

RESOLUTION OF THE
RESOURCES AND DEVELOPMENT COMMITTEE
of the 24th NAVAJO NATION COUNCIL - Fourth Year, 2022

AN ACTION

RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE; APPROVING THE AGRICULTURE INFRASTRUCTURE FUND PROJECT PLAN FOR CROP YEARS 2018, 2019, 2020 AND 2021 PURSUANT TO THE SÍHASIN FUND PASTURE, RANGE AND FORAGE EXPENDITURE PLAN ENACTED BY CO-57-16 AND AMENDED BY CMY-54-18

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Resources and Development Committee of the Navajo Nation Council is authorized to exercise oversight authority over, among other things, water, land, grazing, agriculture, livestock, wildlife, chapter activities, and economic and community development. 2 N.N.C. § 500 (C).
- B. The Navajo Nation Council instructed the Resource and Development Committee to adopt an annual plan(s) for agriculture infrastructure projects to be funded through the Agriculture Infrastructure Fund. CO-57-16, as amended, Section Four (A) (6) (c).

SECTION TWO. FINDINGS

- A. On November 3, 2016, the Navajo Nation Council passed Council Resolution CO-57-16 (without exhibits), attached as Exhibit 1, adopting the Síhasin Fund Pasture, Range and Forage Expenditure Plan pursuant to CD-68-14 and 12 N.N.C. §§ 2501-2508; the President of the Navajo Nation signed CO-57-16 on November 13, 2016.
- B. Among other things, CO-57-16 reserved \$19,835,612.00 of Síhasin Funds to guarantee the insurance premiums necessary for the Nation's participation in the USDOA's Pasture, Rangeland, and Forage Insurance Program for the 2017 and 2018 Crop Years. CO-57-16, Section Three, (C) (1). CO-57-16 was subsequently amended by CMY-54-18 (without exhibits), attached as Exhibit 2, to extend the Síhasin Fund reserve and guarantee for an additional five years through the end of the 2023 Crop Year.

- C. CO-57-16, as amended, also requires that net insurance proceeds (aka: Indemnity Payments) be deposited in an Agriculture Infrastructure Fund and used to fund agriculture infrastructure projects on the Navajo Nation approved annually by the Resources and Development Committee after certain conditions are met, e.g., the Budget and Finance Committee enacts a fund management plan that, among other things, ensures that the Síhasin Fund is reimbursed for any expenditures and that annual amounts are reserved and accumulated to replace the Síhasin Fund guarantee at the end of 2023. CO-57-16, Section Four (A) (6) (c).
- D. CO-57-16, as amended by CMY-54-18, defines "agriculture infrastructure projects" as, "including but not limited to range, grazing and livestock; tribal ranches infrastructure; farming and irrigation; agricultural water development; dams, reservoirs and catchments; watershed planning for agriculture; agricultural complexes; drought contingency plan (mitigation measures); area wide fencing; brand office and Navajo Partitioned Lands and former Bennett Freeze Area projects, including administration costs." CMY-54-18 Section Two, CO-57-16 Section Four (A) (5) (c).
- E. Resolution No. RDCAU-74-18 (with Exhibit C), attached as **Exhibit 3**, enacting the Agriculture Infrastructure Fund, Fund Management Plan.
- F. The USDA's Pasture, Rangeland, and Forage Insurance Program remitted net indemnity payments into the Agriculture Infrastructure Fund for Crop Years 2017 at \$17,386,455 and 2018 at \$28,279,209. **Exhibit 6**. The Resources and Development Committee adopted Resolution No. RD CD-100-18, attached as **Exhibit 4**, approving the Agriculture Infrastructure Fund Project Plan for Crop Year 2017 in amount of \$17,384,159 (**Exhibit 4's** exhibit C) and for Crop Year 2018 in the amount of \$19,276,459 (**Exhibit 4's** exhibit D). In both Crop Year Project Plans, \$2,833,659 were set aside and reserved to replenish the Síhasin Fund guarantee as set forth in the Agriculture Infrastructure Fund Fund Management Plan, Section IV (B) (3). A Crop Year 2018 Agriculture Infrastructure Fund Project Plan for \$9,002,750 remains to be approved by the Resources and Development Committee.

- G. By Resolution RDCMA-07-21 and its Exhibit E, attached as **Exhibit 5**, the Resources and Development Committee approved the Agriculture Infrastructure Fund Project Plan for Crop Year 2021 with \$4,000,000 to be distributed to 110 chapters for livestock fed products for distribution to community members of the Navajo Nation.
- H. The Navajo Nation Department of Agriculture has provided Appendix 1, Navajo Nation Síhasin Fund Pasture, Range and Forage Insurance, Historical Performance, dated 8/18/2022, which is attached as **Exhibit 6**. As shown in Appendix 1, **Exhibit 6**, Crop Year 2019 premium exceeded the indemnities received by \$6,905,198 and, as a result, no net indemnities were deposited into the Agriculture Infrastructure Fund for Crop Year 2019. In Crop Year 2020, \$32,829,455 was deposited into the Agriculture Infrastructure Fund for the Crop Year. In Crop Year 2021, \$17,773,911 was deposited into the Agriculture Infrastructure Fund. In summary, a total of \$89,363,832 was placed into the Agriculture Infrastructure Fund from its inception in 2017 through Crop Year 2021.
- I. The set aside and reserved amounts for Crop Years 2019, 2020 and 2021, or a total of \$8,500,977 have not been approved in annual project plans by the Resources and Development Committee.
- J. Since the Síhasin Fund Pasture, Range and Forage Expenditure Plan inception in 2017, the Síhasin Premium Reserve was used on three occasions to pay a total of \$22,001,802 in annual premiums due by October 1 of the respective Crop Years as follows:
1. In Crop Year 2017, the insurance indemnity payments were short of the annual premium; therefore, the Síhasin Premium Reserve was used to pay \$9,655,131 on September 29, 2017.
 2. In Crop Year 2019, the insurance indemnity payments were short of the annual premium; therefore, the Síhasin Premium Reserve was used to pay \$12,156,434 on September 13, 2019.
 3. In Crop Year 2021, the insurance indemnity payments were short of the annual premium for six (6) tribal ranch lessees who enrolled in the Síhasin Fund Pasture, Range and Forage Expenditure Plan; therefore, the Síhasin Premium Reserve was used to pay \$190,237 on November 8, 2021.

- K. The Navajo Nation Department of Agriculture has provided Appendix 2, Proposed Year 2022 Agriculture Infrastructure Fund Program Budget (Thru Crop Year 2021) (As of 08/18/2022), which is attached as Exhibit 7. The Appendix 2, Exhibit 7, is a compilation of annual project plans for approval by the Resources and Development Committee including: (1) the unallocated Crop Year 2018 Project Plan amount of \$9,002,750 in Paragraph F above; (2) the set aside and reserved amounts for Crop Year 2019, 2020 and 2021 to replenish the Síhasin Fund guarantee in the amount of \$8,500,977 in Paragraph I above; and (3) an amount of \$4,000,000 to account for the Livestock Feed Distribution allocation approved by the Resources and Development Committee in Paragraph G above and Exhibit 7, Table 1.
- L. The Northern Agency Grazing Committee through Resolution NAGC-12-13-22-1 requests \$900,000 be allocated for the cost of a bulldozer, semi-truck, semi-trailer, heavy equipment insurance, and personnel operating expenses for earthen dam mitigation in District 9, 12, and 13 Grazing Regions of the Navajo Nation. Resolution NAGC-12-13-22-1 is attached as Exhibit 11.
- M. The project amounts in Appendix 2, Exhibit 7, are estimates, subject to change as a result of fluctuations in market conditions for parts, supplies, equipment, raw materials, freight, contract services and actual costs incurred in project implementation and construction.
- N. As set forth in Exhibit 8, the Navajo Nation Office of the Controller in a memorandum dated September 22, 2022 has provided an unaudited Income Statement and Balance Sheet for the Navajo Nation's Agriculture Infrastructure Fund and identified the unaudited, unappropriated balance of the Agriculture Infrastructure Fund as \$59,830,541 of August 31, 2022.
- O. The Department of Agriculture has provided an Executive Summary dated 08/18/2022 which is attached as Exhibit 9.
- P. The Executive Official Review is attached as Exhibit 10.

SECTION THREE. APPROVAL OF AGRICULTURE INFRASTRUCTURE FUND PROJECT PLAN FOR CROP YEARS 2018, 2019, 2020 and 2021

The Navajo Nation hereby approves and adopts the Crop Years 2018, 2019, 2020 and 2021 Agriculture Infrastructure Fund Project Plan as set forth in Appendix 2, Exhibit 7.

SECTION FOUR. ADMINISTRATION OF AGRICULTURE INFRASTRUCTURE FUND PROJECT PLAN

The Agriculture Infrastructure Fund Project Plan Project Plans adopted herein shall be administered pursuant to the Agriculture Infrastructure Fund, Fund Management Plan enacted by RDCAU-74-18.

SECTION FIVE. AMENDMENTS

The Agriculture Infrastructure Fund Project Plan for Crop Year 2018, 2019, 2020 and 2021, adopted herein as Exhibit 7, may be amended by the Resources and Development Committee from time to time as necessary to fulfill the mandates of CO-57-16 upon the recommendation of the Division of Natural Resources and Department of Agriculture.

CERTIFICATION

I, hereby, certify that the following resolution was duly considered by the Resources and Development Committee of the 24th Navajo Nation Council at a duly called meeting at Window Rock, (Navajo Nation) Arizona, at which quorum was present and that same was passed by a vote of 5 in favor, 0 opposed, on this 28th day of December 2022.



Rickie Nez, Chairperson
Resources and Development Committee
Of the 24th Navajo Nation Council

Motion: Honorable Kee Allen Begay, Jr.
Second: Honorable Thomas Walker, Jr.

CO-57-16

RESOLUTION OF THE
NAVAJO NATION COUNCIL

23rd NAVAJO NATION COUNCIL - Second Year, 2016

AN ACTION

RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE AND
NAABIK'ÍYÁTI' COMMITTEES AND NAVAJO NATION COUNCIL; ADOPTING THE
SÍHASIN FUND PASTURE RANGE AND FORAGE EXPENDITURE PLAN PURSUANT
TO CD-68-14 AND 12 N.N.C §§ 2501 - 2508

BE IT ENACTED:

Section One. Authority

- A. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. § 102 (A).
- B. The Naabik'íyáti' Committee of the Navajo Nation Council is empowered to review all proposed legislation which requires final action by the Navajo Nation Council. 2 N.N.C. §164 (A) (9).
- C. The Naabik'íyáti' Committee additionally has the authority to delegate its authority as appropriate for efficiency and streamlining of government process to appropriate entities and to establish a subcommittee that consists of committee members which the committee selects. 2 N.N.C. §§ 186 and 701 (B).
- D. The Budget and Finance Committee of the Navajo Nation Council is empowered to review and recommend to the Navajo Nation Council the budgeting, appropriation, investment, and management of all funds and to coordinate and review all fiscal, financial and investment activities of the Navajo Nation. 2 N.N.C. §§ 301 (B) (2) and (5).
- E. The Resource and Development Committee of the Navajo Nation Council has been empowered to exercise oversight authority over water, land, grazing and agriculture and is further empowered to establish Navajo Nation policy with respect to the optimum utilization of all Navajo Nation resources, including the enumerated power to promulgate rules and regulations governing the use and development of Navajo Nation lands. 2 N.N.C. §§ 500 (C) and (C) (1) and 501 (B) (1).

Section Two. Findings

- A. On May 30, 2014, the 22nd Navajo Nation Council adopted Resolution No. CMY-28-14 accepting a settlement of the Navajo Nation's lawsuit, *Navajo Nation v. United States*, No. 06-945L (United States Court of Federal Claims) against the United States for its historical mismanagement of the tribe's trust assets and its failure to ensure that the Navajo Nation received all funds due and owed under the United States' trust obligations and fiduciary duties. Resolution No. CMY-28-14 was signed into law by the President of the Navajo Nation on June 4, 2014.
- B. The 22nd Navajo Nation Council recognized that during the many decades that the United States was in breach of its trust obligations and fiduciary duties to the Nation, the tribal government was without funds to develop the comprehensive nation-wide infrastructures necessary to support and promote community growth and sustainability through the expansion of economic development, as well as to provide the educational opportunities, critical for the prosperity of current and future generations of Diné. See Resolution No. CMY-28-14.
- C. Between October 6, 2014 and November 8, 2014 the Office of the Speaker held seven (7) Public Hearings, as directed by the Navajo Nation Council's Naabik'iyáti' Committee on July 10, 2014, to receive input from Navajo Nation members on how the net proceeds from *Navajo Nation v. United States* should be used. During that same time period, the Office of the President & Vice-President also held five (5) town hall meetings for a similar purpose.
- D. On December 13, 2014, the 22nd Navajo Nation Council adopted Resolution No. CD-68-14 enacting the Navajo Nation Breach of Trust Settlement Act of 2014 (hereinafter "2014 Act") and establishing the Navajo Nation Síhasin Fund at 12 N.N.C. § 2501 et seq. The President of the Navajo Nation signed Resolution No. CD-68-14 into law on December 31, 2014.
- E. The 2014 Act mandated that the net proceeds and earnings thereon received by the Navajo Nation from the settlement of *Navajo Nation v. United States*, No. 06-945L, and that, when duly designated, the net proceeds of settlements or judgement awards of other litigation(s) brought against the

United States concerning its failure to ensure that the Navajo Nation received all funds due and owing under the United States' trust obligations and fiduciary duties, be deposited into the Síhasin Fund and managed and invested to provide financial support and/or financing for (1) the planning and development of regional infrastructure supporting economic and community development, including housing, within the Navajo Nation; and/or (2) education opportunities for members of the Navajo Nation. See 12 N.N.C § 2501 and § 2502 (A).

