The Louis Berger Group, Inc., 2006.

these revenues would be maintained and could increase slightly because of modest in-migration associated with the Nation's job growth in the next five years. Under Alternatives D and E, property tax payments by Nation employees could decrease as some of the laid-off employees may leave the region or may default on their property taxes. If the Nation enterprises close under the Alternative G **CC-AEC** or **PTNP-F** scenarios, some of the laid-off employees would leave the region or default, reducing local government property tax revenues. If 10 percent of Nation employee households would leave the area, annual local property tax revenues would be reduced by $0.53 million.

Cost to Local Government

Section 3.7.9.4 Overview of Nation Land Acquisitions presents an estimate of the share of local government service expenditures that were attributable to the Nation in the year 2005. The cost allocation methodology for these estimates is based on the number of public school students living on Nation lands, the total number of persons living on Nation lands, and for some expenditure categories involving demands created by the Nation's nonresidential activities, the Full-time Equivalent Population (FTEP); the FTEP is a time-weighted measure of employment and population. A comparison of the alternatives is presented in Table 4.7-23.

In 2005, a total of $0.83 million was attributable to the Nation. Based on the expected Nation job growth on land conveyed into trust under Alternatives A, B, C, and F the total cost attributable to the Nation is expected to increase to $0.86 million by the year 2011 (see Tables 4.7-24, 4.7-25, and 4.7-26).

If the Nation were to discontinue its operations on Group 2 and 3 lands under Alternative D, there would be 283 Nation jobs lost. The decrease in Nation jobs would lead to a decrease in the costs attributable to the Nation to a total of $0.83 million (see Table 4.7-27). (However, this decrease may be partly offset by the increased costs caused by increasing levels of unemployment or, if unemployment is persistent, other forms of social transfer or economic assistance payments).

If the Nation were to discontinue its operations on lands not conveyed into trust under Alternatives E and G, the cost to local governments attributable to the Nation would be $0.78 million and $0.48 million, respectively (see Tables 4.7-28 and 4.7-29). Major local layoffs that would occur when the Nation enterprises close under the Alternative G **CC-AEC** scenario would likely increase local government spending for Medicaid and economic assistance programs.

Furthermore, the increase in unemployment that would follow major job losses would lead to increased costs for New York State unemployment compensation benefits and could also lead to an increase in New York State Medicaid spending. More than 5,500 persons (employees and their dependents) are currently covered by the Nation employee health insurance program.

Table 4.7-25
Alternative C - Summary of Nation's Share of County and Municipal Spending, 2011

County	Municipality	General Government	Public Safety	Health	Transportation	Economic Assistance	Culture & Recreation	Home Community	Education	Debt Service	Total
Madison	City of Oneida	$5,861	$21,259	$276	$6,928	$3	$2,373	$2,373	$0	$6,560	$45,633
Madison	Village of Canastota	$321	$761	$13	$15,411	$14	$109	$109	$0	$2,292	$19,031
Madison	Cazenovia	$0	$0	$0	$250	$0	$0	$0	$0	$1	$251
Madison	Fenner	$0	$0	$0	$124	$0	$0	$0	$0	$0	$124
Madison	Lenox	$914	$269	$91	$3,589	$20	$99	$99	$0	$732	$5,813
Madison	Lincoln	$581	$714	$45	$578	$0	$36	$36	$0	$10	$2,000
Madison	Smithfield	$0	$0	$0	$1,200	$0	$0	$0	$0	$62	$1,261
Madison	Stockbridge	$854	$246	$1	$3,255	$3	$116	$116	$0	$154	$4,746
Madison	Sullivan	$199	$99	$16	$139	$0	$90	$90	$0	$48	$680
	Subtotal - Madison	**$8,731**	**$23,349**	**$441**	**$31,472**	**$40**	**$2,823**	**$2,823**	**$0**	**$9,859**	**$79,538**
Oneida	City of Sherrill	$622	$508	$0	$4,201	$0	$167	$167	$0	$181	$5,847
Oneida	Village of Sylvan Beach	$0	$0	$0	$3,587	$0	$0	$0	$0	$1,574	$5,160
Oneida	Village of Vernon	$0	$0	$0	$37	$0	$0	$0	$0	$8	$45
Oneida	Augusta	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Oneida	Vernon	$124	$46	$1	$3,885	$0	$1	$1	$0	$0	$4,059
Oneida	Verona	$28,917	$574	$83	$33,652	$2	$14	$14	$0	$560	$63,814
	Subtotal - Oneida	**$29,663**	**$1,129**	**$83**	**$45,361**	**$2**	**$182**	**$182**	**$0**	**$2,322**	**$78,925**
Oneida	County	$62,860	$101,953	$62,860	$97,308	$8,930	$157	$479	$995	$10,424	$345,967
Madison	County	$19,585	$16,080	$19,585	$36,175	$33,097	$589	$6,112	$3,539	$9,100	$143,863
Total - County and Local		**$120,839**	**$142,511**	**$82,970**	**$210,317**	**$42,069**	**$3,751**	**$9,597**	**$4,534**	**$31,705**	**$648,293**
School District											
	Oneida								$154,778		$154,778
	Canastota								$0		$0
	Stockbridge								$52,091		$52,091
	Sherrill								$0		$0
	Subtotal - Schools	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$206,869**	**$0**	**$206,869**
	Total	**$120,839**	**$142,511**	**$82,970**	**$210,317**	**$42,069**	**$3,751**	**$9,597**	**$211,403**	**$31,705**	**$855,162**

Table 4.7-26
Alternative F - Summary of Nation's Share of County and Municipal Spending, 2011

County	Municipality	General Government	Public Safety	Health	Transportation	Economic Assistance	Culture & Recreation	Home Community	Education	Debt Service	Total
Madison	City of Oneida	$5,861	$21,259	$276	$6,928	$3	$2,373	$2,373	$0	$6,560	$45,633
Madison	Village of Canastota	$321	$761	$13	$15,411	$14	$109	$109	$0	$2,292	$19,031
Madison	Cazenovia	$0	$0	$0	$250	$0	$0	$0	$0	$1	$251
Madison	Fenner	$0	$0	$0	$124	$0	$0	$0	$0	$0	$124
Madison	Lenox	$914	$269	$91	$3,589	$20	$99	$99	$0	$732	$5,813
Madison	Lincoln	$581	$714	$45	$578	$0	$36	$36	$0	$10	$2,000
Madison	Smithfield	$0	$0	$0	$1,200	$0	$0	$0	$0	$62	$1,261
Madison	Stockbridge	$854	$246	$1	$3,255	$3	$116	$116	$0	$154	$4,746
Madison	Sullivan	$199	$99	$16	$139	$0	$90	$90	$0	$48	$680
	Subtotal - Madison	**$8,731**	**$23,349**	**$441**	**$31,472**	**$40**	**$2,823**	**$2,823**	**$0**	**$9,859**	**$79,538**
Oneida	City of Sherrill	$622	$508	$0	$4,201	$0	$167	$167	$0	$181	$5,847
Oneida	Village of Sylvan Beach	$0	$0	$0	$3,587	$0	$0	$0	$0	$1,574	$5,160
Oneida	Village of Vernon	$0	$0	$0	$37	$0	$0	$0	$0	$8	$45
Oneida	Augusta	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Oneida	Vernon	$124	$46	$1	$3,885	$0	$1	$1	$0	$0	$4,059
Oneida	Verona	$28,917	$574	$83	$33,652	$2	$14	$14	$0	$560	$63,814
	Subtotal - Oneida	**$29,663**	**$1,129**	**$83**	**$45,361**	**$2**	**$182**	**$182**	**$0**	**$2,322**	**$78,925**
Oneida	County	$62,860	$101,953	$62,860	$97,308	$8,930	$157	$479	$995	$10,424	$345,967
Madison	County	$19,585	$16,080	$19,585	$36,175	$33,097	$589	$6,112	$3,539	$9,100	$143,863
Total - County and Local		**$120,839**	**$142,511**	**$82,970**	**$210,317**	**$42,069**	**$3,751**	**$9,597**	**$4,534**	**$31,705**	**$648,293**
School District											
	Oneida								$154,778		$154,778
	Canastota								$0		$0
	Stockbridge								$52,091		$52,091
	Sherrill								$0		$0
	Subtotal - Schools	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$206,869**	**$0**	**$206,869**
	Total	**$120,839**	**$142,511**	**$82,970**	**$210,317**	**$42,069**	**$3,751**	**$9,597**	**$211,403**	**$31,705**	**$855,162**

Table 4.7-27
Alternative D - Summary of Nation's Share of County and Municipal Spending, 2011

