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CHEROKEE NATION®



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From One Fire to a  
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Proud Future

Popular Annual Financial Report for the fiscal year ended September 30, 2012

# Dear Cherokee Nation Citizen:

We are pleased to present the Cherokee Nation's very first Popular Annual Financial Report. This report was prepared with you in mind and is part of the Cherokee Nation's continuing effort to keep you better informed. Many of you have asked for financial information and highlights of the Cherokee Nation in a format that is easily readable and understandable. In this report, you will find brief descriptive information about the Cherokee Nation and its service departments and programs.

The information in this report summarizes the Nation's financial position based on the detailed financial statements found within our Fiscal Year 2012 Comprehensive Annual Financial Report (CAFR). The financial statements were prepared in conformance with Generally Accepted Accounting Principles (GAAP) and audited by an independent accounting firm. Cherokee Nation received an unqualified, or clean, audit opinion. For additional information and detail, please visit [www.cherokee.org](http://www.cherokee.org) to view the current year's CAFR.

The balances presented in this report are for the general government and are presented in an unaudited, non-GAAP format. Financial information on the Nation's subsidiary component units from the CAFR has been excluded, but contact and general information can be found on page 15.

We would like to thank the Nation's professional staff in Financial Resources and Communications for their time and talent in preparing this report.

Thank you for taking the time to read this report.



*Bill John Baker*

Bill John Baker  
Principal Chief



*S. Joe Crittenden*

S. Joe Crittenden  
Deputy Principal Chief



*Lacey A. Horn*

Lacey A. Horn  
Treasurer

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Cherokee Warrior Memorial located at the W.W. Keeler tribal complex in Tahlequah, Oklahoma.

# Osiyo!

The Cherokee Nation is a sovereign nation. Upon settling in Indian Territory (present day Oklahoma) after the Indian Removal Act, the Cherokee people established a new government in what is now the city of **Tahlequah, Oklahoma**. A constitution was adopted in September of 1839, 68 years prior to Oklahoma's statehood.

Today, the Cherokee Nation is one of the largest Indian tribes in the United States with more than **317,000 citizens** world-wide. More than 120,000 Cherokee Nation citizens reside within the 9,234-square mile, 14-county jurisdiction that covers most of northeastern Oklahoma.

Services we provide include health and human services, education, employment and housing services, economic and infrastructure development and environmental protection.

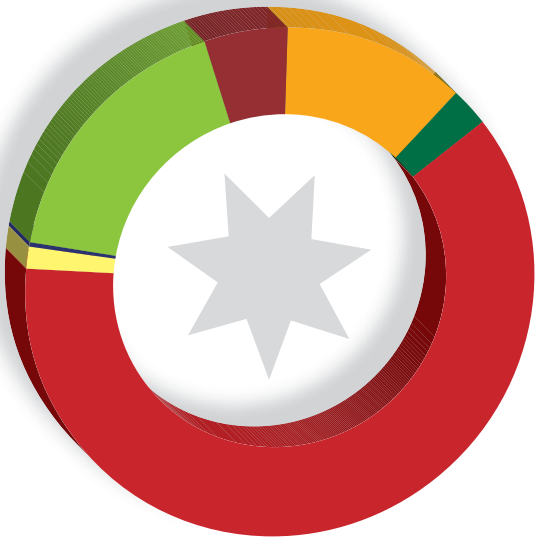
With more than 8,750 employees, the Cherokee Nation and its subsidiaries together are one of the **largest employers** in northeastern Oklahoma. The tribe has a widespread positive impact on the Oklahoma economy annually.