- F. The 2014 Act also established that "leveraging of the [Síhasin] Fund by way of guaranteeing loans, match funding, direct funding in part and other weighted uses of the Fund shall be favored over direct funding in whole". 12 N.N.C § 2502 (B).
- G. The 2014 Act further established that with the exception of outstanding and accrued litigation costs, Síhasin Fund Principal and Income shall only be expended pursuant to a Fund Expenditure Plan consistent with the purposes set forth in the 2014 Act at 12 N.N.C. §2502 and adopted by a two-thirds (2/3) vote of all members of the Navajo Nation Council. See 12 N.N.C. § 2505 (A).
- H. The 2014 Act states that "Fund Principal" shall consist of all deposits made to the Síhasin Fund and that "Fund Income" shall consist of all earnings (interest, dividends, etc.) generated and realized by the Fund Principal and that Fund Income shall be deposited in and added to Fund Principal until such time as a Fund Expenditure Plan is duly adopted. See 12 N.N.C. §§ 2504 and 2505 (c).
- I. The Office of the Controller reported that as of January 1, 2016, the amount of the Síhasin Fund Principal is four hundred eighty-seven million nine hundred ninety thousand eight hundred forty-one dollars and ninety-one cents (\$487,990,841.91) with interest earnings of four hundred fifty-eight thousand four hundred thirty-one dollars and seventy-five cents (\$458,431.75).
- J. On April 9, 2015, the Naabik'iyáti' Committee adopted NABIAP-20-15 establishing the Naabik'iyáti' Síhasin Fund Subcommittee to "review and evaluate the Public Hearing comments and recommendations from the Navajo People" and "recommend to the Naabik'iyáti' Committee and Navajo Nation

Council financial support and/or financing plan(s) for the purposes designated in CD-68-14 [Navajo Nation Breach of Trust Settlement Act of 2014, establishing the Síhasin Fund]".

- K. Between April 2015 and October 2016, the Síhasin Fund Subcommittee, assisted by the Office of Legislative Services, Office of the Speaker, and Office of Legislative Counsel, met on at least twenty-five (25) occasions in either work sessions or official meetings to review and evaluate the Public Hearing comments and recommendations from the Navajo People; hear proposals from Navajo Nation entities, chapters, programs and officials; and develop an expenditure plan(s) for the Síhasin Fund Principal and Income consistent with the purposes set forth in the 2014 Act.
- L. The Síhasin Fund Subcommittee determined that for an expenditure plan to fully meet the leveraging criteria of the 2014 Act, the expenditure plan shall not rely on Síhasin Funds for full direct project funding, unless such funds are to be repaid under a loan agreement, and instead must utilize the Síhasin Funds for (1) match funding, joint funding, contribution funding, cost-share funding or similar weighted uses of the funds; (2) reimbursement funding; and/or (3) loan or bond financing or guarantee.
- M. The Síhasin Fund Subcommittee also determined that the 2014 Act allowed for the adoption of multiple expenditure plans and that it would be prudent for the Navajo Nation to adopt integrated, yet distinct, expenditure plans for regional-level infrastructure planning and development in four broad infrastructure areas or categories consistent with the purposes of the 2014 Act: Water and Natural Resource Infrastructure Development; Economic Development; Community Development; and Housing Development.
- N. After reviewing the comments submitted during the Public Hearings and town hall meetings, as well as the reports and comments made during Síhasin Fund Subcommittee meetings, the Subcommittee determined that the inadequacy of agriculture infrastructure within the Navajo Nation was detrimental to the establishment of a vibrant and sustainable agriculture economy on the Navajo Nation; that full or partial funding of Navajo Nation agriculture projects throughout the reservation could benefit each

region within the Navajo Nation in providing financing and infrastructure capital to leverage funding from federal and state agencies for natural resources infrastructure development and conservation initiatives throughout the Navajo Nation; and that the implementation of sound conservation practices would allow ranchers, farmers and resource managers to adequately reduce sedimentation, reduce the threat of catastrophic fire, increase the amount of water for livestock and wildlife use, improve rangeland resources, and altogether better manage and sustain the Navajo Nation's natural resources.

- O. In September of 2016, the Navajo Nation Division of Natural Resources' ("DNR"), through its Department of Agriculture ("DOA"), provided the Sihasin Fund Subcommittee with information, attached as Exhibit A, concerning the United States Department of Agriculture's ("USDA") Rainfall Index Pasture, Rangeland and Forage Pilot Insurance Program ("PRF Insurance Program") wherein USDA subsidizes 51% (fifty-one percent) to 59% (fifty-nine percent) of the cost of insurance coverage against lack of rainfall, based on a precipitation index, that an entity may procure to provide protection for pasture, rangeland and forage grown for the intended use of grazing by livestock or haying. See also www.rma.usda.gov/pubs/rme/fctsht.html.
- P. The PRF Insurance Program is a risk management tool designed to insure decline in an area-based precipitation index value, determined by the National Oceanic and Atmospheric Climate Prediction Center ("NOAA CPC"), that is based on the long-term, historical, average precipitation for the same area of land for the same period of time; the PRF Insurance Program does not measure, capture or use the actual crop production of any producer or any of the actual crop production within the area; PRF Insurance Program coverage is based on the entire grid and is not based on individual farms or ranches or specific weather stations in the general area. Exhibit A; see also www.rma.usda.gov/pubs/rme/fctsht.html.
- Q. The PRF Insurance Program applies NOAA CPC data to the grid area and two-month interval(s) that an entity chooses to insure; when the final grid index falls below the entities "trigger grid index", the entity may receive an indemnity. Exhibit A; see also www.rma.usda.gov/pubs/rme/fctsht.html.

- R. In September of 2015, the PRF Insurance Program was expanded by USDA to include acreage defined by grids in the states of Arizona, New Mexico, Utah and Colorado and covering the whole of Navajo Nation trust and fee lands, with the exception that, as a general rule, leased lands must be insured by the individual lessee and allotments must be insured by the allottee. Exhibit A; see also www.rma.usda.gov/pubs/rme/fctsht.html.
- S. The PRF Insurance Program benefits are paid in the form of an indemnity and based solely on the basis of lack of precipitation and indemnity options can include payouts once precipitation hits 90% of the average precipitation in the area and interval insured. Exhibit A; see also www.rma.usda.gov/pubs/rme/fctsht.html.
- T. DOA provided the Sihasin Fund Subcommittee with information, attached as Exhibit B, that, based on NOAA CPC area-specific historical average precipitation data, if the PRF Insurance Program had been available over the last two decades and the Navajo Nation had insured 6,984,343.10 acres at an annual insurance premium cost of \$19,835,612.00, the Nation would have received an indemnity payment above the premium cost in 19 (nineteen) out of the last 20 (twenty) years with an average yearly indemnity payment of \$34,315,608.76 above the cost of the insurance premium and even without the USDA's subsidizing 51% (fifty-one percent) of the insurance premium, the Nation would have received an average yearly indemnity payout of a little over \$14,000,000.00 above the cost of the insurance premium.
- U. DOA also provided the Sihasin Fund Subcommittee with information that since it had not as yet identified a source of funding to guarantee the payment of insurance premiums, DOA has not applied to participate in the PRF Insurance Program on behalf of the Navajo Nation and that the completed application to participate in the PRF Insurance Program for the 2017 Crop Year was required to be signed by the Navajo Nation President and submitted to USDA by no later than November 1, 2016. Exhibit A; see also www.rma.usda.gov/pubs/rme/fctsht.html.

- V. On September 30, 2016, the DNR-DOA presented a proposal, attached as Exhibit C, to the Sihasin Fund Subcommittee, to establish and fund the Navajo Nation Agriculture Infrastructure Fund as follows:
1. Authorize the DNR-DOA, on behalf of the Navajo Nation, to apply to USDA to participate in the PRF Insurance Program;
 2. Reserve nineteen million eight hundred thirty-five thousand six hundred twelve dollars (\$19,835,612.00) of Sihasin Funds to guarantee annual Crop Year insurance premiums for 6,984,343.10 acres which shall only be draw-down from the Sihasin Fund if the PRF Insurance Program indemnity is insufficient to cover the insurance premium;
 3. Approve the use of indemnity payments in excess of the amount necessary to guarantee the subsequent Crop Year's insurance premiums to fund agriculture infrastructure projects, including but not limited to: range, grazing and livestock; tribal ranches infrastructure; farming and irrigation; agricultural water development; dams, reservoirs and catchments; watershed planning for agriculture; agricultural complexes; drought contingency plan (mitigation measures); area wide fencing; brand office and Navajo Partitioned Lands and former Bennett Freeze Area projects, including administration costs.
- W. The Sihasin Fund Subcommittee has determined that the DNR-DOA proposal, dated September 30, 2016, attached as Exhibit C, addresses the lack of agricultural infrastructure and a stagnant agriculture economy on the Navajo Nation and therefore meets the 2014 Act requirement for the "planning and development of regional infrastructure supporting economic and community development, including housing, within the Navajo Nation". See 12 N.N.C. §2502 (A) (1).
- X. The Sihasin Fund Subcommittee has also determined that DNR-DOA's projection, based on NOAA CPC, historical average precipitation data, that it can turn a reserve and guarantee of nineteen million eight hundred thirty-five thousand six hundred twelve dollars (\$19,835,612.00) of Sihasin Funds into an annual net indemnity payment averaging above thirty-four million dollars

(\$34,000,000.00) satisfies the 2014 Act requirement that "leveraging of the [Síhasin] Fund by way of guaranteeing loans, match funding, direct funding in part and other weighted uses of the Fund shall be favored over direct funding in whole". 12 N.N.C § 2502 (B).

- Y. The Síhasin Fund Subcommittee additionally determined that USDA's subsidy of fifty-one percent (51%) to fifty-nine percent (59%) of PRF Insurance Program premiums further satisfies the 2014 Act requirement that "leveraging of the [Síhasin] Fund by way of guaranteeing loans, match funding, direct funding in part and other weighted uses of the Fund shall be favored over direct funding in whole". 12 N.N.C § 2502 (B).
- Z. The Síhasin Fund Subcommittee further determined that it was in the best long-term interest of the Navajo Nation and Navajo communities to reserve Síhasin Funds for DNR-DOA to ensure the payment of annual insurance premiums to participate in the USDA's Pasture, Rangeland, Forage Pilot Insurance Program and to use annual net indemnity payments to fund agriculture infrastructure projects on the Navajo Nation and recommends to the Navajo Nation Standing Committees and the Navajo Nation Council that nineteen million eight hundred thirty-five thousand six hundred twelve dollars (\$19,835,612.00) of Síhasin Funds be reserved for DNR-DOA as the Síhasin Fund Pasture Range and Forage Expenditure Plan, attached as Exhibit C, under section 2505 of the 2014 Act.
- AA. After considering the recommendations of the Síhasin Fund Subcommittee, the Navajo Nation Council hereby determines that reserving Síhasin Funds for DNR-DOA to ensure the payment of annual insurance premiums to participate in the USDA's Pasture, Rangeland, Forage Pilot Insurance Program and using net indemnity payments to fund agriculture infrastructure projects fits within the priorities established under the July 20, 2015 One Nation, One Voice Navajo Nation Three Branch Agreement and that it is in the best interests of the Navajo Nation, as well as in the best interests of economic and community development and the revitalization of the agricultural economy within the Navajo Nation, to adopt the Síhasin Fund Pasture Range and Forage Expenditure Plan, attached as Exhibit C.

Section Three. Approval and Adoption of Expenditure Plan

- A. The Navajo Nation hereby approves and adopts the Síhasin Fund Pasture Rangeland and Forage Expenditure Plan, attached and incorporated herein as Exhibit C, including the establishment of the Agriculture Infrastructure Fund.
- B. The Navajo Nation hereby authorizes the Navajo Nation Division of Natural Resources and Department of Agriculture to apply, on behalf of the Navajo Nation, to participate in the USDA's Pasture, Rangeland, Forage Pilot Insurance Program.
- C. The Navajo Nation hereby approves and adopts total funding, in the form of a reserve, from the Síhasin Fund in the amount of nineteen million eight hundred thirty-five thousand six hundred twelve dollars (\$19,835,612.00) to the Navajo Nation Division of Natural Resources to implement the Síhasin Fund Pasture Range and Forage Expenditure Plan and establish the Agriculture Reserve Fund as follows:
 1. The nineteen million eight hundred thirty-five thousand six hundred twelve dollars (\$19,835,612.00) shall be reserved and remain in the Síhasin Fund until such time as the Nation is required to make USDA's Pasture, Rangeland, Forage Pilot Insurance Program premiums for the 2017 and 2018 Crop Years;
 2. If the Navajo Nation's application to participate in the USDA's Pasture, Rangeland, Forage Pilot Insurance Program is denied, without right of appeal, the nineteen million eight hundred thirty-five thousand six hundred twelve dollars (\$19,835,612.00) shall immediately become unreserved and available to fund other Síhasin Fund expenditure plans as approved by Navajo Nation Council;
 3. If the Navajo Nation's application to participate in the USDA's Pasture, Rangeland, Forage Pilot Insurance Program is accepted for acreage at a level requiring less than a premium of nineteen million eight hundred thirty-five thousand six hundred twelve dollars (\$19,835,612.00), the excess of reserved Síhasin Funds shall immediately become unreserved and available to fund other Síhasin Fund expenditure plans as approved by Navajo Nation Council;

4. At the end of the 2018 Crop Year, any portion of the nineteen million eight hundred thirty-five thousand six hundred twelve dollars (\$19,835,612.00) not used to pay USDA Pasture, Rangeland, Forage Pilot Insurance Program premiums shall immediately become unreserved and available to fund other Síhasin Fund expenditure plans approved by Navajo Nation Council;
 5. Any portion of the nineteen million eight hundred thirty-five thousand six hundred twelve dollars (\$19,835,612.00) of Síhasin Fund dollars used to pay USDA Pasture, Rangeland, Forage Pilot Insurance Program premiums shall be reimbursed and repaid to the Síhasin Fund from accrued insurance indemnity payments; and
 6. If there are accrued indemnity funds remaining above the amount necessary to fund the subsequent Crop Year's insurance premiums and after the Síhasin Fund has been reimbursed for any actual expenditures, the accrued indemnity funds may be used to fund agriculture infrastructure projects as set forth below.
- D. The Síhasin Funds reserved for the Síhasin Fund Pasture Range and Forage Expenditure Plan may be further leveraged by the Navajo Nation through bond or loan financing pursuant to the Navajo Nation Bond Financing Act, 12 N.N.C. § 1300 et seq., as amended, using Síhasin Fund Earnings for repayment and financing costs upon the recommendation of the Budget & Finance Committee and approval by a two-thirds (2/3) vote of all members of the Navajo Nation Council.

