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Dear Cherokee Nation Citizen,

We are pleased to present the Cherokee Nation’s seventh Popular Annual Financial Report. This report was prepared for you and is part of our 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 easy to read and understand. In this report, you will find financial and statistical information about the Cherokee Nation and its service departments and programs, specifically those serving our priorities to the Cherokee people: “Homes, Health and Hope.”

The information in this report summarizes the Cherokee Nation’s financial position based on the detailed financial statements found within our Fiscal Year 2018 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 unmodified, or clean, audit opinion. For additional information and details, please visit 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. Cherokee Nation’s subsidiary component units’ contact and general information can be found on page 14; however, their financial information is not included in this report.

We deeply appreciate and thank the Cherokee 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. It is our honor and privilege to serve you.
The Cherokee Nation is a sovereign tribal government. 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 on September 6, 1839, 68 years prior to Oklahoma’s statehood.

Today, the Cherokee Nation is the largest tribe in the United States with over 369,000 citizens worldwide. More than 141,000 Cherokee Nation citizens reside within the 14-county tribal reservation area that covers most of northeastern Oklahoma.

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

With approximately 11,000 employees, Cherokee Nation and its subsidiary component units are, collectively, one of the largest employers in northeastern Oklahoma. The tribe has more than a $2.16 billion economic impact on the regional economy.
Capital Projects in FY2018

Cherokee Nation Health Services, the largest tribal health system in the U.S., was awarded an Indian Health Service (IHS) Joint Venture Construction project to build a 469,000-square-foot health care facility in Tahlequah. As construction continued in FY2018, we invested $73.7 million into the construction project. Once completed, IHS will provide approximately $100 million annually for staffing and operations of the new facility. Projected completion is scheduled for late 2019.

In addition, Cherokee Nation continued to make investments in our infrastructure further enabling service capacity. In FY2018, we invested $1.7m into numerous upgrades to our facilities.
### Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$370,798,000</td>
</tr>
<tr>
<td>Investments</td>
<td>28,527,000</td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>34,843,000</td>
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<tr>
<td>Due from Component Units</td>
<td>2,424,000</td>
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<tr>
<td>Inventories</td>
<td>5,719,000</td>
</tr>
<tr>
<td>Notes receivable</td>
<td>3,199,000</td>
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<tr>
<td>Other current assets</td>
<td>9,910,000</td>
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<tr>
<td>Restricted cash, cash equivalents and investments</td>
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<tr>
<td>Long-term notes receivable</td>
<td>9,057,000</td>
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<tr>
<td>Other assets</td>
<td>60,000</td>
</tr>
<tr>
<td>Derivative instrument - rate swap</td>
<td>10,402,000</td>
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<tr>
<td>Equity interests in Component Units</td>
<td>881,874,000</td>
</tr>
<tr>
<td>Capital assets, non depreciable</td>
<td>126,689,000</td>
</tr>
<tr>
<td>Capital assets, depreciable, net</td>
<td>195,974,000</td>
</tr>
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</table>

**TOTAL ASSETS** 1,683,299,000

### Deferred Outflow of Resources

**TOTAL DEFERRED OUTFLOW OF RESOURCES** 18,000

### Liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>17,183,000</td>
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<tr>
<td>Accrued liabilities</td>
<td>53,532,000</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>6,540,000</td>
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<tr>
<td>Unearned revenue</td>
<td>172,721,000</td>
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<tr>
<td>Notes payable and long-term debt</td>
<td>119,203,000</td>
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<tr>
<td>Capital leases</td>
<td>584,000</td>
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<tr>
<td>Compensated absences</td>
<td>8,293,000</td>
</tr>
<tr>
<td>Derivative instrument - rate swap</td>
<td>18,000</td>
</tr>
<tr>
<td>Other noncurrent liabilities</td>
<td>3,522,000</td>
</tr>
</tbody>
</table>

**TOTAL LIABILITIES** 381,596,000

### Deferred Inflow of Resources

**TOTAL DEFERRED INFLOW OF RESOURCES** 10,402,000

### Net Position

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net investments in capital assets</td>
<td>189,880,000</td>
</tr>
<tr>
<td>Restricted net position</td>
<td>1,029,195,000</td>
</tr>
<tr>
<td>Unrestricted net position</td>
<td>72,244,000</td>
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</table>

**TOTAL NET POSITION** $1,291,319,000

The Nation’s assets and deferred outflow of resources exceeded its liabilities and deferred inflow of resources at the end of the FY2018 by $1.3b (net position). Of this total amount, $72.2m is unrestricted net position that may be used to meet the government’s ongoing obligations.