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Where the Money Comes From

2012 Sources



- ★ Operating Grants & Contributions : 61.45%
- ★ Unrestricted Grants & Contributions : 2.53%
- ★ Charges for Services and Misc. : 18.3%
- ★ Capital Grants & Contributions : 0.08%
- ★ Dividends from Component Units : 12.31%
- ★ Unrestricted Investment Earnings : 0.25%
- ★ Taxes : 5.08%

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Where the Money Goes

2012 Uses

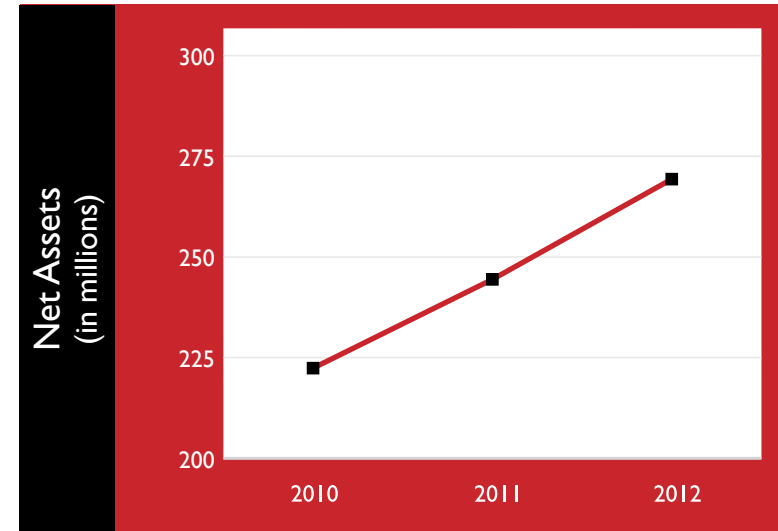


- ★ Health Services : 56.01%
- ★ Human Services : 8.84%
- ★ Community Services : 15.67%
- ★ Tribal Government : 6.74%
- ★ Education Services : 12.38%
- ★ Interest on Long-Term Debt : 0.36%

<b>Assets</b>	<b>TOTAL</b>
Cash and cash equivalents	\$ 265,232
Investments	\$ 18,431
Accounts receivable, net	\$ 24,341
Inventories	\$ 4,049
Notes receivable	\$ 2,593
Other current assets	\$ 9,024
Restricted cash, cash equivalents and investments	\$ 38,126
Long-term notes receivable	\$ 15,285
Other assets	\$ 4,053
Deferred outflow	\$ 1,557
Capital assets	\$ 147,142
<b>TOTAL ASSETS</b>	<b>\$ 529,833</b>
<b>Liabilities</b>	
Accounts payable and accrued liabilities	\$ 47,837
Other current liabilities	\$ 8,931
Unearned revenue	\$ 1,017
Deferred grant revenue	\$ 138,194
Notes payable and long-term debt	\$ 52,859
Capital leases	\$ 130
Compensated absences	\$ 7,201
Other noncurrent liabilities	\$ 4,332
<b>TOTAL LIABILITIES</b>	<b>\$ 260,501</b>
<b>Net Assets</b>	
Invested in capital assets, net of related debt	\$ 102,637
Restricted net assets	\$ 100,644
Unrestricted net assets	\$ 66,051
<b>TOTAL NET ASSETS</b>	<b>\$ 269,332</b>

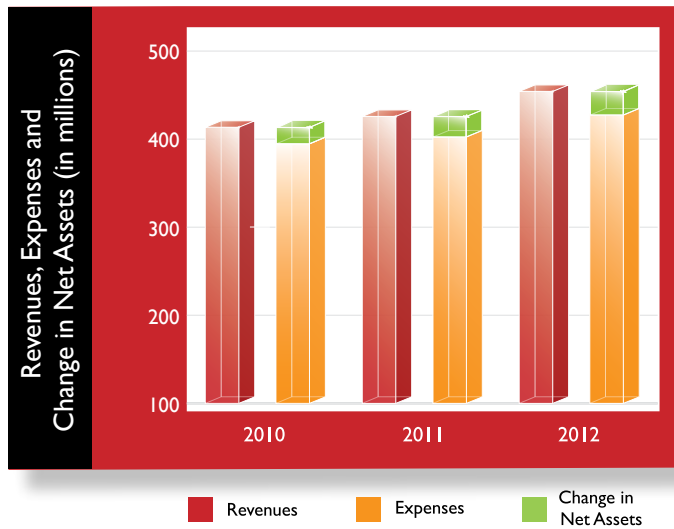
The Nation's assets exceeded its liabilities at the end of the fiscal year 2012 by **\$269 million** (net assets).