Section Four. Approval and Adoption of Expenditure Plan Administration

- A. The Navajo Nation hereby approves administration of the Síhasin Fund Pasture Range and Forage Expenditure Plan and Agriculture Infrastructure Fund as follows:
1. The Navajo Nation Controller shall determine whether the source of the reserved \$19,835,612.00 will be Síhasin Fund Principal or Income or a combination of both;

2. The Síhasin Funds reserved for the Navajo Nation's participation in the USDA's Pasture, Rangeland, Forage Pilot Insurance Program shall only be used to pay 2017 and 2018 Crop Year insurance premiums not covered by the applicable year's indemnity payment;
3. 2 N.N.C. §§ 933-936 is hereby waived and the Division of Natural Resources shall be responsible for complying with Navajo Nation procurement laws, regulations and policies in procuring the services of an insurance agent or carrier eligible to provide USDA Pasture, Rangeland, Forage Pilot Insurance in the capacity necessary to satisfy the Nation's needs, as well as the experience and expertise necessary to develop the Nation's application to the Pasture Rangeland and Forage Insurance Program for the 2017 Crop Year within the expedited time frame;
4. The Division of Natural Resources, with the assistance of the Office of the President and Vice-President, Office of the Controller and Department of Justice, shall be responsible for conducting due diligence on the insurance agent or carrier selected and reporting the results of such due diligence to the Budget and Finance Committee and Office of President & Vice-President before any insurance premiums are actually paid with the reserved Síhasin Funds;
5. The Office of the Controller and Office of Management & Budget shall work with the Division of Natural Resources and Department of Agriculture to establish a fund, herein called the Agriculture Infrastructure Fund, to:
 - a. Receive and hold any and all indemnity payments from the USDA's Pasture, Rangeland, Forage Pilot Insurance Program;
 - b. Use accrued indemnity payments to reimburse and repay Síhasin Funds actually expended; and
 - c. Use any remaining indemnity payments in excess of the amount necessary to guarantee the subsequent Crop Year's insurance premiums to fund and

implement agriculture infrastructure projects on the Navajo Nation, including but not limited to:

range, grazing and livestock; tribal ranches infrastructure; farming and irrigation; agricultural water development; dams, reservoirs and catchments; watershed planning for agriculture; agricultural complexes; drought contingency plan (mitigation measures); area wide fencing; brand office and Navajo Partitioned Lands and former Bennett Freeze Area projects, including administration costs.

6. The Division of Natural Resources and its Department of Agriculture shall have the authority and responsibility to manage and administer the Agriculture Infrastructure Fund and implement agriculture infrastructure projects pursuant to a fund management plan approved by the Budget & Finance Committee which shall at least include provisions that:
 - a. All interval indemnity payments received from the USDA's Pasture, Rangeland, Forage Pilot Insurance Program will be deposited into Fund when received by the Navajo Nation and invested as determined by the Office of the Controller with any realized interest earnings or investment income devoted to the implementation of agriculture infrastructure projects;
 - b. During the first month after the end of each Navajo Nation Fiscal Year, withdrawals from and/or reserves within the Fund shall be made in the following order or priority:
 1. Annual USDA Pasture, Rangeland, Forage Pilot Insurance Program premiums covering no more acreage than insured the previous year;
 2. Repayment and reimbursement of any portion of the \$19,835,612.00 of Sîhasin Funds actually expended; and
 3. If there are additional funds remaining, upon the approval of the Budget & Finance Committee, those funds may either be used to

increase the acreage insured or to implement agriculture infrastructure projects on the Navajo Nation or a combination of both.

- c. The Department of Agriculture, under the legislative oversight of the Resources and Development Committee, shall have the responsibility to administer, oversee and use indemnity funds allocated for agriculture infrastructure projects, consistent with an annual plan recommended by the Division of Natural Resources and approved by the Resources and Development Committee, for range, grazing and livestock; tribal ranches infrastructure; farming and irrigation; agricultural water development; dams, reservoirs and catchments; watershed planning for agriculture; agricultural complexes; drought contingency plan (mitigation measures); area wide fencing; brand office and Navajo Partitioned Lands and former Bennett Freeze Area, including administration costs;
 - d. The Department of Agriculture shall account for the money spent and such accounting or expenditure report shall be included as part of the Executive Branch's quarterly program report submitted to the Resources and Development Committee; and
 - e. The Department of Agriculture shall have the authority to enter into match funding, partnership, cooperative and other cost saving or cost sharing arrangements or leveraging agreements with Navajo Nation entities and enterprises, Navajo Nation chapters and other political subdivisions, other Navajo Nation programs and federal and state agencies and such agreements shall not be deemed procurement contracts subject to the Navajo Nation Procurement Act, 12 N.N.C. §§301 -371 or Navajo Business Opportunity Act 5 N.N.C. §§ 201-215.
7. The Division of Natural Resources and Department of Agriculture shall have the continuing authority and responsibility to further leverage the Agriculture Infrastructure Fund and shall present an annual

leveraging plan to the Resources and Development and Budget and Finance Committees during the first quarter of each Navajo Nation Fiscal Year.

8. The funds deposited into the Agriculture Infrastructure Fund shall not lapse on an annual basis pursuant to 12 N.N.C. §820 (N).
- B. The Navajo Nation Controller, Director of the Division of Natural Resources and Program Manager of the Department of Agriculture shall jointly account for and be held accountable for the expenditure of allocated Síhasin Fund funds and shall arrange for an annual audit of the Agriculture Infrastructure Fund with such audit report(s) submitted to the Resources and Development, Budget and Finance and Naabik'íyáti' Committees, Office of the Controller and Office of the President and Vice-President on an annual basis.
- C. The Division of Natural Resources shall report the status of the Síhasin Fund Pasture Range and Forage Expenditure Plan, specifically including the use and status of the Síhasin Funds and the status of the Agriculture Infrastructure Fund to the Resources and Development, Budget and Finance and Naabik'íyáti' Committees and Office of the President and Vice-President on a quarterly basis.

Section Five. Effective Date

The Síhasin Fund Pasture Range and Forage Expenditure Plan, as set forth above, shall become effective pursuant to 12 N.N.C. § 2505.

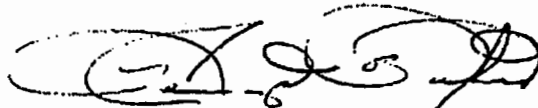
Section Six. Directives

- A. All Navajo Nation programs, specifically including, but not limited to, the Office of Controller, Office of Management & Budget, Division of Natural Resources and Department of Agriculture, shall take all steps necessary to expeditiously implement the Síhasin Fund Pasture Range and Forage Expenditure Plan.
- B. The Department of Agriculture shall develop a knowledge bank collecting and archiving information about the PRF Insurance Program and the Nation's participation.

- C. All Navajo Nation programs named in this legislation shall be held accountable for the progress of tasks under their responsibility and control and shall report on a semi-annual basis to the Naabik'iyáti' Committee on the progress of their respective tasks.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the Navajo Nation Council at a duly called meeting in Window Rock, Navajo Nation (Arizona) at which a quorum was present and that the same was passed by a vote of 18 in favor and 4 opposed, this 27th day of October 2016.



LoRenzo Bates, Speaker
Navajo Nation Council

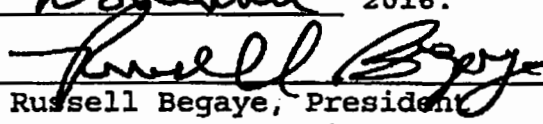
11-3-16

Date

Motion: Honorable Peterson B. Yazzie
Second: Honorable Otto Tso

ACTION BY THE NAVAJO NATION PRESIDENT:

1. I hereby sign into law the foregoing legislation, pursuant to 2 N.N.C. §1005 (C) (10), on this 13th day of November 2016.



Russell Begaye, President
Navajo Nation

2. I hereby veto the foregoing legislation, pursuant to 2 N.N.C. §1005 (C) (11), this _____ day of _____ 2016 for the reason(s) expressed in the attached letter to the Speaker.

Russell Begaye, President
Navajo Nation

RESOLUTION OF THE
NAVAJO NATION COUNCIL

23rd NAVAJO NATION COUNCIL -- Fourth Year, 2018

EXHIBIT

tabbies

2

AN ACTION

RELATING TO BUDGET AND FINANCE, RESOURCES AND DEVELOPMENT AND
NAABIK'ÍYÁTI' COMMITTEES AND NAVAJO NATION COUNCIL; AMENDING CO-
57-16, THE SÍHASIN FUND PASTURE RANGE AND FORAGE EXPENDITURE
PLAN, TO EXTEND THE SÍHASIN FUND GUARANTEE

BE IT ENACTED:

Section One. Authority

- A. The Budget and Finance Committee of the Navajo Nation Council is empowered to review and recommend to the Navajo Nation Council the budgeting, appropriation, investment, and management of all funds. 2 N.N.C. § 301 (B) (2).
- B. The Resource and Development Committee of the Navajo Nation Council is empowered to exercise oversight authority over water, land, grazing and agriculture on the Navajo Nation. 2 N.N.C. § 500 (C) (1).
- C. The Naabik'iyati' Committee of the Navajo Nation Council is empowered to review all proposed legislation, which requires final action by the Navajo Nation Council. 2 N.N.C. § 164 (A) (9).
- D. The Naabik'iyáti' Committee additionally has the authority to delegate its authority as appropriate for efficiency and streamlining of government processes to appropriate entities and to establish a subcommittee that consists of committee members, which the committee selects. 2 N.N.C. §§ 186 and 701 (B). The Naabik'iyáti' Committee adopted NABIAP-20-15 establishing the Naabik'iyáti' Síhasin Fund Subcommittee to "recommend to the Naabik'iyáti' Committee and Navajo Nation Council financial support and/or financing plan(s) for the purposes designated in CD-68-14 [Navajo Nation Breach of Trust Settlement Act of 2014, establishing the Síhasin Fund]".
- E. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. § 102 (A).

Section Two. Findings

- A. On November 3, 2016, the Navajo Nation Council adopted Resolution No. CO-57-16, attached as **Exhibit A**, enacting the Sihasin Fund Pasture Range and Forage Expenditure Plan ("PRF Expenditure Plan") and creating the Agriculture Infrastructure Fund as a mechanism to fund agriculture infrastructure projects, including but not limited to: range, grazing and livestock; tribal ranches infrastructure; farming and irrigation; agricultural water development; dams, reservoirs and catchments; watershed planning for agriculture; agricultural complexes; drought contingency plan (mitigation measures); area wide fencing; brand office and Navajo Partitioned Lands and former Bennett Freeze Area projects. The President of the Navajo Nation signed CO-57-16 on November 13, 2016.
- B. CO-57-16 authorized the Navajo Nation, through its Division of Natural Resources ("DNR") and Department of Agriculture ("NND OA"), to enroll in the United States Department of Agriculture's ("USDOA") Rainfall Index Pasture, Rangeland and Forage Pilot Insurance Program ("PRF Insurance Program") wherein USDOA will pay between 51% and 59% of the Nation's annual insurance premium.
- C. USDOA pays PRF Insurance Program benefits in the form of indemnity payments. CO-57-16 reserved nineteen million eight hundred thirty-five thousand six hundred twelve dollars (\$19,835,612) of Sihasin Funds to guarantee any portion of the annual insurance premiums not off-set by the indemnity payments for Crop Years 2017 and 2018.
- D. For Crop Year 2017 (January 1, 2017 through December 31, 2017), as detailed in **Exhibit B**, indemnity payments to the Nation exceeded the Nation's portion of the annual premium cost by seventeen million three hundred eighty-six four hundred fifty-five dollars (\$17,386,455) and the reserved Sihasin Funds were fully maintained.
- E. Pursuant to CO-57-16, the Sihasin Fund guarantee of the annual PRF Insurance Program premium expires at the end of 2018 Crop Year and the Agriculture Infrastructure Fund, adopted as part of the PRF Expenditure Plan, requires DNR and NND OA to set-aside or reserve enough of the 2017 and 2018 Crop Year indemnity payments to guarantee the Nation's 2019 Crop Year insurance premium before any portion of the indemnity payments can be used to fund

agriculture infrastructure projects, including but not limited to: range, grazing and livestock; tribal ranches infrastructure; farming and irrigation; agricultural water development; dams, reservoirs and catchments; watershed planning for agriculture; agricultural complexes; drought contingency plan (mitigation measures); area wide fencing; brand office and Navajo Partitioned Lands and former Bennett Freeze Area projects. CO-57-16, p. 10, Section Three C.6 and p. 11, Section Four A.5.c.