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**Sovereign Wealth Fund Creation**

In December 2017, the Nation created the Cherokee Nation Sovereign Wealth Fund (CNSWF). The two largest funds within the CNSWF are the Education Reserve and the Emergency Reserve. Intended to provide financial security in the event of unforeseen future events, these reserve funds will be invested for growth purposes under the direction of the Treasurer.
Cherokee Nation’s net position increased by $101.3m over prior year. The governmental activities increased $100.2m, and business-type activities increased $1.1m.

**Revenues**

General Revenues:
- Motor fuel tax
- Motor vehicle tax
- Tobacco tax
- Sales tax
- Unrestricted grants and contributions
- Unrestricted investment earnings
- Dividends from component units*
- Miscellaneous revenue
- Litigation settlement

**Program Revenues:**
- Charges for services
- Operating grants and contributions
- Capital grants and contributions

**TOTAL REVENUES AND TRANSFERS**

**Expenses**

Governmental Activities:
- Tribal government
- Health Services
- Education Services
- Human Services
- Community Services
- Interest on long-term debt

**Business-type Activities:**

**TOTAL BUSINESS-TYPE ACTIVITIES**

**TOTAL EXPENSES**

**CHANGE IN NET POSITION**

**NET POSITION, BEGINNING**

**NET POSITION, ENDING**

* Dividends received from Component Units. Amounts do not reflect financial information relating to the Component Units.

For additional information, please see notes to basic financial statements in the CAFR at www.cherokee.org

For the year ended September 30, 2018
Family: A bridge to the future, a link to the past
Along with tribal historic, cultural and language preservation, the Cherokee Nation is committed to protecting our land, water and air for future generations to prosper.

Culture
Preserving our culture is a priority for the tribe. We have many programs that teach young and old about our unique culture. Cherokee Nation spent $13.8m in FY2018 on various programs such as cultural outreach, multiple language programs, Remember the Removal Bike Ride and the Cherokee National Youth Choir.

Tribal Historic Preservation Office
Collaborates with public and private sectors to ensure that Cherokee cultural resources are protected and preserved. This program proposes project reviews in government-to-government consultation under the Federal National Historic Preservation Act of 1966.

Language Technology
Cherokee Nation continues to develop innovative programs to preserve our language for future generations. The Cherokee language syllabary is available on digital platforms such as Apple iOS, Google, Android and Microsoft which enables Cherokees to converse in our language.

Environmental Protection
Numerous resources address the tribe’s environmental concerns associated with our land, water and air. The Environmental Protection Commission ensures that Cherokee Nation facilities are operated in a safe and sanitary manner. In FY2018, Cherokee Nation Environmental Protection conducted 725 environmental reviews for projects involving roadway development, water and sewer infrastructure, housing rehabilitation and new construction. In addition, the commission assisted with 603 inspections of compliance in FY2018.
Cherokee Nation operates the largest tribally managed health care system in the United States. Our health care system consists of nine outpatient health centers and one hospital providing a wide variety of physical, dental and mental health care to all Native Americans. The Nation’s recent health care capital improvement plan demonstrates our dedication to creating a world-class health care system and making health care more accessible.

**Women, Infants and Children (WIC)**
Directed towards pregnant or nursing women, as well as infants and children less than five years of age to assist with acquiring healthy foods. In FY2018, the tribe’s WIC program provided $4.7m in food vouchers that served 79,131 women and children. The tribe also fed 14,819 children during the summer months.

**Behavioral Health**
Aids in mental health, substance abuse and community-based programs promoting mental health. The tribe assisted 17,958 behavioral health patients in FY2018. The Nation’s Behavioral Health HERO Project received three national awards from the Substance Abuse and Mental Health Services Administration.

**Diabetes Programs**
Offers Native Americans education, medication and medical supplies to help control diabetes. 10,068 Native Americans were assisted in FY2018.

**Dental Services**
Cherokee Nation dental services located within the health centers offers convenient, professional dental care. 84,148 dental patients were seen in FY2018.

