

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Basic Financial Statements, Required Supplementary
Information and Additional Supplementary Information

Year Ended December 31, 2010

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**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

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AND HAIDA INDIAN TRIBES OF ALASKA**

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The Members of the Council
Central Council of the Tlingit and Haida
Indian Tribes of Alaska
Juneau, Alaska

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Central Council of the Tlingit and Haida Indian Tribes of Alaska (the Central Council), as of and for the year ended December 31, 2010, which collectively comprise the Central Council's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the Central Council's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Central Council, as of December 31, 2010, and the respective changes in the financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated April 12, 2011 on our consideration of the Central Council's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Members of the Council
Central Council of the Tlingit and Haida
Indian Tribes of Alaska

The Management's Discussion and Analysis on pages 4-12, and budgetary comparison information on pages 48-51 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Central Council's basic financial statements. The combining and individual fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of Central Council of the Tlingit and Haida Indian Tribes of Alaska. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Mikunda, Cottrell & Co.

Anchorage, Alaska
April 12, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Management's Discussion and Analysis

December 31, 2010

The Central Council of the Tlingit and Haida Indian Tribes of Alaska (CCTHITA) is required by GASB 34 to provide a Management's Discussion and Analysis (MD&A), which provides a narrative overview and analysis of the financial activities of CCTHITA for the fiscal year ended December 31, 2010 in accordance with GASB 34.

Financial Highlights

- CCTHITA net assets increased by \$568,387.
 - The governmental net assets increased by \$751,320.
 - The business-type net assets decreased by \$182,933.
- Total revenue increased by \$1,662,388 (5.78%) primarily due to increased operating grant revenue.
- The total cost of all CCTHITA programs increased by \$1,858,064 compared to last year. This increase was primarily due to expenditure of American Recovery and Reinvestment Act (ARRA) funds.
- Total liabilities of CCTHITA decreased by \$1,996,455 (15.39%) primarily due to zero balance on the line of credit, which had a balance of \$1,500,000 the prior year.

Report Format

The report consists of the independent auditors' report, government-wide statements, fund financial statements, notes to the financial statements, combining statements of nonmajor funds and supplementary information. Comparative information is available.

The report layout is graphically presented in the following illustration:

Independent Auditors' Report (pages 1-2)
Management's Discussion and Analysis (pages 4-12) (Required Supplementary Information)
Basic Financial Statements (pages 14-22) Notes to the Basic Financial Statements (pages 23-46)
Required Major Funds Supplementary Information (pages 48-51)
Additional Supplementary Information, including Governmental Funds by Department and Proprietary Funds (pages 53-78)

CENTRAL COUNCIL OF THE TLINGIT AND HAIDA INDIAN TRIBES OF ALASKA

Management's Discussion and Analysis, continued

The first statements are highly condensed and present a government-wide view of CCTHITA's finances. All operations are reported as either governmental or business-type activities. Our governmental activities have been grouped in the following categories: Health and Welfare, Education, Economic Development, Tribal Assistance, Natural Resources, Administration and Internal Service Functions. Business-type activities are the Enterprise Funds. The government-wide statements include the Statement of Net Assets and Statement of Activities.

The focus is on both CCTHITA as a whole (government-wide) and on the major individual funds.

Overview of Financial Statements

The MD&A is intended to serve as an introduction to CCTHITA's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report contains supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide a broad overview of CCTHITA's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of CCTHITA's assets and liabilities, with the difference reported as net assets.

The statement of activities depicts how the net assets changed during the fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions that are principally supported by intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The government-wide financial statements can be found on pages 14-15 of this report.

Fund Financial Statements

The CCTHITA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the CCTHITA can be divided into two categories: governmental funds and proprietary funds.

CENTRAL COUNCIL OF THE TLINGIT AND HAIDA INDIAN TRIBES OF ALASKA

Management's Discussion and Analysis, continued

Governmental Funds

Governmental funds are used to account for the same functions reported as *governmental activities* in the government-wide financial statements. Governmental fund financial statements help determine whether there are more or fewer financial resources that can be spent in the near future to finance CCTHITA's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances. Reconciliation is presented to facilitate this comparison between *governmental funds* and *governmental activities*.

CCTHITA maintains approximately 200 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the major governmental funds. The major governmental funds are the General Fund, the BIA Compact Fund, TANF Funds (include both State and Federal), Head Start (include both State and Federal) and the Tribal Trust Fund. Data from the remaining special revenue funds is presented in aggregate. Detail by fund type is presented in the combining statements.

CCTHITA adopts an annual budget for the general fund, including facilities. A budgetary comparison statement has been provided for the major governmental funds except for the Tribal Trust Special Revenue fund, which does not have an annual budget.

The basic governmental fund financial statements can be found on pages 16-19 of this report.

Proprietary Funds

The CCTHITA maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Internal service funds are used to accumulate and allocate costs among the CCTHITA's various functions. Internal service funds account for the ownership and maintenance of certain real and personal property. These funds' services predominately benefit governmental rather than business-type functions, and have been included within governmental activities in the government-wide financial statements.

The proprietary fund financial statements provide separate information for the Tlingit and Haida Technology Industries (THTI) Enterprise fund, the ANB Condo and the VTRC Enterprise funds.

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Management's Discussion and Analysis, continued

The internal service funds are combined in aggregate in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 20-22 of this report.

Notes to the Financial Statements

The notes provide additional information to support and clarify the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-46 of this report.

Government-Wide Financial Analysis

Assets exceeded liabilities by \$10,353,917 as of December 31, 2010

A large portion of the CCTHITA's net assets (33.64%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt that is still outstanding. CCTHITA uses these capital assets to provide services to CCTHITA and its tribal members; consequently, these assets are not available for future spending. Although CCTHITA's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this outstanding debt must be provided from other sources, as the capital assets themselves cannot be used as a source of funds to liquidate these liabilities. The amount of debt related to the investment in capital assets is \$3,531,055 as of December 31, 2010.

(2009 has been restated, Note 19)	<u>Governmental</u>		<u>Business-type</u>		<u>Totals</u>	
	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>
Assets:						
Current and other assets	\$ 15,325,852	14,516,086	(12,346)	(198,509)	15,313,506	14,317,577
Capital assets	<u>7,445,659</u>	<u>7,014,594</u>	<u>1,074</u>	<u>-</u>	<u>7,446,733</u>	<u>7,014,594</u>
Total assets	<u>22,771,511</u>	<u>21,530,680</u>	<u>(11,272)</u>	<u>(198,509)</u>	<u>22,760,239</u>	<u>21,332,171</u>
Liabilities:						
Current and other liabilities	9,422,230	7,388,756	4,207	92	9,426,437	7,388,848
Long-term liabilities	<u>3,532,556</u>	<u>3,573,879</u>	<u>15,716</u>	<u>15,527</u>	<u>3,548,272</u>	<u>3,589,406</u>
Total liabilities	<u>12,954,786</u>	<u>10,962,635</u>	<u>19,923</u>	<u>15,619</u>	<u>12,974,709</u>	<u>10,978,254</u>
Net assets:						
Invested in capital assets, Net of related debt	3,521,349	3,483,539	1,074	-	3,522,423	3,483,539
Unrestricted	<u>6,295,376</u>	<u>7,084,506</u>	<u>(32,269)</u>	<u>(214,128)</u>	<u>6,263,107</u>	<u>6,870,378</u>
Total net assets	<u>\$ 9,816,725</u>	<u>10,568,045</u>	<u>(31,195)</u>	<u>(214,128)</u>	<u>9,785,530</u>	<u>10,353,917</u>

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Management's Discussion and Analysis, continued

All of CCTHITA's net assets are unrestricted, and may therefore be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the CCTHITA was able to report positive balances in its net assets invested in capital assets, net of related debt for both the government as a whole, as well as for its separate governmental activities and business-type activities. It had a positive balance in its unrestricted net assets for governmental activities and a negative balance for business-type activities.

Total Activities

Net assets increased overall by \$568,387.

Governmental Activities

The governmental net assets increased by \$751,320 during the fiscal year. This was primarily due to net investment earnings on the Tribal Trust Fund of \$1,021,524.

Business Activities

Business-type activities net assets decreased by \$182,933 during the fiscal year due to an operating loss for the VTRC Enterprise

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>
Expenses:						
Administration	\$ 5,679,877	5,585,576	-	-	5,679,877	5,585,576
Health and welfare	9,479,606	10,895,011	-	-	9,479,606	10,895,011
Education	9,487,716	4,609,573	-	-	9,487,716	4,609,573
Economic development	1,158,988	2,157,981	-	-	1,158,988	2,157,981
Tribal assistance	706,564	5,148,627	-	-	706,564	5,148,627
Natural resources	981,961	837,062	-	-	981,961	837,062
Interest on long term debt	232,431	213,656	-	-	232,431	213,656
VTRC	-	-	286,930	369,013	286,930	369,013
ANB Condo	-	-	-	42,971	-	42,971
THTI	-	-	-	12,669	-	12,669
Total expenses	<u>\$ 27,727,143</u>	<u>29,447,486</u>	<u>286,930</u>	<u>424,653</u>	<u>28,014,073</u>	<u>29,872,139</u>

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Management's Discussion and Analysis, continued

(continued)	Governmental Activities		Business-type Activities		Totals	
	2009	2010	2009	2010	2009	2010
Revenues:						
Program revenues:						
Charges for services	\$ -	-	323,851	216,560	323,851	216,560
Operating grants and Contributions	27,071,357	29,114,067	-	-	27,071,357	29,114,067
General revenues:						
Grants and contributions						
Not restricted to specific Programs	9,280	41,669	12,616	25,160	21,896	66,829
Unrestricted investment Earnings	<u>1,361,034</u>	<u>1,043,070</u>	<u>-</u>	<u>-</u>	<u>1,361,034</u>	<u>1,043,070</u>
Total revenue	<u>28,441,671</u>	<u>30,198,806</u>	<u>336,467</u>	<u>241,720</u>	<u>28,778,138</u>	<u>30,440,526</u>
Increase (decrease) in net Assets before transfers	714,528	751,320	49,537	(182,933)	764,065	568,387
Net transfers	-	-	-	-	-	-
Increase (decrease) in net assets	714,528	751,320	49,537	(182,933)	764,065	568,387
Net assets – beginning of year	<u>9,102,199</u>	<u>9,816,725</u>	<u>(80,732)</u>	<u>(31,195)</u>	<u>9,021,465</u>	<u>9,785,530</u>
Net assets – end of year	\$ <u>9,816,725</u>	<u>10,568,045</u>	<u>(31,195)</u>	<u>(214,128)</u>	<u>9,785,530</u>	<u>10,353,917</u>

Financial Analysis of the Government's Funds

Governmental Funds

The focus of the CCTHITA's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the CCTHITA's financing requirements. In particular, unreserved fund balance may serve as a measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the CCTHITA's governmental funds reported combined ending fund balances of \$8,755,372 an increase of \$870,180 from the prior year restated fund balance. Currently, the Central Council has designated \$8,299,264 to indicate that it is not available for new spending; however, the designation can change at the Executive Council's discretion.

The general fund is the primary operating fund of the CCTHITA. At the end of the current fiscal year, undesignated fund balance of the general fund was \$384,410.

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Management's Discussion and Analysis, continued

In prior years, the Tribal Trust has been used to cover deficits in the General Fund, caused by indirect under-recovery, indirect shortfalls, direct program shortfall and tribal direct expenses.

Enterprise Funds

The CCTHITA's enterprise funds encompass the business-type activities presented in the government-wide financial statements.

As of the end of the current fiscal year, enterprise funds total combined net assets were negative \$214,128 an increased deficit of \$182,933 from the prior year, due to an operating loss for the VTRC Enterprise.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget of the net change in fund balances for the General Fund was a decreased deficit of \$605,183. Actual revenues were \$20,557 greater than budget, while total actual expenditures were \$133,171 less than budget. The expenditures for management and administration departments were over the final budget by \$49,337. However, the budgets for management and administration departments were reduced 9.77% subsequent to 2010 Tribal Assembly.

The General Fund closed with a balance of \$384,410. The negative change in the fund balance of the General Fund for the year was more than offset by the prior period adjustment recorded to correct an error in recording compensated absences in prior years.

Tribal Direct expenditures were \$298,062 over budget. Tribal direct expenditures are expenses that are not eligible to be allocated as indirect costs to other funds. They include donations such as funeral expense, political campaign, medical emergencies, dance groups and school programs expenditures. About one half of the negative variance for Tribal Direct was due to writing off old grant receivables deemed uncollectible in 2010.

The positive variance of allocation of indirect costs of \$480,570 was partially offset by the indirect costs subsidy transfers negative variance of \$194,764.

The indirect costs subsidy transfers (also called Indirect Shortfall) is caused by grants with capped rates that do not pay the full negotiated indirect costs rate. CCTHITA has to pay these shortfalls out of its own funds since they can not be collected from granting agencies (see table below for a break down by program comparing budget to actual).

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Management's Discussion and Analysis, continued

	Budget <u>2010</u>	Actual <u>2010</u>
Head Start	\$ 127,079	247,143
Child Care Development Funds	-	105,608
Community Services Block Grant	63,743	85,909
Temporary Assistance for Needy Families	123,694	76,715
USDA Food Program (Head Start)	31,308	40,835
Village Public Safety Officers	23,615	27,526
Alaska NW Native Partnership	25,243	23,301
Alaska Native Dropout Prevention	25,528	16,971
Native American Graves Protection	4,782	5,356
Elderly Nutrition Title VI	-	1,833
Native Elderly Caregiver Support	-	1,225
Suicide Prevention	14,085	792
Casey Family Programs	-	<u>627</u>
Total Indirect Shortfall	<u>\$ 439,077</u>	<u>633,841</u>

Capital Asset and Debt Administration

Capital Assets

The CCTHITA's investment in capital assets for its governmental and business-type activities as of December 31, 2010, amounts to \$7,014,594 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment. The net decrease in the CCTHITA's investment in capital assets for the current fiscal year was \$432,139. Governmental capital assets decreased by \$415,346 due to additions of \$19,750 and depreciation expense of \$435,096. Business-type capital assets for THTI, net of depreciation, of \$1,074 were written off in 2010.

Debt Administration

As of December 31, 2010, the CCTHITA had total debt of \$4,068,470, which consisted of five loans totaling \$3,531,055 and accrued compensated absences of \$537,415. In fiscal year 2007, CCTHITA completed the refinancing of existing debt, plus acquisition of new debt to finance the new accounting system and maintenance and improvement for the buildings that are owned by the organization.

Additional information on the CCTHITA's long-term debt can be found in Notes 6 and 7, on pages 36-40 of this report.

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Management's Discussion and Analysis, continued

Requests for Information

This financial report is designed to provide our tribal members, creditors, and government and regulatory agencies, with a general overview of CCTHITA finances and to demonstrate the CCTHITA's accountability for the money it receives. If you have any questions about this report or need additional information, a request should be addressed to CCTHITA's Chief Financial Officer, Barbara Searls, at 907-463-7108.