- F. On February 26, 2018, NNDOA presented information to the Síhasin Subcommittee that because CO-57-16 currently requires DNR and DOA to reserve or set-aside 2017 and 2018 Crop Year indemnity payments sufficient to guarantee the 2019 Crop Year PRF Insurance Program premiums, the amount of the 2017 Crop Year net identity proceeds of \$17,386,455 that can be spent on agriculture infrastructure projects in calendar years 2018 and 2019 will be minimal.
- G. Given that the Nation has pressing immediate needs to implement drought mitigation measures, feral horse reduction, and other conservation measures, the Síhasin Subcommittee recommends to the Naabik'íyáti' Committee and Navajo Nation Council that it is in the overall best long-term interests of the Navajo Nation to amend CO-57-16 to extend the Síhasin Fund guarantee of the PRF Insurance Program annual premiums for two additional years through the 2020 Crop Year, so that a large portion of the current net indemnity proceeds of \$17,386,455 can be used to implement agriculture infrastructure projects in calendar years 2018 and 2019.

Section Three. Amending Resolution No. CO-57-16

The Navajo Nation hereby amends Navajo Nation Council Resolution No. CO-57-16 as follows:

Section Three. Approval and Adoption of Expenditure Plan

* * *

- C. The Navajo Nation hereby approves and adopts total funding, in the form of a reserve, from the Síhasin Fund in the amount of nineteen million eight hundred thirty-five thousand six hundred twelve dollars (\$19,835,612.00) to the Navajo Nation Division of Natural Resources to implement the Síhasin Fund

Pasture Range and Forage Expenditure Plan and establish the Agriculture Reserve Fund as follows:

1. The nineteen million eight hundred thirty-five thousand six hundred twelve dollars (\$19,835,612.00) shall be reserved and remain in the Sihasin Fund until such time as the Nation is required to make USDA's Pasture, Rangeland, Forage Pilot Insurance Program premiums for the 2017 ~~and 2018~~ through 2023 Crop Years;

* * *

4. At the end of the ~~2018~~ 2023 Crop Year, any portion of the nineteen million eight hundred thirty-five thousand six hundred twelve dollars (\$19,835,612.00) not used to pay USDA Pasture, Rangeland, and Forage Pilot Insurance Program premiums shall immediately become unreserved and available to fund other Sihasin Fund expenditure plans approved by Navajo Nation Council;

* * *

Section Four. Approval and Adoption of Expenditure Plan Administration

- A. The Navajo Nation hereby approves administration of the Sihasin Fund Pasture Range and Forage Expenditure Plan and Agriculture Infrastructure Fund as follows:

2. The Sihasin Funds reserved for the Navajo Nation's participation in the USDA's Rangeland, and Forage Pilot Insurance Program shall only be used to pay 2017 ~~and 2018~~ through 2023 Crop Year insurance premiums not covered by the applicable year's indemnity payment;

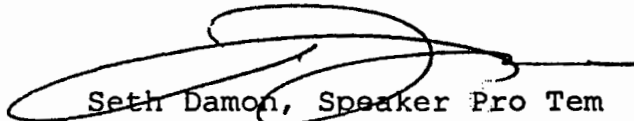
* * *

Section Four. Effective Date

The amendments to Navajo Nation Council Resolution No. CO-57-16, as set forth above, shall become effective pursuant to 12 N.N.C. § 2505 (A).

CERTIFICATION

I, hereby, certify that the foregoing resolution was duly considered by the Navajo Nation Council at a duly called meeting in Window Rock, Navajo Nation (Arizona), at which a quorum was present and that the same was passed by a vote of 17 in favor and 00 opposed, on this 17th day of May 2018.


Seth Damon, Speaker Pro Tem
23rd Navajo Nation Council

May 21, 2018
Date

Motion: Honorable Lee Jack, Sr.
Second: Honorable Herman M. Daniels

Speaker Pro Tem Damon not voting

RESOLUTION OF THE
RESOURCES AND DEVELOPMENT COMMITTEE
23rd Navajo Nation Council --- Fourth Year, 2018

AN ACTION

RELATING TO THE RESOURCES AND DEVELOPMENT AND BUDGET AND FINANCE
COMMITTEES; APPROVING AND ADOPTING THE AGRICULTURE
INFRASTRUCTURE FUND FUND MANAGEMENT PLAN AS MANDATED BY THE
SÍHASIN FUND PASTURE RANGE AND FORAGE EXPENDITURE PLAN ENACTED
BY CO-57-16 AND AMENDED BY CMY-54-18

BE IT ENACTED:

Section One. Authority

- A. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. § 102 (A). The Navajo Nation Council mandated the Budget of Finance Committee to adopt a fund management plan to administer the Agriculture Infrastructure Fund. CO-57-16, as amended, Section Four (A) (6).
- B. The Resources and Development Committee of the Navajo Nation Council has oversight of the Division of Natural Resources. The Department of Agriculture is within the Division of Natural Resources. 2 N.N.C. § 501(C) (1).
- C. The Budget and Finance Committee of the Navajo Nation Council is authorized to review the management of all funds and to approve Fund Management Plans upon the recommendation of the appropriate oversight committee. 2 N.N.C. §§ 301 (B) (2) and (14).

Section Two. Findings

- A. On November 3, 2016, the Navajo Nation Council passed Council Resolution CO-57-16, attached as Exhibit A, adopting the Síhasin Fund Pasture Range and Forage Expenditure Plan pursuant to CD-68-14 and 12 N.N.C. §§2501-2508; the President of the Navajo Nation signed CO-57-16 on November 13, 2016.

- B. Among other things, CO-57-16 reserved \$19,835,612.00 of Sihasin Funds to guarantee the insurance premiums necessary for the Nation's participation in the USDOA's Pasture, Rangeland, Forage Insurance Program for the 2017 and 2018 Crop Years. CO-57-16, Section Three, (C) (1). CO-57-16 was subsequently amended by CMY-54-18, which is attached as **Exhibit B**, to extend the Sihasin Fund reserve and guarantee for an additional five years through the end of the 2023 Crop Year.
- C. CO-57-16, as amended, also requires that net insurance proceeds, also referred to as indemnity payments, be deposited in an Agriculture Infrastructure Fund and used to fund agriculture infrastructure projects after certain conditions are met; e.g., the Sihasin Fund is reimbursed for any expenditures and annual amounts are reserved and accumulated to replace the Sihasin Fund guarantee at the end of 2023. CO-57-16, Section Four (A) (6) (c).
- D. CO-57-16 further establishes that the Division of Natural Resources and its Department of Agriculture have the authority and responsibility to manage and administer the Agriculture Infrastructure Fund and implement agriculture infrastructure projects pursuant to a fund management plan approved by the Budget and Finance Committee. CO-57-16, Section Four (A) (6).
- E. The proposed Agriculture Infrastructure Fund Fund Management Plan, attached as **Exhibit C**, was vetted through the Executive Branch's Executive Review process, attached as **Exhibit D**.

Section Three. Approval.

- A. The Navajo Nation hereby approves the Agriculture Infrastructure Fund Fund Management Plan, attached as **Exhibit C**, as the fund management plan mandated by CO-57-16, Section Four (A) (6).
- B. The Navajo Nation hereby adopts the Agriculture Infrastructure Fund Fund Management Plan attached as **Exhibit C**.

CERTIFICATION

I, hereby, certify that the following resolution was duly considered by the Resources and Development Committee of the 23rd Navajo Nation Council at a duly called meeting at the Navajo Nation Council Chambers, Window Rock, Navajo Nation (Arizona), at which a quorum was present and that same was passed by a vote of 3 in favor, and 0 opposed, on this 15th day of August 2018.

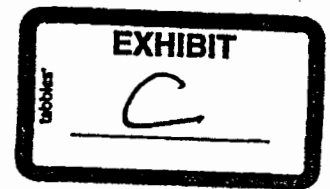


Alton Joe Shepherd, Chairperson
Resources and Development Committee
of the 23rd Navajo Nation Council

Motion: Honorable Walter Phelps

Second: Honorable Leonard Pete

Chairperson Alton Joe Shepherd not voting.



AGRICULTURE INFRASTRUCTURE FUND FUND MANAGEMENT PLAN

Section I. Establishment and Purpose

In November of 2016, the Navajo Nation approved Resolution No. CO-57-16, *Adopting the Sihasin Fund Pasture Range and Forage Expenditure Plan*. CO-57-16 was subsequently amended by CMY-54-18. Utilizing Sihasin Funds, CO-57-16, as amended, established a seven-year guarantee, ending in 2023, for the Nation's participation in the U.S. Department of Agriculture's ("USDOA") Pasture Rangeland Forest Pilot Insurance Program. CO-57-16, as amended, also established the Agriculture Infrastructure Fund and provided that net insurance proceeds ("Indemnity Payments") are to be deposited in the Agriculture Infrastructure Fund and, after certain conditions are met, used to fund agriculture infrastructure projects on the Navajo Nation as defined in CO-57-16 and approved annually by the Resources and Development Committee.

In addition, CO-57-16, as amended, requires that the Division of Natural Resources and its Department of Agriculture manage and administer the Agriculture Infrastructure Fund pursuant to a fund management plan approved by the Budget and Finance Committee.

The purpose of this Agriculture Infrastructure Fund Fund Management Plan ("FMP") is to satisfy the fund management plan requirements of CO-57-16, as amended, and to clarify the administration and management of the Agriculture Infrastructure Fund to ensure the accountability of such funds, as well as the timely implementation of the approved agriculture infrastructure projects. To that end, this FMP is excused from the requirements of BFMY-38-02 and BFN-187-03.

Section II. Authority

- A. The Navajo Nation established the Agriculture Infrastructure Fund pursuant to Resolution No. CO-57-16 to only fund and implement agriculture infrastructure projects on the Navajo Nation, including but not limited to:

range, grazing and livestock; tribal ranches infrastructure; farming and irrigation; agricultural water development; dams, reservoirs and catchments; watershed planning for agriculture; agricultural complexes; drought contingency plan (mitigation measures); area wide fencing; brand office and Navajo Partitioned Lands and former Bennett Freeze Area projects, including administration costs.

- B. Pursuant to 2 N.N.C. § 500 (C), the Resources Development Committee ("RDC") of the Navajo Nation Council shall exercise oversight authority over, among other things, water, land, agriculture, chapter activities, and economic and community development. Consistent with this authority, CO-57-16 sets forth that RDC shall approve an annual plan of agriculture infrastructure projects to be funded through the Agriculture Infrastructure Fund.

- C. Pursuant to 2 N.N.C. § 301 (B), the Budget and Finance Committee ("BFC") of the Navajo Nation Council is authorized to review the management of all funds and to approve Fund Management Plans pursuant to the recommendation of the appropriate oversight committee, RDC in this instance. Consistent with this authority, CO-57-16 sets forth that BFC shall approve a fund management plan to manage and administer the Agriculture Infrastructure Fund and implement agriculture infrastructure projects.
- D. Pursuant to CO-57-16, as well as their respective plans of operation as set forth in the Navajo Nation Code and/or by Navajo Nation Council or Committee resolution and the Navajo Nation Appropriation Act, 12 N.N.C. §§ 800 *et. seq.*, as amended, the Office of the Controller ("Controller") and the Office of Management and Budget ("OMB") have the authority to administer the funding to implement the Agriculture Infrastructure Fund projects and other fund uses as set forth in CO-57-16, as amended.
- E. Pursuant to CO-57-16, as well as their respective plans of operation as set forth in the Navajo Nation Code and/or by Navajo Nation Council or Committee resolution, the Division of Natural Resources ("DNR") and Department of Agriculture ("NND OA") have the authority to recommend an annual agriculture infrastructure projects plan to RDC and to administer, manage, oversee and use Agriculture Infrastructure Funds to implement approved agriculture infrastructure projects.

Section III. Administration -- General

- A. This FMP is intended to supplement the operable Budget Instruction Manual ("BIM") and unless contradicted or excepted by CO-57-16, as amended, or by provisions of this FMP, the BIM is to be followed.
- B. Although BFC approved resolutions BFMY-38-02 and BFN-38-03 in 2002 and 2003 to guide the establishment of Fund Management Plans for programs generating revenues, Section VI of the FY 2019 BIM allows for the establishment of Fund Management Plans outside of those resolutions. The Agriculture Infrastructure Fund is not funded by program generated revenues. As such, BFMY-38-02 and BFN-38-03 do not guide or apply to this FMP.
- C. Projects funded through the Agriculture Infrastructure Fund are not subject to BIM budget timelines and budget review and approval requirements. Agriculture Infrastructure Fund projects and administrative costs approved by RDC do not require subsequent committee approval of the detailed budget forms.
- D. Funds deposited in the Agriculture Infrastructure Fund shall not lapse on an annual basis and any amounts not subject to this FMP's set-aside or reserve provisions shall be available for allocation to agriculture infrastructure projects as approved by RDC.
- E. Agriculture Infrastructure Fund project funding shall not lapse until funded projects are (1) completed and closed-out; or (2) canceled or defunded as approved by RDC. Cost savings or unspent funds attendant to completed, canceled or defunded projects shall be returned to the Agriculture Infrastructure Fund.