Of this amount, **\$66 million** are unrestricted net assets that may be used to meet the government's ongoing obligations.



Year	Net Assets
2010	\$222,386
2011	\$244,427
2012	\$269,332

The net assets increased by **\$25 million**, which is largely attributable to increased dividends received in the General Fund from Component Units during fiscal year 2012.



Year	Revenues	- Expenses	= Change in Net Assets
2010	\$ 421,490	\$ 405,811	\$ 15,679
2011	\$ 433,807	\$ 411,766	\$ 22,041
2012	\$ 462,201	\$ 437,296	\$ 24,905

## Revenues

	TOTAL
General Revenues:	
Motor fuel tax	\$ 7,435
Motor vehicle tax	\$ 8,960
Tobacco tax	\$ 3,943
Sales tax	\$ 3,111
Unrestricted grants and contributions	\$ 11,676
Unrestricted investment earnings	\$ 1,142
Dividends from component units	\$ 56,806
Miscellaneous revenue	\$ 6,327
<b>TOTAL GENERAL REVENUES</b>	<b>\$ 99,400</b>
Program Revenues:	
Charges for services	\$ 78,989
Operating grants	\$ 283,446
Capital grants	\$ 366
<b>TOTAL PROGRAM REVENUES</b>	<b>\$ 362,801</b>
<b>TOTAL REVENUES</b>	<b>\$ 462,201</b>

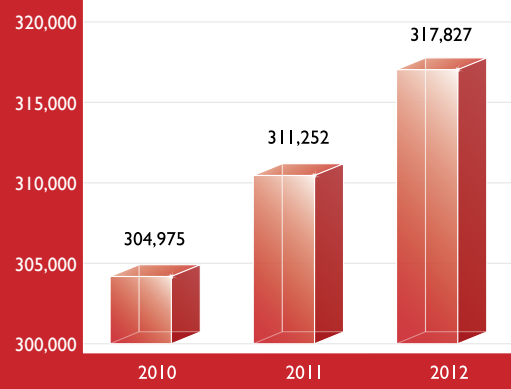
## Expenses

Governmental Activities:	
Tribal government	\$ 29,428
Health Services	\$ 244,547
Education Services	\$ 54,061
Human Services	\$ 38,575
Community Services	\$ 68,391
Interest on long-term debt	\$ 1,569
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 436,571</b>
Business-type Activities:	
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 725</b>
<b>TOTAL EXPENSES</b>	<b>\$ 437,296</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ 24,905</b>
NET ASSETS, BEGINNING	\$ 244,427
<b>NET ASSETS, ENDING</b>	<b>\$ 269,332</b>

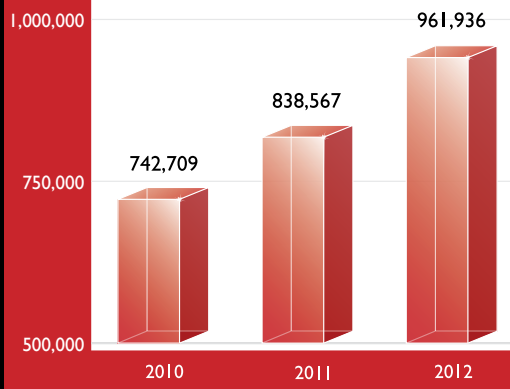
\* For additional information, please see notes to basic financial statements in the CAFR at [www.cherokee.org](http://www.cherokee.org)