**Emergency Medical Services (CNEMS)**
CNEMS is a state licensed paramedic level ambulance service. In FY2018, CNEMS responded to 5,915 calls.

Health Centers and Hospital
In FY2018, there were 1.3m total patient visits at our health centers and 709 babies were born at W.W. Hastings Hospital.
The Cherokee Nation has a robust education system. Through educational programs, record numbers of scholarships, and schools serving pre-K through 12th grade, the Cherokee Nation assists our tribal citizens by offering them resources to create a better future for themselves and their families.

Higher Education
The College Resource program awards scholarships to Cherokee Nation tribal citizens pursuing a degree at an accredited college. There were **4,537 higher education scholarships awarded in FY2018**.

Sequoyah High School (SHS)
SHS offers high school education for Native American students in grades 9th - 12th. **There were 367 students were enrolled in FY2018.**

Cherokee Language Immersion School
A language preservation program designed to revitalize the Cherokee language beginning with our children in grades pre-K through 8th grade. **In FY2018, 134 children were enrolled in the Cherokee Language Immersion School.**

Head Start
Cherokee Nation Head Start is based on the premise that children 6 weeks to five years old from income eligible families can benefit from a social and educational program. **There were 893 students enrolled in Head Start in FY2018.**

Johnson O’Malley Program (JOM)
The JOM program supports the education of eligible Native American students enrolled in public schools. The education provided by JOM includes such programs as culture, language, academics and student retention. **25,804 children attended JOM programs in FY2018.**
Cherokee Nation is committed to growing our local and regional economies through programs that assist with job creation, career training, entrepreneurial assistance and creation of business partnerships.

**Vocational Training**
Cherokee Nation offers several in-house training programs as well as assistance to those who are enrolled in vocational training or college degree programs. In FY2018, there were 2,473 Native American participants.

**Adult Education**
Students study at their own pace and receive individualized and group instruction. There were 181 citizens that received their high school diploma equivalent from this program in FY2018.

**Self-Sufficiency Programs**
Assists participants to create financial security through educational classes and financial coaching. In FY2018, there were 65 families that successfully obtained mortgages for homes.

**Small Business Assistance Center (SBAC)**
SBAC encourages entrepreneurship through business financing, government contracting, and development services for Cherokee citizens. We issued $2.3m in commercial loans in FY2018 to 236 small businesses which resulted in the creation or retention of 219 jobs.

**Wildland Fire Management**
Cherokee Nation hires and trains qualified Cherokee firefighters to assist our communities and the U.S. in forest management and firefighting. Our firefighters responded to 163 fires within our jurisdiction and assisted with 34 outside of the boundaries in FL, TX, NM, CO, ID, MT and OR.

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### Business Partnerships
Cherokee Nation partners with major corporations to enable employment opportunities as well as strengthen our local economies. A few of our partners are:

<table>
<thead>
<tr>
<th>Business</th>
<th>Town</th>
<th>Jobs Created</th>
</tr>
</thead>
<tbody>
<tr>
<td>Macy’s</td>
<td>Owasso</td>
<td>5,000</td>
</tr>
<tr>
<td>Amazon</td>
<td>Tulsa</td>
<td>1,500</td>
</tr>
<tr>
<td>Greenheck</td>
<td>Tulsa</td>
<td>1,000</td>
</tr>
<tr>
<td>Sofidel</td>
<td>Inola</td>
<td>300</td>
</tr>
<tr>
<td>Dish Network</td>
<td>Tulsa</td>
<td>253</td>
</tr>
</tbody>
</table>

The Summer Youth program connects Native teens with summer jobs to earn money and gain work experience. In FY2018, 500 teens participated in the program.
Cherokee families are well known for their strength and resilience. Through our Human Services department, we provide an array of family support programs to our citizens, as well as programs designed specifically for children, youth and elders.

**Child Care & Development Center (CDC)**
Cherokee Nation cares deeply about the development and well-being of our youngest citizens. We provide quality child development and child care services. In FY2018, 242 children were enrolled in our CDC centers and 2,563 were provided child care through subsidies.

**Indian Child Welfare**
Indian Child Welfare is a fully integrated support system for children and families who need stability and consistency in times of crisis or uncertainty. More than 1,800 children are cared for monthly in our foster care program.