- F. Expenditures of Agriculture Infrastructure Funds shall comply with the laws of the Navajo Nation, including but not limited to the Navajo Business Opportunity Act and the Navajo Nation Ethics in Government Law.

Section IV. Administration – Indemnity Payments

- A. The Controller shall establish the Agriculture Infrastructure Fund, which may include a sub-fund(s) or account(s), e.g., a holding account and/or investment account, to receive, house, and disburse Indemnity Payments (insurance proceeds) received from USDOA.
- B. *Before* any Indemnity Payments can be used to fund agriculture infrastructure projects, the Controller shall first set-aside or reserve the following amounts, *in the order listed*, from the net Indemnity Payments received each farm year (calendar year):
1. Any Sihasin Funds actually remitted to the USDOA for payment of insurance premiums. This amount shall be reimbursed to the Sihasin Fund.
 2. Any prior year set-aside or reserve shortages.
 3. \$2,833,658.86 which is one seventh (1/7th) of the Sihasin Fund guarantee of \$19,835,612.00. The purpose of this reserve is to ensure that a funding source is available to support the annual insurance premiums when the Sihasin Fund guarantee expires after seven (7) years at the end of 2023.
 4. Any increase in the current year's insurance premiums above the previous year's insurance premiums. CO-57-16, as amended, requires that BFC approve any increase in insurance premiums due to an increase in the acreage insured.
- C. *After* all of the annual set-aside and reserve provisions set forth above have been satisfied, net Indemnity Payments shall be eligible to fund agriculture infrastructure projects as approved by RDC. If eligible funds are not used to fund current year agriculture infrastructure projects, such funds shall carry-over and remain eligible to fund subsequent year agriculture infrastructure projects.
- D. The Controller shall invest the Agriculture Infrastructure Fund, including the set-aside and reserve funds, with the degree of care exercised by a reasonable and prudent manager of investments intended to produce maximum growth of the investment with a high degree of safety as appropriate to support the purposes set forth in this FMP. If approved by BFC, any or all of the realized earnings from such investment(s) shall be available for expenditure on agriculture infrastructure projects beginning in 2024.

Section V. Administration – Project Funds

- A. By the end of October each year, DNR and NNDOA shall recommend an agriculture infrastructure projects plan, which may include administrative costs, to RDC for approval. The total amount of such plan shall not exceed the amount of eligible funds set forth through Section III.C. above. The agriculture infrastructure projects included on the plan must comply with Section Four (A) (5) (c) of CO-57-16, i.e.,

Range, grazing and livestock; tribal ranches infrastructure; farming and irrigation; agricultural water development; dams, reservoirs and catchments; watershed planning for agriculture; agricultural complexes; drought contingency plan (mitigation measures); area wide fencing; brand office and Navajo Partitioned Lands and former Bennett Freeze Area projects, including administration costs.

- B. In addition to total funding for each project, Agriculture infrastructure projects recommended by DNR and NNDOA shall identify the Department(s) or Program(s) responsible for managing and implementing the project or components thereof. If RDC approves project(s) to be managed and implemented by Departments or Programs outside of DNR, DNR and NNDOA shall retain authority and responsibility to ensure that such funding is used only for projects meeting CO-57-16's criteria.
- C. The Office of the Controller has the authority to make payments out of the Agriculture Infrastructure Fund for projects and administrative costs approved by RDC without subsequent oversight committee budget approval. The approval of Project Summary Forms and budget documents shall be through Official Executive Review.
- D. Matching and Cost-Share funds from external sources or other Navajo Nation funds shall be processed and administered in accordance with this FMP, unless specifically prohibited by the funding requirements or agreement.
- E. Allowable administrative expenditures must be directly tied to project implementation and may include, but will not be limited to, the following categories: personnel; travel expenses; supplies; lease, communications and utilities; contractual services; non-capital expenditures; and capital expenditures.
- F. Consistent with other applicable provisions of this FMP, Departments and Programs shall comply with BIM Section VII, PROJECT BUDGETING AND ACCOUNT SET-UP, as subsequently amended, and submit BIM Appendix J PROJECT FORMS, as subsequently amended, to OMB for project account and budget set-up subject to the following:
 - 1. The legislation approving the project and project funding shall be identified as CO-57-16 and proposal packets, e.g., chapter resolutions, shall not be required.
 - 2. The funding source for each project shall be identified as the Agriculture Infrastructure Fund.
 - 3. Departments and Programs shall include a project start and end date on Appendix J Project Forms. OMB shall report, in writing, any project that is not projected to be completed within 8 quarters (two years), as well as any project that is not completed by its end date, to DNR, OPVP, BFC, and RDC.
 - 4. The Department or Program shall attach a written statement to their Appendix J Project Forms defining the project and delineating the specific purposes for which the project funds can be expended and/or utilized. Example: The purpose of the project is to establish farming infrastructure and project funds will be utilized for purchase of farm equipment such as tractors, blades, etc., infrastructure, demolition and site cleanup, architectural design.

5. Projects that are to be leveraged with or match funded by other funding sources must include a commitment letter or resolution from the appropriate agency or entity verifying the amount of contribution and showing that the amount has been encumbered.

Section VI. Accounting

- A. The records and books of accounts for the Agriculture Infrastructure Fund shall be kept separate and apart from other Navajo Nation funds with their own balance sheet and revenue and expenditure statement.
- B. The recipient of Infrastructure Funds shall account for the money spent and progress achieved. Departments and Programs shall include the accounting as part of their quarterly program reports submitted to RDC, BFC and the Navajo Nation Council. Non-governmental entities and LGA Certified Chapters shall submit a quarterly account report to the same entities.
- C. DNR and NNDOA shall coordinate with the Office of the Auditor General to request an annual audit of the funds provided through this FMP.

Section VII. Reporting and Close-out

- A. At the end of each quarter, the responsible Department or Program shall provide written update project status reports to the DNR Director, RDC, BFC, OOC, OMB and OPVP. Such reports will include the status of the project(s), expenditures and fund balance of each project.
- B. When a project is completely implemented, the responsible Department or Program shall provide a memorandum, concurred to by DNR, to OMB and OOC stating that the project is complete with all close out tasks complete and that the project account can be closed.

Section VIII. – Amendments

This FMP is intended to be amended by BFC when the Sihasin Fund guarantee expires at the end of 2023. In the interim, this FMP may be amended by BFC with the recommendation of RDC.

EXHIBIT

4

RESOLUTION OF THE
RESOURCES AND DEVELOPMENT COMMITTEE
23rd Navajo Nation Council --- Fourth Year, 2018

AN ACTION

RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE; APPROVING
AND ADOPTING THE AGRICULTURE INFRASTRUCTURE FUND PROJECT PLANS
FOR CROP YEARS 2017 AND 2018 AS MANDATED BY THE SIHASIN FUND
PASTURE RANGE AND FORAGE EXPENDITURE PLAN ENACTED BY CO-57-16
AND AMENDED BY CMY-54-18

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. § 102 (A).
- B. The Resources and Development Committee of the Navajo Nation Council is authorized to exercise oversight authority over, among other things, water, land, grazing, agriculture, livestock, wildlife, chapter activities, and economic and community development. 2 N.N.C. § 500 (C).
- C. The Navajo Nation Council mandated the Resources and Development Committee to adopt an annual plan for agriculture infrastructure projects to be funded through the Agriculture Infrastructure Fund. CO-57-16, as amended, Section Four (A) (6) (c).

SECTION TWO. FINDINGS

- A. On November 3, 2016, the Navajo Nation Council passed Council Resolution CO-57-16, included in attached **Exhibit A**, adopting the Sihasin Fund Pasture Range and Forage Expenditure Plan pursuant to CD-68-14 and 12 N.N.C. §§ 2501-2508; the President of the Navajo Nation signed CO-57-16 on November 13, 2016.
- B. Among other things, CO-57-16 reserved \$19,835,612.00 of Sihasin Funds to guarantee the insurance premiums necessary for the Nation's participation in the USDOA's Pasture, Rangeland, and Forage Insurance Program for the 2017 and 2018 Crop Years. CO-57-16, Section Three, (C) (1). CO-57-16 was subsequently amended by CMY-54-18, included in attached

Exhibit A, to extend the Sihasin Fund reserve and guarantee for an additional five years through the end of the 2023 Crop Year.

- C. CO-57-16, as amended, also requires that net insurance proceeds (aka: Indemnity Payments) be deposited in an Agriculture Infrastructure Fund and used to fund agriculture infrastructure projects on the Navajo Nation approved annually by the Resources and Development Committee after certain conditions are met, e.g., the Budget and Finance Committee enacts a fund management plan that, among other things, ensures that the Sihasin Fund is reimbursed for any expenditures and that annual amounts are reserved and accumulated to replace the Sihasin Fund guarantee at the end of 2023. CO-57-16, Section Four (A) (6) (c).
- D. CO-57-16, as amended, defines "agriculture infrastructure projects" as, "including but not limited to: range, grazing and livestock; tribal ranches infrastructure; farming and irrigation; agricultural water development; dams, reservoirs and catchments; watershed planning for agriculture; agricultural complexes; drought contingency plan (mitigation measure); area wide fencing; brand office and Navajo Partitioned Lands and former Bennett Freeze Area projects, including administration costs." CO-57-16, Section Four (A) (5) (c).
- E. CO-57-16 further establishes that the Division of Natural Resources and its Department of Agriculture have the authority and responsibility to manage and administer the Agriculture Infrastructure Fund and implement agriculture infrastructure projects in compliance with a fund management plan approved by the Budget and Finance Committee. CO-57-16, Section Four (A) (6). The Resources and Development Committee adopted Resolution No. RDCAU-74-18, attached as **Exhibit A**, enacting the Agriculture Infrastructure Fund Fund Management Plan.
- F. As set forth in **Exhibit B**, the USDOA's Pasture, Rangeland, Forage Insurance Program remitted \$17,386,545 to the Nation in net Indemnity Payments for Crop Year 2017 (aka: Year 1). Once the annual amount of \$2,833,659, as set forth in the Agriculture Infrastructure Fund Fund Management Plan at Section IV (B) (3), is set-aside and reserved to replenish the Sihasin Fund guarantee, \$14,552,886 is available to fund the agriculture infrastructure projects included in the Crop Year

2017 (Year 1) Agriculture Infrastructure Fund Project Plan attached as **Exhibit C**.

- G. As also set forth the in **Exhibit D**, the USDOA's Pasture, Rangeland, Forage Insurance Program has so far remitted \$19,277,820 to the Nation in net Indemnity Payments for Crop Year 2018 (aka: Year 2). Once the annual amount of \$2,833,658.86, as set forth in the Agriculture Infrastructure Fund Fund Management Plan at Section IV (B)(3), is set-aside and reserved to replenish the Sihasin Fund guarantee and \$2,386 of unallocated Crop Year 2017 funds are carried forward, \$16,446,547 is available, as of December 1, 2018, to fund the agriculture infrastructure projects included in the Crop Year 2018 (Year 2) Agriculture Infrastructure Fund Project Plan attached as **Exhibit D**.
- H. Year 1 and Year 2 Project amounts are estimates, subject to change as a result of fluctuations in market conditions for parts, supplies, equipment, raw materials, contract services and actual costs incurred in project implementation and construction.

SECTION THREE. APPROVAL

- A. The Navajo Nation hereby approves and adopts the Crop Year 2017 (Year 1) Agriculture Infrastructure Fund Project Plan attached as **Exhibit C**.
- B. The Navajo Nation hereby approves and adopts the Crop Year 2018 (Year 2) Agriculture Infrastructure Fund Project Plan attached as **Exhibit D**.

SECTION FOUR. ADMINISTRATION

The Agriculture Infrastructure Fund Project Plans, adopted herein as **Exhibits C** and **D**, shall be administered pursuant to the Agriculture Infrastructure Fund Fund Management Plan enacted by RDCAU-74-18 attached as **Exhibit A**.

SECTION FIVE: AMENDMENTS

The Agriculture Infrastructure Fund Project Plans adopted herein as **Exhibit C** and **D** can be amended by the Resources and Development Committee from time to time as necessary to fulfill the mandates of CO-57-16 upon the recommendation of the Division of Natural Resources and Department of Agriculture.

CERTIFICATION

I, hereby, certify that the following resolution was duly considered by the Resources and Development Committee of the 23rd Navajo Nation Council at a duly called meeting at the Navajo Nation Council Chambers, Window Rock, Navajo Nation (Arizona), at which a quorum was present and that same was passed by a vote of 3 in favor, and 0 opposed, on this 21st day of December 2018.

A handwritten signature in black ink, appearing to read 'B. Bennett', with a large, stylized initial 'B' and a long horizontal stroke extending to the right.

Benjamin Bennett, Vice-Chairperson
Resources and Development Committee
of the 23rd Navajo Nation Council

Motion: Honorable Walter Phelps
Second: Honorable Jonathan Perry

Vice-Chairperson Benjamin Bennett not voting.