BASIC FINANCIAL STATEMENTS

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Statement of Net Assets

December 31, 2010

<u>Assets</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Equity in central treasury	\$ 10,998,146	126,374	11,124,520
Receivables:			
Federal	1,450,997	-	1,450,997
State of Alaska	1,132,328	-	1,132,328
Other	103,084	134,280	237,364
Internal balances	459,163	(459,163)	-
Prepaid items	135,435	-	135,435
Inventory	43,000	-	43,000
Deferred outflows of resources	193,933	-	193,933
Capital assets (net of accumulated depreciation where applicable)	<u>7,014,594</u>	<u>-</u>	<u>7,014,594</u>
Total assets	\$ <u><u>21,530,680</u></u>	<u><u>(198,509)</u></u>	<u><u>21,332,171</u></u>
 <u>Liabilities and Net Assets (Deficits)</u>			
Liabilities:			
Accounts payable	1,345,526	-	1,345,526
Payroll and related payable	1,320,866	-	1,320,866
Deferred revenue	4,033,840	92	4,033,932
Derivative instrument	193,933	-	193,933
Noncurrent liabilities:			
Due within one year:			
Accrued leave	50,817	-	50,817
Notes payable	443,774	-	443,774
Due in more than one year:			
Accrued leave	486,598	15,527	502,125
Notes payable	<u>3,087,281</u>	<u>-</u>	<u>3,087,281</u>
Total liabilities	<u>10,962,635</u>	<u>15,619</u>	<u>10,978,254</u>
Net assets (deficits):			
Invested in capital assets, net of related debt	3,483,539	-	3,483,539
Unrestricted	<u>7,084,506</u>	<u>(214,128)</u>	<u>6,870,378</u>
Total net assets (deficits)	<u>10,568,045</u>	<u>(214,128)</u>	<u>10,353,917</u>
Total liabilities and net assets	\$ <u><u>21,530,680</u></u>	<u><u>(198,509)</u></u>	<u><u>21,332,171</u></u>

See accompanying notes to the basic financial statements

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Statement of Activities
Year Ended December 31, 2010

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Govern- mental Activities	Business- type Activities	Total
Governmental activities:						
Administration	\$ 5,585,576	-	5,577,246	(8,330)	-	(8,330)
Health and welfare	10,895,011	-	10,823,326	(71,685)	-	(71,685)
Education	4,609,573	-	4,610,908	1,335	-	1,335
Economic development	2,157,981	-	2,115,143	(42,838)	-	(42,838)
Tribal assistance	5,148,627	-	5,150,174	1,547	-	1,547
Natural resources	837,062	-	837,270	208	-	208
Interest on long-term debt	213,656	-	-	(213,656)	-	(213,656)
Total governmental activities	<u>29,447,486</u>	<u>-</u>	<u>29,114,067</u>	<u>(333,419)</u>	<u>-</u>	<u>(333,419)</u>
Business-type activities:						
Vocational Technical Resource Center	369,013	216,560	-	-	(152,453)	(152,453)
Alaska Native Brotherhood Tlingit & Haida	42,971	-	-	-	(42,971)	(42,971)
Technology Industry	12,669	-	-	-	(12,669)	(12,669)
Total business-type activities	<u>424,653</u>	<u>216,560</u>	<u>-</u>	<u>-</u>	<u>(208,093)</u>	<u>(208,093)</u>
Total primary government	\$ <u>29,872,139</u>	<u>216,560</u>	<u>29,114,067</u>	<u>(333,419)</u>	<u>(208,093)</u>	<u>(541,512)</u>
General revenues:						
Grants and contributions not restricted to specific programs				\$ 41,669	25,160	66,829
Unrestricted investment earnings				<u>1,043,070</u>	<u>-</u>	<u>1,043,070</u>
Total general revenues				<u>1,084,739</u>	<u>25,160</u>	<u>1,109,899</u>
Change in net assets (deficit)				<u>751,320</u>	<u>(182,933)</u>	<u>568,387</u>
Net assets (deficits) - beginning				9,577,261	(15,479)	9,561,782
Prior period adjustment (Note 19)				<u>239,464</u>	<u>(15,716)</u>	<u>223,748</u>
Net assets (deficits) - beginning, as restated				<u>9,816,725</u>	<u>(31,195)</u>	<u>9,785,530</u>
Net assets (deficits) - ending				\$ <u>10,568,045</u>	<u>(214,128)</u>	<u>10,353,917</u>

See accompanying notes to the basic financial statements

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Balance Sheet
Governmental Funds
December 31, 2010

	Major Funds					Nonmajor Govern- mental Funds	Total Govern- mental Funds
	General Fund	BIA Compact Agreement	TANF	Head Start	Tribal Trust		
<u>Assets</u>							
Equity in central treasury	\$ -	3,650,616	59,530	-	6,964,306	323,694	10,998,146
Receivables:							
Federal	-	-	521,313	14,689	-	914,995	1,450,997
State of Alaska	-	-	590,044	414,045	-	128,239	1,132,328
Other	49,638	-	-	947	-	52,499	103,084
Due from other funds	2,897,495	-	-	-	1,344,941	161,003	4,403,439
Inventory	-	-	-	-	-	43,000	43,000
Prepaid items	91,918	41,308	-	-	-	-	133,226
Total assets	\$ <u>3,039,051</u>	<u>3,691,924</u>	<u>1,170,887</u>	<u>429,681</u>	<u>8,309,247</u>	<u>1,623,430</u>	<u>18,264,220</u>
<u>Liabilities and Fund Balances</u>							
<u>Liabilities:</u>							
Accounts payable	1,335,543	-	-	-	9,983	-	1,345,526
Payroll and related payables	1,319,098	-	-	-	-	1,768	1,320,866
Due to other funds	-	41,308	1,111,357	429,681	-	1,226,270	2,808,616
Deferred revenue	-	3,650,616	59,530	-	-	323,694	4,033,840
Total liabilities	<u>2,654,641</u>	<u>3,691,924</u>	<u>1,170,887</u>	<u>429,681</u>	<u>9,983</u>	<u>1,551,732</u>	<u>9,508,848</u>
<u>Fund balances - unreserved:</u>							
Designated	-	-	-	-	8,299,264	-	8,299,264
Undesignated	384,410	-	-	-	-	71,698	456,108
Total fund balances	<u>384,410</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,299,264</u>	<u>71,698</u>	<u>8,755,372</u>
Total liabilities and fund balances	\$ <u>3,039,051</u>	<u>3,691,924</u>	<u>1,170,887</u>	<u>429,681</u>	<u>8,309,247</u>	<u>1,623,430</u>	<u>18,264,220</u>

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
December 31, 2010

Total fund balances of governmental funds	\$	8,755,372
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Total net assets reported for governmental activities in the
Statement of Net Assets is different because:

Internal service funds are used by management to charge the
costs of facilities and related debt service to individual funds.

The assets and liabilities of the internal service funds are
included in governmental activities in the statement

of net assets

\$ 2,336,481

Plus accrued leave reported below

13,607

2,350,088

Long-term liabilities are not due and payable in the current period
and therefore are not reported as fund liabilities.

These liabilities consist of -

Accrued leave

(537,415)

Net assets of governmental activities	\$	<u>10,568,045</u>
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**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2010

	Major Funds					Nonmajor Govern- mental Funds	Total Govern- mental Funds
	General Fund	BIA Compact Agreement	TANF	Head Start	Tribal Trust		
Revenues:							
Interest and dividend income	\$ 17,030	-	-	-	1,021,524	4,516	1,043,070
Reimbursable program costs	-	108,336	5,150,174	2,842,112	-	5,901,568	14,002,190
Indirect revenue	-	21,331	973,833	321,970	-	1,111,741	2,428,875
Compact funding (see Note 17):							
Direct	-	9,544,728	-	-	-	-	9,544,728
BIA indirect	-	3,138,274	-	-	-	-	3,138,274
Other	3,527	-	-	-	-	38,142	41,669
Total revenues	<u>20,557</u>	<u>12,812,669</u>	<u>6,124,007</u>	<u>3,164,082</u>	<u>1,021,524</u>	<u>7,055,967</u>	<u>30,198,806</u>
Expenditures - current:							
Administration	5,646,664	-	-	-	28,722	-	5,675,386
Health and welfare	-	8,030,431	-	-	-	2,866,557	10,896,988
Education	-	783,741	-	2,842,112	-	984,622	4,610,475
Economic development	-	577,994	-	-	-	1,580,339	2,158,333
Tribal assistance	-	-	5,150,174	-	-	-	5,150,174
Natural resources	-	317,427	-	-	-	519,843	837,270
Allocation of indirect costs	(6,174,585)	3,208,684	1,050,548	569,113	-	1,346,240	-
Total expenditures	<u>(527,921)</u>	<u>12,918,277</u>	<u>6,200,722</u>	<u>3,411,225</u>	<u>28,722</u>	<u>7,297,601</u>	<u>29,328,626</u>
Excess of revenue over (under) expenditures	548,478	(105,608)	(76,715)	(247,143)	992,802	(241,634)	870,180
Other financing sources - transfers in (out)	<u>(723,739)</u>	<u>105,608</u>	<u>76,715</u>	<u>247,143</u>	<u>-</u>	<u>294,273</u>	<u>-</u>
Net change in fund balances	(175,261)	-	-	-	992,802	52,639	870,180
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,306,462</u>	<u>19,059</u>	<u>7,325,521</u>
Prior period adjustment	559,671	-	-	-	-	-	559,671
Fund balance at beginning of year as restated	<u>559,671</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,306,462</u>	<u>19,059</u>	<u>7,885,192</u>
Fund balance at end of year	<u>\$ 384,410</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,299,264</u>	<u>71,698</u>	<u>8,755,372</u>

**CENTRAL COUNCIL OF THE TLINGIT AND
Haida Indian Tribes of Alaska**
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities

Net change in fund balances - total governmental funds	\$ 870,180
<p>Internal service funds are used by management to charge the costs of facilities and related debt service to individual funds. The net revenues of certain activities of internal service funds is reported with governmental activities.</p>	
	(125,235)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the net decrease in accrued leave.</p>	
	<u>6,375</u>
Change in net assets of governmental activities	\$ <u>751,320</u>

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Proprietary Funds
Statement of Net Assets
December 31, 2010

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	Nonmajor Enterprise Funds	Nonmajor Internal Service Fund
<u>Assets</u>		
Current assets:		
Equity in central treasury	\$ 126,374	-
Accounts receivable	134,280	-
Prepaid expenses and other current assets	-	2,209
Total current assets	<u>260,654</u>	<u>2,209</u>
Noncurrent assets and deferred outflows:		
Property and equipment, net of accumulated depreciation	-	7,014,594
Deferred outflows of resources	-	193,933
Total noncurrent assets and deferred outflows	<u>-</u>	<u>7,208,527</u>
Total assets	<u>\$ 260,654</u>	<u>7,210,736</u>
<u>Liabilities and Net Assets (Deficits)</u>		
Liabilities:		
Current liabilities:		
Due to other funds	459,163	1,135,660
Deferred revenue	92	-
Current portion of notes payable	-	443,774
Total current liabilities	<u>459,255</u>	<u>1,579,434</u>
Noncurrent liabilities, net of current portion:		
Notes payable	-	3,087,281
Accrued leave	15,527	13,607
Derivative instrument - interest rate swap	-	193,933
Total noncurrent liabilities	<u>15,527</u>	<u>3,294,821</u>
Total liabilities	<u>474,782</u>	<u>4,874,255</u>
Net assets (deficits):		
Invested in capital assets, net of related debt	-	3,483,539
Unrestricted	<u>(214,128)</u>	<u>(1,147,058)</u>
Total net assets (deficits)	<u>(214,128)</u>	<u>2,336,481</u>
Total liabilities and net assets (deficits)	<u>\$ 260,654</u>	<u>7,210,736</u>

See accompanying notes to the basic financial statements

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Proprietary Funds

Statement Revenues, Expenses and Changes in Net Assets (Deficits)

December 31, 2010

	<u>Business-Type</u> <u>Activities</u>	<u>Governmental</u> <u>Activities</u>
	Nonmajor Enterprise Funds	Nonmajor Internal Service Fund
Operating revenues:		
Charges to other funds	\$ -	1,154,127
Sales and rental income	216,560	33,408
Other revenues	25,160	-
Total operating revenues	<u>241,720</u>	<u>1,187,535</u>
Operating expenses:		
Salaries and wages	201,063	238,255
Employee benefits	49,867	68,657
Travel and training	1,092	-
Contract services	-	12,519
Professional services	46,883	-
Office expenses and supplies	15,478	5,865
Insurance and bonding	12,597	83,503
Telephone and utilities	-	92,154
Purchase of equipment	-	66,828
Dues, subscriptions, and advertising	12,171	-
Building and equipment rent	-	8,728
Building and equipment maintenance	21,098	106,693
Depreciation	-	435,096
Other expenses	64,404	566
Total operating expenses	<u>424,653</u>	<u>1,118,864</u>
Income from operations	(182,933)	68,671
Nonoperating revenue (expenses):		
Capital contribution	-	19,750
Interest expense	-	(213,656)
Total nonoperating revenue and expenses	<u>-</u>	<u>(193,906)</u>
Change in net assets	<u>(182,933)</u>	<u>(125,235)</u>
Net assets (deficits), beginning of year	(15,479)	2,251,740
Prior period adjustment	(15,716)	209,976
Net assets (deficits), beginning of the year, as restated (See Note 19)	<u>(31,195)</u>	<u>2,461,716</u>
Total net assets (deficits), end of year	\$ <u>(214,128)</u>	<u>2,336,481</u>

See accompanying notes to the basic financial statements

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Proprietary Funds
Statement of Cash Flows
December 31, 2010

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Nonmajor Internal Service Fund
Cash flows from operating activities:		
Cash received from customers	\$ 257,898	1,187,535
Cash payments to suppliers for goods and services	(135,412)	(345,609)
Cash and payments to employees for services	(251,119)	(307,038)
Net cash provided by (used for) operating activities	(128,633)	534,888
Cash flows from noncapital financing activities - transfers from other funds	134,156	72,059
Cash flows from capital and related financing activities:		
Cash paid for acquisition sale of property and equipment	-	(19,786)
Cash received from grantors for property and equipment	-	19,750
Principal payments on short and long-term loans	-	(393,157)
Interest payments on long-term loans	-	(213,754)
Net cash used for financing activities	-	(606,947)
Net increase in cash and cash equivalents	5,523	-
Cash and cash equivalents at beginning of year	120,851	-
Cash and cash equivalents at end of year	\$ 126,374	-
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	(182,933)	68,671
Adjustments to reconcile net operating income to net cash provided by (used for) operating activities:		
Depreciation	-	435,096
Changes in assets and liabilities:		
Decrease in accounts receivable	57,530	-
Decrease in property and equipment	1,074	-
Decrease in prepaid expenses and other current assets	-	31,247
Increase (decrease) in accounts payable	(4,302)	-
Decrease in accrued leave	-	(126)
Increase (decrease) in billings in excess of costs	(2)	-
Net cash provided by (used for) operating activities	\$ (128,633)	534,888
Cash paid during the year for interest	\$ -	213,754

See accompanying notes to the basic financial statements

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements

December 31, 2010

(1) **Summary of Significant Accounting Policies**

Central Council of the Tlingit and Haida Indian Tribes of Alaska, (“the Council” or “Central Council”) is the Tribal Government representing over 26,000 Tlingit and Haida Indians worldwide. They are a sovereign entity and have a government-to-government relationship with the United States. The Council’s headquarters are in Juneau, Alaska but their commitment to serving the Tlingit and Haida people extends throughout the United States. The Council offers an extensive range of services to its tribal members.

The financial statements of the Central Council have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. Pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989 are not applied in the preparation of the financial statements of the business-type activities and enterprise funds in accordance with GASB Statement No. 20. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

Reporting Entity

For financial reporting purposes, the financial statements of the Central Council include all funds that are controlled by or are dependent upon the Central Council (the primary government). Control by or dependence on the Central Council was based on criteria as defined by the Governmental Accounting Standards Board. There are no component units.

Pursuant to Acts of the U.S. Congress, the Central Council received an award in 1968 in the approximate amount of \$7,600,000 with respect to its aboriginal claims. All monies are now held by the Central Council as trustee for the benefit of the Tlingit and Haida Indian Tribes of Alaska. Monies so held are referred to as the Tribal Trust Fund (included in the financial statements as a Special Revenue Fund in accordance with criteria as set forth by the Governmental Accounting Standards Board). These funds, including the interest thereon, may be advanced, expended, invested or used for any purpose and in any manner authorized by the Central Council.

Based on budgets for operating costs and for costs of program activities approved by the Central Council, advances are made from the Tribal Trust Fund to the General Fund. The General Fund in turn transfers monies to other funds in order to finance the activities of such funds. To the extent that advances received from the Tribal Trust Fund for special programs are yet to be expended, reserves for such future expenditures are recorded in the accounts of the appropriate fund.

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Basic Financial Statements, continued

Summary of Significant Accounting Policies, continued

Basis of Presentation

The Central Council's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the Central Council as a whole. These statements include the financial activities of the primary government, except for fiduciary funds (of which there are none at December 31, 2010).

The Statement of net assets presents the financial condition of the governmental activities and business-type activities of the Central Council at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Central Council's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meet the operation or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenue are presented as general revenues of the Central Council. The comparison direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Central Council. All internal activity between and within the governmental and business-type activities has been eliminated in the government-wide financial statements.

Fund Financial Statements

During the year, the Central Council segregates transactions related to certain Central Council functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Central Council at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

Fund Accounting

The accounts of the Central Council are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures or expenses, as appropriate. The Central Council's resources are

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

Summary of Significant Accounting Policies, continued

Fund Accounting, continued

allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Central Council's funds are grouped into two broad fund categories. Governmental funds include the General and Special Revenue Funds. The Central Council also has several proprietary funds, which include enterprise funds and an internal service fund.