# ORGANIZATIONAL HIGHLIGHTS

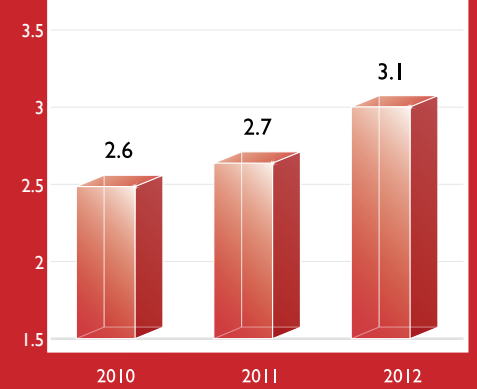
Cherokee Nation Citizens



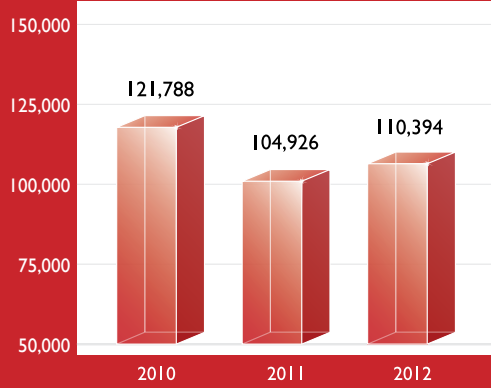
Health Facilities  
(number of patient visits)



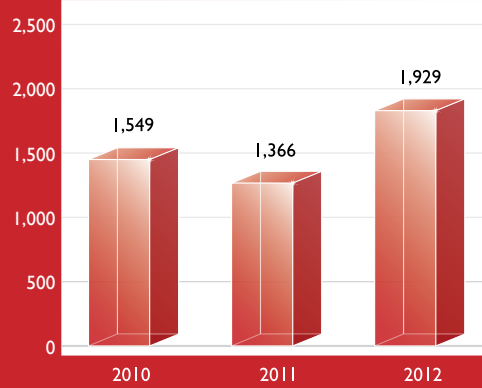
Motor Vehicle Tag Dollars to  
Public Schools (in millions)



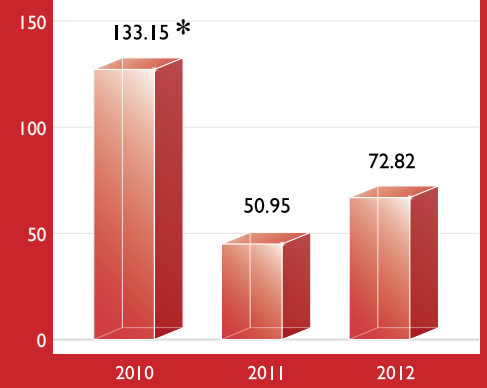
Food Distribution  
(individuals assisted)



Rental Assistance  
(families served)



Roads and Bridges  
(miles constructed)



\* American Recovery and Reinvestment Act funds used





Cherokee Nation operates one hospital and nine health centers, including the new **Vinita Health Center**, which opened in fall 2012.



Miss Cherokee Christy Kingfisher



Cherokee Nation Elected Officials



Cherokee Nation Tax Commission

Cherokee Nation operates the largest tribal health care system in the U.S. Among numerous health programs, some services include:

### Medical Health Centers and Hospital

Nine health centers and one hospital together assisted 961,936 patients in 2012.

### Behavioral Health

This service aids in mental health, substance abuse and community-based programs promoting mental health.

### Jack Brown Center

A chemical dependency residential center to aid Indian adolescents.

### Emergency Medical Services

Cherokee Nation Emergency Medical Services (CNEMS) is a state-licensed paramedic-level ambulance service operated by the Cherokee Nation.

### Cancer Programs

Education, assistance and screenings are part of the tribe's Comprehensive Cancer Control Plan.

### Healthy Nation

Outreach services to schools and communities to promote healthy lifestyles.

### Women, Infants and Children (WIC)

The program is directed toward pregnant or nursing women, as well as infants and children under five years of age.

# 127,510

DIABETES EDUCATION PARTICIPANTS

# 961,936

CNHS PATIENT VISITS

# 4,422

CALLS RESPONDED BY CNEMS

# 89,183

WIC PARTICIPANTS SERVED



Cherokee Nation Health Services (CNHS) was the first tribal health system to achieve accreditation by Det Norske Veritas and has received 18 awards from the Indian Health Service through the Government Performance and Results Act.

324

HEAD START STUDENTS

2,447

SCHOLARSHIPS AWARDED

100

IMMERSION ELEMENTARY STUDENTS

284

SEQUOYAH STUDENTS



Cherokee Nation Education Services works to cultivate the development of skilled and knowledgeable Cherokees through administration of programs that focus resources on serving people of all ages. Programs include:

**Head Start**

Preparing pre-K children for school.