Crop Year 2017 (Year 1) Agriculture Infrastructure Fund Project Plan Summary
Division of Natural Resources and Department of Agriculture
12/01/2018

I. Agriculture Infrastructure Fund Allocations CY 2017 (Year 1)

<u>DNR Project Sponsor</u>	<u>No. Projects</u>	<u>Amount</u>
Department of Water Resources	9	\$6,963,500
Department of Agriculture	10	\$6,200,000
Department of Fish & Wildlife	5	\$1,147,000
Division of Natural Resources	2	\$240,000
Subtotal		<u>\$14,550,500</u>
PRF Premium Reserve Set-aside		<u>\$2,833,659</u>
TOTAL	26	<u>\$17,384,159</u>

II. Agriculture Infrastructure Fund Status After Project Allocations

CY 2017 (Year 1) Indemnity Payments	\$17,386,545
Agriculture Infrastructure Fund Allocations CY 2017 (Year 1)	- \$17,384,159

Unallocated Amount (Carry Forward to Year 2) **\$2,386**

III. Agriculture Infrastructure Fund Status YTD CY 2018 (Year 2)

Carry Forward from Year 1	\$2,386
Net YTD PRF Indemnities for Agriculture Infrastructure Fund (Year 2)	\$19,277,820
+ Net Indemnity for November-December Interval	TBD
Subtotal	<u>\$19,280,206</u>
PRF Premium Reserve Set-aside	<u>-\$2,833,659</u>
Available for Projects in Year 2 as of 12/01/2018	<u>\$16,446,547</u>

Division of Natural Resources
Department of Agriculture
Year 1 Agriculture Infrastructure Fund Project Plan

EXHIBIT "C"

I.	<u>Department of Water Resources (333 Windmill Priority Projects)</u>		\$3,900,000
	(Windmills/well repairs, storage tanks, troughs, equipment, trucks/trailers, operators, R&M, technical staff)		
	<u>Contract Services for Earth Dam Repairs (40 dams x 5 agencies x \$6,000 ea. est.)</u>		\$1,200,000
	<u>DWR Projects</u>		\$1,863,500
	• Red Willow Farm well powerline	\$297,000	
	• Little Colorado River (Leupp) alluvial aquifer USGS match	\$370,000	
	• Coppermine livestock waterline	\$327,000	
	• Greasewood Springs waterline extension	\$496,000	
	• Burnside livestock well pump & powerline	\$115,000	
	• Tolani Lake EQIP waterline extension	\$208,500	
	• DWR Climate monitoring installations	\$50,000	
II.	<u>Department of Agriculture Projects</u>		\$6,200,000
	• NNDA horse management program	\$1,000,000	
	• Herd reduction incentives	\$500,000	
	• Rancher supplemental feed distribution	\$500,000	
	• Tribal ranches infrastructure improvements	\$1,000,000	
	• Dryland/irrigated farmland recovery	\$400,000	
	• Area wide fencing (grazing units, districts, ALUP, RMU)	\$400,000	
	• Livestock gathering/processing facilities	\$500,000	
	• Technical capacity building & conservation	\$400,000	
	• Ag service centers	\$1,100,000	
	• Ag conservation corps	\$400,000	
III.	<u>Department of Fish & Wildlife</u>		\$1,147,000
	• Climate change/drought mitigation for wildlife	\$300,000	
	• Horse mgt reduction for wildlife habitat	\$345,000	
	• Water conservation/catchments for wildlife	\$266,000	
	• Woodland habitat treatments for wildlife	\$114,000	
	• Native seed/riparian habitat restoration for wildlife	\$122,000	
IV.	<u>PRF Premium Reserve Setaside for Year 1 AIF</u>		\$2,833,659
V.	<u>HPD/NFWD/NEPA Clearances for AIF Projects</u>		\$120,000
VI.	<u>Forestry Drought Mitigation Measures</u>		\$120,000
Total			\$17,384,159

Project Plan (As of 12/03/18)
Agriculture Infrastructure Fund (Year 1)

EXHIBIT "C"

Project Name	Description	Sponsor	Account No.	Amount	Timelines for Completion
<u>I. Department of Water Resources Projects</u>					
Windmill/well repairs	Parts/supplies/equipment/operators to repair 300+ windmills/wells	DWR	DWR Acct. No.	\$3,900,000	Complete by Dec 31, 2019
Earth dam repairs	Contract services to repair 40 earth dams @ 5 agencies @ \$6,000 ea.	DWR	DWR Acct. No.	\$1,500,000	Complete by Nov 1, 2019
Red Willow Farm Well Powerline	ROW & powerline extension and pump house for new well	DWR	DWR Acct. No.	\$297,000	Complete by Jun 1, 2019
Little Colorado River Aquifer Project	LCR (Leupp) alluvial aquifer project match with USGS funding	DWR	DWR Acct. No.	\$370,000	Complete by Dec 31, 2019
Coppermine Livestock Waterline Extension	Extend livestock waterline	DWR	DWR Acct. No.	\$327,000	Complete by Jun 1, 2019
Greasewood Springs Waterline Extension	Extend livestock waterline	DWR	DWR Acct. No.	\$496,000	Complete by Aug 1, 2019
Burnside Livestock Well Pump & Powerline	Install well pump and powerline for pump operations	DWR	DWR Acct. No.	\$115,000	Complete by July 1, 2019
Tolani Lake EQIP Waterline Extension	Install livestock waterline extension (NRCS project)	DWR	DWR Acct. No.	\$208,500	Complete by July 1, 2019
Climate Monitoring Installations	Purchase equipment/parts/supplies for DWR weather stations	DWR	DWR Acct. No.	\$50,000	Complete by Sept 1, 2019
Page 1 Subtotal for DWR				\$6,963,500	

Project Plan (As of 12/03/18)
Agriculture Infrastructure Fund (Year 1)

EXHIBIT "C"

Project Name	Description	Sponsor	Account No.	Amount	Timelines for Completion
II. Department of Agriculture Projects					
Feral Unbranded Horse Mgt Program	Personnel, equipment, supplies & repairs to remove 5,000 horses	NNDA	NNDA Acct. No.	\$1,000,000	Complete by Dec 31, 2019
Livestock Herd Reduction Incentives	Pay incentives to livestock owners to reduce livestock herd numbers	NNDA	NNDA Acct. No.	\$500,000	Complete by Nov 1, 2019
Livestock Supplement for Ranchers	Purchase & distribute mineral supplements to livestock owners	NNDA	NNDA Acct. No.	\$500,000	Complete by Sept 1, 2019
Tribal Ranches Infrastructure Improvements	Repair & install windmills/dams, solar-controlled systems, fencing & water conservation improvements	NNDA	NNDA Acct. No.	\$1,000,000	Complete by Dec 1, 2019
Dryland/Irrigated Farmland Recovery	Reactivate & improve inactive farmlands with cost sharing and incentives to ALUP permit holders	NNDA	NNDA Acct. No.	\$400,000	Complete by Oct 1, 2019
Area-wide Fencing Improvements for	Improve & install fencing for grazing units, districts, RMU's	NNDA	NNDA Acct. No.	\$400,000	Complete by Oct 1, 2019
Livestock Gathering/Processing Facilities	Purchase & install equipment to gather, process, vaccinate & market livestock for Navajo producers	NNDA	NNDA Acct. No.	\$500,000	Complete by July 1, 2019
Technical Capacity Building & Conservation	Employ technical/professional staff to support PRF & AIF activities	NNDA	NNDA Acct. No.	\$400,000	Complete by Dec 31, 2019
Ag Service Centers & Veterinary Equipment	Purchase/improve facilities for DNR/ NNDA staff for AIF administration	DNR	DNR Acct. No.	\$1,100,000	Complete by Dec 31, 2019
Ag Conservation Corps	Employ local conservation technicians	NNDA	NNDA Acct. No.	\$400,000	Complete by Dec 31, 2019
Page 2 Subtotal for NNDA				\$6,200,000	

Project Plan (As of 12/03/18)
Agriculture Infrastructure Fund (Year 1)

EXHIBIT "C"

<u>Project Name</u>	<u>Description</u>	<u>Sponsor</u>	<u>Account No.</u>	<u>Amount</u>	<u>Timelines for Completion</u>
<u>III. Department of Fish & Wildlife Projects</u>					
Climate Change/ Drought Mitigation for Wildlife	Climate change outreach & education to farmers/ranchers/ public	NFWD	NFWD Acct. No.	\$300,000	Complete by Oct 1, 2019
Horse Management Reduction Incentives	Feral horse gathering & incentives to enhance wildlife habitat	NFWD	NFWD Acct. No.	\$345,000	Complete by Oct 1, 2019
Water Conservation/ Catchments for Wildlife	Install water conservation/ catchments to improve habitats/ water supply for wildlife	NFWD	NFWD Acct. No.	\$266,000	Complete by July 1, 2019
Woodland habitat Treatments for Wildlife	Treat woodlands to improve habitats for wildlife & reduce unsafe feral animal hazards	NFWD	NFWD Acct. No.	\$114,000	Complete by July 1, 2019
Native Seed/Riparian Habitat Restoration for Wildlife	Restore native plants for to conserve water & improve riparian habitats for wildlife sustainability	NFWD	NFWD Acct. No.	\$122,000	Complete by Sept 1, 2019
Page 3 Subtotal for NFWD				\$1,147,000	

Project Plan (As of 12/03/18)
Agriculture Infrastructure Fund (Year 1)

EXHIBIT "C"

<u>Project Name</u>	<u>Description</u>	<u>Sponsor</u>	<u>Account No.</u>	<u>Amount</u>	<u>Timelines</u>
IV. Division of Natural Resources Projects					
PRF Premium Reserve (Year 1 of 7)	Establish PRF premium reserve to return Sihasin Reserve after Year 7	NNDA	NNDA Acct. No.	\$2,833,659	Complete by Jan 1, 2019
NHHPD AIF Clearances	To pay for clearances for AIF projects	NHHPD	NHHPD Acct. No.	\$120,000	Complete by Oct 1, 2019
Forest Drought Mitigation Measures	Forest thinning & fire prevention activities	NFD	NFD Acct. No.	\$120,000	Complete by July 1, 2019
		Page 4 Subtotal for DNR		\$3,073,659	

"EXHIBIT D"

Project Plan Summary (As of 12/03/18)
Division of Natural Resources
Agriculture Infrastructure Fund (Year 2)

I. Agriculture Infrastructure Fund Allocations CY 2018 (Year 2)

<u>DNR Project Sponsor</u>	<u>No. Projects</u>	<u>Amount</u>
Department of Water Resources	6	\$6,124,000
Department of Agriculture	16	\$8,989,000
Department of Fish & Wildlife	3	\$854,800
Division of Natural Resources	2	\$475,000

Subtotal	27	<u>\$14,550,500</u>
PRF Premium Reserve Set-aside		<u>\$2,833,659</u>
TOTAL	27	<u>\$17,384,159</u>

II. Agriculture Infrastructure Fund Status After Project Allocations

CY 2018 (Year 2) Net Indemnity Payments YTD	\$19,277,820
Agriculture Infrastructure Fund Allocations CY 2018 (Year 2)	\$19,276,459
PRF Net Indemnity for Nov-Dec Interval	TBD

Unallocated Amount for Projects (to add to any Nov - Dec indemnity)	<u>\$1,361</u>
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"EXHIBIT D"

III. Agriculture Infrastructure Fund Status YTD CY 2018 (Year 2)

Carry Forward from Year 1	\$2,386
Net YTD Indemnity for Agriculture Infrastructure Fund (Year 2)	\$19,277,820
+ Net Indemnity for November-December Interval	TBD
<hr/>	
Subtotal	\$19,280,206
PRF Premium Reserve Set-aside	-\$2,833,659
Available for Projects in Year 2 as of 12/01/2018	\$16,446,547

Division of Natural Resources
Department of Agriculture
Year 2 Agriculture Infrastructure Fund Project Plan

"EXHIBIT D"

I.	<u>A. Department of Water Resources (330 Windmill Priority Projects)</u>		\$3,900,000
	(Windmills/well repairs, storage tanks, troughs, equipment, trucks/trailers, operators, R&M, technical staff)		
	<u>B. DWR Contract Services for Earth Dam Repairs (40 ea.x5agenciesx\$6,000)</u>		\$1,200,000
	<u>C. DWR Projects</u>		\$1,024,000
	• DWR Non-NTUA domestic systems/water hauling	\$200,000	
	• DWR well co. consultation	\$500,000	
	• DWR Bird Springs livestock water/powerline	\$124,000	
	• DWR LCR5 area geo/hydro survey w/ACE, NRCS	\$200,000	
	• DWR North Leupp Farms well powerline	TBD	
	• DWR Kayenta diversion dam (w/NRCS, ACE, BOR)	TBD	
	• DWR Captain Tom Wash water system rehab	TBD	
	• DWR Tohatchi Chuska Lake water delivery improvements	TBD	
	• DWR District 12 watershed planning	TBD	
II.	<u>Department of Agriculture Projects</u>		\$8,400,000
	• NNDA horse management program	\$900,000	
	• Herd reduction incentives	\$600,000	
	• Rancher supplemental feed distribution	\$500,000	
	• Tribal ranches infrastructure improvements	\$1,000,000	
	• Dryland/irrigated farmland recovery & Ag EO Training	\$500,000	
	• Area wide fencing (grazing units, districts, ALUP, RMU)	\$400,000	
	• Livestock gathering/processing facilities	\$500,000	
	• Technical capacity building & conservation	\$500,000	
	• Agency Ag service centers, Veterinary equipment & Events	\$3,000,000	
	• Ag conservation corps	\$500,000	
	• Dzil Yijiin drought preparedness planning	\$250,000	\$589,000
	• Cornfields farm project conservation improvements	\$50,000	
	• Houck conservation improvements	\$30,000	
	• Indian Wells conservation	\$50,000	
	• Ganado Farm Project conservation improvements	\$109,000	
	• NNDA/NRCS High Tunnel Pilot Project/Training	\$100,000	
III.	<u>Department of Fish & Wildlife</u>		\$854,800
	• Climate change/drought mitigation for wildlife	\$300,000	
	• Horse mgt reduction for wildlife habitat	\$345,000	
	• Water conservation/catchments for wildlife	TBD	
	• Woodland habitat treatments for wildlife	TBD	
	• Native seed/riparian habitat restoration for wildlife	\$209,800	
V.	<u>HPD/NFWD/NEPA Clearances for AIF Projects</u>		\$250,000
VI.	<u>Forestry Drought Mitigation Measures</u>		\$225,000
		Subtotal	\$16,442,800
	<u>PRF Premium Reserve Setaside for Year 2 AIF</u>		\$2,833,659
		Total Year 2 Allocations	\$19,276,459
	Unallocated Amount Carry Forward to Crop Year 2019 (Year 3)		\$1,361
		Total	\$19,277,820

Note: Any added 2018 PRF indemnities will be allocated to TBD projects, Ag agency centers and additional projects approved under the Agriculture Infrastructure Fund.