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as a fund balance. The following are the Central Council's governmental fund types

General Fund – The General Fund is the general operating fund of the Central Council and accounts for all financial resources of the Central Council not required to be accounted for within other funds.

Special Revenue Funds – The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted.

Proprietary Funds:

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the Central Council is that the costs (expenses, including depreciation) of providing goods or services on a continuing basis be financed or recovered primarily through user charges and where the determination of net income is appropriate. All long-term liabilities are to be repaid from operating revenues.

Internal Service Funds account for goods or services provided primarily to other agencies or funds of the Central Council, rather than to the general public. These goods and services include the management and operation of certain real and personal property. In the government-wide statements, internal service funds are allocated based on the history of its primary customers. All real and personal property is deemed governmental activities.

The funds are further classified as major and nonmajor. Major funds are determined by a percentage of assets, liabilities, revenues, or expenditures/expenses in relation to the total of all funds in those categories. The Central Council reports the following major funds:

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

Summary of Significant Accounting Policies, continued

Fund Accounting, continued

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *BIA Compact Agreement Special Revenue Fund* accounts for revenues and expenditures related to its compact program for self-governance pursuant to authority granted by the Indian Self-Determination and Education Assistance Act, Title IV, Public Law 93-638, as amended, 25U.S.C. 450 et seq. Under its Annual Funding Agreement, the Central Council provide programs, activities, functions and services to eligible Alaska Natives in the areas of health and human services, education, natural resources, economic development and tribal operations.

The *TANF Special Revenue Fund* accounts for revenues associated with amounts received from the Federal government and the State of Alaska under the Temporary Assistance for Needy Families program.

The *Head Start Special Revenue Fund* accounts for revenues associated with amounts received from the Federal government and the State of Alaska under the Head Start program.

The *Tribal Trust Special Revenue Fund* accounts for assets held for investment purposes and revenues derived thereof relating to the funds received from the U.S. government being held in trust for the benefit of the Tlingit and Haida Indian Tribes of Alaska by the Central Council. Since these funds may be spent at any time at the discretion of the Central Council as stipulated by federal law, they are classified as a special revenue fund under generally accepted accounting principles.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, the presentation of expenses versus expenditures, presentation of long-lived assets net of depreciation, and long-term liabilities.

Cash and Cash Equivalents

On the statement of cash flows for the proprietary funds, the Central Council has defined cash and cash equivalents as deposits maintained in the central treasury.

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

Summary of Significant Accounting Policies, continued

Receivables

All trade receivables are reported net of an allowance for uncollectible accounts receivable.

Inventories

Inventories, principally supplies, for all fund types are valued at cost (first-in, first-out) using the consumption method. Only amounts deemed significant are capitalized at year-end.

Investments

Generally, investments are reported at fair value. Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions. Additional disclosures describing investments are provided in Note 3.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2010, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reserved, to the extent of the available unreserved balance, as this amount is not available for general appropriation.

Capital Assets

Capital assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. The Central Council capitalizes equipment, furniture and vehicles purchased by the Central Council from operating funds. Purchases of property and equipment made with grant or contract monies are recorded as program expenditures when acquired in the fund making the purchase. Generally, title to property and equipment acquired with the proceeds of grant or contract monies vests with the Central Council.

Property and equipment acquired by the business-activity funds are reported in those funds at cost. The Central Council's policy is to capitalize interest on business-activity funds' construction projects until substantially completed.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The Central Council maintains a capitalization threshold of \$5,000 and an estimated useful life in excess of one year. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

Summary of Significant Accounting Policies, continued

Capital Assets, continued

All reported capital assets except land, land improvements and construction in progress are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	25-30 years
Furniture and equipment	5-10 years
Vehicles	10 years

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are also recorded as deferred revenue.

Compensated Absences

Central Council employees earn annual and sick leave, except Tlingit and Haida Technology Industries (THTI) employees who earn personal leave. Annual leave is accrued and recorded in the government-wide and business-type proprietary fund financial statements as an expenditure in the period earned by employees. A liability for these amounts is reported in the governmental fund financial statements only if they have matured (e.g. the employee has terminated employment).

Retirement Plan

As further described in Note 9, all eligible full-time employees may participate in retirement plans (money purchase plan and a 401(k) plan). Retirement costs of the Council are funded as incurred.

Long-term Debt

General debt of the Central Council is recorded on the government-wide statements.

Revenue

On the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the Central Council, available means expected to be received within 60 days of fiscal year-end. Program revenue, which includes grants, entitlements and donations, is recognized in the fiscal year in which all eligibility requirements have been satisfied.

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

Summary of Significant Accounting Policies, continued

Revenue, continued

Revenue for proprietary funds is classified as operating or non-operating depending on whether the revenue was derived from activities related to the business purpose of the fund.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocation of costs, such as depreciation and amortization is not recognized in governmental funds.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Central Council or through external restriction imposed by creditors, grantors or laws or regulation of other governments. All other net assets are reported as unrestricted.

The Central Council applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Balance

Generally, fund balance represents the difference between the current assets and the current liabilities. The Central Council reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available, spendable resources and therefore are not available for appropriation or expenditures. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods. Designations are management's intent to set aside these resources for specific services. At December 31, 2010, the Central Council had no reserved fund balances, and had designated fund balances of \$8,299,264.

Total Columns on Basic Financial Statements

Total columns on the basic financial statements are provided only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of these data.

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

Summary of Significant Accounting Policies, continued

Interfund Activity

Transfers between governmental funds on the government-wide statements are reported in the same manner as general revenues.

Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financial sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Management's Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those results.

Tribal Direct Expenditures

Tribal direct expenditures in the General Fund are expenditures that are not allowable in accordance with OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments* and are excluded from the indirect pool.

(2) **Compliance and Accountability**

Budgets Development and Approval

Annual budgets are prepared for the General Fund. In the year preceding its implementation, a budget is prepared and proposed to the Finance Committee. The Finance Committee, after reviewing the proposed budget, recommends the budget to the General Assembly for approval.

During the budget year, amendments to the original budget are prepared and provided to the Finance Committee for approval. The budget amendments (and their justification) are then forwarded to the Executive Committee for approval and to the General Assembly at the budget year's annual meeting. The delegates to the annual convention then debate and vote whether to accept the budget.

Budgets for Special Revenue Funds are approved by the granting agencies. The operating budget of the General Fund is the basis for the development of the indirect cost rate that is used to allocate allowable indirect administrative costs to the various Special Revenue Funds.

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

Compliance and Accountability, continued

Budgetary Accounting

The Council maintains encumbrances as a purchasing control. However, encumbrances are not legally required. Accordingly, budget information presented for the general fund is consistent with GAAP.

(3) **Equity in Central Treasury**

The Central Council uses a central treasury concept for cash of all funds, excluding the Tribal Trust Fund and THTI, which account for their cash and investments separately; however, all cash and investments of the Tribal Trust Fund and THTI are available to the Central Council to meet current obligations. The financial activity of the central treasury is accounted for in the General Fund.

In some instances funds may overdraft their available cash balance in the central treasury. Specific fund overdrafts are treated as short-term loans and are reported on the balance sheets as liabilities, "due to other funds." The corresponding receivable is reported as an asset on the balance sheet "due from other funds." Specific fund overdrafts are not reported as part of the central treasury investments included in the general fund balance sheet.

Investment Policies

The Council's Investment Policy authorizes the Central Council to invest in the following securities:

1. Cash and Cash Equivalents.
2. Money Market Funds (Institutional Quality Only).
3. Bill, Notes or Bonds issued by the U.S. Treasury or U.S. Government agencies which have the full or implied faith and credit backing of the U.S. Government or mutual funds, or managed portfolios consisting of the same.
4. Certificates of Deposit, Bankers Acceptances and Repurchase Agreements issued by banks or savings and loan associations having net assets of at least \$500 million dollars at time of issue.
5. Auction rate securities rated A or better.
6. Commercial Paper rated A1, P1 or better.
7. Corporate Bonds or publicly traded U.S. and foreign Corporations rated "A" or better or mutual funds invested in same (average maturity) government securities of foreign governments or the World Bank or mutual funds invested in same.
8. High yield corporate bond mutual funds with average credit quality of "B" or better for 80% of the portfolio.
9. U.S. Equity mutual funds or equity separate accounts.
10. International Equity Mutual Funds.
11. Real Estate (REIT) shares or mutual funds invested in the same.

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Basic Financial Statements, continued

Equity in Central Treasury, continued

Investment Polices, continued

12. Commodities funds invested in broadly diversified future indexes.
13. Broadly diversified hedge “fund-of-funds.”
14. Tactically allocated portfolios of indexes and exchange traded funds.
15. Other investments approved by the Investment Committee from time to time, only when approved by the Investment Committee in advance.

Demand Deposits

The Central Council had the following demand deposits at December 31, 2010:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Demand deposits:		
THTI	\$ 126,374	126,374
Council Depository	<u>2,584,380</u>	<u>3,187,916</u>
Total	<u>\$ 2,710,754</u>	<u>3,314,290</u>

Custodial Credit Risk – Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. As of December 31, 2010, the bank balance was fully insured or collateralized.

The Central Council maintains a collateral agreement with its depository financial institution, Key Bank N.A. Pursuant to this agreement, in order to cover the uninsured deposits, Key Bank will pledge a securities collateral held by a custodian, Bank of New York (BNY), a third party agent of Key Bank. The collateral will be held in the name of the Bank and for the benefit of the Central Council. The aggregate market value of collateral held by BNY will at all times be not less than one hundred percent of the amount of collected funds on deposit at Key Bank, plus accrued interest, and to the extent not insured by the Federal Insurance Corporation.

Investments in Debt Securities

The auction rate securities are variable rate debt instruments having a long-term maturity, whose interest rate is reset through an auction process, most commonly at intervals ranging from 7 to 35 days. Central Council’s auction rate securities are a pool of student loans and have an Aaa rating as of December 31, 2009. During 2008, liquidity issues in the global credit markets caused auctions of the auction rate securities the Central Council holds to fail because the amount of securities offered for sale exceeded the amount of bids. There is currently no actively traded market for these securities. The security holder is paying regular monthly failed auction interest payments, as required by its prospectus, and for which payments have been properly received by the Central Council account.

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Basic Financial Statements, continued

Equity in Central Treasury, continued

Investments in Debt Securities, continued

The interest rate floats based on the underlying London Interbank Offering Rate (LIBOR) index plus 1.5% (1.762% at December 31, 2010).

As a result of the failed auction, the liquidity of Central Council's auction rate securities have diminished, and the Central Council expects that this decrease in liquidity for its auction rate securities will continue as long as the present depressed global credit market environment persists, or until issuers refinance and replace these securities with other instruments. Furthermore, if this situation were to persist, despite its ability to hold such investments until maturity, the Central Council may be required to record an impairment charge at a future date. The Central Council will continue to monitor and evaluate this investment as there is no assurance as to when the market for these securities will return to its previous liquid nature. At December 31, 2010 the auction rate securities held by Central Council were carried at a value of \$418,233.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Central Council limits its exposure to credit risk by limiting investments to the quality permitted in its investment policies and by requiring each portfolio be diversified with regard to specific issuer, industry and sector.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. As a means to limit credit risk, the Central Council's investment policy limits exposure to single issuers as follows:

The exposure of the portfolio to any one issuer, other than securities of the U.S. government or agencies, shall not exceed 10% of the market value of the fixed income portfolio. No more than 30% of the market value of an investment manager's portfolio may be invested in a single sector of the corporate fixed income market, (i.e. Industrials, Financials, or Utilities).

As of December 31, 2010, the Central Council had no concentrations exceeding five percent from any issuer other than U.S. Government securities.

Custodial Credit Risk – Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of the investment or collateral securities that are in possession of an outside party. To mitigate this risk for its investments, the Council maintains an independent custodial broker (Charles Schwab Institutional Brokerage) to hold all investments registered in the Central Council's name and required delivery versus payment (DVP), in which the securities are provided at the same time or before payment is made.

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Basic Financial Statements, continued

Equity in Central Treasury, continued

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect an investment's fair value. As a means of limiting its exposure to fair value losses arising from increasing interest rates, the Council's investment policy limits the maturity and duration of its portfolio segments as follows:

The maximum effect maturity of any single security shall not exceed 30 years. The market weighted average effective duration of any manager's portfolio shall be within +/- 25% of the market value weighted average effective duration of the manager's appropriate index.

Market Risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security of its issuer or factors affecting all securities in the market. All trading instruments are recognized at fair value and all changes in market conditions directly affect net assets from operations.

Currency Risk

The Central Council may invest in financial instruments denominated in currencies other than its reporting currency through its investment in international equity securities funds and emerging market funds. Consequently, the Central Council may be exposed to risks that the exchange rate of its currency relative to other currencies may change in a manner that has an adverse effect on the value of the portion of the Central Council's assets or liabilities dominated in currencies other than U.S. dollars.

Investments in Equity and other Securities

A summary of the Central Council's equity and real estate investment trust (REIT) mutual fund investments at December 31, 2010 is displayed below by type of instrument. All mutual fund investments are held by a custodian in the name of the Council.

	<u>Total Cost</u>	<u>Market Value</u>
Money Market	\$ 82,892	82,892
Domestic Fixed Income Funds	2,768,182	2,832,809
Domestic Large Cap Equity Funds	1,544,262	2,052,751
Domestic Mid Cap Equity Funds	490,002	806,597
Domestic Small Cap Equity Funds	229,545	358,167
International Equity Funds	621,700	811,568
Emerging Market Funds	312,704	529,847
Domestic REIT Fund	<u>226,036</u>	<u>416,382</u>
	<u>\$ 6,275,323</u>	<u>7,891,013</u>

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Basic Financial Statements, continued

Equity in Central Treasury, continued

Investments in Equity and other Securities, continued

In addition to the Tribal Trust Fund, Central Council carries the investments of the deferred compensation account. The deferred compensation account is made up of equity securities only and had the following composition:

	<u>Total Cost</u>	<u>Market Value</u>
Money Market	\$ 10,288	10,288
Mutual Fund	96,920	89,902
Index Funds	2,347	3,060
Domestic REIT Fund	<u>1,061</u>	<u>1,270</u>
	<u>\$ 110,616</u>	<u>104,520</u>

Demand Deposits and Investments – Reconciliation to Equity in Central Treasury

Demand deposits and investments:		
Demand deposits (carrying amount)		\$ 2,710,754
Investments in debt securities		418,233
Investments in equity and REIT mutual funds		<u>7,995,533</u>
Equity in Central Treasury		<u>\$ 11,124,520</u>

(4) **Receivables**

Other receivables at December 31, 2010 consists of:

	<u>General, BIA TANF, Other Tribal Funds</u>	<u>Enterprise Funds</u>	<u>Total</u>
Employee receivables	\$ 36,670	-	36,670
Accounts, grants and contracts receivable	<u>2,649,739</u>	<u>134,280</u>	<u>2,784,019</u>
Total	<u>\$ 2,686,409</u>	<u>134,280</u>	<u>2,820,689</u>

Management believes all accounts receivable are fully collectible.

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

(5) **Capital Assets**

The Council owns land, buildings and equipment, which are recorded at historical cost, as follows:

	Balance at January 1, 2010 <u>As Restated</u>	Additions/ Deletions	Balance at December 31, 2010
Governmental Activities:			
Non-depreciable assets – land	\$ 2,048,079	-	2,048,079
Depreciable assets:			
Buildings	9,029,400	-	9,029,400
Equipment	<u>1,737,305</u>	<u>19,750</u>	<u>1,757,055</u>
Total	12,814,784	19,750	12,834,534
Less accumulated depreciation	<u>5,384,844</u>	<u>435,096</u>	<u>5,819,940</u>
Total assets, net	\$ <u>7,429,940</u>	<u>(415,346)</u>	<u>7,014,594</u>
Business-type Activities:			
Depreciable assets -			
Equipment	<u>188,420</u>	<u>(188,420)</u>	<u>-</u>
Less accumulated depreciation	<u>187,346</u>	<u>(187,346)</u>	<u>-</u>
Total assets, net	\$ <u>1,074</u>	<u>(1,074)</u>	<u>-</u>

Certain beginning balances were restated. See Note 19 for prior period adjustments. Depreciation expense was charged to the governmental administration functions totaling \$439,614.