County	Municipality	General Government	Public Safety	Health	Transportation	Economic Assistance	Culture & Recreation	Home Community	Education	Debt Service	Total
Madison	City of Oneida	$5,663	$20,540	$267	$6,517	$3	$2,373	$2,373	$0	$6,379	$44,115
Madison	Village of Canastota	$312	$740	$13	$14,484	$14	$109	$109	$0	$2,164	$17,945
Madison	Cazenovia	$0	$0	$0	$235	$0	$0	$0	$0	$1	$236
Madison	Fenner	$0	$0	$0	$117	$0	$0	$0	$0	$0	$117
Madison	Lenox	$903	$266	$89	$3,374	$20	$99	$99	$0	$700	$5,550
Madison	Lincoln	$568	$698	$44	$543	$0	$36	$36	$0	$10	$1,934
Madison	Smithfield	$0	$0	$0	$1,127	$0	$0	$0	$0	$58	$1,185
Madison	Stockbridge	$854	$246	$1	$3,060	$3	$116	$116	$0	$149	$4,545
Madison	Sullivan	$199	$99	$16	$130	$0	$90	$90	$0	$47	$671
	Subtotal - Madison	**$8,499**	**$22,589**	**$429**	**$29,588**	**$40**	**$2,823**	**$2,823**	**$0**	**$9,507**	**$76,298**
Oneida	City of Sherrill	$604	$493	$0	$3,949	$0	$167	$167	$0	$174	$5,554
Oneida	Village of Sylvan Beach	$0	$0	$0	$3,371	$0	$0	$0	$0	$1,479	$4,850
Oneida	Village of Vernon	$0	$0	$0	$35	$0	$0	$0	$0	$7	$42
Oneida	Augusta	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Oneida	Vernon	$118	$44	$1	$3,651	$0	$1	$1	$0	$0	$3,817
Oneida	Verona	$28,182	$559	$80	$31,637	$2	$14	$14	$0	$535	$61,023
	Subtotal - Oneida	**$28,904**	**$1,097**	**$81**	**$42,642**	**$2**	**$182**	**$182**	**$0**	**$2,195**	**$75,286**
Oneida	County	$61,257	$99,352	$61,257	$91,584	$8,930	$157	$479	$995	$10,074	$334,084
Madison	County	$19,005	$15,604	$19,005	$34,000	$33,097	$589	$6,112	$3,539	$8,843	$139,795
Total - County and Local		**$117,665**	**$138,642**	**$80,773**	**$197,813**	**$42,069**	**$3,751**	**$9,597**	**$4,534**	**$30,620**	**$625,463**
School District											
	Oneida								$154,778		$154,778
	Canastota								$0		$0
	Stockbridge								$52,091		$52,091
	Sherrill								$0		$0
	Subtotal - Schools	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$206,869**	**$0**	**$206,869**
	Total	**$117,665**	**$138,642**	**$80,773**	**$197,813**	**$42,069**	**$3,751**	**$9,597**	**$211,403**	**$30,620**	**$832,332**

Table 4.7-28
Alternative E - Summary of Nation's Share of County and Municipal Spending, 2011

County	Municipality	General Government	Public Safety	Health	Transportation	Economic Assistance	Culture & Recreation	Home Community	Education	Debt Service	Total
Madison	City of Oneida	$5,229	$18,968	$246	$5,620	$3	$2,373	$2,373	$0	$5,982	$40,795
Madison	Village of Canastota	$292	$692	$12	$12,458	$14	$109	$109	$0	$1,882	$15,569
Madison	Cazenovia	$0	$0	$0	$202	$0	$0	$0	$0	$1	$203
Madison	Fenner	$0	$0	$0	$100	$0	$0	$0	$0	$0	$100
Madison	Lenox	$879	$259	$87	$2,903	$20	$99	$99	$0	$631	$4,976
Madison	Lincoln	$540	$663	$41	$467	$0	$36	$36	$0	$9	$1,792
Madison	Smithfield	$0	$0	$0	$970	$0	$0	$0	$0	$50	$1,019
Madison	Stockbridge	$854	$246	$1	$2,633	$3	$116	$116	$0	$137	$4,107
Madison	Sullivan	$199	$99	$16	$112	$0	$90	$90	$0	$46	$651
	Subtotal - Madison	**$7,993**	**$20,927**	**$403**	**$25,465**	**$40**	**$2,823**	**$2,823**	**$0**	**$8,739**	**$69,213**
Oneida	City of Sherrill	$564	$460	$0	$3,397	$0	$167	$167	$0	$158	$4,913
Oneida	Village of Sylvan Beach	$0	$0	$0	$2,899	$0	$0	$0	$0	$1,272	$4,171
Oneida	Village of Vernon	$0	$0	$0	$30	$0	$0	$0	$0	$6	$36
Oneida	Augusta	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Oneida	Vernon	$105	$39	$1	$3,140	$0	$1	$1	$0	$0	$3,287
Oneida	Verona	$26,574	$528	$76	$27,230	$2	$14	$14	$0	$482	$54,919
	Subtotal - Oneida	**$27,243**	**$1,027**	**$77**	**$36,696**	**$2**	**$182**	**$182**	**$0**	**$1,918**	**$67,327**
Oneida	County	$57,749	$93,663	$57,749	$79,065	$8,930	$157	$479	$995	$9,309	$308,097
Madison	County	$17,738	$14,563	$17,738	$29,241	$33,097	$589	$6,112	$3,539	$8,280	$130,898
Total - County and Local		**$110,723**	**$130,180**	**$75,967**	**$170,467**	**$42,069**	**$3,751**	**$9,597**	**$4,534**	**$28,246**	**$575,534**
School District:											
	Oneida								$154,778		$154,778
	Canastota								$0		$0
	Stockbridge								$52,091		$52,091
	Sherrill								$0		$0
	Subtotal - Schools	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$206,869**	**$0**	**$206,869**
	Total	**$110,723**	**$130,180**	**$75,967**	**$170,467**	**$42,069**	**$3,751**	**$9,597**	**$211,403**	**$28,246**	**$782,403**

Table 4.7-29
Alternative G - Summary of Nation's Share of County and Municipal Spending, 2011

County	Municipality	General Government	Public Safety	Health	Transportation	Economic Assistance	Culture & Recreation	Home Community	Education	Debt Service	Total
Madison	City of Oneida	$2,603	$9,442	$123	$185	$3	$2,373	$2,373	$0	$3,580	$20,681
Madison	Village of Canastota	$170	$404	$7	$183	$14	$109	$109	$0	$179	$1,176
Madison	Cazenovia	$0	$0	$0	$3	$0	$0	$0	$0	$0	$3
Madison	Fenner	$0	$0	$0	$1	$0	$0	$0	$0	$0	$1
Madison	Lenox	$731	$215	$72	$48	$20	$99	$99	$0	$212	$1,496
Madison	Lincoln	$366	$450	$28	$7	$0	$36	$36	$0	$5	$929
Madison	Smithfield	$0	$0	$0	$14	$0	$0	$0	$0	$1	$14
Madison	Stockbridge	$854	$246	$1	$46	$3	$116	$116	$0	$67	$1,450
Madison	Sullivan	$199	$99	$16	$2	$0	$90	$90	$0	$38	$533
	Subtotal - Madison	**$4,924**	**$10,857**	**$247**	**$488**	**$40**	**$2,823**	**$2,823**	**$0**	**$4,081**	**$26,283**
Oneida	City of Sherrill	$321	$262	$0	$51	$0	$167	$167	$0	$61	$1,029
Oneida	Village of Sylvan Beach	$0	$0	$0	$41	$0	$0	$0	$0	$18	$59
Oneida	Village of Vernon	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1
Oneida	Augusta	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Oneida	Vernon	$25	$9	$0	$44	$0	$1	$1	$0	$0	$81
Oneida	Verona	$16,835	$334	$48	$532	$2	$14	$14	$0	$161	$17,939
	Subtotal - Oneida	**$17,181**	**$605**	**$48**	**$668**	**$2**	**$182**	**$182**	**$0**	**$239**	**$19,108**
Oneida	County	$36,498	$59,195	$36,498	$3,217	$8,930	$157	$479	$995	$4,675	$150,644
Madison	County	$10,057	$8,257	$10,057	$411	$33,097	$589	$6,112	$3,539	$4,871	$76,991
Total - County and Local		**$68,660**	**$78,915**	**$46,850**	**$4,784**	**$42,069**	**$3,751**	**$9,597**	**$4,534**	**$13,867**	**$273,027**
School District											
	Oneida								$154,778		$154,778
	Canastota								$0		$0
	Stockbridge								$52,091		$52,091
	Sherrill								$0		$0
	Subtotal - Schools	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$206,869**	**$0**	**$206,869**
	Total	**$68,660**	**$78,915**	**$46,850**	**$4,784**	**$42,069**	**$3,751**	**$9,597**	**$211,403**	**$13,867**	**$479,896**

Additionally, the loss of revenues of the Nation enterprises would make it impossible for the Nation to continue its government programs and services for its members and for other Native Americans. In FY 2005, the Nation spent a total of $16.8 million on health insurance, educational programs, housing subsidies, and other programs. About 1,600 individuals (members and their families) were covered by the Nation's member health insurance program in 2005. The Nation's inability to continue these services and payments would likely increase New York State and local expenditures on education, Medicaid and other programs as Nation members now would have to make demands on New York State and local government for these services.