**Immersion School**

Promotes revitalization and use of the Cherokee language through educating children in a cultural environment.

**Sequoyah Schools**

Middle school and high school education for Native American students in grades 7-12.

**College Resources Center**

Scholarships to qualified Native American students attending an accredited college.

**Johnson O'Malley (JOM)**

Co-Partner Program designed to provide supplemental and/or operational support to public schools within Cherokee Nation boundaries.

**Arts Outreach**

Arts programs for schools and community groups.

**Directed Studies Program**

Provides financial aid to higher education students aimed at strengthening the Cherokee Nation government and economy.

**Language Technology**

Technology that promotes and aids use of the Cherokee syllabary to communicate.

**Learn & Serve**

Sub-grants that provide opportunities for K-12 students.

In the past 10 years, Cherokee Nation has distributed \$28 million from car tag revenues to local school districts in unrestricted support.

The Cherokee Nation offers many Human Services programs to its citizens and to other Native Americans throughout its tribal jurisdiction. These services range from child care and development to low-income heating and energy assistance. Examples of Human Services programs include:

**Family Assistance**

An array of services that include Food Distribution along with emergency, energy and burial assistance to qualified Native Americans.

**Child Support Services**

Ensures that all parents support their children by using a holistic, cultural approach to child support cases.

**Child Care & Development Center**

Provides quality child development and child care services. Includes training, licensing and educational resources.

**Children, Youth & Family Services**

A fully integrated support system for children and families who need stability and consistency in times of crisis or uncertainty. Services include adoption, foster care, crisis shelter and child protective services.

3,230

CHILDREN SERVED BY CHILD CARE SUBSIDY

1,265

ELDERS-IN-NEED PROGRAM PARTICIPANTS

8,700

CHILDREN AIDED BY CHILD SUPPORT SERVICES

47,582

FAMILIES SERVED THROUGH FOOD DISTRIBUTION



# 18,643

TRANSIT SYSTEM PASSENGERS

# 542

CASES ASSISTED FOR COMPLIANCE  
BY ENVIRONMENTAL PROTECTION

# 379

PRIVATELY OWNED HOMES REHABILITATED

# 72.8

MILES OF ROADS AND BRIDGES BUILT



Community Services improves the quality of life for Cherokee families by assisting with housing, roads, water, sanitation and environmental health. Community Services programs include:

### **Transit Bus Services**

Provides tribal employees and the general public with low-cost transportation also known as “park-n-ride” transit routes.

### **Roads**

Constructs and repairs roads and bridges in the 14-county Cherokee Nation jurisdiction.

### **Engineering and Sanitation**

Assists with sanitation facilities for homes and communities.

### **Environmental Health**

Helps to ensure that tribal facilities are operated in a safe and sanitary manner, and provides tribal members with services and information to lead environmentally healthy lifestyles.

### **Community Organization Training and Technical Assistance**

Facilitates opportunities for partnerships between Cherokee Nation and local communities.

### **Community Youth Development**

Assists youth in excelling through group and community action.

### **Housing Rehabilitation**

Making homes safe for our citizens. Priority is given to the elderly, disabled and Cherokee Nation families.

**Career Services** develops and encourages individuals to achieve and maintain work habits and skills that promote employability and self-sufficiency through programs encompassing education, training, rehabilitation and supportive services. Programs include, among others:

**Vocational and Educational Programs**

Assists individuals with their educational and vocational training needs.

**Employment Programs**

Provides employment services that assist individuals in attaining and retaining unsubsidized employment that leads to self-sufficiency.

**Youth Programs**

Educational, vocational, leadership and employment programs for youth, both summer specific and year-round.

**Assessments and Certifications**

Assesses skills and interests, leading to good career choices. GED testing is also provided.

**Programs for Businesses and Employers**

Works with businesses and employers to ensure their workforce needs are met.

