

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF NEW YORK

THE ONEIDA INDIAN NATION,

Plaintiff,

-vs-

MADISON COUNTY, NEW YORK,

Defendant.

AFFIDAVIT

00-CV-506 (DNH/GJD)

MICHAEL P. OOT, being duly sworn deposes and states as follows:

1. I am the President of the Board of Education for the Stockbridge Valley Central School District. I have served as a Board member since June 30, 2001 and have been the Board President from July, 2002 to date.
2. I submit this Affidavit in Opposition to the Oneida Indian Nation (OIN) Petition seeking a preliminary injunction preventing Madison County from collecting real property taxes.
3. Stockbridge Valley Central School District is poverty-stricken. As measured by applications for free or reduced lunch, the State of New York would calculate that almost 43% of the student population is living in poverty.
4. The land holdings by the OIN comprise almost 25% of all the real property in the

District and in this year alone would generate tax revenues of approximately \$108,500, which represents approximately 6% of local tax revenue.

5. Based upon the information provided to me, I feel the OIN has defaulted on their legal obligation to pay taxes on the property owned in the District for years and, in addition to the above current tax obligation, for the period of 2000-2004 the OIN owes the School District an additional \$253,600 for an approximate total of \$362,100, plus interest.

6. For a short period of time, the School District received from the OIN a "gift" or the so-called Silver Covenant money. As noted in the Affidavit of Randy Richards, Superintendent of Schools, the OIN unilaterally revoked this contribution in the fall of 2003 when the School District refused the demand of the OIN that the School District terminate a Native American employee who had joined dissident Oneidas in a lawsuit against the OIN.

7. The failure by the OIN to pay the school taxes created a revenue shortfall (amplified by the revocation of the so-called Silver Covenant gift in 2003) producing fiscal chaos in the District. This required the Board of Education to take the drastic step of moving to eliminate all spring sports in the year 2004, along with other extracurricular activities. The District was only able to reinstate these programs when then New York State Senator Nancy Lorraine Hoffman secured a member item legislative grant to the school.

8. The failure of the OIN to pay its school taxes in the year following its unilateral revocation of the Silver Covenant gift contributed significantly to the need for an increase of 22% in the tax rate. It is no surprise that the school district experienced a failed budget proposal for the year 2004-05.

9. Year after year, the OIN failed to pay its school taxes. Normally, under the law Madison County is required to reimburse the School District for unpaid school taxes. However, it

could not or would not do so during the pendency of prior actions.

10. As a consequence, the School District has been put in the position of attempting to provide for the educational needs of students by reducing staffing, cutting programs and shifting the burden of making up that shortfall in revenue to the already financially distressed taxpayers in the School District.

11. In summary, we have been in a revenue freefall for years. Our financial situation is such that we do not have an elementary art teacher. Can you imagine that? Is there anything that is more expected or more fundamental to elementary education than an art class? Instead we have a technology teacher that works with the kids and although they do receive some art instruction, the kids tell me that they love the teacher but they wish that instead of learning keyboarding, they could learn and do more art work.

12. As a further consequence, among other things, the School District is now required to alternate classes in Physics and Chemistry because we lost one half of a Science Teacher. We have eliminated an English position. We have cut into the business education program by eliminating the business teacher and distributing the business classes to other teachers in other programs.

13. When an academic program is cut there is simply no way you can go back and make it up with the child that has moved on to the next academic year. What is lost in one year is lost to that individual child forever. That is, to me, a clear example of irreparable harm. I suppose it's easy to argue that the school can wait, but your affiant submits that the fact is that the children can't wait; they are growing up and moving from class to class. This problem, the default in taxes, has been impacting and depriving children since the late 1990's. While we strive to provide a basic education in Stockbridge, that's all it is, basic, no frills, no educational enhancements and we have been forced to gradually shave programs and staff.

14. In the current year, in the face of a proposed tax increase of 16%, once again the proposed budget has failed; the absence of tax revenues from OIN held property represents more than 6% of the increase in property tax rates. The unpaid delinquent taxes in the amount of \$253,600 represent an additional 14.09% of the local tax revenues and payment in full of the entire obligation both current and delinquent would present the School Board and the administration with the opportunity to reduce the current estimated 16% increase in taxes and restore funds to reserves established to provide for unexpected funding liabilities.

15. The failure of the proposed budget has required the Board of Education to put forth an alternative budget that leaves to the voters the option of funding or not funding basic educational programs such as academic summer school and drivers education.

16. The cumulative effect of the default in payment has resulted in a significant, unnecessary and unjustified hardship to the students and taxpayers of the community.

17. These harms continue and further delays would result in only irreparable harm to the students of SVCSD.

/s/
Michael Cot

Subscribed and sworn to before me
this 27th day of June, 2005.

/s/
Notary Public

BRENDA L. WOLCOTT
Notary Public, State of New York
Qualified in Onondaga County No. 01W05069627
My Commission Expires November 25, 2006