VII. Pending AIF Project Proposal Requests (Cumulative YTD & not included in totals)

- DWR Tsaiile/Wheatfields/Black Rock Dine Water Users \$302,000
(\$922,557 farming/irrigation + \$301,967 water dev. =
\$1,225,000 requested) (PTF funds available already)
- DWR WIIN Safety of Dam irrigation reservoir repairs (36) TBD
- NNDA Kin Dah Lichii drought plan (WM/ED, feral horses
fencing, \$500,000 requested, duplicates NNDA/DWR efforts) TBD

Project Plan (As of 12/03/18)
Agriculture Infrastructure Fund (Year 2)

Project Name	Description	Sponsor	Account No.	Amount	Timelines for Completion
I. Department of Water Resources Projects					
Windmill/well repairs	Parts/supplies/equipment/operators to repair 300+ windmills/wells	DWR	DWR Acct. No.	\$3,900,000	Complete by Dec 31, 2020
Earth dam repairs	Contract services to repair 40 earth dams @ 5 agencies @ \$6,000 ea.	DWR	DWR Acct. No.	\$1,200,000	Complete by Dec 31, 2020
Non-NTUA domestic systems/water hauling	Water hauling in Tohajiilee, Alamo & Ramah satellite chapters	DWR	DWR Acct. No.	\$200,000	Complete by Oct 1, 2019
Well company repair consultation	Emergency water well repair consultation in satellite chapters	DWR	DWR Acct. No.	\$500,000	Complete by Oct 1, 2019
Bird Springs Livestock Waterline Extension	Power to pump water to 28,000 gal. tank & 10 mi. for livestock water point	DWR	DWR Acct. No.	\$124,000	Complete by Jun 1, 2019
LCR 5 area geological/hydrology survey	Leverage geo/hydro survey with ACE/partners for LCR5 farm areas	DWR	DWR Acct. No.	\$200,000	Complete by Dec 31, 2019
Kayenta Diversion Dam Improvements	Replace diversion dam with NRCS, ACE, BOR and BIA for Kayenta farms	DWR	DWR Acct. No.	TBD	Complete by Dec 31, 2019
North Leupp Farm Well Powerline	Powerline extension to pump water for North Leupp Farm	DWR	DWR Acct. No.	TBD	Complete by Dec 31, 2019
Captain Tom Wash Diversion	Repair diversion dam & water delivery for Two Grey Hills farms	DWR	DWR Acct. No.	TBD	Complete by Dec 31, 2019
Tohatchi Chuska Lake Water Delivery	Improve water diversion to Tohatchi farm areas	DWR	DWR Acct. No.	TBD	Complete by Dec 31, 2019
District 12 watershed planning	Watershed plan for Cove, Red Valley, Sanostee, Two Grey Hills & Beclabito	DWR	DWR Acct. No.	TBD	Complete by Dec 31, 2019
Page 1 Subtotal for DWR				\$6,124,000	

Project Plan (As of 12/03/18)
Agriculture Infrastructure Fund (Year 2)

Project Name	Description	Sponsor	Account No.	Amount	Timelines to Transfer Funds
II. Department of Agriculture Projects					
Feral Unbranded Horse Mgt Program	Personnel, equipment, supplies & repairs to remove 5,000 horses	NNDA	NNDA Acct. No.	\$900,000	Complete by Sept 30, 2020
Livestock Herd Reduction Incentives	Pay incentives to livestock owners to reduce livestock herd numbers	NNDA	NNDA Acct. No.	\$600,000	Complete by Dec 31, 2019
Livestock Supplement for Ranchers	Purchase & distribute mineral supplements to livestock owners	NNDA	NNDA Acct. No.	\$500,000	Complete by Dec 31, 2019
Tribal Ranches Infrastructure Improvements	Repair & install windmills/dams, solar-controlled systems, fencing & water conservation improvements	NNDA	NNDA Acct. No.	\$1,000,000	Complete by Dec 31, 2019
Dryland/Irrigated Farmland Recovery	Reactivate & improve inactive farms with cost share incentives to ALUP permittees & Ag DGC/LB/FB training	NNDA	NNDA Acct. No.	\$500,000	Complete by Dec 31, 2019
Area-wide Fencing Improvements	Improve & install fencing for ALUP, grazing units, districts & RMU's	NNDA	NNDA Acct. No.	\$400,000	Complete by Dec 31, 2019
Livestock Gathering/Processing Facilities	Purchase & install equipment to gather, process, vaccinate & market livestock for Navajo producers	NNDA	NNDA Acct. No.	\$500,000	Complete by Dec 31, 2019
Technical Capacity Building & Conservation	Employ technical/professional staff to support PRF & AIF activities	NNDA	NNDA Acct. No.	\$500,000	Complete by Dec 31, 2019
Ag Service Centers, Events, Veterinary Equipment	Purchase/improve facilities for DNR/ NNDAs/Veterinary staff & events	DNR	DNR Acct. No.	\$3,000,000	Complete by Dec 31, 2019
Ag Conservation Corps	Employ local conservation technicians	NNDA	NNDA Acct. No.	\$500,000	Complete by Dec 31, 2019

**Project Plan (As of 12/03/18)
Agriculture Infrastructure Fund (Year 2)**

Project Name	Description	Sponsor	Account No.	Amount	Timelines
II. Department of Agriculture Projects (continued)					
Dzil Yijjin drought preparedness plan	Drought & climate change outreach in Dzil Yijjin Council/NPL area chapters	NNDA	NNDA Acct. No.	\$250,000	Complete by Oct 1, 2019
Cornfields farm area conservation	Initiate actions to reactivate farming areas & install conservation measures	NNDA	NNDA Acct. No.	\$50,000	Complete by Oct 1, 2019
Houck conservation improvements	Install water & soil conservation projects on farming areas	NNDA	NNDA Acct. No.	\$30,000	Complete by Oct 1, 2019
Indian Wells ranching conservation	Install water & soil conservation projects for farms & ranches	NNDA	NNDA Acct. No.	\$50,000	Complete by Oct 1, 2019
Ganado Farm Project conservation	Farm conservation improvements for water, fencing, tree removal, etc.	NNDA	NNDA Acct. No.	\$109,000	Complete by Dec 31, 2019
High Tunnel Pilot Project/Training	Leverage w/NRCS to install high tunnel facilities & chapter training on installation & operations	NNDA	NNDA Acct. No.	\$100,000	Complete by Oct 1, 2019
Page 2 & 3 Subtotal for NNDA				\$8,989,000	

Project Plan (As of 12/03/18)
Agriculture Infrastructure Fund (Year 2)

Project Name	Description	Sponsor	Account No.	Amount	Timelines
III. Department of Fish & Wildlife Projects					
Climate Change/ Drought Mitigation for Wildlife	Climate change outreach & education to farmers/ranchers/ public	NFWD	NFWD Acct. No.	\$300,000	Complete by Oct 1, 2019
Horse Management Reduction Incentives	Feral horse gathering & incentives to enhance wildlife habitat	NFWD	NFWD Acct. No.	\$345,000	Complete by Oct 1, 2019
Water Conservation/ Catchments for Wildlife	Install water conservation/ catchments to improve habitats/ water supply for wildlife	NFWD	NFWD Acct. No.	TBD	TBD
Woodland habitat Treatments for Wildlife	Treat woodlands to improve habitats for wildlife & reduce unsafe feral animal hazards	NFWD	NFWD Acct. No.	TBD	TBD
Native Seed/Riparian Habitat Restoration for Wildlife	Restore native plants for to conserve water & improve riparian habitats for wildlife sustainability	NFWD	NFWD Acct. No.	\$209,800	Complete by Dec 31, 2019
Page 4 Subtotal for NFWD				\$854,800	

Project Plan (As of 12/03/18)
Agriculture Infrastructure Fund (Year 2)

Project Name	Description	Sponsor	Account No.	Amount	Timelines
<u>IV. Division of Natural Resources Projects</u>					
NHHPD AIF Clearances	To pay for clearances for AIF projects	NHHPD	NHHPD Acct. No.	\$250,000	Complete by Oct 1, 2019
Forest Drought Mitigation Measures	Forest thinning & fire prevention activities	NFD	NFD Acct. No.	\$225,000	Complete by Oct 1, 2019
		Page 4 Subtotal for DNR		\$475,000	

RESOLUTION OF THE
RESOURCES AND DEVELOPMENT COMMITTEE
24th Navajo Nation Council --- Third Year, 2021

AN ACTION

RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE;
APPROVING THE AGRICULTURE INFRASTRUCTURE FUND PROJECT PLAN FOR
CROP YEAR 2021 PURSUANT TO THE SIHASIN FUND PASTURE RANGE AND
FORAGE EXPENDITURE PLAN ENACTED BY CO-57-16 AND AMENDED BY
CMY-54-18

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Resources and Development Committee of the Navajo Nation Council is authorized to exercise oversight authority over, among other things, water, land, grazing, agriculture, livestock, wildlife, chapter activities, and economic and community development. 2 N.N.C. § 500 (C).
- B. The Navajo Nation Council mandated the Resource and Development Committee to adopt an annual plan(s) for agriculture infrastructure projects to be funded through the Agriculture Infrastructure Fund. CO-57-16, as amended, Section Four (A) (6) (c).

SECTION TWO. FINDINGS

- A. On November 3, 2016, the Navajo Nation Council passed Council Resolution CO-57-16, attached as **Exhibit A**, adopting the Sihasin Fund Pasture Range and Forage Expenditure Plan pursuant to CD-68-14 and 12 N.N.C. §§ 2501-2508; the President of the Navajo Nation signed CO-57-16 on November 13, 2016.
- B. Among other things, CO-57-16 reserved \$19,835,612.00 of Sihasin Funds to guarantee the insurance premiums necessary for the Nation's participation in the USDA's Pasture, Rangeland, Forage Insurance Program for the 2017 and 2018 Crop Years. CO-57-16, Section Three, (C) (1). CO-57-16 was subsequently amended by CMY-54-18, attached as **Exhibit B**, to extend the Sihasin Fund reserve and guarantee for an additional five years through the end of the 2023 Crop Year.

- C. CO-57-16, as amended, also requires that net insurance proceeds (aka: Indemnity Payments) be deposited in an Agriculture Infrastructure Fund and used to fund agriculture infrastructure projects on the Navajo Nation approved annually by the Resources and Development Committee after certain conditions are met, e.g., the Budget and Finance Committee enacts a fund management plan that, among other things, ensures that the Síhasin Fund is reimbursed for any expenditures and that annual amounts are reserved and accumulated to replace the Síhasin Fund guarantee at the end of 2023. CO-57-16, Section Four (A) (6) (c).
- D. CO-57-16, as amended, defines "agriculture infrastructure projects" as, "including but not limited to, range, grazing and livestock; tribal ranches infrastructure; farming and irrigation; agricultural water development; dams, reservoirs and catchments; watershed planning for agriculture; agricultural complexes; drought contingency plan (mitigation measures); area wide fencing; brand office and Navajo Partitioned Lands and former Bennett Freeze Area projects, including administration costs." CO-57-16, Section Four (A) (5) (c).
- E. CO-57-16 further establishes that agriculture infrastructure projects are to be implemented in compliance with a fund management plan approved by the Budget and Finance Committee. CO-57-16, Section Four (A) (6). The Budget and Finance Committee adopted Resolution No. RDCAU-74-18, attached as **Exhibit C**, enacting the Agriculture Infrastructure Fund, Fund Management Plan.
- F. As set forth in **Exhibit D**, the Navajo Nation Office of the Controller has provided an unaudited Income Statement and Balance Sheet for the Navajo Nation's Agriculture Infrastructure Fund and identified the unreserved unappropriated balance of the Agriculture Infrastructure Fund as \$27,934,495 of November 30, 2020.
- G. The U.S. Department of Health and Human Services declared a Public Health Emergency related to the novel coronavirus ("COVID-19") outbreak on January 31, 2020; and the World Health Organization declared a global pandemic due to COVID-19 on March 11, 2020.
- H. The Navajo Nation Commission on Emergency Management, with the concurrence of Navajo Nation President Jonathan Nez, declared a Public Health State of Emergency on the Navajo

Nation on March 11, 2020 due to COVID-19 in Resolution No. CEM 20-03-11. The Navajo Nation Department of Health has subsequently issued numerous Public Health Emergency Orders. Public Health Emergency Orders 2020-001 through 2021-02 ("Public Health Emergency Orders") are incorporated by reference into this resolution.

