

## **FINANCIAL REPORT**

The tribal government caption includes the tribe's general fund and the tribe's BIA trust funds. The Chickasaw Businesses include all of the businesses and operations of the Chickasaw Enterprises. Not included in the financial statements are federally or state funded programs and/or grants and the financial statements of Bank 2 and Chickasaw Industries, Inc.

The growing needs of the businesses are taken into account when determining the transfers from the businesses to the general fund. It is vital to the long range mission of the Chickasaw Nation that the businesses continue to grow and diversify.

Revenues of the tribal operation, other than the transfer from businesses, include motor fuel settlement funds and investment income. Chickasaw Businesses revenues include gaming revenues net of prizes, sales revenue at convenience, travel plazas and tobacco stores, rent and investment income.

Tribal expenditures are classified by function. General government includes the election commission, maintenance and operations of tribal property, Chickasaw Times and governor's and Lt. governor's offices. Expenditure for education includes education scholarship as well as the tribe's division of education. Health expenditures include senior citizens sites, eye glasses, hearing aids, prescription drugs, wellness center, community health clinics, catastrophic medical assistance and other similar programs not covered by federal programs or grants.

The businesses' expenditures are classified as to expenses associated with gaming operation of the tribe and the other businesses of the tribe.

Depreciation has not been computed on the Fixed Assets of the governmental funds for the current year. Depreciation will be computed after year end in connection with the audit.

### **Executive Summary of the Financial Statements of the period ending January 31, 2007**

#### **Tribal Government**

Revenues and transfers from the businesses for operations and fixed assets totaled \$27.5 million year-to-date. Expenditures for the month were \$4.6 million and \$13.3 year-to-date. There has been a total, beginning in fiscal year 2005, of \$82.5 million transferred from the businesses that were reserved for capital projects.

#### **Chickasaw Businesses**

Revenue net of gaming prizes for January totaled \$50 million and \$207 million year-to-date. Net income before the transfers to the Tribal Government was \$16 million for the month and \$63 million year-to-date. After transfers to the Tribal Government for capital projects and tribal program operations the net income was \$22 million year-to-date. The net income includes all revenue, including amounts reserved for business growth and expansion.

**Statement of Net Assets**

At January 31, 2007, the tribal government funds had \$65 million in cash and investments. Of this amount, \$10.2 million is in the BIA Trust funds. This total does not include any federal program funds.

The businesses had \$109 million in cash and investments which is reserved for accounts payable and business operations.

As of January 31, 2007, tribe operations, excluding federal program funding, had assets totaling \$653 million with \$132 million in payables resulting in net assets of \$521 million compared to \$509 million at the end of the 1<sup>st</sup> quarter of fiscal year 2007 or an increase of \$12 million over the first quarter of the fiscal year.