Summary

The Proposed Action and other alternatives have several indirect fiscal effects. The decrease in the Nation's employment that may occur if not all Group 1, 2, and 3 lands are conveyed into trust would decrease Nation employee New York State income tax withholdings, Nation spending, and Nation employee spending, which would in turn adversely affect New York State income and sales tax revenues and local sales tax revenues. Additionally, major Nation job losses may also lead to a reduction in local property tax revenues, as laid-off employees may leave the region or default on their taxes.

At the same time, the decrease in the Nation's employment would decrease the local government service costs attributable to the Nation. These local government cost-savings would be – wholly or partly – offset by the costs associated with the increase in unemployment and other social services that would accompany the layoff of Nation employees. Major layoffs would not only create costs on health and economic assistance for local governments but would also increase New York State expenditures on Medicaid and unemployment insurance benefits. Closing down the Turning Stone Resort & Casino would end the Nation's payments to the New York State Police and the New York Racing and Wagering Board, as their services would no longer be needed.

Table 4.7-30 summarizes the indirect effects in terms of the change in revenues and expenditures between 2005 and 2011 and compares these effects by alternative.

4.7.5.3 Cumulative Effects

Alternatives A, B, C, and F

Since the beginning of the Nation's enterprise operations, New York State income taxes have been withheld and remitted from the salaries paid to Nation employees. As described in Section 3.7.7.2 New York State, in FY 2005 $3.4 million in income taxes were withheld and remitted to New York State. Because of the increase in jobs between 2006 and 2011, these New York State income tax revenues are expected to increase. If the average income tax per job would remain constant, a total of $3.6 million in New York State income taxes would be withheld from the Nation's payroll in the year 2011 under Alternatives A, B, C, and F.

Table 4.7-30
Indirect Effect: Change in New York State Revenues and Local Government Revenues and Expenditures by Alternative 2005 to 2011 (in $millions)

	A	B	C	D	E	F	G
Nation's New York State Income Tax Withholdings	0.19	0.19	0.18	-0.06	-0.48	0.18	-3.30
Nation's Payments to New York State Police and New York State Racing and Wagering Board	0.00	0.00	0.00	0.00	0.00	0.00	-5.00
New York State Tax on Multiplier Effect of Nation/Nation Employee Spending	0.41	0.41	0.40	-0.05	-1.00	0.39	-7.17
Nation Employee Property Tax Payments	0.33	0.33	0.32	-0.04	-0.82	0.32	-5.57
Local Sales Tax on Multiplier Effect of Nation Employee Spending	0.07	0.07	0.06	-0.01	-0.16	0.06	-1.13
Local Government Spending Attributable to the Nation	$0.21	$0.21	$0.19	$0.00	-$0.05	$0.21	-$0.35

Note: The indirect effects are calculated by comparing the alternatives with the 2005 baseline.
Source: The Louis Berger Group, Inc, 2006.

New York State does not collect excise taxes on fuel or cigarettes from the Nation or its wholesale suppliers. Under Alternatives A, B, C, and F, it is assumed that the New York State will continue its policy of not collecting excise taxes from wholesalers that supply fuel and cigarettes to the SavOn gas stations and convenience stores and the Nation would not collect New York State or local sales taxes on its retail sales.

The Nation has historically made payments to the New York State Police and the New York State Racing and Wagering Board. In FY 2005, the Nation paid $2.2 million and $2.8 million to the New York State Police and to the New York State Racing and Wagering Board, respectively, in exchange for their services related to the Turning Stone Resort & Casino. For example, the New York State Police conduct background investigations on employees and provide law enforcement on the gaming floor; and the New York State Racing and Wagering Board conducts regular compliance examinations for the Turning Stone Resort & Casino. Under Alternatives A, B, C, and F, the Nation would continue to pay the New York State Police and the New York State Racing and Wagering Board for their services.

Since the opening of the Turning Stone Resort & Casino, the Nation's operations have indirectly supported many jobs and sales at other Madison County, Oneida County, and New York State businesses and generated tax revenues. As explained in Section 3.7.6 Regional Economic Impact, the Nation generates economic activity through its spending, its employees' spending, spending by its visitors, and in some cases, spending by Nation employee household members (tertiary effect) based on the multiplier effect (i.e., every dollar spent locally is partly recycled, creating more spending, jobs, and tax revenues).

Nation and Nation employee spending generated an estimated $7.3 million in New York State personal income, business, and sales taxes in FY 2005. Based on the expected increase in Nation jobs and sales between 2006 and 2011 relative to the baseline, New York State tax revenues generated by Nation and Nation employee spending would increase to $7.7 million.

Visitors to the Turning Stone Resort & Casino often spend money at other local businesses (hotels, restaurants, etc.). While the current effect of off-site visitor spending is not quantified, Section 3.7.6 Regional Economic Impact states that if every out-of-region visitor in 2005 spent $5 at non-Nation local businesses, the total economic activity generated in Madison and Oneida Counties would be 206 jobs and $4.8 million in earnings. As the number of visitors is expected to increase to 5.56 million in 2011, the tax revenues associated with the off-site visitor spending would likely also increase under Alternatives A, B, C, and F.

As explained in Section 3.7.6.1 Economic Activity, employment with the Nation allowed some long-term local residents to remain in Madison and Oneida Counties. These residents are sometimes part of households with more than one worker. The earnings of the second worker in the household are also partly spent at local businesses and generate jobs, earnings and taxes, which is the tertiary effect. Based on the expected job growth, the tertiary effect would likely be at or above baseline level by 2011 under the subject alternatives.

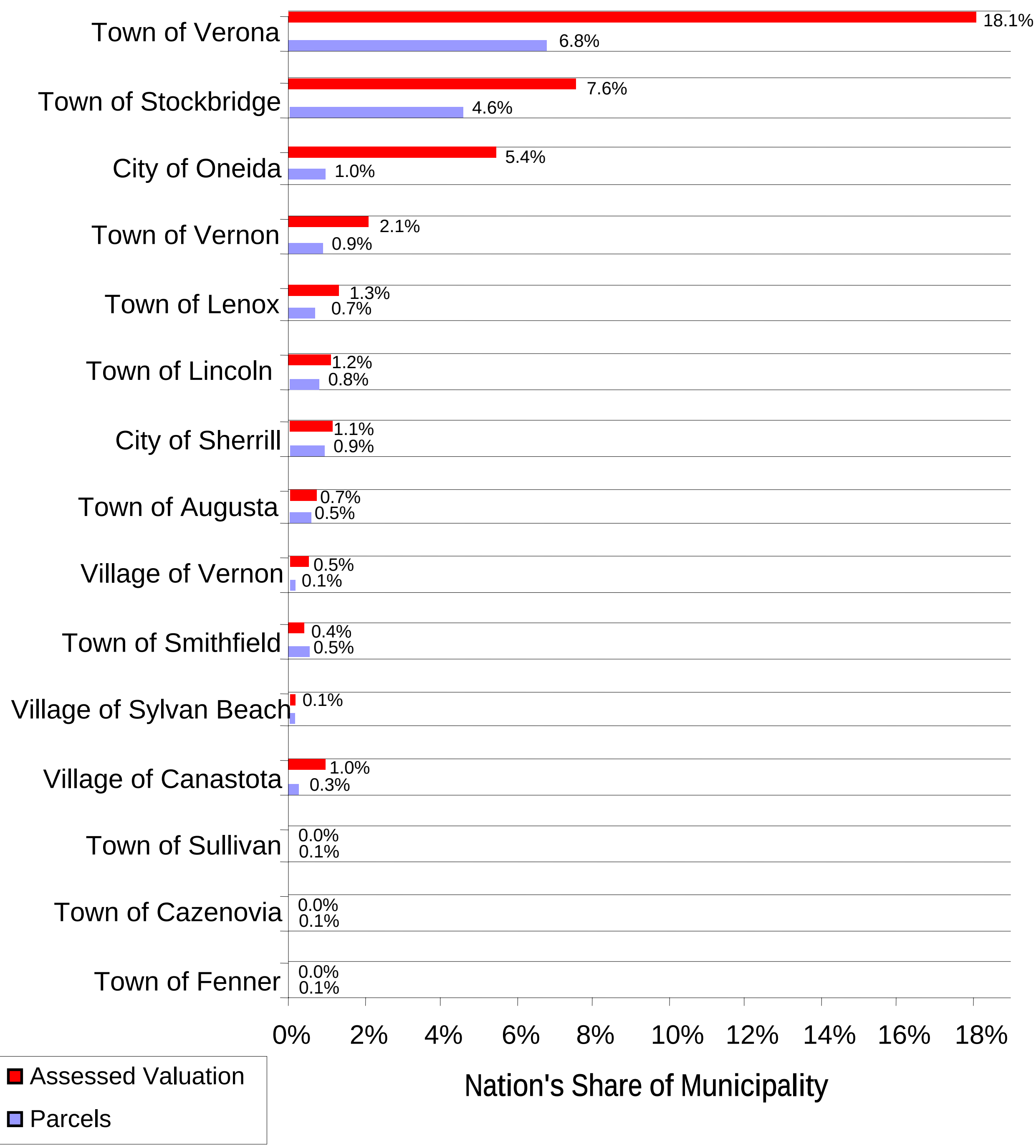
Since the Turning Stone Resort & Casino opening, spending by the Nation and its employees also generated substantial local tax revenues. As explained in Section 3.7.7.3 Local Governments, the spending by the Nation and its employees indirectly generated an estimated $1.16 million in sales tax revenues for Madison and Oneida Counties and the Study Area municipalities. Based on the Nation's growth, an estimated $1.22 million of local sales tax revenues would be created by the Nation and Nation employee spending by 2011 under Alternatives A, B, C, and F. An increase in off-site visitor spending and the tertiary effect would also generate additional local sales tax revenues.

