NATIONAL
INDIAN
GAMING
COMMISSION

September 13, 1999

Craig J. Dorsay
Attorney At Law
2121 S.W. Broadway, Suite 100
Portland, OR 97201

Dear Mr. Dorsay:

This letter responds to your request to review and approve the tribal gaming ordinance, adopted on July 28, 1999, by the Confederated Tribes of Siletz Indians of Oregon (Tribe). This letter constitutes approval of the ordinance under the Indian Gaming Regulatory Act (IGRA).

Under the IGRA and the regulations of the National Indian Gaming Commission (NIGC), the Chair is directed to review ordinances with respect to the requirements of the IGRA and the implementing regulations. Thus, the scope of the Chair's review and approval is limited to the requirements of the IGRA and the NIGC regulations. Provisions other than those required under the IGRA or the NIGC regulations that may be included in a tribal ordinance are not subject to review and approval. Also, such approval does not constitute approval of specific games. It is important to note that the gaming ordinance is approved for gaming only on Indian lands as defined in the IGRA.

Thank you for submitting the ordinance of the Confederated Tribes of Siletz Indians of Oregon for review and approval. The NIGC staff and I look forward to working with you and the Tribe in implementing the IGRA. If you have any questions, please contact our office at (202) 632-7003.

Sincerely yours,

Montie R. Deer
Chairman

cc: Siletz Tribal Council
Siletz Tribal Gaming Commission

1441 L STREET, N.W. 9TH FLOOR WASHINGTON, D.C. 20005 TEL.: 202-632-7003 FAX: 202-632-7066

Resolution No. 99-224

Date Approved: July 6, 1999

Subject: Distribution of Net Revenues

Ordinance

SILETZ TRIBAL COUNCIL

AUG - 2 1999

Resolution

WHEREAS, the Siletz Tribal Council is empowered to exercise the legislative and executive authority of the Confederated Tribes of Siletz Indians of Oregon pursuant to Article IV, Section 1 of the Siletz Constitution approved June 13, 1979 by the Acting Deputy Commissioner of Indian Affairs; and

WHEREAS, the Siletz Tribal Council has received, reviewed, published and read the proposed Distribution of Net Revenues Ordinance; now

THEREFORE BE IT RESOLVED that the Siletz Tribal Council hereby approves waiving the second reading and adopt the Distribution of Net Revenues Ordinance.

Confederated Tribes of Siletz Indians Tribal Council
By

Delores Pigsley, Tribal Council Chairman

CERTIFICATION

This Resolution was adopted at a Special Tribal Council Meeting held on July 6, 1999 which a quorum of the Tribal Council was present, and the Resolution was adopted by a vote of 6 FOR, 0 AGAINST, and 0 ABSTAINING, the Chairman or Vice Chairman being authorized to sign the Resolution.

By

Bonnie Petersen, Tribal Council Vice-Chairman

I, Kelley Ellis, Tribal Council Executive Secretary, certify that I am responsible for preparation and archiving of the resolutions enacted by the Siletz Tribal Council, and that this resolution is a true and correct copy of Resolution No. 99-224, passed by the Siletz Tribal Council at a Special Tribal Council meeting on 7/6/99, held in Siletz

Kelley Ellis
Siletz Tribal Council Executive Secretary

Confederated Tribes of Siletz Indians of Oregon

Distribution of Net Revenues Ordinance

AUG - 2 1999

§ 6.80

§ 6.80 Authority. The Confederated Tribes of Siletz Indians of Oregon ("Siletz Tribe") operates a gaming enterprise, established by tribal charter, on reservation trust land, pursuant to the Indian Gaming Regulatory Act ("IGRA"), 25 U.S.C. § 2701 *et seq*. The gaming enterprise operates a gaming facility known as Chinook Winds Casino and Convention Center. IGRA provides a statutory basis for the operation of gaming by Indian tribes as a means of promoting tribal economic development, self-sufficiency and strong tribal government, and requires that net revenues from any tribal gaming operation must be used only for the following purposes:

(a) to fund tribal government operations or programs;

(b) to provide for the general welfare of the Indian tribe and its members;

(c) to promote tribal economic development;

(d) to donate to charitable organizations; or

(e) to help fund operations of local government agencies.