**Family Assistance**
These programs assist individuals to achieve their highest level of potential and self-sufficiency by promoting personal and family unity as well as economic and social stability. In FY2018, $4.6m was allocated to direct client assistance for our youth, elders and families.

**Food Distribution**
The Cherokee Nation maintains seven food distribution centers that distribute nutritious food to eligible Native American families residing within the Cherokee Nation boundaries. Cherokee Nation’s food distribution centers served 60,859 households in FY2018.

**Child Support Enforcement Program**
The Child Support Enforcement Program collects court-ordered child support dollars that are distributed to custodial guardians. This program collected and distributed over $3.5M in child support with 2,531 active cases in FY2018.
Strong communities are important to the Cherokee people. Cherokee Nation contributes resources to our communities to ensure they remain strong and prosperous.

**Roads Department**
The mission of the Roads Department is to improve the quality of life for Native families and communities by providing safer roads, which creates better access to housing, schools, health care, businesses and employment. In FY2018, there were 56.56 miles of roads and bridges repaired or completed.

**Wells & Septic Systems**
Environmental Programs ensures safe water for homes and communities. The program installed or repaired 181 wells and septic systems in FY2018.

**Veterans Center**
Honoring those who have served, our 8,700-square-foot Cherokee Nation Veterans Center has many resources to assist with benefits available to our veterans and currently enlisted military. A Veterans Affairs Readjustment Counselor is available to provide services to veterans as needed. With events and activities throughout the year, the center serves an average of 329 veterans and widows of veterans per month.

**Transit Services**
Cherokee Nation transit provides people throughout the Cherokee Nation a safe, efficient, eco-friendly and cost-effective way to travel between our communities. In FY2018, Cherokee Nation Transit Services provided 107,712 rides.

**Waterlines**
Cherokee Nation assists our communities in providing safe water supplies. In FY2018, Community Services installed 10.5 miles of waterlines that improved the quality of life for families and communities.

Native plants are traditionally used by Cherokees for food and cultural purposes. In 2018, we distributed 4,905 packages of seeds (not available in stores) to tribal citizens.
Cherokee Nation Businesses
777 W. Cherokee St., Catoosa, OK 74015
918-384-7474 www.cherokeenationbusinesses.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 and distribution, real estate and technology.

Housing Authority of the Cherokee Nation
1500 Hensley Dr., Tahlequah, OK 74464
918-456-5482 www.cherokeehousingauthority.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
918-453-5554 www.elderCare.cherokee.org
The Cherokee Nation Comprehensive Care Agency is a community PACE program that enhances the quality of life and autonomy for elders, while enabling them to live in their home and communities for as long as possible.

Cherokee Nation Home Health Services
1630 N. Cedar, Tahlequah, OK 74464
888-281-6910 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 National Historical Society
P.O. Box 515, Tahlequah, OK 74465
918-456-6007 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.cherokeenationfoundation.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 Health Partners
1400 E. Downing St., Tahlequah, OK 74464
918-453-2140
Cherokee Health Partners is a partnership with Northeastern Health System that provides state-of-the-art medical imaging services.
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<thead>
<tr>
<th>Department</th>
<th>Phone Number</th>
</tr>
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<td>Administration</td>
<td>918-453-5618</td>
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<td>Career Services</td>
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<td>Cherokee FIRST Information Center</td>
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<td>Communications/PR/Web</td>
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<td>Community Services</td>
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<td>Education Services</td>
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<td>Financial Resources</td>
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<td>Health Services</td>
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<td>Human Services</td>
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</tr>
<tr>
<td>Human Resources</td>
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</tr>
<tr>
<td>Hunting and Fishing Licenses</td>
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<tr>
<td>Indian Child Welfare</td>
<td>918-458-6900</td>
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<tr>
<td>Marshal Service</td>
<td>918-207-3800</td>
</tr>
<tr>
<td>Tax Commission (Car Tags)</td>
<td>918-453-5100</td>
</tr>
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<td>Tribal Council</td>
<td>918-207-3900 or 800-995-9465</td>
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<tr>
<td>Tribal Registration (Enrollment)</td>
<td>918-458-6980</td>
</tr>
<tr>
<td>Veterans Office</td>
<td>918-772-4166</td>
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