Nation employees paid an estimated $5.6 million in property taxes to local governments in FY 2005 (see Section 3.7.7.3 Local Governments). By 2011, these revenues would be maintained and could increase slightly because of the Nation's job growth under Alternatives A, B, C, and F.

The lands that would be conveyed into trust would be permanently exempt from local property taxes. As presented in Section 3.7.9.2 County and Local Property Tax Exemptions, the total assessed value of Nation lands account for only a fraction of the total exempt value in the counties and Study Area municipalities. Figure 4.7-1 compares the latest available taxable assessed valuation in the Study Area municipalities as reported by the NYSORPS (FY 2004 tax rolls) with the taxable assessed valuation assigned the Nation. It examines the Nation's share of total tax lots and the Nation's share of total taxable assessed valuation and illustrates the relative magnitude of Nation's land holdings. It provides additional context for consideration of the fiscal consequences of placing lands into trust by municipality. The taxable assessed valuation of the Turning Stone Resort & Casino tax lot is not shown, as its valuation is being contested. The taxable assessed valuation for the Turning Stone Resort & Casino tax lot is $362 million – an amount for a single tax lot that exceeds the prior year's municipal taxable assessed value for the entire Town of Verona's 3,300 tax lots. Figure 4.7-1 illustrates the taxable assessed valuation in the period prior to the change in valuation.

There is no information available about tax exemptions that would be extended to other property owners in the future.

Figure 4.7-1
Nation's Share of Tax Lots and Taxable Assessed Valuation by Municipality



Note: Does not Include Casino Tax because the assessed value is currently contested by the Nation.

In 2005, the cost to Madison and Oneida Counties, the study area municipalities, and school districts associated with Nation lands totaled $0.83 million, as explained in Section 3.7 Socioeconomic Conditions. Employment is expected to grow to 4,882 by the year 2011. Based on these additional persons, the total cost to county and local governments and school districts attributable to the Nation would be $1.04 million in 2011 under Alternatives A, B, and F. As a result of Alternative C, Nation employment would grow slightly less, leading to a cost to local governments attributable to the Nation of $1.02 million.

The commercial developments proposed by private developers in Madison and Oneida Counties presented in Section 4.7.1.3 Cumulative Effects and the proposed residential developments that are discussed in Section 4.7.2.3 Cumulative Effects would also generate increased revenues, as well as costs for local governments.

Alternatives D, E, and G

The reduction in the Nation's economic operations would lead to a reduction in State sales, personal income and business tax revenues and in local property and sales tax revenues as described above.

It is uncertain whether the local governments would receive property tax revenues on the lands not conveyed into trust. The foreclosure and alienation of land process could be undermined by the large amount of land involved and the fact that much land is already available in the area. Further, buyers may be wary of the quality and security of title in Nation land. Finally, the buyer would have to be a non-tax-exempt entity. The sale of the Turning Stone Resort & Casino complex would be particularly unlikely, as only the Nation can operate the property as a casino, and the facility's high maintenance costs would likely make other uses financially infeasible. The resort's component businesses, such as the golf courses and the luxury lodge hotel, currently generate an operating loss and would likely not survive without the casino.

The increase in unemployment that would result from large reductions in Nation employment would lead to more government cost (health care, economic assistance, and unemployment benefits). Furthermore, the out-migration associated with major job losses, would result in an increase in housing vacancy rates, decreased property values, and lower property tax revenues.

As discussed above, the cost associated with increased unemployment would, at least in part, offset these savings. Especially in the case of major layoffs, local government would face additional expenditures for health and economic assistance and perhaps for public safety.

4.7.6 Social Conditions

Alternatives A through F are considered to have the same effects with respect to social problems. The six alternatives are considered similar for analysis purposes because they each allow for the continuation of gaming facilities at the Turning Stone Resort & Casino. The social conditions assessed in this section consider the findings of research on the effects of gaming facilities along with the conditions and trend data compiled in the baseline sections that are associated with the Turning Stone Resort & Casino.

4.7.6.1 Direct Effects

Alternatives A through G

The conveyance of lands into trust is an action where title to the Nation's existing lands would be transferred to the Federal government with no change in their uses. Because neither the proposed action nor any of the alternatives involve ground disturbance of the environment or change in land use, there are not anticipated to be direct effects related to social conditions.

4.7.6.2 Indirect Effects

Alternatives A through F

Problem Gambling

According to a study by the National Opinion Research Center at the University of Chicago, problem gamblers account for 1.2 percent of the population and the percentage of problem gamblers increases 1.1 percentage points within 50 miles of a casino. As the Turning Stone Resort & Casino is a relatively mature facility with more than 13 years of operations, under Alternatives A through F it is expected that the percentage of problem gamblers in the area would remain steady.

The absolute number of problem gamblers in the area may experience a minimal increase as the number of future visitor's increases. As of March 2006, the number of patrons voluntarily or involuntarily on the Turning Stone Resort & Casinos listed as excluded from the gaming floor was 898 people. This is an increase from March 2003 of 562 people. The increase in the number of people excluded from the gaming floor appears to correspond with an increase in visitor patronage during that same time period and reflects the cumulative total of such identified persons attributable to the enforcement of the facility's policies and practices for addressing this issue.

None of the alternatives are expected to generate a large increase in Turning Stone Resort & Casino visitors. Additionally, the residential population within 50 miles of gaming facilities is expected to increase minimally. As a result, the increase in problem gamblers is expected to be small.

Bankruptcy
Based on an analysis of local personal bankruptcy rates, there is scant evidence of a direct relationship between personal bankruptcy and the presence of the Turning Stone Resort & Casino. Personal bankruptcy rates in the study area trended closely with State and national trends. It is expected that future personal bankruptcy rates would continue to follow State and national trends and that the continued presence of the Turning Stone Resort & Casino would not create additional indirect affects beyond the levels and patterns already exhibited in the local area.

Crime
Based on an analysis of local crime rates, no relationship between crime and the presence of the Turning Stone Resort & Casino could be determined. National studies on the relationship between crime and casinos have found that the presence of a casino may increase crime. According to Grinols and Mustard's 2005 study, crime does not increase in an area until three years after the casino opening. The Turning Stone Resort & Casino has been in operation for sixteen years and any crime effects would begin to appear in current crime statistics. If the Turning Stone Resort & Casino is partially responsible for generating crime, then it is expected that crime levels would not be affected by the Proposed Action because the Proposed Action is not expected to increase the patronage to the gaming facilities.

Suicide
National studies have found that there is a higher suicide rate among problem gamblers, though the range and complexity of issues surrounding suicide makes it difficult to determine causality. Local statistics for suicide rates in Madison and Oneida Counties are similar to New York State (non-New York City) though the county rates have fluctuated above and below the state rate. No relationship between the opening and operation of Turning Stone Resort & Casino and the suicide rate can be determined. Therefore, the continued operation of the Turning Stone Resort & Casino is determined not to have an indirect affect on suicide.

Alcoholism
The Turning Stone Resort & Casino does not serve or sell alcoholic beverages. As a result, there are no indirect effects associated with alcoholism.