See 25 U.S.C. § 2710(b)(2)(B); 25 U.S.C. § 2710(d)(2)(A); 25 U.S.C. § 2702. This requirement is also set out in federal regulations at 25 CFR § 522.4 and 25 CFR § 522.6. The Siletz Tribal Council, pursuant to its delegated authority set forth at Article IV, Section 1 of the Siletz Constitution, has authority to carry out the purposes of the Siletz Constitution, one of which is to "acquire, develop and conserve resources to achieve economic and social self-sufficiency for our tribe."

§ 6.81 Purpose.

The Siletz Tribe established its gaming enterprise and operates Chinook Winds Casino to generate revenues to provide services to tribal members and their families, to fund tribal government operations, and for other purposes specified by IGRA. The purpose of this Ordinance is to establish a plan and procedure for the disbursement and use of net revenues from the Siletz Tribe's gaming operation

consistent with IGRA, with the Siletz Constitution and with tribal law.

§ 6.82 Definitions.

Except as specifically defined herein, the terms used in this ordinance shall have the meaning given them in the Indian Gaming Regulatory Act, or in federal regulations and policies implementing said Act.

(a) **"Charitable contributions"** shall mean grants to charitable organizations or local governments within the Siletz Tribe's Service Area for any of the following purposes: education; health; public safety; gambling addiction education, prevention, and treatment; housing; the arts; the environment and natural resource preservation; cultural activities; historic preservation; and other charitable purposes. *See* § 6.87(a), for further clarification of these terms.

(b) **"Excess tribal net revenues"** shall mean those net revenues of the Siletz Tribe's gaming operation less amortized payment of the gaming operation's capital, construction, and equipment costs.

(c) **"Gaming Operation"** shall mean the Siletz Tribe's gaming enterprise conducted in the Gaming Facility known as the "Chinook Winds Casino and Convention Center" or the "Chinook Winds Casino" ("Chinook Winds"), located on trust land within the Siletz Tribe's reservation in Lincoln City, Oregon. Both gaming and non-gaming activities take place within Chinook Winds. Chinook Winds Casino is the subject of a Tribal-State Compact negotiated with the State of Oregon and approved by the Secretary of the Interior, pursuant to IGRA, as amended.

The Siletz Tribe operates a non-profit bingo operation on trust lands of the Siletz Reservation in Siletz, Oregon.

To the extent additional gaming operations are authorized by the Siletz Tribe pursuant to IGRA, such gaming operations shall be included within the definition of Gaming Operation under this Ordinance.

(d) **"Net revenues"** shall mean gross revenues of an Indian gaming operation less -

(1) amounts paid out as, or paid for, as prizes; and

(2) total operating expenses of the Indian gaming operation, excluding management fees. *See* 25 U.S.C. § 2703(9).

(e) **"Service Area"** shall mean the eleven county geographic territory which the Siletz Restoration Act, 25 U.S.C. § 711 *et seq.*, its legislative history and technical amendments define as the territory which is deemed equivalent to a reservation for the Siletz Tribe, for purposes of federal services and benefits.

Part I

Distribution of Net Revenues; Repayment of Capital, Construction, and Equipment Costs

§ 6.83 Priority for Distribution of Net Revenues.

Net revenues from the Siletz Tribe's Gaming Operation shall be dedicated exclusively, as a first priority, to repayment of capital, construction, and equipment costs (repayment of principal) of the Gaming Operation known as Chinook Winds and which are the subject of written contracts or agreements. To the extent such costs are amortized or other arrangements exist for repayment of principal amounts over time or pursuant to a formula, the priority established in this Section for use of Net revenues shall be satisfied when monthly principal payments specified in the contracts or agreements have been made and sufficient operating reserves, according to prudent business standards or set forth in such contracts or agreements, are in place to make future operational and principal payments.

Part II

Distribution of Net Revenues; Distribution of Excess Tribal Net Revenues

§ 6.84 Procedure for Distribution of Excess Tribal Net Revenues.