(6) **Long Term Debt**

Long-term debt at December 31, 2010 is summarized as follows. Accrued compensated absences are included as restated at January 1, 2010.

	Balance January 1, 2010	<u>Additions</u>	<u>Deletions</u>	Balance December, 2010	Due Within <u>One Year</u>
<u>Governmental activities</u>					
General Obligation Loan, original loan balance of \$1,203,712, secured by assignment of income from the Council's condominium interest in the Andrew Hope Building and its related real estate lots, payable in monthly installments of \$23,894 through December 5, 2012 with interest at 7%.	\$ 771,249	-	239,672	531,577	50,594

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

Long Term Debt, continued

<u>Governmental activities, continued</u>	Balance January 1, <u>2010</u>	<u>Additions</u>	<u>Deletions</u>	Balance December, <u>2010</u>	Due Within <u>One Year</u>
General Obligation Loan, consisting of a tax exempt bond, original balance of \$2,015,373, secured by assignment of income from the Central Council's condominium interest in the Andrew Hope Building and its related real estate lots, payable in fixed monthly principal and corresponding variable interest payments through maturity at December 10, 2022. This loan has a floating rate computed as 66.78 percent of the London Inter-bank Offered Rate(LIBOR)plus 1.635 percent. The interest rate was 1.812% as of December 31,2010. This loan is subject to an interest rate swap agreement as discussed in Note 7.	\$ 1,828,573	-	100,730	1,727,843	130,085
Note payable to bank, original loan balance \$1,312,500, secured by real estate, payable in monthly installments of \$9,367 through November 2024, with interest at 5.95%.	1,109,498	-	47,679	1,061,819	257,795
USDA Rural Development loan, original loan amount of \$132,000, secured by a building, payable in monthly installments of \$ 660 through June 2034, with interest at 4.38%.	118,458	-	2,793	115,665	2,916
USDA Rural Development loan, original loan amount of \$107,500 secured by a building, payable in monthly installments of \$ 538 through June 2034, with interest at 4.38%.	<u>96,434</u>	<u>-</u>	<u>2,283</u>	<u>94,151</u>	<u>2,384</u>
Subtotal notes payable	3,924,212	-	393,157	3,531,055	443,774

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

Long Term Debt, continued

<u>Governmental activities, continued</u>	Balance January 1, 2010	<u>Additions</u>	<u>Deletions</u>	Balance December, 2010	Due Within <u>One Year</u>
Accrued compensated absences, restated at January 1, 2010	\$ <u>559,671</u>	<u>760,060</u>	<u>782,316</u>	<u>537,415</u>	<u>50,817</u>
Total long-term debt	\$ <u>4,483,883</u>	<u>760,060</u>	<u>1,175,473</u>	<u>4,068,470</u>	<u>494,591</u>

Interest expense for 2010 was \$213,656. All long-term debt amounts are recorded in the internal service funds, with the exception of compensated absences, and are therefore included in debt of the governmental activities in the accompanying financial statements.

Business-type Activities

	Balance January 1, 2010 Restated	<u>Additions</u>	<u>Deletions</u>	Balance December, 2010	Due Within <u>One Year</u>
Accrued compensated absences	\$ <u>15,716</u>	<u>17,574</u>	<u>17,763</u>	<u>15,527</u>	<u>-</u>

The Council's interest rate swap agreement is discussed in Note 7. Using rates as of December 31, 2010, debt service requirements of the variable-rate debt and net swap payments, assuming current interest rates remain the same for their term, are shown below. As rates vary, variable-rate bond interest payments and net swap payments will vary. A Summary of principal and interest payments due under long-term debt, including net payments on the interest rate swap agreement, at December 31, 2010, are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Subtotal</u>	<u>Interest Rate Swap, Net</u>	<u>Total</u>
2011	\$ 443,774	130,047	573,821	59,048	632,869
2012	465,300	105,548	570,848	55,618	626,466
2013	197,629	89,467	287,096	51,923	339,019
2014	203,834	83,262	287,096	47,947	335,043
2015	210,309	76,786	287,095	43,675	330,770
2016-2020	1,158,918	275,560	1,434,478	142,625	1,577,103
2021-2025	751,366	81,392	832,758	14,619	847,377
2026-2030	55,799	16,081	71,880	-	71,880
2031-2035	44,126	3,345	47,471	-	47,471
	\$ <u>3,531,055</u>	<u>861,488</u>	<u>4,392,543</u>	<u>415,455</u>	<u>4,807,998</u>

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

Long Term Debt, continued

Accrued compensated absences were reported previously as current liabilities in the general fund. See Note 19 for prior period adjustment.

(7) **Interest Rate Swap**

As a means of hedging the cash flows on its variable rate general obligation bond described in Note 7, the Council entered into an interest rate swap agreement at the time the bond was issued in December 2007. The intention of the swap agreement was to effectively change the Council's variable interest rate on the bonds to a synthetic fixed rate of 5.32%. The swap counterparty is the bank that purchased the Council's bonds.

In fiscal year 2010, the Council implemented GASB Statement 53, *Accounting and Financial Reporting for Derivative Instruments*. Pursuant to this Statement, the Council evaluated whether its derivative instrument was either hedgeable or non-hedgeable. The swap is recorded and disclosed as a hedging derivative. The consistent critical terms method was used to determine whether the derivative was hedgeable or not. The fair value of the hedgeable derivative is presented in the Statement of Net Assets, either as a derivative liability (negative fair value amount) or as a derivative asset (positive fair value amount).

The accumulated change in fair value is recorded as deferred inflows or deferred outflows of resources on the Statement of Net Assets. If the swap changes from an effective hedgeable derivative to an investment derivative, the hedge is considered terminated and the accumulated change in fair value is no longer deferred but recognized as a revenue item.

Terms

The loan and the related swap agreement mature on December 5, 2022, and the swap's notional amount of \$1,727,843 matches the bond principal. Starting in fiscal year 2008, with the first loan payment, the notional value of the swap and the principal amount of the associated debt decline. Under the swap, the Council pays the bank a fixed payment of 5.32% and receives a variable payment computed as 66.78% of the London Interbank Offered Rate (LIBOR) plus 1.635% (approximately 1.81% at December 31, 2010). Conversely, the bond's variable-rate coupons are based on the formula.

Fair Value

Because the interest rate of the bonds is less than the fixed interest rate of the swap, the swap had a negative fair value of \$193,933 as of December 31, 2010. The swap's negative fair value may be countered by a reduction in total interest payments required under the variable-rate bonds, creating a lower synthetic interest rate. The fair value of the interest rate swap was obtained from mark to market statements from the counterparty, reconciled to present value calculations. Fair value amounts represent mid-market valuations that approximate the current value using market averages, reference rates, and/or mathematical models. Actual trade prices may vary significantly from these estimates. The fair value represents the current price to settle swap asset or liability in the marketplace if the swap were to be terminated.

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

Interest Rate Swap, continued

The change in fair value and ending balance of the hedging derivative at December 31, 2010 is shown below:

<u>Notional amount</u>	Fair value December 31, <u>2010</u>	Fair value December 31, <u>2009</u>	Change in <u>Fair value</u>
\$ <u>1,727,843</u>	(<u>193,933</u>)	(<u>215,182</u>)	<u>21,249</u>

Credit Risk

As of December 31, 2010, the Council was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap becomes positive, the Council would be exposed to credit risk in the amount of the swap's fair value. The swap counterparty was rated Aa2 by Moody's Investor Service and AA by Standard & Poor as of December 31, 2010.

Termination Risk

The Council or the counterparty may terminate the swap if the other party is in default under the terms of the contract.

(8) **Line of Credit**

The Council has a variable rate revolving line-of-credit with a financial institution in the amount of \$1,500,000, which is used for general operations and recorded in the General Fund. The line-of-credit has a 12 month maturity, bears interest at "Wall Street Prime Rate plus 2%" and is unsecured.

	Balance at January 1, <u>2010</u>	<u>Increases</u>	<u>Decreases</u>	Balance at December 31, <u>2010</u>
Line-of-Credit	\$ <u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>	<u>-</u>

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

(9) **Pension and Deferred Compensation Plans**

401(a) and 401(k) Plans

The Central Council provides pension benefits for all of its full-time employees through a 401(a) money purchase plan and a 401(k) plan, both of which are defined contribution plans. In a money purchase and 401(k) plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate after one year from date of employment and 1,000 hours of service. Plan admission dates are the first day of each calendar quarter. The defined contribution plans require that the Central Council contribute an amount equal to 12% (9% money purchase and 3% 401(k) plan) of the participant's compensation. Employees are not required to make contributions. The Central Council's contribution to the money purchase plan for each employee is fully vested after five years of continuous service. The Central Council's contribution to the 401(k) plan for each employee is fully vested immediately. The Central Council's contributions for 401(a) and accrued interest forfeited by employees who leave employment before five years of service are used to reduce the Central Council's current period contribution requirement. For the year ended December 31, 2010 (the plan year), the Central Council needs to make the required 12% contribution amounting to \$989,604 and \$698,706 has been booked as liabilities to the plan.

Deferred Compensation Plan

During 2005, the Central Council established a deferred compensation plan (the "Plan") for the benefit of key management employees. The plan was established in accordance with section 409A of the Internal Revenue Code and is intended to allow key management employees (as determined by Central Council in its sole discretion) to accrue retirement benefits based upon a deferral of a percentage of their compensation from Central Council and to accumulate earnings and gains thereon. Participants only have the unsecured promise of the Tribe to pay benefits under the Plan, and the Plan is unfunded until benefits are paid. As of December 31, 2010, the plan assets totaled \$104,520. No employer or employee contributions were made during 2010.

(10) **Interfund Receivables and Payables**

Interfund receivable and payable balances at December 31, 2010 are as follows:

	<u>Interfund</u>	
	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 2,897,495	-
Special Revenue Funds:		
BIA Compact Agreement	-	41,308
TANF	-	1,111,357
Head Start	-	429,681
Tribal Trust	1,344,941	-

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

Interfund Receivables and Payables, continued

	Interfund	
	Receivable	Payable
Non-major governmental total	161,003	1,226,270
Internal service fund –		
Real and personal property	-	1,135,660
Enterprise funds	-	459,163
	<u>\$ 4,403,439</u>	<u>4,403,439</u>

The balances of \$1,135,660 due to the general fund from the internal service funds result from loans made to establish working capital when the internal service fund was first created and additional Central Council investments of its own funds in fixed assets are made. All remaining balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

(11) **Interfund Transfers**

Interfund transfers for the year ended December 31, 2010 consisted of the following:

	Transfers	
	<u>In</u>	<u>Out</u>
General Fund	\$ -	723,739
BIA Compact	105,608	-
TANF	76,715	-
Head Start	247,143	-
Non-major governmental funds	<u>294,273</u>	<u>-</u>
Total transfers	<u>\$ 723,739</u>	<u>723,739</u>

Transfers are used to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations for indirect costs not reimbursed by grantors.

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

(12) **Deficit Fund Balances (Net Assets)**

The following funds had accumulated deficits at December 31, 2010:

	January 1, 2010		December 31, 2010
	Balance <u>(Deficit)</u>	Increase <u>(Decrease)</u>	Balance <u>(Deficit)</u>
ANB Enterprise Fund	\$ (13,989)	(42,971)	(56,960)
VTRC Enterprise Fund	(156,249)	(127,293)	(283,542)
Youth Leadership Program	474	(613)	(139)
Program Interest	5,910	(8508)	(2,598)
Emergency Medical	40	(81)	(41)

The ANB deficit in net assets will be addressed by the Central Council's transfer of funds to this fund in a future period. The VTRC deficits will be addressed through changes in operations to improve overall results. Other tribal funds deficits will be addressed through the annual budgeting process.

(13) **Segment Information for Enterprise Funds**

The Central Council maintains Enterprise Funds to account for certain commercial and real estate activities, the operation of Tlingit Haida Technology Industries and for the operation of a training center. Summary information for the year ended December 31, 2010 is as follows:

	<u>VTRC</u>	<u>ANB</u>	<u>THTI</u>	<u>Total</u>
Assets:				
Current assets	\$ 19,517	114,763	126,374	260,654
Liabilities:				
Due to other funds	287,440	171,723	-	459,163
Other current liabilities	92	-	-	92
Non-current liabilities – accrued leave	<u>15,527</u>	<u>-</u>	<u>-</u>	<u>15,527</u>
Total liabilities	<u>303,059</u>	<u>171,723</u>	<u>-</u>	<u>474,782</u>
Net assets (Deficits) - unrestricted	\$ <u>(283,542)</u>	<u>(56,960)</u>	<u>126,374</u>	<u>(214,128)</u>

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

Segment Information for Enterprise Funds, continued

	<u>VTRC</u>	<u>ANB</u>	<u>THTI</u>	<u>Total</u>
Operating revenues	\$ 241,720	-	-	241,720
Operating expenses	<u>369,013</u>	<u>42,971</u>	<u>12,699</u>	<u>424,653</u>
Gain (loss) from operations	(127,293)	(42,971)	(12,699)	(182,933)
Net assets (deficits) beginning of year	(140,533)	(13,989)	139,043	(15,479)
Prior period adjustment	(15,716)	-	-	(15,716)
Net assets (deficits), beginning of the year, restated	<u>(156,249)</u>	<u>(13,989)</u>	<u>139,043</u>	<u>(31,195)</u>
Net assets (deficits) end of the year	\$ <u>(283,542)</u>	<u>(56,960)</u>	<u>126,374</u>	<u>(214,128)</u>
Increase (decrease in cash: Net cash provided by (used for):				
Operating activities	\$ (121,440)	(12,716)	5,523	(128,633)
Non-capital financing activities	121,440	12,716	-	134,156
Cash, at the beginning of the year	<u>-</u>	<u>-</u>	<u>120,851</u>	<u>120,851</u>
Cash at the end of the year	\$ <u>-</u>	<u>-</u>	<u>126,374</u>	<u>126,374</u>

(14) **Tribal Trust Special Revenue Fund**

As discussed in Notes 1 and 3, the Central Council holds and has invested some of its Tribal Trust Funds. Fund's activity during fiscal year 2010 is as follows (fund balances at fair value):

	<u>Tribal Trust</u>
Fund balance including accrued interest at December 31, 2009	\$ 7,306,462
Interest and dividend income	227,321
Realized gain on sale of investments, net of realized losses	502,673
Change in unrealized gain on investments	291,530
Expenses – investment fees	(28,722)
Contributions (withdrawals)	<u>-</u>
Fund balance including accrued interest at December 31, 2010	\$ <u>8,299,264</u>

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

(15) **Contingent Liabilities**

Most of the Council's revenues are received from Federal and State grants and contracts which restrict the use of revenues to carrying out specific programs and may require grantor's approval before certain expenditures are allowable. The Council is required to submit written progress reports for the activities being performed. The final expenditures are generally subject to a compliance audit to determine the allowability of costs for which reimbursement has previously been granted. Adjustments of amounts received under grants and contracts could result if the grants and contracts are audited by such agencies. Management does not believe that such adjustments, if any, would be material and, accordingly, no provision for liability from such adjustment, if any, is included in the accompanying financial statements.

(16) **Risk Management**

The Central Council faces a considerable number of risks of loss, including: (a) damage and loss to property and contents, (b) employee torts, (c) professional liabilities (i.e. errors and omissions), (d) workers' compensation injuries, (e) environmental damage, and (f) medical insurance of employees. In 2010, Central Council continued to purchase commercial insurance policies for: general liability, excess liability, property insurance, employee's health and medical, worker's compensation, Directors and Officers liability, auto liability, crime insurance, boiler and machinery, contractors coverage, fine arts, and data processing insurance.

(17) **Indirect Cost Reimbursements and Shortfalls**

The Central Council recovers most, but not all, of its management, administrative and other central services through an indirect cost rate agreement negotiated with the United States Department of the Interior's, National Business Center. The rates applied for calendar year 2010 were 19.69% and 37.33% for off-site and on-site programs, respectively. Despite the fact that the agreement and federal regulations allow for full reimbursement of indirect costs, many federal and state awards do not provide full funding for the indirect costs associated with their programs. Shortfalls (amounts which should be but are not paid by the awards) ultimately fall against Central Council funds, and are financed by transfers from the Tribal Trust Fund. Where known in advance those amounts should be included within the annual budget as a claim against the Tribal Trust Fund. For 2010, shortfalls amounted to \$633,841.