Alternative G

Problem Gambling
According to the study by the National Opinion Research Center at the University of Chicago, the percentage of problem gamblers in the general population is 1.2 percent. Without the presence of the Turning Stone Resort & Casino, the percentage of problem gamblers in the area may be reduced or those with a gambling addiction may choose to find other outlets to continue gambling (e.g., Internet gambling, Vernon Downs Racetrack,

which has video lottery terminals, increased travel to more distant casino facilities). If the Turning Stone Resort & Casino closes, the services currently offered to problem gamblers by the Nation would no longer be available to those with a gambling addiction that are seeking counseling assistance. These services include referral to professional counselors at Human Technologies Corporation which is a locally-based organization that provides counseling and educational services in Central New York.

Bankruptcy

The closure of the Turning Stone Resort & Casino would lead to a higher level of unemployed persons in the area and, based on historic rates of job formation, the potential for persistent unemployment. As noted in the baseline section, three major contributors to the national increase in bankruptcy filings are higher levels of debt relative to income, increased access to credit cards and consumer credit, and reduced social stigma of declaring bankruptcy. An increase in persistent unemployment may lead to higher levels of personal debt relative to income and as a result the area may experience an increase in bankruptcy filings.

Crime

As previously noted, the closure of the Turning Stone Resort & Casino would likely lead to a higher unemployment rate in the area if those displaced elect to remain in the region and in the reported labor force or it may create the conditions for higher levels of out-migration and lower overall population levels for those unable to find suitable employment. In either case, poor economic conditions can cause an increase in crime. An increase in unemployment in the area can lead to increased criminal activity.

Suicide

There are no indirect effects associated with suicide.

Alcoholism

There are no indirect effects associated with alcoholism.

4.7.6.3 Cumulative Effects

Alternatives A through F

Problem Gambling

Increasingly, there are other forms of gambling besides the gaming floor of the Turning Stone Resort & Casino available to local residents and New York State residents. These facilities include a local racetrack with video lottery terminals, off track betting, lottery, casinos operated by other Indian nations, and Internet gambling. Specifically, the prevalence of Internet gambling needs to be taken into account. Internet gambling is a relatively new phenomenon and any person with an Internet connection has easy access to gambling in his or her own house. As a result, the presence of gaming facilities within a 50 mile radius may no longer have as strong an influence on the prevalence of problem gambling as it did in 1999 when the study was conducted by the National Opinion Research Center at the University of Chicago.

Bankruptcy

The personal bankruptcy rate patterns reported in the baseline conditions are a reflection of the changing financial circumstances of persons reported as living in the region over time. The rising number and fluctuations of personal bankruptcies for all reporting regions (i.e., Nation, New York State, and subject counties) can be attributed to changing personal or family circumstances related to health, marriage and divorce, aging, job loss and migration as well as larger structural economic and regulatory factors (e.g., legal definition and consequences of bankruptcies, proliferation of high-interest rate credit, etc.). Enmeshed in these patterns are individuals who participate in all forms of gambling including but not limited to gambling operations at the Turning Stone Resort & Casino. There was scant evidence in the benchmarking of the area of anomalous patterns in personal bankruptcy rates for the region.

Crime

The crime rate patterns reported in the baseline conditions consider trends in the patterns of crime over the time frame that the Turning Stone Resort & Casino has been in operation. Crime rates are in part a reflection of data collection and reporting procedures for individual jurisdiction and enmeshed in the reported data are incidents that could be considered a consequence of gaming along with a much larger group of incidents attributable to work, living, and shopping activities outside the boundaries of the Turning Stone Resort & Casino. There was no evidence in the benchmarking of the area of anomalous patterns in crime rates for the region that could be determined to be directly attributable to the opening of Turning Stone Resort & Casino and subsequent growth of its gaming and other resort activities. If the Turning Stone Resort & Casino is partially responsible for generating crime, then it is expected that crime levels would continue to remain at current levels since patronage to the gaming facilities is not expected to increase.

Suicide

There are no cumulative effects associated with suicide.

Alcoholism

There are no cumulative effects associated with alcoholism.

Alternative G

Problem Gambling

According to Human Technologies, an average of 179 people a year seeks their services for problem gambling counseling. Of those whom Human Technologies counsels, 45 percent trace their addiction to the lottery, Internet gambling, horse track racing or sports betting. The remaining 55 percent are casino gamblers. Those who have an addiction to casino gambling, in the absence of a casino may shift their addiction to other forms of gambling. As a result, the number of problem gamblers may not decrease or only decrease slightly.

Bankruptcy
Under Alternative G, adverse indirect effects attributable to the closure of the Turning Stone Resort & Casino may lead to personal bankruptcies attributable to a loss of jobs, rising levels of unemployment and a potential increase in debt relative to income levels. Cumulative effects are more likely to occur in an economic environment without significant additional levels of replacement job growth for the persons and occupations currently employed at Turning Stone Resort & Casino or sources of replacement demand for goods and services for the chain of vendors and suppliers economically linked for the Turning Stone Resort & Casino.

Crime
Under Alternative G, adverse cumulative effects are attributable to the indirect effects on the closure of the Turning Stone Resort & Casino, such as worsening economic conditions. These adverse cumulative effects are more likely to occur in an economic environment without significant additional levels of replacement job growth for the persons and occupations currently employed at Turning Stone Resort & Casino or sources of replacement demand for goods and services for the chain of vendors and suppliers economically linked for the Turning Stone Resort & Casino.

Suicide
There are no cumulative effects associated with suicide.

Alcoholism
There are no cumulative effects associated with alcoholism.

4.7.7 Lifestyle and Cultural Values

Significance Criteria
This section specifically addresses the effects on the lifestyle and cultural values of the Nation as they relate to uses and importance of the lands proposed for conveyance into trust. Other sections of the document (Sections 4.7.1 Economic Effects through 4.7.6 Social Conditions, Section 4.8 Community Infrastructure, and Section 4.9 Other Values) address the broader socioeconomic context and community character of the surrounding towns, counties, and populations contained within those lands. It is within these sections that the BIA has contemplated the effects on the culture and lifestyle of the broader community.

For the purposes of defining whether the proposed action or the alternatives including No Action (collectively referred to as the action), have a potentially significant adverse effect on lifestyle and cultural values of the Nation, the following is considered. Whether the action is likely to directly, indirectly or cumulatively adversely affect the ability of the

Nation as a Federally-recognized Indian tribe to pursue and preserve their cultural, social, and religious practices and traditions, and other aspects of their lifeways for current and future generations on lands considered to be within their reservation and aboriginal homeland.

Overview of Oneida Lifestyle and Cultural Values

For more than 15 years, the Nation has made significant strides to restore and preserve the culture and unique identity of the Oneida people. This includes implementing a number of projects specifically focused on the reclamation and teachings of their indigenous history, culture, language, traditions, and ceremonies. Each of these cultural and lifestyle attributes is a critical component of Oneida identity, providing meaning for Nation members as to what it entails to be an Oneida as they strive to preserve their culture and community.

Some of the more notable Nation projects in this regard include:

- The Language Project;
- The Oral History Project;
- The Treaties Project; and
- The Nutrition Project (focused on the Oneida food staples of white corn, beans and squash…the Three Sisters).

These projects are all important, proactive steps to achieve the Nation's long range goals of reclaiming, teaching, and preserving Oneida heritage and traditions for future generations of Nation members. This stewardship role for the Nation is of paramount importance to all Oneida. Until the Nation implemented the language project in particular, the unique Oneida language was almost gone within their community. The Oneida Elders Oral History Project was devised to gather stories and other information on the past and provide a forum for listening to the elders' perspective on the future. Elders from each of the Nation's clans (Bear, Turtle, and Wolf) were interviewed and their oral histories and stories captured.

The Nation maintains a Cultural Resources Department and a Living History Department (Parcel 246, Group 2 lands), which preserves Oneida culture through reenactments of traditional practices and ceremonies for both Nation and non-Nation members. The Shako: wi Cultural Center (Parcel 3, Group 2 lands) contains examples of Nation's arts and crafts, as well as exhibits that display aspects of Oneida culture and history. The Shako: wi Cultural Center is also used by Nation members for gatherings and presentations celebrating cultural traditions and important events. The Nation constructed The Ray Elm Children & Elders Center (Parcels 4 and 5, Group 2 lands); a facility where cultural events and exchanges take place, focusing on language, tradition, and legend. The Nation constructed the Village of the White Pines (Parcels 4 and 5, Group 2 lands), a residential development where some Nation members live as a community. The Nation publishes Indian Country Today, a leading American Indian newspaper dedicated to communicating lifestyle, culture, health, and other information important to Native Americans. In addition, the Nation operates Four Directions Productions (Parcel 13, Group 2 lands), a video and audio production studio which, among many things, produces Native American focused film and television projects. There are also Festival Sites (Parcels 75 and 76, Group 2 lands), special plots used for growing traditional Oneida crops (Parcels 133 and 211, Group 3 lands), and a site for black ash reforestation efforts (Parcel 286, Group 2 lands). There are no lands supporting cultural and lifestyle activities in Group 1 (refer to Table 3.7-11).