(a) **Priority for Distribution of Excess Tribal Net Revenues.** Excess tribal net revenues shall be disbursed after disbursement of Net revenues as set out in § 6.83 has been satisfied.

(b) Categories and Formula for Distribution of Excess Tribal Net Revenues. Excess tribal net revenues shall be distributed by the Tribal Council as specifically authorized by IGRA and as set forth in Tribal Council Resolution No. 95-238, passed on July 16, 1995, as modified in this Ordinance, in the following categories and amounts:

Category	Fiscal Year Net Revenues				
	1998	1999	2000	2001	2002+
Government Operations	20%	20%	20%	20%	20%
General Welfare	25%	25%	25%	40%	45%
Economic Development	20%	20%	20%	15%	15%
Investments	30%	30%	30%	20%	15%
Charitable Purposes	05%	05%	05%	05%	05%

(c) General Procedure for Distribution of Excess Tribal Net Revenues. Excess tribal net revenues for a particular fiscal year for the Gaming Operation shall be certified to the Tribal Council by an independent auditor within ninety (90) days after the end of each fiscal year, as part of the independent annual audit conducted of the Gaming Operation pursuant to the Compact and IGRA. This amount shall then be allocated into the categories as set forth in subsection (b), and expenditure of those funds, except for funds allocated pursuant to §§ 6.85 and 6.87, shall be accomplished pursuant to the Siletz Budget Ordinance. Except for the category of charitable purposes, addressed in § 6.87, the Tribal Council may establish procedures or advisory bodies, as necessary and appropriate, to recommend how and for what purposes excess tribal net revenues should be expended in the various categories.

§ 6.85 <u>Procedure for Distribution of Revenues Distributed to the Investments Category</u>.

(a) Policy. It shall be the policy of the Siletz Tribe to invest a percentage of excess tribal net

revenues, as set out in § 6.84(b), to meet the long term needs of the Tribe in Government Operations, General Welfare, and Economic Development. The principal accumulated under this investment category shall be preserved, and only the earnings from principal shall be available for annual expenditure, pursuant to the procedures of the Budget Ordinance of the Tribe.

(b) Procedure. Excess tribal net revenues distributed to the Investments category pursuant to § 6.84 shall be invested pursuant to the formal investment policy of the Tribe. Each year the Tribe shall, in its budget procedure, allocate the earnings earned in the previous year from said investments to the three IGRA categories set out in this Section (Government Operations, General Welfare, and Economic Development), in percentage amounts approved by the Tribal Council. The Tribe shall authorize use of funds from the investment fund principal only on an extraordinary basis, only for a specific stated purpose, and only by a two-thirds (2/3) vote of the seated members of the Tribal Council.

Part III

Distribution of Excess Tribal Net Revenues; Charitable Contributions

§ 6.86 Policy.

The Siletz Tribe is a permanent and important component of the local community. The Tribe is an active participant in local governmental and community affairs. The Tribe has affirmed its participation as a member of the community in part through its long-standing financial commitment to and support of local governments and charitable causes. The Siletz Tribe hereby reaffirms that its support of local government and the local community is of an on-going and permanent nature.

§ 6.87 Procedure for Disbursement of Funds from the Charitable Purposes Category of Excess Tribal Net Revenues.

(a) Disbursements to Local Governments; Tribal Expenditures. The Siletz Tribe may

enter into inter-governmental agreements with local governments to fund costs associated with the presence of the Gaming Operation in the community, or to fund requests from local governments. Inter-governmental agreements involving the funding of infrastructure costs associated with the presence of the Gaming Operation in the community shall be funded as an operating cost of the Gaming Operation. Charitable activities sponsored by or operated by local governments shall be funded pursuant to this Part.

The Tribe funds tribal programs which include the charitable purposes defined at § 6.82(a). Regular tribal programs shall not be funded from the Charitable Purposes Category of Excess Tribal Net Revenues.

(b) Disbursements for Charitable Purposes. The Siletz Tribe has allocated a percentage of excess tribal net revenues of the Gaming Operation to the Charitable Purposes Category for distribution for charitable purposes. The Tribal Council shall make grants of funds from this account to entities who request funding from the Tribe for charitable purposes, after review and upon the recommendation of an Advisory Board.