**Commerce Services** is dedicated to helping build the economic security of Cherokee citizens and communities. Education and financial assistance is available to help entrepreneurs achieve their personal and business objectives. Program examples include:

**Self-Sufficiency Programs**

Assists participants in creating financial security through the implementation of a Mortgage Assistance Program, iSave, foreclosure prevention services, homebuyers' education classes and financial coaching.

**Small Business Assistance Center**

Encourages small business development and entrepreneurship through business financing, government contracting and development services for Cherokee citizens.

**Artist Development**

Develops talents along with business and marketing support to create viable businesses through cultural art.

**Community Tourism**

Build sustainable Cherokee communities and citizens through the creation and expansion of tourism opportunities while promoting and preserving the Cherokee culture and heritage.



### **Cherokee Nation Businesses**

777 W. Cherokee St., Catoosa, OK 74015  
 918-266-6700 [www.cherokeemnationbusinesses.com](http://www.cherokeemnationbusinesses.com)

Cherokee Nation Businesses is a parent company of a diversified portfolio of businesses owned by the Cherokee Nation. Industries included are environmental consulting, gaming, health care, hospitality, manufacturing & distribution, real estate and technology.

### **Housing Authority of the Cherokee Nation**

1500 Hensley Dr., Tahlequah, OK 74464  
 918-456-5482 [www.housing.cherokee.org](http://www.housing.cherokee.org)

The Housing Authority of the Cherokee Nation provides Cherokee citizens with various means of housing assistance. Services include home construction, low-income rental, rental assistance and home insurance.

### **Cherokee Nation Comprehensive Care Agency**

1387 W. 4th St., Tahlequah OK 74464  
 918-431-5554 [www.eldercare.cherokee.org](http://www.eldercare.cherokee.org)

The Cherokee Nation Comprehensive Care Agency is a community PACE program that enhances the quality of life and autonomy for frail older adults, while enabling them to live in their home and in the community for as long as possible.



### **Cherokee Nation Home Health Services**

1630 N. Cedar, Tahlequah, OK 74464  
 888-281-6910 [www.cnhhs.org](http://www.cnhhs.org)

Cherokee Nation Home Health Services is a tribally incorporated not-for-profit home health care agency that is Medicare and Medicaid certified to provide state-licensed home health care. Services provided are home health, outreach and hospice.

### **Cherokee Nation Waste Management**

925 W. Hickory, Stilwell, OK 74960  
 918-696-8107

Cherokee Nation Waste Management includes a landfill, green technologies and recycling.

### **Cherokee National Historical Society**

P.O. Box 515, Tahlequah, OK 74465  
 918-456-6007 [www.cherokeeheritage.org](http://www.cherokeeheritage.org)

The Cherokee National Historical Society dba Cherokee Heritage Center is a 501(c)3 historical society and museum that seeks to preserve the historical culture of the Cherokee people.

### **Cherokee Nation Foundation**

115 E. Delaware, Tahlequah, OK 74464  
 918-207-0950 [www.cherokeemnationfoundation.org](http://www.cherokeemnationfoundation.org)

The Cherokee Nation Foundation is a 501(c)3 charitable organization that provides higher education assistance to Cherokee students and strives to revitalize the Cherokee language.

# Cherokee Nation Directory

918-453-5000 • 800-256-0671 • Fax 918-458-6219

Administration  
918- 453-5618

Career Services  
918-453-5555

Cherokee FIRST Information Center  
918-207-3936

Cherokee Nation Businesses  
918-266-6700

Cherokee Nation Industries  
800-259-6505

Commerce/Small Business Assistance  
918-453-5536

Communications/PR/Web  
918-453-5541

Community Services  
918-207-3879

Education Services  
918-207-3865

Financial Resources  
918-453-5402

Health Services  
918-453-5657

Housing Authority of the Cherokee Nation  
918-456-5482 or 800-837-2869

Human Services  
918-453-5422

Human Resources  
918-453-5292

Marshal Service  
918-207-3800

Tax Commission (Car Tags)  
918-453-5100

Tribal Council  
918-207-3900 or 800-995-9465

Tribal Registration (Enrollment)  
918-458-6980

Veterans Office  
918-453-5695



Scan this QR code with your smart phone to watch videos from Cherokee Nation Television.

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