

## **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 sales taxes from the businesses, 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. This will be computed after year end in connection with the audit. Difference between beginning balance at October 31, 2004 and the ending balance last month are year end audit adjustments. Several year-end adjustments also have not been made.

### **Executive Summary of the Financial Statements of the period ending October 31, 2004**

#### **Tribal Government**

Revenues and transfers from the businesses totaled \$8.8 million for the month. Expenditures for the month were \$7.1 million. Included in expenditure was \$1 million transfer to the Housing Construction and Loan Program as authorized by GR 21-075. A total of \$2 million was authorized and the balance will be transferred in November. Expenditures for tribal programs were \$1.1 million which is 3.3% of budget compared to the expected 8.3%.

#### **Chickasaw Businesses**

Revenue net of gaming prizes total \$32.5 million. Net income before the transfers to the Tribal Government was \$9.8 million for the month.

**Statement of Net Assets**

At October 31, 2004, the tribal government funds had \$34.3 million in cash and investments. Of this amount, \$6.7 million is in the BIA Trust fund.

The businesses had \$39.8 million in cash and investments of which \$13.2 million is for accounts payable and \$14.4 million is reserved for reinvestment in present and new businesses.

As of October 31, 2004, tribe operations had assets totaling \$268.3 million with \$21.7 million in payables resulting in net assets of \$246.6 million compared to \$238.8 million at the beginning of the year or an increase of \$7.8 million.