(c) Establishment of the Advisory Board. An Advisory Board shall be established by the Tribal Council, whose responsibility shall be to solicit and review charitable grant requests made to the Tribe pursuant to this Section, and to recommend funding of specific requests to the Tribal Council. The Advisory Board established by this Section shall not be a Committee as set out in § 2.21 of the Tribal Council Rules of Procedure or pursuant to the Tribe's Standing Committee Ordinance. The Advisory Board shall consist of seven (7) persons, appointed to the Board as follows:

(1) one member of the Siletz Tribal Council, to be appointed by the Tribal Chairman, with approval of the Tribal Council;

(2) three tribal members of the Siletz Tribe, to be recommended by the Tribal Chairman and approved by the Tribal Council;

(3) two non-tribal members from a list of candidates mutually agreeable to the Governor of the State of Oregon and the Tribal Chairman and comprised of residents of Lincoln County, to be selected by the Tribal Chairman and approved by the Tribal Council; and

(4) one member of the public, to be selected by the Tribal Chairman from a list of candidates submitted by the Governor of the State of Oregon comprised of residents of the Tribe's Service Area, and approved by the Tribal Council.

(d) Advisory Board Procedure. The Advisory Board may adopt bylaws or rules of procedure as necessary to conduct its business. Costs of conducting the business of the Advisory Board and reimbursement of expenses of Advisory Board members and staff, if any, shall be made from the funds allocated to the Charitable Purposes Category. The Advisory Board shall issue an annual report each year setting out charitable activities funded, Charitable Purposes Category assets, operating costs and expenses, and grant awards made during the past year. The Tribal Council may modify or alter the structure of the Advisory Board as conditions warrant, by a 2/3 vote of the full Tribal Council.

(e) Role of the Advisory Board. The Advisory Board shall establish criteria for the award of funds each year from the Charitable Purposes Category. The Board shall solicit and review on a quarterly basis charitable grant requests submitted to the Tribe or to Chinook Winds, or more often as necessary. Funding requests shall be limited to entities and activities located in the Siletz Service Area, or to Native American entities or activities located anywhere in the United States. Charitable Purposes Category funds may be reserved for or allocated to multi-year grant distributions. The Advisory Board shall rank grant requests and shall recommend a list of grant requests to the Tribal Council for approval, with supporting documentation. The Tribal Council shall make final grant awards by Tribal Council Resolution, after review and discussion of the Advisory Board's recommendations.

(f) Structure of the Advisory Board. Members of the Advisory Board shall be removed only for cause, in a hearing before the Tribal Council at which the accused Advisory Board member shall be provided the opportunity to appear and present evidence on his or her own behalf. The term of office of Advisory Board members shall be three (3) years. Vacancies on the Advisory Board shall be filled according to the requirements for Board members set out in subsection (c) of this Section.

(g) Other Charitable Requests. The requirements of this Section shall apply to charitable requests funded from Net revenues as defined by this Ordinance. The Tribal Council may choose by Resolution to apply the procedures of this Section to charitable funding requests involving other tribal funding sources.

§ 6.88 Amendment.

This Ordinance shall not be amended or revoked except by a two-thirds vote of seated members of the Tribal Council.

CERTIFICATION

The foregoing ordinance was amended by the Siletz Tribal Council at a Special Council meeting held on July 6, 1999 at which a quorum was present, and the ordinance was adopted by a vote of 6 FOR, 0 AGAINST, and 0 ABSTAINING.

SILETZ TRIBAL COUNCIL

Delores Pigsley
Tribal Council Chairman

ATTEST:

Mary "Dolly" Fisher
Tribal Council Secretary/Treasurer

I, Kelley Ellis, Tribal Council Executive Secretary, certify that I am responsible for preparation and archiving of the resolutions enacted by the Siletz Tribal Council, and that this resolution is a true and correct copy of ~~Resolution No.~~ Ordinance Adopted July 6, 1999 passed by the Siletz Tribal Council at a 6.80 Tribal Council meeting on ____, held in ____
Resolution #99-224

Kelley Ellis
Siletz Tribal Council Executive Secretary