The Nation has also been active in reconstituting significant cultural assets and materials representative of their culture, traditions, and Haudenosaunee lifeways. To this end, the Nation has purchased lands containing protohistoric Oneida camp sites, village sites, and burial grounds, as well as collection of Native American artifacts. They have amassed a collection of nearly 700 pieces of Iroquois beadwork along with basketry, traditional regalia, and other culturally significant items and artifacts that reflects traditional Oneida lifestyles and practices. Many items have had to be purchased through private collectors, antique dealers or at auction. To the Nation, these collections represent a tangible connection to the past and a present day voice to ensure their story is told to future generations. All these activities are part of what the Oneida call Securing the Circle unto the seventh generation to the future and reflect the importance of heritage stewardship in their world view.

4.7.7.1 Direct Effects

The success of Nation members has enabled them to strengthen their culture and community bonds by the acquisition of lands considered part of its reservation and aboriginal homeland. Trust action alternatives (e.g., Alternatives A, B, C, and F) that ensure the Nation's rights for self-determination, self-sufficiency, and self-governance on these lands would have a beneficial direct effect on the Nation as they support the very basis of the purpose and need. The Federal trust status provided to lands conveyed into trust ensures that lands are protected from future alienation. The Nation seeks a secure land base (free from risks of foreclosure or alienation) upon which to express and secure their heritage unto the seventh generation. The projects and programs implemented by the Nation, focusing on culture, language, ceremonies and community are critical and necessary to the Nation to retain the unique Oneida lifestyle attributes, cultural values, and world view.

Potential direct effects on lifestyle and cultural values among the alternatives reflect a scaling in the intensity of effects depending upon whether lands are conveyed into trust or not and what cultural activities these lands support. For the lands conveyed into trust, differences among alternatives relate also to the associated cultural assets associated with the parcels involved or the services supported.

Alternative A

All 17,370 acres of Groups 1, 2, and 3 lands would be conveyed into trust. Those lands containing cultural, historical, religious or archaeological resources would be provided protection under the ARPA and the NAGPRA. This would have a direct beneficial effect on the Nation and their culture. Lands used for cultural activities in Alternative A include the Shako: wi Cultural Center (Parcel 3, Group 2 lands), the Ray Elm Children & Elders Center (Parcels 4 and 5, Group 2 lands) the Village of the White Pines (Parcels 4 and 5, Group 2 lands), the Festival Sites (Parcels 75 and 76, Group 2 lands), plots used for growing Oneida crops (Parcels 133 and 211, Group 3 lands) and harvesting of black ash (Parcel 286, Group 2 lands). Additional parcels containing either enterprises or cultural service departments (Four Directions Productions, Parcel 13, Group 2 lands; Cultural Resources Department and a Living History Department, Parcel 246, Group 2 lands) are also accommodated by this alternative. Further, the Proposed Action would secure a land base within their reservation and aboriginal homeland. The Proposed Action would support the Federal Government's trust policy to assist the Nation to preserving its traditional culture and lifeways on its native lands.

Alternative B

An additional 17,630 acres of land could be conveyed into trust over time resulting in a total trust land area of 35,000 acres. Alternative B would involve the same parcels supporting cultural, social, and religious practices and traditions as Alternative A. Alternative B from the standpoint of the Nation could be viewed as the most preferable alternative since they would be afforded a larger land base within their reservation to practice traditional lifestyle activities and secure land for the seventh generation. As described for cultural, historic, archaeological, and religious properties and assets, it is reasonable to assume that assets important to the Nation could be located on some of the future properties comprising this alternative. These properties would be acquired into trust at some point. Once in trust, these cultural assets would receive the additional Federal protection.

Alternative C

Conveying these Group 1 and 2 lands into trust would have a direct beneficial effect on the Nation and on its culture. Some parcels located in Group 3 lands (Parcels 133 and 211) supporting cultural gardening and crop activities would not be conveyed into trust. These include plots used for growing traditional Oneida staple foods such as white corn, beans, squash, tobacco, and pumpkin. These two parcels total approximately 140 acres and are located within the northern part of the Town of Stockbridge. Another parcel (Parcel 310, Group 3 lands) contains hickory tree stands used for making traditional lacrosse sticks. Parcel 310 is a large property of approximately 441 acres and supports multiple uses such as agriculture and hunting and fishing for Nation members. There is also a significant Oneida archaeological site here as well. Conveying these Group 1 and 2 lands into trust would have a direct positive effect on the Nation and on its culture.

Parcels 133, 211, and 310 are all within a larger area subject to a competing tribal land claim (the Stockbridge-Munsee Land Claim Area or the claim area). Although not conveying these Group 3 parcels into trust is a potential adverse effect, the majority of the Nation's cultural facilities and lands used for cultural activities are in Group 2. Unless foreclosed or alienated away under one of the scenarios, the Nation could continue to use these Group 3 parcels for traditional cultural activities.

Alternative D

There are no existing cultural activities supported on Group 1 lands. All the key parcels and related cultural facilities described earlier are in Groups 2 and 3 lands and would not be conveyed into trust. Not conveying Group 2 and 3 lands into trust would have a direct adverse effect on the Nation and on their culture if their use and enjoyment of the lands used for cultural activities were prevented.

Alternative E

Only a single Nation tax lot (Parcels 10 and 109) would be conveyed into trust. There are no cultural activities supported on this tax lot. The same potential effects on the Nation described under Alternative D would apply here.

Alternative F

Lands comprising all of Group 1 and the majority of Group 2 would be conveyed into trust along with some Group 3 lands. The Group 2 lands comprising this alternative would include the most significant cultural parcels such as festival sites, the Shako: wi Cultural Center, and the Ray Elm Children & Elders Center. The same Group 3 parcels discussed under Alternative C used for growing native crops following traditional husbandry techniques would not be included in this alternative. Although not conveying these Group 3 parcels into trust is a potential effect as they contain cultural sites and agricultural lands, the most important cultural facilities and lands used for cultural activities are in Group 2. Unless foreclosed or alienated away under one of the scenarios, the Nation could continue to use these Group 3 parcels for traditional cultural activities.

Alternative G

None of the lands supporting cultural activities would be conveyed into trust. Absent of a secure land base, which is comprised of all the Groupings within their reservation and aboriginal homeland, the spiritual and cultural connection of the Oneida to their land would be broken. The Nation specifically purchased these lands because they were within their homeland where they wish to rebuild and preserve their traditional culture. A tribe's aboriginal territory has cultural and religious significance that transcends the physical nature and use of the property.

The four taxation/jurisdiction scenarios under No Action are defined in Section 2.0 Alternatives and Section 4.1 Introduction. Under the **CC-AEC** No Action scenario, the Nation would lose its most significant source of revenue, which would have a profound effect on its ability to assert sovereign control and manage lands containing and supporting cultural, activities. Further, the Nation could risk losing lands containing facilities such as the Ray Elm Children & Elders Center through foreclosure or alienation. Once out of the Nations' control, these lands could be affected or developed by others. Unless facilities like the Ray Elm Children & Elders Center or Shako: wi Cultural Center could be reused for other purposes, they would likely deteriorate and become a burden to the local municipality. Loss of these lands would have a significant adverse effect on the Nation.

Under the other three taxation/jurisdiction scenarios, the following effects could occur:

The Nation would still own the lands used for cultural and lifestyle activities, although not under sovereign control under the **PTP** scenario. The Nation would submit to regulation of its lands and perhaps some of the activities occurring there, which would be conducted following applicable New York State laws as well as county and town codes and ordinances.

The **PTNP-F** scenario is the same as **PTP** scenario, but with the risk that lands used for cultural and lifestyle activities by Nation members could be foreclosed or alienated away from the Nation. Loss of theses lands would have a significant adverse effect on the Nation and its culture.

The Nation would still own the lands used for cultural and lifestyle activities and assert sovereign control over them under the **PTNP-DC** scenario. The Nation would continue to enforce its ordinances and manage lands as it has in the past. The jurisdiction over uses and activities conducted on the lands would remain in dispute.

It is important to remember that the latter three taxation/jurisdiction scenarios described above apply not to just the No Action Alternative, but to the lands omitted from trust in Alternatives B through F.