**CENTRAL COUNCIL OF THE TLINGIT
AND HAIDA INDIAN TRIBES OF ALASKA**

Notes to Basic Financial Statements, continued

(18) **Carryover Adjustments to Future Year Indirect Cost Rates**

The Central Council negotiates an annual indirect cost rate agreement with the federal government under a system known as “Fixed with Carry-forward Rate.” Under this system, annual indirect cost rates are based on projected indirect and direct costs, negotiated in advance for each calendar year. Following the end of each year, to the extent that actual indirect costs and collections associated with them differ, (except for shortfalls discussed in Note 17) an adjustment is made to future year rates. While these amounts permit the Central Council to collect previously uncollected amounts or to repay amounts collected in excess of its costs, the final amounts involved are subject to negotiation and cannot be accurately predicted in advance of final agreements. Furthermore, future year rates are impacted by changes in funding and other unknown events, including shortfalls discussed in Note 17. Indirect costs and their reimbursements are accounted for within the General Fund, and because future collections are not predicable, differences between actual collections and expenditures are financed through transfers from Tribal Trust Fund.

(19) **Prior Period Adjustments**

Beginning equity for 2010 has been adjusted to correct an error in recording compensated absences in prior years. The effect on governmental fund balances and proprietary fund net assets are as follows: an increase of \$559,671 to beginning fund balance in the General Fund, a decrease of \$15,716 in beginning net assets in the non-major enterprise fund and a decrease of \$13,773 in beginning net assets in the non-major internal service fund. On a government-wide basis, the adjustment resulted in an increase of beginning net assets – governmental activities of \$15,716 and a corresponding decrease in beginning net assets – business-type activities of \$15,716, but no change in total government-wide net assets.

Beginning net assets – governmental activities has been restated to correct errors in recording capital assets in the Internal Service Fund. Beginning net assets were increased by \$223,748.

REQUIRED SUPPLEMENTARY INFORMATION

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
Year Ended December 31, 2010

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Interest and dividend income	\$ -	-	17,030	17,030
Other	-	-	<u>3,527</u>	<u>3,527</u>
Total revenues	<u>-</u>	<u>-</u>	<u>20,557</u>	<u>20,557</u>
Expenditures:				
Administration	5,755,130	5,192,765	5,242,102	(49,337)
Allocation of indirect costs	(5,483,625)	(5,694,015)	(6,174,585)	480,570
Tribal direct (see Note 1)	<u>106,500</u>	<u>106,500</u>	<u>404,562</u>	<u>(298,062)</u>
Total expenditures	<u>378,005</u>	<u>(394,750)</u>	<u>(527,921)</u>	<u>133,171</u>
Excess of revenue over (under) expenditures	(378,005)	394,750	548,478	153,728
Other financing sources (uses):				
Operating transfers in (out)	(47,225)	(47,225)	(89,898)	(42,673)
Indirect costs subsidy transfers (out)	<u>(271,505)</u>	<u>(439,077)</u>	<u>(633,841)</u>	<u>(194,764)</u>
Total other financing sources (uses)	<u>(318,730)</u>	<u>(486,302)</u>	<u>(723,739)</u>	<u>(237,437)</u>
Net change in fund balances	\$ <u>(696,735)</u>	<u>(91,552)</u>	(175,261)	<u>(83,709)</u>
Fund balance at beginning of year			<u>-</u>	
Prior period adjustment			<u>559,671</u>	
Fund balance at beginning of year as restated			<u>559,671</u>	
Fund balance at end of year			\$ <u>384,410</u>	

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Department of Interior - BIA Compact Agreement Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
Year Ended December 31, 2010

		<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
Revenues:					
Reimbursable program costs	\$	-	-	108,336	108,336
Indirect revenue		-	-	21,331	21,331
Compact funding:					
Direct		5,330,361	9,412,837	9,544,728	131,891
Indirect		<u>1,523,449</u>	<u>3,112,664</u>	<u>3,138,274</u>	<u>25,610</u>
Total revenues		<u>6,853,810</u>	<u>12,525,501</u>	<u>12,812,669</u>	<u>287,168</u>
Expenditures:					
Health and welfare		4,540,253	8,224,619	8,030,431	194,188
Education		699,017	789,287	783,741	5,546
Economic development		91,091	62,024	577,994	(515,970)
Natural resources		-	336,907	317,427	19,480
Allocation of indirect costs		<u>1,523,449</u>	<u>3,112,664</u>	<u>3,208,684</u>	<u>(96,020)</u>
Total expenditures		<u>6,853,810</u>	<u>12,525,501</u>	<u>12,918,277</u>	<u>(392,776)</u>
Excess of revenue over (under) expenditures	\$	<u>-</u>	<u>-</u>	<u>(105,608)</u>	<u>(105,608)</u>
Other financing sources (uses) - indirect costs subsidy transfers in		<u>-</u>	<u>-</u>	<u>105,608</u>	<u>105,608</u>
Net change in fund balances	\$	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at beginning of year				<u>-</u>	
Fund balance at end of year			\$	<u>-</u>	

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Temporary Assistance for Needy Families (TANF) Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
Year Ended December 31, 2010

		<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget Favorable <u>(Unfavorable)</u>
Revenues:					
Reimbursable program costs	\$	4,157,533	4,145,340	5,150,174	1,004,834
Indirect revenue		<u>683,206</u>	<u>683,960</u>	<u>973,833</u>	<u>289,873</u>
Total revenues		<u>4,840,739</u>	<u>4,829,300</u>	<u>6,124,007</u>	<u>1,294,707</u>
Expenditures:					
Tribal assistance		4,157,533	4,145,340	5,150,174	(1,004,834)
Allocation of indirect costs		<u>748,668</u>	<u>807,654</u>	<u>1,050,548</u>	<u>(242,894)</u>
Total expenditures		<u>4,906,201</u>	<u>4,952,994</u>	<u>6,200,722</u>	<u>(1,247,728)</u>
Excess of revenue over (under) expenditures		(65,462)	(123,694)	(76,715)	46,979
Other financing sources (uses) - indirect costs subsidy transfers in		<u>65,462</u>	<u>123,694</u>	<u>76,715</u>	<u>(46,979)</u>
Net change in fund balances	\$	<u>-</u>	<u>-</u>	-	<u>-</u>
Fund balance at beginning of year				<u>-</u>	
Fund balance at end of year				\$ <u>-</u>	

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**
Head Start Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
Year Ended December 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
Revenues:				
Reimbursable program costs	\$ 1,551,054	3,081,154	2,842,112	(239,042)
Indirect revenue	<u>174,517</u>	<u>302,622</u>	<u>321,970</u>	<u>19,348</u>
Total revenues	<u>1,725,571</u>	<u>3,383,776</u>	<u>3,164,082</u>	<u>(219,694)</u>
Expenditures:				
Education	1,551,054	3,081,154	2,842,112	239,042
Allocation of indirect costs	<u>199,659</u>	<u>429,701</u>	<u>569,113</u>	<u>(139,412)</u>
Total expenditures	<u>1,750,713</u>	<u>3,510,855</u>	<u>3,411,225</u>	<u>99,630</u>
Excess of revenue over (under) expenditures	(25,142)	(127,079)	(247,143)	(120,064)
Other financing sources (uses) - indirect costs subsidy transfers in	<u>25,142</u>	<u>127,079</u>	<u>247,143</u>	<u>120,064</u>
Net change in fund balances	\$ <u>-</u>	<u>-</u>	-	<u>-</u>
Fund balance at beginning of year			<u>-</u>	
Fund balance at end of year			\$ <u>-</u>	

ADDITIONAL SUPPLEMENTARY INFORMATION

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Governmental Funds - By Department
Combining Schedule of Revenues, Expenditures and Fund Balances (Deficits)
Year Ended December 31, 2010

	General Fund	Tribal Trust	Business Economic Development	Employment and Training	Education	Head Start	Native Lands and Resources
Revenues:							
Interest and dividend income	\$ 17,030	1,021,524	-	-	-	-	-
Reimbursable program costs	-	-	880,847	1,272,598	449,253	3,052,613	529,940
Indirect revenue	-	-	94,937	393,910	9,626	321,996	144,037
Compact funding:							
Direct	-	-	61,699	5,252,040	783,741	-	317,427
Indirect	-	-	23,032	1,932,610	277,705	-	118,496
Other	3,527	-	6,255	-	16,565	1,089	6,856
Total revenues	20,557	1,021,524	1,066,770	8,851,158	1,536,890	3,375,698	1,116,756
Expenditures:							
Salaries and wages	1,991,595	-	337,912	1,580,174	202,044	1,726,914	371,941
Employee benefits	525,952	-	76,859	408,776	44,530	497,197	107,287
Travel	452,104	-	64,008	146,694	15,457	34,599	59,825
Training	33,678	-	292	11,707	(52)	38,119	14,602
Professional services	434,088	28,722	212,526	142,133	364,131	34,398	53,132
Printing, postage, and supplies	188,401	-	2,144	44,831	29,959	32,667	34,120
Telephone	80,902	-	3,055	3,281	304	27,678	(15)
Dues, subscriptions, and advertising	61,244	-	2,279	2,134	11,903	5,736	1,703
Insurance and bonding	44,449	-	-	1,200	1,200	29,349	-
Equipment maintenance & lease	1,295,307	-	5,125	53,371	10,632	338,283	-
Facility expenses	1,580	-	2,925	11,010	-	34,988	-
Purchase of minor equipment	126,819	-	257,463	4,847	19,611	20,774	-
Meeting expense	139,348	-	1,235	5,411	24	20,224	124,112
Interest	20,125	-	-	-	-	-	-
Tribal direct	92,063	-	-	-	12,611	44	687
Other	150,915	-	9,032	1,683	14,744	579	69,876
Client benefits	8,094	-	-	4,163,914	498,607	217,920	-
Allocation of indirect costs	(6,174,585)	-	205,113	2,375,600	304,302	610,050	285,355
Total expenditures	(527,921)	28,722	1,179,968	8,956,766	1,530,007	3,669,519	1,122,625
Excess of revenue over (under) expenditures	548,478	992,802	(113,198)	(105,608)	6,883	(293,821)	(5,869)
Other financing sources (uses):							
Operating transfers in (out)	(89,898)	-	1,235	-	4,768	76	-
Indirect costs subsidy transfers in (out)	(633,841)	-	85,909	105,608	16,971	287,978	5,356
Total other financing sources (uses)	(723,739)	-	87,144	105,608	21,739	288,054	5,356
Change in fund balance	(175,261)	992,802	(26,054)	-	28,622	(5,767)	(513)
Fund balance at beginning of year	-	7,306,462	48,500	4,134	14,409	5,767	474
Prior period adjustment	559,671	-	-	-	-	-	-
Fund balance at beginning of the year restated	559,671	7,306,462	48,500	4,134	14,409	5,767	474
Fund balance at end of year	\$ 384,410	8,299,264	22,446	4,134	43,031	-	(39)

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Governmental Funds - By Department

Combining Schedule of Revenues, Expenditures and Fund Balances (Deficits), continued
Year Ended December 31, 2010

	Community Services and Self Governance	TANF	Tribal Families and Youth Services	Tribal Court	Roads and Transportation	Other Tribal	Total
Revenues:							
Interest and dividend income	\$ -	-	-	-	4,517	-	1,043,071
Reimbursable program costs	550,930	5,150,174	1,305,264	115	764,638	45,818	14,002,190
Indirect revenue	80,164	973,833	366,789	-	43,583	-	2,428,875
Compact funding:							
Direct	1,886,477	-	801,385	34,000	407,959	-	9,544,728
Indirect	440,143	-	253,269	12,692	80,327	-	3,138,274
Other	-	-	300	-	-	7,076	41,668
Total revenues	<u>2,957,714</u>	<u>6,124,007</u>	<u>2,727,007</u>	<u>46,807</u>	<u>1,301,024</u>	<u>52,894</u>	<u>30,198,806</u>
Expenditures:							
Salaries and wages	948,336	839,326	1,232,514	26,191	256,387	-	9,513,334
Employee benefits	228,714	236,482	354,203	5,724	64,531	-	2,550,255
Travel	133,215	56,567	86,375	1,733	61,702	-	1,112,279
Training	4,971	1,837	-	625	-	-	105,779
Professional services	255,427	59,272	210,721	-	198,339	-	1,992,889
Printing, postage, and supplies	83,682	35,523	38,127	(273)	2,336	53,263	544,780
Telephone	19,288	14,280	8,761	-	15	-	157,549
Dues, subscriptions, and advertising	3,044	1,133	-	-	1,635	365	91,176
Insurance and bonding	9,489	4,103	3,569	-	9	-	93,368
Equipment maintenance & lease	23,461	170,900	20,807	-	30,124	-	1,948,010
Facility expenses	30,563	14,552	379	-	-	-	95,997
Purchase of minor equipment	46,736	3,440	-	-	10,314	-	490,004
Meeting expense	49,334	1,338	-	-	2,331	2,367	345,724
Interest	-	-	-	-	-	-	20,125
Tribal direct	-	-	-	-	-	-	105,405
Other	26,353	102	151,824	-	12,464	40	437,612
Client benefits	574,794	3,711,319	-	-	543,292	6,400	9,724,340
Allocation of indirect costs	547,833	1,050,548	657,039	12,692	126,053	-	-
Total expenditures	<u>2,985,240</u>	<u>6,200,722</u>	<u>2,764,319</u>	<u>46,692</u>	<u>1,309,532</u>	<u>62,435</u>	<u>29,328,626</u>
Excess of revenue over (under) expenditures	(27,526)	(76,715)	(37,312)	115	(8,508)	(9,541)	870,180
Other financing sources (uses):							
Operating transfers in (out)	-	-	9,204	-	-	74,615	-
Indirect costs subsidy transfers in (out)	27,526	76,715	27,778	-	-	-	-
Total other financing sources (uses)	<u>27,526</u>	<u>76,715</u>	<u>36,982</u>	<u>-</u>	<u>-</u>	<u>74,615</u>	<u>-</u>
Change in fund balance	-	-	(330)	115	(8,508)	65,074	870,180
Fund balance at beginning of year	-	-	2,197	2,783	5,910	(65,115)	7,325,521
Prior period adjustment	-	-	-	-	-	-	559,671
Fund balance at beginning of the year restated	-	-	2,197	2,783	5,910	(65,115)	7,885,192
Fund balance at end of year	\$ -	-	1,867	2,898	(2,598)	(41)	8,755,372

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**
Business Economic Development (BED)
Combining Schedule of Revenues, Expenditures and Fund Balances
Year Ended December 31, 2010

	<u>2006</u>	<u>2007</u>	<u>3016</u> CSBG ARRA 2009/2010	<u>3030</u> CSBG ARRA 2009	<u>3600</u> Angoon & Hydaburg Business Ctr	<u>3612</u> Customary Trade Survey	<u>3711</u> Economic Development Admin
Revenues:							
Reimbursable program costs	\$ -	-	265,725	301,758	157,063	29,753	46,413
Indirect revenue	-	-	13,286	18,752	30,805	11,107	17,326
Compact funding:							
Direct	57,675	4,024	-	-	-	-	-
Indirect	21,530	1,502	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total revenues	<u>79,205</u>	<u>5,526</u>	<u>279,011</u>	<u>320,510</u>	<u>187,868</u>	<u>40,860</u>	<u>63,739</u>
Expenditures:							
Salaries and wages	46,041	3,380	150,195	-	114,625	3,265	17,678
Employee benefits	9,548	644	45,573	-	18,142	871	1,819
Travel	2,086	-	35,093	-	-	(427)	17,874
Training	-	-	292	-	-	-	-
Professional services	-	-	21,766	95,234	6,679	24,941	-
Printing, postage, and supplies	-	-	1,010	-	-	-	105
Telephone	-	-	130	-	2,925	-	-
Dues, subscriptions, and advertising	-	-	2,270	-	-	-	-
Equipment maintenance & lease	-	-	5,125	-	-	-	-
Facility expenses	-	-	-	-	2,925	-	-
Purchase of minor equipment	-	-	3,036	206,524	11,767	1,008	-
Meeting expense	-	-	1,235	-	-	-	-
Other	-	-	-	-	-	95	8,937
Client benefits	-	-	-	-	-	-	-
Allocation of indirect costs	21,530	1,502	99,195	18,752	30,926	11,107	17,326
Total expenditures	<u>79,205</u>	<u>5,526</u>	<u>364,920</u>	<u>320,510</u>	<u>187,989</u>	<u>40,860</u>	<u>63,739</u>
Excess of revenue over (under) expenditures	-	-	(85,909)	-	(121)	-	-
Other financing sources:							
Operating transfers in	-	-	-	-	121	-	-
Indirect costs subsidy transfers in	-	-	85,909	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>85,909</u>	<u>-</u>	<u>121</u>	<u>-</u>	<u>-</u>
Change in fund balance	-	-	-	-	-	-	-
Fund balance at beginning of year	-	-	-	-	-	-	-
Fund balance at end of year	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**
Business Economic Development (BED)
Combining Schedule of Revenues, Expenditures and Fund Balances, continued
Year Ended December 31, 2010

	<u>3810</u>	<u>3811</u>	<u>3950</u>	<u>1214</u>	<u>1216</u>	<u>1217</u>	<u>Total</u>
	WIA Assessment	WIA Weatherization	Dept of Energy ARRA	SE AK Native Summit	BED Classes	Tribal Voice Radio	
Revenues:							
Reimbursable program costs	\$ 11,500	21,012	12,728	-	31,300	3,595	880,847
Indirect revenue	1,150	-	2,511	-	-	-	94,937
Compact funding:							
Direct	-	-	-	-	-	-	61,699
Indirect	-	-	-	-	-	-	23,032
Other	-	-	-	-	-	6,255	6,255
Total revenues	<u>12,650</u>	<u>21,012</u>	<u>15,239</u>	<u>-</u>	<u>31,300</u>	<u>9,850</u>	<u>1,066,770</u>
Expenditures:							
Salaries and wages	-	-	-	-	-	2,728	337,912
Employee benefits	-	-	-	-	-	262	76,859
Travel	-	-	-	-	9,382	-	64,008
Training	-	-	-	-	-	-	292
Professional services	11,500	21,012	12,700	-	11,834	6,860	212,526
Printing, postage, and supplies	-	-	28	-	1,001	-	2,144
Telephone	-	-	-	-	-	-	3,055
Dues, subscriptions, and advertising	-	-	-	-	9	-	2,279
Equipment maintenance & lease	-	-	-	-	-	-	5,125
Facility expenses	-	-	-	-	-	-	2,925
Purchase of minor equipment	-	-	-	-	35,128	-	257,463
Meeting expense	-	-	-	-	-	-	1,235
Other	-	-	-	-	-	-	9,032
Allocation of indirect costs	2,264	-	2,511	-	-	-	205,113
Total expenditures	<u>13,764</u>	<u>21,012</u>	<u>15,239</u>	<u>-</u>	<u>57,354</u>	<u>9,850</u>	<u>1,179,968</u>
Excess of revenue over (under) expenditures	(1,114)	-	-	-	(26,054)	-	(113,198)
Other financing sources:							
Operating transfers in	1,114	-	-	-	-	-	1,235
Indirect costs subsidy transfers in	-	-	-	-	-	-	85,909
Total other financing sources	<u>1,114</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,144</u>
Change in fund balance	-	-	-	-	(26,054)	-	(26,054)
Fund balance at beginning of year	-	-	-	100	48,400	-	48,500
Fund balance at end of year	\$ -	-	-	100	22,346	-	22,446

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**
Employment and Training (E&T)
Combining Schedule of Revenues, Expenditures and Fund Balances
Year Ended December 31, 2010

	<u>2000</u>	<u>2003</u>	<u>2016</u>	<u>2017</u>	<u>3318</u>	<u>2015</u>
	Employment and Training	Program Compliance	Workforce Investment Act	Native Employment Works	ARRA Youth Services	Child Care Development
Revenues:						
Reimbursable program costs	\$ -	-	-	-	62,693	-
Indirect revenue	-	-	-	-	12,344	-
Compact funding:						
Direct	3,894,512	94,592	-	33,673	-	1,229,263
Indirect	1,453,821	35,311	-	90,202	-	353,276
Other	-	-	-	-	-	-
Total revenues	<u>5,348,333</u>	<u>129,903</u>	<u>-</u>	<u>123,875</u>	<u>75,037</u>	<u>1,582,539</u>
Expenditures:						
Salaries and wages	611,461	29,987	-	70,382	25,629	205,521
Employee benefits	169,756	5,912	-	19,820	2,318	46,324
Travel	79,713	15,753	-	-	-	-
Training	4,147	-	-	-	-	995
Professional services	44,595	-	-	-	-	2,833
Printing, postage, and supplies	28,099	216	-	-	-	-
Telephone	1,260	-	-	-	-	-
Dues, subscriptions, and advertising	65	-	-	-	-	-
Insurance and bonding	-	-	-	-	-	-
Equipment maintenance & lease	29,040	-	-	-	-	10,000
Facility expenses	11,010	-	-	-	-	-
Purchase of minor equipment	4,847	-	-	-	-	-
Meeting expense	5,061	-	-	-	-	-
Other	660	-	-	-	-	-
Client benefits	2,904,798	42,724	-	-	34,746	963,589
Allocation of indirect costs	1,453,821	35,311	-	33,673	12,344	458,885
Total expenditures	<u>5,348,333</u>	<u>129,903</u>	<u>-</u>	<u>123,875</u>	<u>75,037</u>	<u>1,688,147</u>
Excess of revenue over (under) expenditures	-	-	-	-	-	(105,608)
Other financing sources - indirect costs subsidy transfers in	-	-	-	-	-	105,608
Change in fund balance	-	-	-	-	-	-
Fund balance at beginning of year	-	-	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Employment and Training (E&T)
Combining Schedule of Revenues, Expenditures and Fund Balances
Year Ended December 31, 2010

	<u>3029</u> Child Care Development <u>ARRA</u>	<u>3200</u> Tribal Vocational <u>Rehabilitation</u>	<u>3001</u> Tribal Child Support <u>(TCS) Program</u>	<u>1204</u> TERO <u>Fundraising</u>	<u>1220</u> TCS <u>Disbursement</u>	<u>Total</u>
Revenues:						
Reimbursable program costs	\$ 277,294	325,301	607,310	-	-	1,272,598
Indirect revenue	46,728	121,435	213,403	-	-	393,910
Compact funding:						
Direct	-	-	-	-	-	5,252,040
Indirect	-	-	-	-	-	1,932,610
Total revenues	<u>324,022</u>	<u>446,736</u>	<u>820,713</u>	<u>-</u>	<u>-</u>	<u>8,851,158</u>
Expenditures:						
Salaries and wages	-	217,906	419,288	-	-	1,580,174
Employee benefits	-	54,939	109,707	-	-	408,776
Travel	-	19,668	31,560	-	-	146,694
Training	-	1,596	4,969	-	-	11,707
Professional services	65,774	12,538	16,393	-	-	142,133
Printing, postage, and supplies	-	10,208	6,308	-	-	44,831
Telephone	-	-	2,021	-	-	3,281
Dues, subscriptions, and advertising	-	1,519	550	-	-	2,134
Insurance and bonding	-	-	1,200	-	-	1,200
Equipment maintenance & lease	-	-	14,331	-	-	53,371
Facility expenses	-	-	-	-	-	11,010
Purchase of minor equipment	-	-	-	-	-	4,847
Meeting expense	-	350	-	-	-	5,411
Other	-	40	983	-	-	1,683
Client benefits	211,520	6,537	-	-	-	4,163,914
Allocation of indirect costs	46,728	121,435	213,403	-	-	2,375,600
Total expenditures	<u>324,022</u>	<u>446,736</u>	<u>820,713</u>	<u>-</u>	<u>-</u>	<u>8,956,766</u>
Excess of revenue over (under) expenditures	-	-	-	-	-	(105,608)
Other financing sources - indirect costs subsidy transfers in	-	-	-	-	-	105,608
Change in fund balance	-	-	-	-	-	-
Fund balance at beginning of year	-	-	-	4,134	-	4,134
Fund balance at end of year	\$ -	-	-	<u>4,134</u>	-	<u>4,134</u>

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Education

Combining Schedule of Revenues, Expenditures and Fund Balances
Year Ended December 31, 2010

	2001	2010	2011	2012	3204	1200	1202	1208	1210	Total
		Johnson O'Malley Community	Johnson O'Malley Juneau	Johnson O'Malley Counselors	Preventing AK Native Dropout	Spring King Salmon Derby	Alumni Scholarship	Tlingit Indian Books	EMF Gaming	
Revenues:										
Reimbursable program costs	\$ -	-	-	-	417,881	31,372	-	-	-	449,253
Indirect revenue	-	-	-	-	9,626	-	-	-	-	9,626
Compact funding:										
Direct	628,484	22,145	69,982	63,130	-	-	-	-	-	783,741
Indirect	234,613	4,538	26,124	12,430	-	-	-	-	-	277,705
Other	-	-	-	-	-	12,653	3,912	-	-	16,565
Total revenues	863,097	26,683	96,106	75,560	427,507	44,025	3,912	-	-	1,536,890
Expenditures:										
Salaries and wages	96,962	9,024	17,456	35,285	43,317	-	-	-	-	202,044
Employee benefits	24,724	905	3,208	8,791	6,902	-	-	-	-	44,530
Travel	727	4,037	7,661	-	3,032	-	-	-	-	15,457
Training	-	-	(52)	-	-	-	-	-	-	(52)
Professional services	-	178	13,093	227	350,633	-	-	-	-	364,131
Printing, postage, and supplies	4,856	1,006	18,464	1,011	4,529	93	-	-	-	29,959
Telephone	-	80	224	-	-	-	-	-	-	304
Dues, subscriptions, and advertising	-	-	75	-	-	11,828	-	-	-	11,903
Insurance and bonding	-	-	-	1,200	-	-	-	-	-	1,200
Equipment maintenance & lease	-	3,250	-	-	7,382	-	-	-	-	10,632
Purchase of minor equipment	2,498	521	-	16,592	-	-	-	-	-	19,611
Meeting expense	-	-	-	24	-	-	-	-	-	24
Tribal direct	-	-	-	-	2,086	10,525	-	-	-	12,611
Other	775	3,144	9,853	-	-	972	-	-	-	14,744
Client benefits	497,942	-	-	-	-	-	665	-	-	498,607
Allocation of indirect costs	234,613	4,538	26,124	12,430	26,597	-	665	-	-	304,302
Total expenditures	863,097	26,683	96,106	75,560	444,478	23,418	665	-	-	1,530,007
Excess of revenue over (under) expenditures	-	-	-	-	(16,971)	20,607	3,247	-	-	6,883
Other financing sources:										
Operating transfers in	-	-	-	-	-	-	-	4,768	-	4,768
Indirect costs subsidy transfers in	-	-	-	-	16,971	-	-	-	-	16,971
Total other financing sources	-	-	-	-	16,971	-	-	4,768	-	21,739
Change in fund balance	-	-	-	-	-	20,607	3,247	4,768	-	28,622
Fund balance at beginning of year	-	-	-	-	-	6,768	6,418	(4,768)	5,991	14,409
Fund balance at end of year	\$ -	-	-	-	-	27,375	9,665	-	5,991	43,031

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Head Start
Combining Schedule of Revenues, Expenditures and Fund Balances
Year Ended December 31, 2010

	<u>3020</u>	<u>3028</u>	<u>4002</u>	<u>4003</u>	<u>4009</u>	<u>4012</u>	<u>1209</u>	
	Head Start Federal	Head Start ARRA	Head Start State	USDA Food	Head Start Craig Bldg & Supplies	Head Start Wrangell Playground	Head Start Foundation	Total
Revenues:								
Reimbursable program costs	\$ 2,338,069	92,482	411,561	207,389	517	-	2,595	3,052,613
Indirect revenue	242,026	18,210	61,734	-	26	-	-	321,996
Other	-	-	-	-	-	-	1,089	1,089
Total revenues	<u>2,580,095</u>	<u>110,692</u>	<u>473,295</u>	<u>207,389</u>	<u>543</u>	<u>-</u>	<u>3,684</u>	<u>3,375,698</u>
Expenditures:								
Salaries and wages	1,346,280	78,761	301,873	-	-	-	-	1,726,914
Employee benefits	386,055	12,845	98,297	-	-	-	-	497,197
Travel	30,865	-	3,709	-	-	-	25	34,599
Training	38,119	-	-	-	-	-	-	38,119
Professional services	29,544	-	-	-	-	-	4,854	34,398
Printing, postage, and supplies	27,192	-	5,415	-	-	-	60	32,667
Telephone	26,802	876	-	-	-	-	-	27,678
Dues, subscriptions, and advertising	4,787	-	99	-	-	-	850	5,736
Insurance and bonding	29,349	-	-	-	-	-	-	29,349
Equipment maintenance & lease	333,451	-	2,192	-	-	-	2,640	338,283
Facility expenses	34,988	-	-	-	-	-	-	34,988
Purchase of minor equipment	20,257	-	-	-	517	-	-	20,774
Meeting expense	2,139	-	(98)	17,205	-	-	978	20,224
Tribal direct	-	-	-	-	-	-	44	44
Other	505	-	74	-	-	-	-	579
Client benefits	27,736	-	-	190,184	-	-	-	217,920
Allocation of indirect costs	469,867	18,210	81,036	40,835	102	-	-	610,050
Total expenditures	<u>2,807,936</u>	<u>110,692</u>	<u>492,597</u>	<u>248,224</u>	<u>619</u>	<u>-</u>	<u>9,451</u>	<u>3,669,519</u>
Excess of revenue over (under) expenditures	(227,841)	-	(19,302)	(40,835)	(76)	-	(5,767)	(293,821)
Other financing sources:								
Operating transfers in	-	-	-	-	76	-	-	76
Indirect costs subsidy transfers in	227,841	-	19,302	40,835	-	-	-	287,978
Total other financing sources	<u>227,841</u>	<u>-</u>	<u>19,302</u>	<u>40,835</u>	<u>76</u>	<u>-</u>	<u>-</u>	<u>288,054</u>
Change in fund balance	-	-	-	-	-	-	(5,767)	(5,767)
Fund balance at beginning of year	-	-	-	-	-	-	5,767	5,767
Fund balance at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Native Lands and Resources

Combining Schedule of Revenues, Expenditures and Fund Balances (Deficits)
Year Ended December 31, 2010

	<u>2004</u>	<u>2005</u>	<u>3025</u>	<u>3300</u>	<u>3303</u>	<u>3309</u>	<u>3400</u>
	Trust Services & Natural Resources	Forestry	SE AK Environmental Training	NAGPRA	NAGPRA	NAGPRA Travel	EPA General Assistance
Revenues:							
Reimbursable program costs	\$ -	-	84,148	35,415	8,023	-	70,286
Indirect revenue	-	-	31,412	8,854	2,006	-	26,238
Compact funding:							
Direct	268,110	49,317	-	-	-	-	-
Indirect	100,086	18,410	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total revenues	<u>368,196</u>	<u>67,727</u>	<u>115,560</u>	<u>44,269</u>	<u>10,029</u>	<u>-</u>	<u>96,524</u>
Expenditures:							
Salaries and wages	134,425	33,844	15,825	23,651	-	-	48,684
Employee benefits	41,743	9,135	4,305	5,408	-	-	19,143
Travel	21,145	5,097	7,841	4,932	8,023	-	1,816
Training	9,728	-	(1,784)	-	-	-	-
Professional services	36,763	88	(400)	-	-	-	-
Printing, postage, and supplies	11,397	328	10,209	610	-	-	340
Telephone	-	-	-	-	-	-	-
Dues, subscriptions, and advertising	155	-	-	-	-	-	-
Meeting expense	-	-	-	-	-	-	-
Tribal direct	-	-	-	-	-	-	-
Other	12,754	825	48,152	815	-	-	303
Allocation of indirect costs	100,086	18,410	31,412	13,220	2,995	-	26,238
Total expenditures	<u>368,196</u>	<u>67,727</u>	<u>115,560</u>	<u>48,636</u>	<u>11,018</u>	<u>-</u>	<u>96,524</u>
Excess of revenue over (under) expenditures	-	-	-	(4,367)	(989)	-	-
Other financing sources - indirect costs subsidy transfers in	-	-	-	4,367	989	-	-
Change in fund balance	-	-	-	-	-	-	-
Fund balance at beginning of year	-	-	-	-	-	-	-
Fund balance at end of year	\$ -	-	-	-	-	-	-

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Native Lands and Resources
Combining Schedule of Revenues, Expenditures and Fund Balances (Deficits)
Year Ended December 31, 2010