Summary of Direct Effects

There are no direct adverse effects on lands or associated resources and facilities from the Proposed Action (Alternative A). Further, although there are numerous adverse indirect effects (discussed below) associated with the trust alternatives (Alternatives B through F) including No Action (Alternative G), there do not appear to be any direct effects on the lands or associated resources and facilities. The various trust action alternatives (Alternatives A through F), involve different groupings and Nation parcels. As a result, different Nation resources and facilities used for cultural activities would be associated with each alternative.

Alternatives providing greater trust protection and sovereign control over lands used for cultural and lifestyle activities would have a greater direct beneficial effect on the Nation than those affording less protection and less control. These alternatives could be viewed as best fulfilling the Nation's purpose and need for placing lands into trust with the BIA. In this regard, Alternative A (which includes Group 3 lands and cultural activities supported there) would accommodate the land base area most important to the Nation. Alternative B could potentially accommodate the most cultural activities for Nation members. However, since these lands and activities they could support are unknown at this time, the differences between Alternatives A and B may be immaterial from the Nation's cultural and lifestyle practices standpoint. Alternatives C and F are identical, as they involve conveying into trust the same lands and cultural activities supported. Both Alternatives C and F exclude the same three parcels (Parcels 133, 211, and 310) within the claim area and both, therefore, have the same effect on the Nation. Alternatives D and E are identical as they exclude the key Group 2 and 3 lands and the respective cultural activities supported there. Both alternatives, therefore, have the same effect on the Nation. Alternative G conveys no lands into trust and would have the most significant adverse effect on the Nation.

Finally, as discussed in Section 4.1 Introduction, there are scaling effects associated with potential effects under the three taxation and jurisdiction scenarios (the scenarios). These scenarios only apply under alternatives where all or some variable portion of Nation lands are not conveyed into trust (Alternatives C through G).

4.7.7.2 Indirect Effects

Alternatives and their associated taxation and jurisdiction scenarios resulting in the potential foreclosure or alienation of lands (Alternatives C through G) containing facilities used for cultural and lifestyle activities such as the Ray Elm Children & Elders Center and the Shako: wi Cultural Center could indirectly affect these facilities through lack of proper operation and maintenance. Unless these facilities could be reused for other purposes, they would likely deteriorate and become a burden to the local municipality. Similarly, lands supporting traditional crops and husbandry techniques could revert to vegetative cover other than these indigenous varieties.

The Oneida have a tradition and philosophy of planning and building for the seventh generation. Placing the lands into trust ensures that future generations of Nation members have access to the wealth and knowledge of their history and culture. In addition, cultural programs, departments, and facilities developed by the Nation have benefited not only Nation members but other New York State Indian tribes as well as those located elsewhere that share a common Iroquois cultural background. Loss of these could represent an indirect effect on future generations of Nation members and their ability to express their cultural lifeways and values.

Potential adverse indirect effects on lifestyle and cultural values among the alternatives reflect a gradation in the intensity of effects depending upon whether lands are conveyed into trust or not and what cultural activities these lands support. For the lands conveyed into trust, differences among alternatives relate also to the associated cultural assets of the parcels involved or the services supported. Alternatives which support the above (Alternatives A, B, C, and F) have a greater beneficial indirect effect on the preservation of traditional cultural lifeways and values than those alternatives (Alternatives D, E, and G) that do not.

4.7.7.3 Cumulative Effects

As defined in Section 4.1 Introduction, cumulative effects include effects beyond those solely attributable to the implementation of the Proposed Action or alternatives which result from the incremental effect of the action when added together with other past, present and reasonably foreseeable future actions.

Perspectives on Potential Cumulative Effects on Lifestyle and Cultural Values

For more then 15 years, the Nation made substantial progress in its efforts to reclaim and preserve its culture, lifestyle, and history for current and future generations. Absent of these efforts, the Nation was at risk of losing forever the very heart of what makes the Oneida a distinct Native American tribe and community within New York State.

Past actions by others which have adversely affected Oneida lifestyle and culture in New York State can be traced back generations. With the mostly illegal alienation of their lands, generations of Oneida have suffered socially, culturally, educationally, and economically. From an aboriginal homeland of some six million acres, the Oneida were left with but a mere 32 acres in 1919 and almost no economic means to sustain themselves as a community. Until the resurgence of the Nation and the prosperity created by the operation of economic enterprises on their lands, the Oneida were on the brink of termination as a community and sovereign government and their identity disappearing. At risk were the very cultural, lifestyle, religious, and ceremonial practices that make the Oneida a distinct Native American people. This adverse trend, if allowed to continue, could have resulted in the collapse of the Oneida culture in New York State.

The lands proposed for conveyance into trust support the economic, social, cultural, and governmental needs of the Nation. Not all the lands have specific cultural purposes or uses at the present time. The totality of the land base, however, makes the Nation what it is and enables the Oneida to function as a community now and into the future.

As there are no reasonably foreseeable actions to Nation lands and their associated uses that support lifestyle and cultural values within the timeframe for the Proposed Action or alternatives, a cumulative effects analysis for this resource category may be speculative. However, as with historic and archaeological resources, there are some factors worth considering regarding the lands supporting cultural activities and the resources contained there. First, whether the cultural uses (and secondarily the culture) may be especially vulnerable to incremental effects under any of the alternatives and second, whether these effects have been historically significant.

Essentially, therefore, there are two broad action categories of potential cumulative effects on lifestyle and cultural values:

- The Cumulative Effects Environment With Nation Lands in Trust
- The Cumulative Effects Environment Without Nation Lands in Trust

The former action category results in tribal sovereignty and restriction from alienation of the lands sustaining their cultural uses and associated resources while the latter does not.

Past historical actions adversely affecting Oneida lifestyle and cultural values include the alienation of their reservation and aboriginal homeland, the loss and destruction of cultural assets contained there, and the resulting effects on their community. Absent of a secure land base to practice traditional lifeways, these past actions have affected their culture and still have residual present day effects within their community. Such effects impact not only the present generations but future generations as well. These effects have the potential for occurring again without a secure land base to preserve them from future alienation.

A similar scaling effect can be stated for potential cumulative effects as for direct and indirect effects; those trust action alternatives acquiring fewer Nation lands supporting cultural practices not afforded protection from foreclosure or alienation could have a greater effect on the Nation than those alternatives securing and supporting more traditional lifeways.

4.7.8 Community Infrastructure

Significance Criteria

For the purpose of defining whether the Proposed Action or any of the alternatives, including the No Action Alternative, result in a potentially significant adverse effect on community infrastructure, several criteria are considered. Potentially significant adverse effects may occur if the action is likely to directly, indirectly or cumulatively:

- Result in substantial adverse physical effects associated with the provision of new or physically altered community facilities;
- Create an increased need or demand on community facilities resulting in construction which could result in other environmental effects; or
- Reduce or significantly degrade acceptable public service ratios, response times or other community service objectives within the towns or counties containing Nation lands. Public services in this regard include police protection, fire protection, schools, and medical-adult care-emergency facilities.

4.7.8.1 Direct Effects

Implementation of the Proposed Action or any of the trust alternatives would not result in physical changes to community facilities, provide new community facilities, create an increased need or demand for community facilities or degrade public service ratios or response times for any public services on Nation lands, on adjacent non-Nation lands or on any lands within the towns or counties in the Study Area.

The proposed Federal action does not involve construction or alteration of the physical environment. Neither the Proposed Action (Alternative A) nor any of the alternatives (Alternatives B, C, D, E, F, and G) described in Section 2.0 Alternatives would require new facilities or activities by the Nation that would place a demand on public schools and other community infrastructure in the Study Area.

The State of New York and local municipal jurisdictions have asserted that any significant loss of jurisdiction over the regulation and control of community infrastructure on or adjacent to lands conveyed into trust would have an impact on the people residing within the Study Area. This concern would presumably apply to all alternatives where lands are conveyed into trust.

4.7.8.2 Indirect Effects

Implementation of the Proposed Action or any of the alternatives, including the No Action Alternative, would not result in any activity that would indirectly result in physical effects on community facilities, or reduced levels of services for public services on Nation lands, on adjacent non-Nation lands or on any lands within the towns or counties in the Study Area as defined in Section 3.7.12 Affected Environment. It is anticipated that implementation of the Proposed Action and Alternatives A through F would result in an increased need for or demand on community facilities, however, as a result of growth in visitation to the Turning Stone Resort & Casino and associated increase in employment facilities or uses established in the reasonably foreseeable future following implementation of any one of those alternatives.