	<u>3412</u>	<u>3414</u>	<u>3415</u>	<u>1205</u>	<u>1213</u>	<u>1218</u>	
	Circuit Rider	Tribal Leader Summit	Brownsfield Response Program	Youth Leadership Program	Geographic Info System Instruction	Tribal Leader Summit	Total
Revenues:							
Reimbursable program costs	\$ 66,029	149,648	9,256	955	-	106,180	529,940
Indirect revenue	24,649	47,423	3,455	-	-	-	144,037
Compact funding:							
Direct	-	-	-	-	-	-	317,427
Indirect	-	-	-	-	-	-	118,496
Other	-	-	-	6,856	-	-	6,856
Total revenues	<u>90,678</u>	<u>197,071</u>	<u>12,711</u>	<u>7,811</u>	<u>-</u>	<u>106,180</u>	<u>1,116,756</u>
Expenditures:							
Salaries and wages	31,850	76,437	7,225	-	-	-	371,941
Employee benefits	9,482	17,240	831	-	-	-	107,287
Travel	10,171	(996)	1,074	722	-	-	59,825
Training	6,658	-	-	-	-	-	14,602
Professional services	4,640	11,314	-	727	-	-	53,132
Printing, postage, and supplies	2,907	3,436	-	4,893	-	-	34,120
Telephone	(15)	-	-	-	-	-	(15)
Dues, subscriptions, and advertising	-	-	-	-	-	1,548	1,703
Meeting expense	-	36,534	-	1,100	-	86,478	124,112
Tribal direct	-	-	-	-	-	687	687
Other	336	5,683	126	982	(100)	-	69,876
Allocation of indirect costs	24,649	47,423	3,455	-	-	17,467	285,355
Total expenditures	<u>90,678</u>	<u>197,071</u>	<u>12,711</u>	<u>8,424</u>	<u>(100)</u>	<u>106,180</u>	<u>1,122,625</u>
Excess of revenue over (under) expenditures	-	-	-	(613)	100	-	(5,869)
Other financing sources - indirect costs subsidy transfers in	-	-	-	-	-	-	5,356
Change in fund balance	-	-	-	(613)	100	-	(513)
Fund balance (deficit) at beginning of year	-	-	-	474	-	-	474
Fund balance (deficit) at end of year	\$ -	-	-	(139)	100	-	(39)

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**
Community Services and Self Governance
Combining Schedule of Revenues, Expenditures and Fund Balances
Year Ended December 31, 2010

	<u>2024</u>	<u>2026</u>	<u>2030</u>	<u>2040</u>	<u>2050</u>	<u>2060</u>	<u>2070</u>
	BIA	NCAI	Angoon	Craig	Douglas	Chilkoot	T&H Indians
	Self	Financial	Community	Community	Indian	Indian	of the City &
	<u>Governance</u>	<u>Literacy</u>	<u>Association</u>	<u>Association</u>	<u>Association</u>	<u>Association</u>	<u>Borough of Juneau</u>
Revenues:							
Reimbursable program costs	\$ -	-	-	-	-	-	-
Indirect revenue	-	-	-	-	-	-	-
Compact funding:							
Direct	416,952	24,662	280,257	90,019	150,693	174,132	42,225
Indirect	155,648	-	55,183	17,725	29,671	34,287	8,314
Total revenues	<u>572,600</u>	<u>24,662</u>	<u>335,440</u>	<u>107,744</u>	<u>180,364</u>	<u>208,419</u>	<u>50,539</u>
Expenditures:							
Salaries and wages	188,893	-	117,059	-	78,246	-	-
Employee benefits	42,102	-	22,145	-	17,860	-	-
Travel	84,333	-	12,491	-	7,235	-	-
Training	3,447	-	1,524	-	-	-	-
Professional services	19,892	24,662	17,500	-	128	140,488	39,950
Printing, postage, and supplies	25,577	-	6,081	-	316	13,651	2,275
Telephone	1,436	-	6,808	-	651	-	-
Dues, subscriptions, and advertising	1,047	-	-	-	504	459	-
Insurance and bonding	-	-	-	-	-	-	-
Equipment maintenance & lease	-	-	-	-	14,872	-	-
Facility expenses	-	-	16,873	-	-	167	-
Purchase of minor equipment	39,450	-	-	-	-	-	-
Meeting expense	10,775	-	6,649	-	9,500	19,367	-
Other	-	-	-	-	-	-	-
Client benefits	-	-	73,127	90,019	21,381	-	-
Allocation of indirect costs	155,648	-	55,183	17,725	29,671	34,287	8,314
Total expenditures	<u>572,600</u>	<u>24,662</u>	<u>335,440</u>	<u>107,744</u>	<u>180,364</u>	<u>208,419</u>	<u>50,539</u>
Excess of revenue over (under) expenditures	-	-	-	-	-	-	-
Other financing sources - indirect costs subsidy transfers in	-	-	-	-	-	-	-
Change in fund balance	-	-	-	-	-	-	-
Fund balance at beginning of year	-	-	-	-	-	-	-
Fund balance at end of year	\$ -	-	-	-	-	-	-

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**
Community Services and Self Governance, Continued
Combining Schedule of Revenues, Expenditures and Fund Balances
Year Ended December 31, 2010

	<u>2080</u>	<u>2090</u>	<u>2100</u>	<u>2110</u>	<u>2120</u>	<u>2130</u>	<u>4010</u>	
	Organized	Klawock	Pertersburg	Organized	Skaqua	Wrangell	Village	
	Village of	Cooperative	Indian	Village of	Traditional	Cooperative	Public Safety	
	<u>Kasaan</u>	<u>Association</u>	<u>Association</u>	<u>Saxman</u>	<u>Council</u>	<u>Association</u>	<u>Officers</u>	<u>Total</u>
Revenues:								
Reimbursable program costs	\$ -	-	-	-	-	-	550,930	550,930
Indirect revenue	-	-	-	-	-	-	80,164	80,164
Compact funding:								
Direct	159,239	90,323	134,037	129,485	151,230	43,223	-	1,886,477
Indirect	31,354	17,785	26,392	25,496	29,777	8,511	-	440,143
Total revenues	<u>190,593</u>	<u>108,108</u>	<u>160,429</u>	<u>154,981</u>	<u>181,007</u>	<u>51,734</u>	<u>631,094</u>	<u>2,957,714</u>
Expenditures:								
Salaries and wages	-	-	-	61,518	74,851	29,403	398,366	948,336
Employee benefits	-	-	-	23,948	16,835	12,298	93,526	228,714
Travel	-	-	-	8,283	-	-	20,873	133,215
Training	-	-	-	-	-	-	-	4,971
Professional services	-	-	-	9,814	2,993	-	-	255,427
Printing, postage, and supplies	-	-	-	2,421	24,355	-	9,006	83,682
Telephone	-	-	-	2,899	5,972	1,522	-	19,288
Dues, subscriptions, and advertising	-	-	-	295	739	-	-	3,044
Insurance and bonding	-	-	-	1,026	8,463	-	-	9,489
Equipment maintenance & lease	-	-	-	7,512	1,077	-	-	23,461
Facility expenses	-	-	-	3,762	9,761	-	-	30,563
Purchase of minor equipment	-	-	-	-	3,286	-	4,000	46,736
Meeting expense	-	-	-	1,243	1,800	-	-	49,334
Other	-	-	-	96	1,098	-	25,159	26,353
Client benefits	159,239	90,323	134,037	6,668	-	-	-	574,794
Allocation of indirect costs	31,354	17,785	26,392	25,496	29,777	8,511	107,690	547,833
Total expenditures	<u>190,593</u>	<u>108,108</u>	<u>160,429</u>	<u>154,981</u>	<u>181,007</u>	<u>51,734</u>	<u>658,620</u>	<u>2,985,240</u>
Excess of revenue over (under) expenditures	-	-	-	-	-	-	(27,526)	(27,526)
Other financing sources - indirect costs subsidy transfers in	-	-	-	-	-	-	27,526	27,526
Change in fund balance	-	-	-	-	-	-	-	-
Fund balance at beginning of year	-	-	-	-	-	-	-	-
Fund balance at end of year	\$ -	-	-	-	-	-	-	-

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**
Temporary Assistance to Needy Families (TANF)
Combining Schedule of Revenues, Expenditures and Fund Balances
Year Ended December 31, 2010

	<u>3000</u>	<u>3002</u>	<u>4000</u>	<u>4001</u>	
	TANF	TANF	TANF	Child Support	
	Federal	ARRA	State	Enforcement	Total
				Department	
Revenues:					
Reimbursable program costs	\$ 1,879,307	988,867	2,274,693	7,307	5,150,174
Indirect revenue	381,016	194,708	396,670	1,439	973,833
Total revenues	<u>2,260,323</u>	<u>1,183,575</u>	<u>2,671,363</u>	<u>8,746</u>	<u>6,124,007</u>
Expenditures:					
Salaries and wages	839,326	-	-	-	839,326
Employee benefits	236,482	-	-	-	236,482
Travel	56,567	-	-	-	56,567
Training	1,837	-	-	-	1,837
Professional services	51,965	-	-	7,307	59,272
Printing, postage, and supplies	35,523	-	-	-	35,523
Telephone	14,280	-	-	-	14,280
Dues, subscriptions, and advertising	1,133	-	-	-	1,133
Insurance and bonding	4,103	-	-	-	4,103
Equipment maintenance & lease	170,900	-	-	-	170,900
Facility expenses	14,552	-	-	-	14,552
Purchase of minor equipment	3,440	-	-	-	3,440
Meeting expense	1,338	-	-	-	1,338
Other	102	-	-	-	102
Client benefits	447,759	988,867	2,274,693	-	3,711,319
Allocation of indirect costs	406,514	194,708	447,887	1,439	1,050,548
Total expenditures	<u>2,285,821</u>	<u>1,183,575</u>	<u>2,722,580</u>	<u>8,746</u>	<u>6,200,722</u>
Excess of revenue over (under) expenditures	(25,498)	-	(51,217)	-	(76,715)
Other financing sources - operating transfers in	25,498	-	51,217	-	76,715
Change in fund balance	-	-	-	-	-
Fund balance at beginning of year	-	-	-	-	-
Fund balance at end of year	\$ -	-	-	-	-

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**
Tribal Families and Youth Services (TFYS)
Combining Schedule of Revenues, Expenditures and Fund Balances
Year Ended December 31, 2010

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2025</u>	<u>3010</u>	<u>3012</u>	<u>3013</u>
	Substance <u>Abuse</u>	Human <u>Services</u>	Indian Child Welfare Act <u>(ICWA)</u>	TFYS Field <u>Staff</u>	Family Violence <u>Prevention</u>	Elderly Nutrition <u>Title VI</u>	Native American <u>Cargiver</u>
Revenues:							
Reimbursable program costs	\$ -	-	-	-	208,106	112,233	41,703
Indirect revenue	-	-	-	-	16,416	40,063	12,449
Compact funding:							
Direct	10,214	310,379	220,657	260,135	-	-	-
Indirect	3,813	115,864	82,371	51,221	-	-	-
Other	-	-	-	-	-	-	-
Total revenues	<u>14,027</u>	<u>426,243</u>	<u>303,028</u>	<u>311,356</u>	<u>224,522</u>	<u>152,296</u>	<u>54,152</u>
Expenditures:							
Salaries and wages	7,325	183,799	139,240	185,736	31,804	66,849	16,628
Employee benefits	2,198	60,978	41,531	46,240	9,862	18,754	2,385
Travel	-	10,651	3,045	614	2,309	(768)	3,295
Professional services	-	1,950	-	-	164,131	19,000	-
Printing, postage, and supplies	691	12,714	13,977	587	-	668	1,200
Telephone	-	2,299	2,969	3,493	-	-	-
Insurance and bonding	-	-	-	-	-	683	-
Equipment maintenance & lease	-	163	-	20,644	-	-	-
Facility expenses	-	-	-	379	-	-	-
Other	-	37,825	19,895	2,442	-	7,046	18,195
Allocation of indirect costs	3,813	115,864	82,371	51,221	16,416	41,897	13,674
Total expenditures	<u>14,027</u>	<u>426,243</u>	<u>303,028</u>	<u>311,356</u>	<u>224,522</u>	<u>154,129</u>	<u>55,377</u>
Excess of revenue over (under) expenditures	-	-	-	-	-	(1,833)	(1,225)
Other financing sources -							
indirect costs subsidy transfers in	-	-	-	-	-	1,833	1,225
Change in fund balance	-	-	-	-	-	-	-
Fund balance at beginning of year	-	-	-	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**
Tribal Families & Youth Services (TFYS)
Combining Statement of Revenues, Expenditures and Fund Balances
Year Ended December 31, 2010

	<u>3014</u>	<u>3015</u>	<u>3018</u>	<u>3026</u>	<u>3027</u>	<u>3041</u>
	Promoting Safe & Stable Families	NSIP	Child Welfare Services	Nutrition Services to Aging Nat. Am.	MIPP	TANF- ICWA Case Management
Revenues:						
Reimbursable program costs	\$ 66,478	6,188	10,299	3,818	753	109,179
Indirect revenue	24,816	-	1,030	1,169	247	30,375
Compact funding:						
Direct	-	-	-	-	-	-
Indirect	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total revenues	<u>91,294</u>	<u>6,188</u>	<u>11,329</u>	<u>4,987</u>	<u>1,000</u>	<u>139,554</u>
Expenditures:						
Salaries and wages	45,818	-	-	3,632	-	77,125
Employee benefits	9,927	-	-	399	-	20,745
Travel	1,736	-	6,157	-	-	4,834
Professional services	-	6,188	-	1,452	-	-
Printing, postage, and supplies	-	-	1,529	-	-	1,516
Telephone	-	-	-	-	-	-
Insurance and bonding	-	-	-	-	-	-
Equipment maintenance & lease	-	-	-	-	-	-
Facility expenses	-	-	-	-	-	-
Other	8,997	-	2,614	(1,665)	753	4,959
Allocation of indirect costs	24,816	-	3,844	1,169	281	30,375
Total expenditures	<u>91,294</u>	<u>6,188</u>	<u>14,144</u>	<u>4,987</u>	<u>1,034</u>	<u>139,554</u>
Excess of revenue over (under) expenditures	-	-	(2,815)	-	(34)	-
Other financing sources:						
Operating transfers in	-	-	2,815	-	34	-
Indirect costs subsidy transfers in	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>2,815</u>	<u>-</u>	<u>34</u>	<u>-</u>
Change in fund balance	-	-	-	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**
Tribal Families & Youth Services (TFYS)
Combining Schedule of Revenues, Expenditures and Fund Balances, continued
Year Ended December 31, 2010

	<u>3503</u>	<u>3504</u>	<u>4005</u>	<u>4006</u>	<u>4011</u>	<u>4013</u>
	Children's Justice Act	Preventing Violence Against Women	SE Rural Community Social Services	ICWA Reimbursement Title IV-E	ICWA Compliance	Youth Suicide Prevention
Revenues:						
Reimbursable program costs	\$ 180,119	92,214	154,877	31,455	92,029	20,896
Indirect revenue	67,238	33,770	53,952	11,742	31,864	290
Compact funding:						
Direct	-	-	-	-	-	-
Indirect	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total revenues	<u>247,357</u>	<u>125,984</u>	<u>208,829</u>	<u>43,197</u>	<u>123,893</u>	<u>21,186</u>
Expenditures:						
Salaries and wages	117,911	64,038	116,416	12,870	48,169	-
Employee benefits	34,435	16,734	34,687	4,194	14,845	-
Travel	24,778	5,954	-	7,064	13,020	2,897
Professional services	-	-	-	-	-	18,000
Printing, postage, and supplies	1,339	25	847	261	2,400	-
Telephone	-	-	-	-	-	-
Insurance and bonding	-	-	1,200	1,686	-	-
Equipment maintenance & lease	-	-	-	-	-	-
Facility expenses	-	-	-	-	-	-
Other	1,656	5,463	1,727	5,380	13,595	-
Allocation of indirect costs	67,238	33,770	57,816	11,742	34,355	1,081
Total expenditures	<u>247,357</u>	<u>125,984</u>	<u>212,693</u>	<u>43,197</u>	<u>126,384</u>	<u>21,978</u>
Excess of revenue over (under) expenditures	-	-	(3,864)	-	(2,491)	(792)
Other financing sources:						
Operating transfers in	-	-	3,864	-	2,491	-
Indirect costs subsidy transfers in	-	-	-	-	-	792
Total other financing sources	<u>-</u>	<u>-</u>	<u>3,864</u>	<u>-</u>	<u>2,491</u>	<u>792</u>
Change in fund balance	-	-	-	-	-	-
Fund balance at beginning of year	-	-	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**
Tribal Families & Youth Services (TFYS)
Combining Schedule of Revenues, Expenditures and Fund Balances, continued
Year Ended December 31, 2010

	<u>1211</u>	<u>1212</u>	<u>1304</u>	<u>1308</u>	<u>1309</u>	
	Smart	Juneau	AK NW	Marguerite	National	
	Choices	FASD	Native	Casey	ICWA	
	Society	Clinic	Partnership	Foundation	(NICWA)	Total
Revenues:						
Reimbursable program costs	\$ -	-	104,347	2,809	67,761	1,305,264
Indirect revenue	-	-	15,652	421	25,295	366,789
Compact funding:						
Direct	-	-	-	-	-	801,385
Indirect	-	-	-	-	-	253,269
Other	-	300	-	-	-	300
Total revenues	<u>-</u>	<u>300</u>	<u>119,999</u>	<u>3,230</u>	<u>93,056</u>	<u>2,727,007</u>
Expenditures:						
Salaries and wages	-	-	71,153	1,000	43,001	1,232,514
Employee benefits	-	-	18,745	219	17,325	354,203
Travel	-	-	69	-	720	86,375
Professional services	-	-	-	-	-	210,721
Printing, postage, and supplies	-	301	72	-	-	38,127
Telephone	-	-	-	-	-	8,761
Insurance and bonding	-	-	-	-	-	3,569
Equipment maintenance & lease	-	-	-	-	-	20,807
Facility expenses	-	-	-	-	-	379
Other	-	329	14,308	1,590	6,715	151,824
Allocation of indirect costs	-	-	38,953	1,048	25,295	657,039
Total expenditures	<u>-</u>	<u>630</u>	<u>143,300</u>	<u>3,857</u>	<u>93,056</u>	<u>2,764,319</u>
Excess of revenue over (under) expenditures	-	(330)	(23,301)	(627)	-	(37,312)
Other financing sources:						
Operating transfers in	-	-	-	-	-	9,204
Indirect costs subsidy transfers in	-	-	23,301	627	-	27,778
Total other financing sources	<u>-</u>	<u>-</u>	<u>23,301</u>	<u>627</u>	<u>-</u>	<u>36,982</u>
Change in fund balance	-	(330)	-	-	-	(330)
Fund balance at beginning of year	<u>1,500</u>	<u>697</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,197</u>
Fund balance at end of year	<u>\$ 1,500</u>	<u>367</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,867</u>

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Tribal Court

Combining Schedule of Revenues, Expenditures and Fund Balances
Year Ended December 31, 2010

	<u>2002</u>	<u>1215</u>	
	Tribal	Tribal Child	
	<u>Court</u>	Legal	
		<u>Defense</u>	<u>Total</u>
Revenues:			
Reimbursable program costs	\$ -	115	115
Compact funding:			
Direct	34,000	-	34,000
Indirect	<u>12,692</u>	<u>-</u>	<u>12,692</u>
Total revenues	<u>46,692</u>	<u>115</u>	<u>46,807</u>
Expenditures:			
Salaries and wages	26,191	-	26,191
Employee benefits	5,724	-	5,724
Travel	1,733	-	1,733
Training	625	-	625
Printing, postage, and supplies	(273)	-	(273)
Allocation of indirect costs	<u>12,692</u>	<u>-</u>	<u>12,692</u>
Total expenditures	<u>46,692</u>	<u>-</u>	<u>46,692</u>
Excess of revenue over (under) expenditures	-	115	115
Other financing sources -			
indirect costs subsidy transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	-	115	115
Fund balance at beginning of year	<u>-</u>	<u>2,783</u>	<u>2,783</u>
Fund balance at end of year	<u>\$ -</u>	<u>2,898</u>	<u>2,898</u>

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**
Roads and Transportation
Combining Schedule of Revenues, Expenditures and Fund Balances
Year Ended December 31, 2010

	<u>5001</u>	<u>5002</u>	<u>5900</u>	<u>5901</u>	<u>5902</u>	<u>5903</u>	<u>6000</u>	
	Transportation Planning	Program Maintenance	Transit Planning	ARRA CCTHITA	Fed Hwy ARRA Douglas	Fed Hwy ARRA Saxman	Program Interest	Total
Revenues:								
Interest and dividend income	\$ -	-	-	-	-	-	4,517	4,517
Reimbursable program costs	7,836	100,500	47,459	567,332	6,788	34,723	-	764,638
Indirect revenue	1,543	19,788	9,345	4,734	1,336	6,837	-	43,583
Compact funding:								
Direct	73,339	334,620	-	-	-	-	-	407,959
Indirect	14,440	65,887	-	-	-	-	-	80,327
Total revenues	<u>97,158</u>	<u>520,795</u>	<u>56,804</u>	<u>572,066</u>	<u>8,124</u>	<u>41,560</u>	<u>4,517</u>	<u>1,301,024</u>
Expenditures:								
Salaries and wages	58,688	173,981	1,188	11,132	5,620	5,778	-	256,387
Employee benefits	17,997	40,422	831	2,299	1,168	1,814	-	64,531
Travel	2,690	54,909	4,103	-	-	-	-	61,702
Professional services	-	126,854	40,945	10,609	-	19,931	-	198,339
Printing, postage, and supplies	-	2,129	207	-	-	-	-	2,336
Telephone	-	15	-	-	-	-	-	15
Dues, subscriptions, and advertising	-	1,635	-	-	-	-	-	1,635
Insurance and bonding	-	9	-	-	-	-	-	9
Equipment maintenance & lease	1,800	28,324	-	-	-	-	-	30,124
Purchase of minor equipment	-	3,114	-	-	-	7,200	-	10,314
Meeting expense	-	2,450	-	-	-	-	(119)	2,331
Other	-	1,278	185	-	-	-	11,001	12,464
Client benefits	-	-	-	543,292	-	-	-	543,292
Allocation of indirect costs	15,983	85,675	9,345	4,734	1,336	6,837	2,143	126,053
Total expenditures	<u>97,158</u>	<u>520,795</u>	<u>56,804</u>	<u>572,066</u>	<u>8,124</u>	<u>41,560</u>	<u>13,025</u>	<u>1,309,532</u>
Excess of revenue over (under) expenditures	-	-	-	-	-	-	(8,508)	(8,508)
Other financing sources - indirect costs subsidy transfers in	-	-	-	-	-	-	-	-
Change in fund balance	-	-	-	-	-	-	(8,508)	(8,508)
Fund balance at beginning of year	-	-	-	-	-	-	5,910	5,910
Fund balance at end of year	\$ -	-	-	-	-	-	(2,598)	(2,598)

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Other Tribal Programs

Combining Schedule of Revenues, Expenditures and Fund Balances (Deficit)
Year Ended December 31, 2010

	<u>1201</u>	<u>1203</u>	
	Emergency Medical Fund - <u>Ray Paddock</u>	<u>Employee Events</u>	<u>Total</u>
Revenues:			
Reimbursable program costs	\$ 2,500	43,318	45,818
Other	3,819	3,257	7,076
Total revenues	<u>6,319</u>	<u>46,575</u>	<u>52,894</u>
Expenditures:			
Printing, postage, and supplies	-	53,263	53,263
Dues, subscriptions, and advertising	-	365	365
Meeting expense	-	2,367	2,367
Other	-	40	40
Client benefits	<u>6,400</u>	-	<u>6,400</u>
Total expenditures	<u>6,400</u>	<u>56,035</u>	<u>62,435</u>
Excess of revenue over (under) expenditures	(81)	(9,460)	(9,541)
Other financing sources - operating transfers in	<u>-</u>	<u>74,615</u>	<u>74,615</u>
Change in fund balance	(81)	65,155	65,074
Fund balance (deficit) at beginning of year	<u>40</u>	<u>(65,155)</u>	<u>(65,115)</u>
Fund balance (deficit) at end of year	<u>\$ (41)</u>	<u>-</u>	<u>(41)</u>

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**
Nonmajor Enterprise Funds
Combining Statement of Net Assets (Deficits)
December 31, 2010

	<u>Business-Type Activities</u>			<u>Total</u>
	<u>1500</u> <u>VTRC</u>	<u>1520</u> <u>ANB</u>	<u>1510</u> <u>THTI</u>	
<u>Assets</u>				
Equity in central treasury	\$ -	-	126,374	126,374
Accounts receivable	19,517	114,763	-	134,280
Total assets	\$ <u>19,517</u>	<u>114,763</u>	<u>126,374</u>	<u>260,654</u>
<u>Liabilities and Net Assets (Deficits)</u>				
Current liabilities:				
Due to other funds	287,440	171,723	-	459,163
Deferred revenue	92	-	-	92
Total current liabilities	<u>287,532</u>	<u>171,723</u>	-	459,255
Noncurrent liabilities - accrued leave	<u>15,527</u>	-	-	<u>15,527</u>
Total liabilities	303,059	171,723	-	474,782
Net assets (deficits) - unrestricted	<u>(283,542)</u>	<u>(56,960)</u>	<u>126,374</u>	<u>(214,128)</u>
Total liabilities and net assets (deficits)	\$ <u>19,517</u>	<u>114,763</u>	<u>126,374</u>	<u>260,654</u>

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Nonmajor Enterprise Funds

Combining Statement of Revenues, Expenses and Changes in Net Assets (Deficits)
Year Ended December 31, 2010

	<u>Business-Type Activities</u>			<u>Total</u>
	<u>1500</u> <u>VTRC</u>	<u>1520</u> <u>ANB</u>	<u>1510</u> <u>THTI</u>	
Operating revenues:				
Sales and rental income	\$ 216,560	-	-	216,560
Other	25,160	-	-	25,160
Total operating revenues	<u>241,720</u>	<u>-</u>	<u>-</u>	<u>241,720</u>
Operating expenses:				
Salaries and wages	201,063	-	-	201,063
Employee benefits	49,867	-	-	49,867
Travel	953	-	-	953
Training	139	-	-	139
Professional services	46,383	-	500	46,883
Printing, postage, and supplies	15,478	-	-	15,478
Insurance and bonding	12,597	-	-	12,597
Dues and subscriptions	2,549	-	-	2,549
Advertising	9,622	-	-	9,622
Building and equipment maintenance	21,098	-	-	21,098
Other	9,264	42,971	12,169	64,404
Total operating expenses	<u>369,013</u>	<u>42,971</u>	<u>12,669</u>	<u>424,653</u>
Change in net assets	<u>(127,293)</u>	<u>(42,971)</u>	<u>(12,669)</u>	<u>(182,933)</u>
Net assets (deficits), beginning of year	(140,533)	(13,989)	139,043	(15,479)
Prior Period Adjustment	<u>(15,716)</u>	<u>-</u>	<u>-</u>	<u>(15,716)</u>
Net assets, beginning of the year restated	<u>(156,249)</u>	<u>(13,989)</u>	<u>139,043</u>	<u>(31,195)</u>
Total net assets (deficits), end of year	\$ <u><u>(283,542)</u></u>	<u><u>(56,960)</u></u>	<u><u>126,374</u></u>	<u><u>(214,128)</u></u>

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Nonmajor Enterprise Funds
Combining Statement of Cash Flows
Year Ended December 31, 2010

	Business-type Activities			Total
	6150 VTRC	6220 ANB	6310 THTI	
Cash flows from operating activities:				
Cash received from customers	\$ 251,875	-	6,023	257,898
Cash payments to suppliers for goods and services	(122,196)	(12,716)	(500)	(135,412)
Cash payments to employees for services	(251,119)	-	-	(251,119)
Net cash provided by (used for) operating activities	(121,440)	(12,716)	5,523	(128,633)
Cash flows from noncapital financing activities - transfers from (to) other funds	121,440	12,716	-	134,156
Net increase in cash and cash equivalents	-	-	5,523	5,523
Cash and cash equivalents at beginning of year	-	-	120,851	120,851
Cash and cash equivalents at end of year	\$ -	-	126,374	126,374
Reconciliation of operating loss to net cash provided by operating activities:				
Operating income	(127,293)	(42,971)	(12,669)	(182,933)
Changes in assets and liabilities:				
Decrease in accounts receivable	10,157	30,255	17,118	57,530
Decrease in property and equipment	-	-	1,074	1,074
Decrease in accounts payable and accrued expenses	(4,302)	-	-	(4,302)
Decrease in deferred revenue	(2)	-	-	(2)
Net cash provided by (used for) operating activities	\$ (121,440)	(12,716)	5,523	(128,633)

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**
Nonmajor Internal Service Fund
Statement of Net Assets
December 31, 2010

		<u>Governmental Activities</u> Real and Personal <u>Property</u>
<u>Assets</u>		
Current assets - prepaid expenses and other current assets	\$	2,209
Noncurrent assets - property and equipment, net of accumulated depreciation		7,014,594
Deferred outflows of resources		<u>193,933</u>
Total assets	\$	<u><u>7,210,736</u></u>
<u>Liabilities and Net Assets</u>		
Liabilities:		
Current liabilities - due to other funds		<u>1,135,660</u>
Noncurrent liabilities:		
Note payable:		
Due within one year		443,774
Due in more than one year		3,087,281
Accrued leave - due in more than one year		13,607
Derivative instrument - interest rate swap		<u>193,933</u>
Total noncurrent liabilities		<u>3,738,595</u>
Total liabilities		4,874,255
Net assets:		
Invested in capital assets, net of related debt		3,483,539
Unrestricted		<u>(1,147,058)</u>
Total net assets		<u>2,336,481</u>
Total liabilities and net assets	\$	<u><u>7,210,736</u></u>

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Nonmajor Internal Service Fund
Statement of Revenues, Expenses and Changes in Net Assets
Year Ended December 31, 2010

		<u>Governmental Activities</u> Real and Personal Property
Operating revenues:		
Charges to other funds	\$	1,154,127
Rental income		<u>33,408</u>
Total operating revenues		<u>1,187,535</u>
Operating expenses:		
Salaries and wages		238,255
Employee benefits		68,657
Printing, postage, and supplies		5,865
Insurance and bonding		83,503
Telephone		7,463
Utilities		20,769
Fuel oil		63,922
Purchase of equipment		66,828
Building and equipment rent		8,728
Building and equipment maintenance		106,693
Depreciation		435,096
Contract services		12,519
Property tax		507
Other expenses		<u>59</u>
Total operating expenses		<u>1,118,864</u>
Operating income		68,671
Nonoperating revenue and expenses:		
Capital contribution		19,750
Interest expense		<u>(213,656)</u>
Total nonoperating revenue and expenses		<u>(193,906)</u>
Change in net assets		(125,235)
Net assets, beginning of year		<u>2,251,740</u>
Prior period adjustment		<u>209,976</u>
Net assets, beginning of the year restated		<u>2,461,716</u>
Total net assets, end of year	\$	<u>2,336,481</u>

**CENTRAL COUNCIL OF THE TLINGIT AND
HAIDA INDIAN TRIBES OF ALASKA**

Nonmajor Internal Service Fund

Statement of Cash Flows

Year Ended December 31, 2010

	<u>Governmental Activities</u> Real and Personal <u>Property</u>
Cash flows from operating activities:	
Cash received from customers	\$ 1,187,535
Cash payments to suppliers for goods and services	(345,609)
Cash payments to employees for services	(307,038)
Net cash provided by operating activities	<u>534,888</u>
Cash flows from noncapital financing activities - transfers from other funds	<u>72,059</u>
Cash flows from capital financing activities:	
Cash paid for acquisition of property and equipment	(19,786)
Cash received from grantors for property and equipment	19,750
Principal payments on long-term loans	(393,157)
Interest payments on long-term loans	(213,754)
Net cash used for financing activities	<u>(606,947)</u>
Net increase in cash and cash equivalents	-
Cash and cash equivalents at beginning of year	<u>-</u>
Cash and cash equivalents at end of year	\$ <u><u>-</u></u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	68,671
Adjustments to reconcile net operating income to net cash provided by operating activities:	
Depreciation	435,096
Changes in assets and liabilities:	
Decrease in prepaid expenses and other current assets	31,247
Decrease in accrued leave	(126)
Net cash provided by operating activities	\$ <u><u>534,888</u></u>
Cash paid during the year for interest	\$ <u><u>213,754</u></u>