A potential indirect effect of the Proposed Action or any of the trust alternatives on community infrastructure would be caused by the change in tax base for the municipalities and the resulting change in revenues available to the municipalities to support community facilities; Section 3.7 Socioeconomic Conditions discusses the current socioeconomic conditions. Section 4.7.5 Fiscal Effects discusses the fiscal associated consequences of the Proposed Action and any of the alternatives. For alternatives where some or all Nation lands are not conveyed into trust (Alternatives C, D, E, F, and G) under the **PTP** taxation/jurisdictional scenario, the municipalities would receive some revenue from properties not conveyed into trust. For these alternatives under the **PTNP - F** or the **PTNP– DC** scenarios, the municipalities would not receive revenue from the Nation for properties not conveyed into trust. In the past, however, the Nation has provided funds to compensate the municipalities for community infrastructure services provided by the municipalities. Section 3.7 Socioeconomic Conditions describes programs and payments through which the Nation provides funds to the municipalities for services. Under the **PTNP - F** scenario, however, Nation lands would be subject to foreclosure or alienation in which case ownership would transfer to another party who would become responsible for paying taxes that would contribute revenue to the municipalities.

Under the No Action Alternative and **CC-AEC** scenario, an indirect effect on community infrastructure available to the Nation may be result from a lack of funds for the Education Resource Center. Without revenues from the casino, this center may not have the funds necessary to continue operating and providing services to Nations members or it may be forced to reduce the services it provides. This facility is located on the current Nation reservation and would remain under Nation ownership.

Alternatives A, B, C, and F

As reported in Section 4.7.2 Demographic Effects, it is anticipated that the growth of visitation to the Turning Stone Resort & Casino and associated employment by the Nation may result in 229 people migrating to Oneida County and 101 people migrating to Madison County from outside the area. As a result, it is expected that the number of school-aged children would increase by 26 children in Madison County and by 60 in Oneida County. This represents less than a five percent increase in the number of existing school-age children. Specifically, the number of school-aged children would increase by 39 children in the municipalities where the Nation owns land. In Madison County, the majority of new school-age children would be in the City of Oneida and the Village of Canastota/Town of Lenox/Town of Lincoln area. In Oneida County, the number of new-school age children is likely to be evenly distributed among the Towns of Verona and Vernon and the City of Sherrill.

Alternative D

With a net loss of 30 jobs (an immediate job loss of 283 will be partly offset by a growth in jobs of 253 by 2011), there would be a net out-migration of nine people, including two school-age children.

Alternative E

As a consequence of Alternative E, many of the Nation's business operations would cease to exist and 673 Nation jobs would be lost. As discussed in Section 4.7.2 Demographic Effects, it is estimated that approximately 190 persons including 50 school-aged children would leave the area.

Alternative G

The Turning Stone Resort & Casino would cease operation under this alternative, with the exception of a few jobs at the remaining SavOn gas station and convenience store locations and some Nation government offices, all Nation employees would be laid off.

This represents a loss of 4,556 jobs. As discussed in Section 4.7.2 Demographic Effects, if five percent of households have more than one Nation worker and 10 percent of the laid-off employees would leave the area, an out-migration of 1,293 people including 336 school age children would occur. If 30 percent of the laid-off employees would leave the area, out-migration would be 3,787 including 1,008 public school children.

4.7.8.3 Cumulative Effects

Past actions by the Nation that affected community infrastructure related primarily to operation of the Turning Stone Resort & Casino, which increased the demand for community infrastructure services. Nation members have contributed to the demand on community services such as public schools, healthcare, police law enforcement, fire protection, and emergency services. In the past, the Nation has supported the expansion of these services over time by providing funding to the local municipalities in a variety of ways, as described in Section 3.7 Socioeconomic Conditions.

Present actions by the Nation are similar to those in the past. The Nation continues to send most member children to local public schools for their education, utilize existing healthcare facilities, cooperate with local police departments regarding law enforcement, and rely on municipalities for emergency response and fire protection. While Nation members contribute to the demand for these community services, the Nation continues to financially support many of the services providers as described in Section 3.7 Socioeconomic Conditions.

The Nation's reasonably foreseeable plans described in Section 2.0 Alternatives include some limited development ongoing and selected construction projects, some of which may be associated with increased demand on community infrastructure. The facilities that are included in ongoing programs and plans of the Nation involve Nation lands located in each of the Groupings. As such, the extent of the activities and effects differ depending on the land that would be conveyed into trust under each alternative. Following is a discussion of the potential effects from current and reasonably foreseeable future actions by the Nation. These include:

- Turning Stone Resort & Casino – Ongoing and reasonably foreseeable plans of the Nation are described in Section 4.1 Introduction. Improvements of the Turning Stone Resort & Casino would likely result in an increase in demand for community services such as fire protection, police protection, and emergency medical services.
- Nation member housing – The existing member residences located throughout the 17,370 acres (Group 1, 2, and 3 lands) would continue to be maintained.

Alternatives A, B, C, D, and F

Based on increased Nation employment, as discussed in above in Section 4.7.8.2 Indirect Effects, a total of 331 new residents including 86 school-age children are anticipated to move to the two-county area, which is a 0.1 percent increase in the two-county population in 2003 and a five percent increase in the combined number of school-age children in Madison and Oneida Counties.

The effect on local schools and community infrastructure from the relatively small addition of new school-age children and additional residents to the Madison-Oneida Counties area is not anticipated to be significant, as the overall magnitude is small and the effect would be dispersed over a wide geographic area.

Alternatives E and G

Under Alternative E there could be a one percent decrease in school-age children. Under the No Action Alternative, it is anticipated that there could be an 11 percent decrease in the number of school-age children in the two-county area. As a result, it is not anticipated that there would be a cumulative effect on community infrastructure under these alternatives.

The potential cumulative effect on each type of community infrastructure is described below.

Public Schools

As described above, the migration from growth in Nation employment is likely to increase demand for public schooling. The amount of growth, however, would likely be relatively small compared to the current number of students attending local public schools and, therefore, the effect is anticipated likely to be less than significant. In the past year, the Nation has enrolled 21 students in an outside preparatory school (Manlius Pebble Hill) ranging in grade from kindergarten to 12^{th} grade. Enrollment of qualified students at this school would continue in the future.

Healthcare Facilities and Emergency Medical Services

The Nation's and others demand for these healthcare and emergency medical services would also increase with potentially more visitors to the Turning Stone Resort & Casino. The anticipated growth, however, would not likely increase the demand enough to result in construction of new facilities. It would also not likely result in physical alterations to existing facilities. The increased demand would not likely be large enough to affect current response times. Therefore, the effect on these community services is likely to be less than significant.

Police

The Nation would continue to employ officers in its own police department, which has a history of cooperation with Oneida and Madison Counties' law enforcement personnel. As described in Section 3.7.10.2 Crime, Nation and local law enforcement personnel frequently cooperate in criminal investigations and local police departments typically help Nation officers manage large crowds at events at the Event Center. The demand for these services might increase with the continued development of the Turning Stone Resort & Casino, including the addition of an 8,000 to 15,000 thousand square-foot new night club. The State of New York would continue to have jurisdiction over offenses committed on the Nation's lands. 25 USCA § 232. New York State criminal law, therefore, would apply to all Nation lands that were placed into trust. The Nation would also continue to fund the New York State Police officers who conduct background checks on Nation employees and vendors and enforce New York State law within gaming areas in the Turning Stone Resort & Casino. While demand for police services may increase based on the Nation's plans, the increase is not likely to be significant compared to the current level of service. Response times are not likely to be affected and, therefore, the effect would be less than significant.

Fire

The Nation has a service agreement for fire protection at the Turning Stone Resort & Casino, as well as at all other Nation-owned properties within the Town of Verona. Despite a statement by the Town of Verona Fire Department (VFD) that the fees that the Nation pays for fire protection are inadequate, the VFD and surrounding fire departments have worked with the Nation to create a program that would effectively protect Turning Stone Resort & Casino's patrons. This program, called the Mutual Aid Plan, involves fire departments from multiple municipalities in the area in the case that VFD equipment and personnel are inadequate. As a part of this program, the Nation conducts and funds a series of training programs for the fire chiefs and deputy fire chiefs of participating departments. The Mutual Aid Plan program would continue to be supported by the Nation.

Fire protection for Nation lands not located at the Turning Stone Resort & Casino complex is provided by the local municipalities. The service agreement between the Nation and the Town of Verona encompasses both the Turning Stone Resort & Casino and any other Nation properties in the Town of Verona Fire District. In other municipalities, Federal law requires the municipalities to respond to incidents in their fire districts; while service agreements are not currently in place, the Nation is amenable to such agreements and anticipates entering into agreements with other municipalities.

The Nation is in the process of hiring its own fire marshal that would work in conjunction with the Nation's paid fire consultant and train Turning Stone Resort & Casino employees to be first responders. While the Nation's plans for the foreseeable future to create and maintain a destination resort may increase the need for fire protection, the Nation's efforts to train additional staff to respond may help alleviate the increased demand by maintaining acceptable public service ratios and response times. The effects of the Nation's plans on fire protection are likely to be less than significant.