- I. COVID-19 is a highly contagious and potentially fatal respiratory virus that has severely impacted Navajo Nation communities and had a devastating impact upon the welfare of the Navajo People. Thousands of Navajos have experienced job loss resulting in severe financial hardship. The Navajo Nation Chapters have responded to the pandemic devastation by purchasing and providing essential items, such as food, water, fuel, and COVID-19 prevention equipment and supplies, for the health and well-being of needy individuals and families in their communities.
- J. Navajo communities have also faced heavy snowfall and frigid temperatures during the 2020-2021 winter season, requiring Navajo Nation-wide emergency protective and mitigation activities for all Chapter communities, such as purchasing and supplying food, water, fuel, livestock feed, etc., to protect life, health, livestock, and property of their members.
- K. The livelihood of Navajo ranchers and livestock owners throughout the Navajo Nation has also been negatively affected by the pandemic and winter weather which has left many without the financial means to procure the hay, grain and livestock feed necessary to sustain operations.
- L. The use of Agriculture Infrastructure Funds to procure hay, grain and livestock feed for Navajo ranchers and livestock owners is within the allowable purposes set forth in CO-57-16, Section Four (A) (5) (c).
- M. The Navajo Nation has determined that it is in the best interest of Navajo communities and the Navajo populace to provide Navajo ranchers and livestock owners with hay, grain and livestock feed to assist in sustaining their ranching and livestock operations.

**SECTION THREE. APPROVAL OF AGRICULTURE INFRASTRUCTURE FUND
PROJECT PLAN FOR CROP YEAR 2021**

- A. The Navajo Nation hereby approves four million dollars (\$4,000,000) from the Agriculture Infrastructure Fund to be distributed to the 110 Navajo Nation Chapters, as set forth in **Exhibit E**, per the Appropriation Act, 12 N.N.C. § 820 (O), Distribution to Chapters 50/50 formula as the Agriculture Infrastructure Fund Project Plan for 2021 (2021 Plan).
- B. The funds distributed to Chapters under the 2021 Plan shall only be used to procure hay, grain, and livestock feed for distribution to community members. No other uses of the Year 2021 Plan funds are allowable.

**SECTION FOUR. ADMINISTRATION OF AGRICULTURE INFRASTRUCTURE FUND
PROJECT PLAN FOR CROP YEAR 2021**

- A. The Agriculture Infrastructure Fund Project Plan Project Plan for 2021 (2021 Plan), shall be administered pursuant to the Agriculture Infrastructure Fund, Fund Management Plan (AIF-FMP) enacted by RDCAU-74-18 and attached as **Exhibit C**.
- B. The Division of Community Development shall provide administrative oversight of the 2021 Plan and coordinate with the Division of Agriculture to ensure that the Chapter purchases are within allowable Agriculture Infrastructure Fund expenditures as set forth in CO-57-16, Section Two (V) (3), attached as **Exhibit A**.
- C. Notwithstanding AIF-FMP, Section V (F) (1), the Office of the Controller shall not release funds to any Chapter until they have received a resolution from the respective Chapter identifying the quantity of hay, grain and/or livestock feed to be procured by the Chapter and the method or criteria to be used to determine the quantity of hay, grain, and/or livestock feed to be distributed to eligible Chapter members.

SECTION FIVE. AMENDMENTS

The Agriculture Infrastructure Fund Project Plan for Crop Year 2021, adopted herein as **Exhibit C**, can be amended by the Resources and Development Committee from time to time as necessary to fulfill the mandates of CO-57-16 upon the recommendation of the Division of Natural Resources and Department of Agriculture.

CERTIFICATION

I, hereby, certify that the following resolution was duly considered by the Resources and Development Committee of the 24th Navajo Nation Council at a duly called meeting held by a teleconference for which a quorum was present and that same was passed by a vote of 5 in favor, and 0 opposed, on this 17th day of March 2021.

A handwritten signature in black ink, appearing to be 'R. Nez', written in a cursive style.

Rickie Nez, Chairperson
Resources and Development Committee
of the 24th Navajo Nation Council

Motion: Honorable Mark A. Freeland
Second: Honorable Herman M. Daniels

Chairperson Rickie Nez not voting.



Fiscal Year 2021
Navajo Nation Chapter 50/50 Allocation for \$4,000,000 (Pasture Land Forage)

	Business Unit	Districts	Chapters	Number of Registered Voters	50% Equal Distribution	50% Registered Voters	Total Chapter Allocation
CHINLE AGENCY							
1	108014	4	Black Mesa	480	18,181.81	8,349.12 \$	26,530.93
2	108016	4	Forest Lake	498	18,181.81	8,662.21 \$	26,844.02
3	108017	4	Hardrock	713	18,181.81	12,401.92 \$	30,583.73
4	108021	4	Pinon	1,571	18,181.81	27,325.97 \$	45,507.78
5	108024	4	Tachee/Blue Gap	827	18,181.81	14,384.83 \$	32,566.64
6	108027	4	Whippoorwill	774	18,181.81	13,462.95 \$	31,644.76
7	108015	10	Chinle	3,549	18,181.81	61,731.30 \$	79,913.11
8	108019	10	Many Farms	1,279	18,181.81	22,246.92 \$	40,428.73
9	108020	10	Nazlini	820	18,181.81	14,263.08 \$	32,444.89
10	108023	10	Tse Chizhi	711	18,181.81	12,367.13 \$	30,548.94
11	108026	10	Tselan/Cottonwood	1,157	18,181.81	20,124.85 \$	38,306.66
12	108018	11	Lukachukai	1,066	18,181.81	18,542.00 \$	36,723.81
13	108022	11	Round Rock	817	18,181.81	14,210.89 \$	32,392.70
14	108025	11	Tsaiel/Wheatfields	1,265	18,181.81	22,003.41 \$	40,185.22
			SUBTOTAL	15,627	254,545.34	270,076.58 \$	524,621.92

Fiscal Year 2021
Navajo Nation Chapter 50/50 Allocation for \$4,000,000 (Pasture Land Forage)

	Business Unit	Districts	Chapters	Number of Registered Voters	50% Equal Distribution	50% Registered Voters	Total Chapter Allocation
EASTERN AGENCY							
15	108030	15	Becenti	678	18,181.81	11,793.13	29,974.94
16	108033	15	Casamero Lake	551	18,181.81	9,584.09	27,765.90
17	108037	15	Crowpoint	1,069	18,181.81	18,594.18	36,775.99
18	108040	15	Lake Valley	398	18,181.81	6,922.81	25,104.62
19	108041	15	Littlewater	644	18,181.81	11,201.73	29,383.54
20	108045	15	Nahodishgish	492	18,181.81	8,557.84	26,739.65
21	108048	15	Pueblo Pintado	449	18,181.81	7,809.90	25,991.71
22	108053	15	Standing Rock	635	18,181.81	11,045.19	29,227.00
23	108055	15	Torreon	1,028	18,181.81	17,881.03	36,062.84
24	108057	15	Whitehorse Lake	546	18,181.81	9,497.12	27,678.93
25	108058	15	Whiterock	325	18,181.81	5,653.05	23,834.86
26	108029	16	Baca Prewitt	1,246	18,181.81	21,672.92	39,854.73
27	108031	16	Baahaa'	862	18,181.81	14,993.62	33,175.43
28	108034	16	Chichiliah	1,400	18,181.81	24,351.60	42,533.41
29	108035	16	Church Rock	1,957	18,181.81	34,040.05	52,221.86
30	108039	16	Iyanbilo	754	18,181.81	13,115.07	31,296.88
31	108042	16	Mannello	739	18,181.81	12,854.16	31,035.97
32	108043	16	Mariano Lake	760	18,181.81	13,219.44	31,401.25
33	108047	16	Pinedale	1,085	18,181.81	18,872.49	37,054.30
34	108050	16	Red Rock	1,530	18,181.81	26,612.82	44,794.63
35	108051	16	Rock Springs	1,272	18,181.81	22,125.16	40,306.97
36	108052	16	Smith Lake	580	18,181.81	10,088.52	28,270.33
37	108054	16	Thoreau	1,240	18,181.81	21,568.56	39,750.37
38	108056	16	Tsayatoh	862	18,181.81	14,993.62	33,175.43
39	108036	19	Counselor	519	18,181.81	9,027.48	27,209.29
40	108038	19	Huerfano	1,501	18,181.81	26,108.39	44,290.20
41	108044	19	Nageezi	931	18,181.81	16,193.81	34,375.62
42	108046	19	Ojo Encino	588	18,181.81	10,227.67	28,409.48
43	108032	21	Tohajilee	1,001	18,181.81	17,411.39	35,593.20
44	108028	22	Alamo	1,008	18,181.81	17,533.15	35,714.96
45	108049	23	Ramah	1,183	18,181.81	20,577.10	38,758.91
			SUBTOTALS	27,833	563,636.11	404,127.09	1,047,763.20

Fiscal Year 2021
Navajo Nation Chapter 50/50 Allocation for \$4,000,000 (Pasture Land Forage)

FORT DEFIANCE AGENCY									
46	108062	7	Dicon	1,115	18,181.81	19,394.31	\$	37,576.12	
47	108066	7	Indian Wells	877	18,181.81	15,254.53	\$	33,436.34	
48	108067	7	Jedillo	797	18,181.81	13,863.01	\$	32,044.82	
49	108070	7	Low Mountain	735	18,181.81	12,784.59	\$	30,966.40	
50	108080	7	Teslo	818	18,181.81	14,228.29	\$	32,410.10	
51	108083	7	Whitecone	733	18,181.81	12,749.80	\$	30,931.61	
52	108080	14	Coyote Canyon	1,012	18,181.81	17,602.72	\$	35,784.53	
53	108073	14	Mexican Springs	824	18,181.81	14,332.65	\$	32,514.46	
54	108074	14	Naschili	1,148	18,181.81	19,968.31	\$	38,150.12	
55	108081	14	Tonahli	1,151	18,181.81	20,020.49	\$	38,202.30	
56	108082	14	Bahasil aa	1,376	18,181.81	23,934.14	\$	42,115.95	
57	108059	17	Cornfields	828	18,181.81	14,402.23	\$	32,584.04	
58	108064	17	Garado	1,229	18,181.82	21,376.22	\$	39,558.04	
59	108068	17	Kinichee	1,305	18,181.82	22,699.17	\$	40,880.99	
60	108069	17	Klagaich	834	18,181.82	14,506.59	\$	32,688.41	
61	108071	17	Greasewood Springs	921	18,181.82	16,019.87	\$	34,201.69	
62	108079	17	Steamboat	1,026	18,181.82	17,846.24	\$	36,028.06	
63	108084	17	Wide Ruins	805	18,181.82	14,002.17	\$	32,183.99	
64	108051	18	Crystal	746	18,181.82	12,975.92	\$	31,157.74	
65	108063	18	Fort Defiance	2,724	18,181.82	47,378.25	\$	65,560.07	
66	108065	18	Houck	1,098	18,181.82	19,098.61	\$	37,280.43	
67	108072	18	Lupton	679	18,181.82	11,810.52	\$	29,992.34	
68	108085	18	Nahala Dzil	976	18,181.82	16,976.54	\$	35,158.36	
69	108075	18	Oak Springs	628	18,181.82	10,923.43	\$	29,105.25	
70	108076	18	Red Lake	641	18,181.82	11,149.55	\$	29,331.37	
71	108077	18	Sawmill	924	18,181.82	16,072.05	\$	34,253.87	
72	108078	18	St. Michaels	2,173	18,181.82	37,795.16	\$	55,976.98	

Fiscal Year 2021
Navajo Nation Chapter 50/50 Allocation for \$4,000,000 (Pasture Land Forage)

SHIPROCK AGENCY	Business Unit	District	Chaparral	Number of Registered Voters	50% Equal Distribution	50% Registered Voters Distribution	Total Chapter Allocation
73	108093	9	Mexican Water	612	18,181.82	10,645.12	28,826.94
74	108096	9	Red Mesa	1,161	18,181.82	20,194.43	38,376.25
75	108098	9	Rock Point	1,199	18,181.82	20,855.40	39,037.22
76	108103	9	To Hkan	852	18,181.82	14,819.68	33,001.50
77	108104	9	TeenosPos	1,017	18,181.82	17,689.69	35,871.51
78	108086	12	Aneih	1,503	18,181.82	26,143.18	44,325.00
79	108087	12	Bedablio	566	18,181.82	9,845.00	28,026.82
80	108089	12	Cove	507	18,181.82	8,818.75	27,000.57
81	108090	12	Gadli Ahi	549	18,181.82	9,549.30	27,731.12
82	108092	12	Tse'daa Kaan (Hogback)	1,226	18,181.82	21,325.04	39,506.86
83	108095	12	Newcomb	586	18,181.82	10,192.88	28,374.70
84	108097	12	Red Valley	914	18,181.82	15,898.11	34,079.93
85	108100	12	Tse alnaazili	1,427	18,181.82	24,821.23	43,003.05
86	108101	12	Sheep Springs	624	18,181.82	10,853.85	29,035.67
87	108102	12	Shiprock	4,975	18,181.82	86,533.15	104,714.97
88	108105	12	Toadena/Two Grey Hills	866	18,181.82	15,063.20	33,245.02
89	108088	13	Tliltsosoh Sikaad (Burnt)	510	18,181.82	8,970.94	27,052.76
90	108094	13	Nenahnezad	1,289	18,181.82	22,420.86	40,602.68
91	108099	13	San Juan	652	18,181.82	11,340.88	29,522.70
92	108091	13	Upper Fruitland	1,962	18,181.82	34,127.02	52,308.84
SUBTOTALS				22,997	363,636.40	400,007.71	763,644.11

Fiscal Year 2021
Navajo Nation Chapter 50/50 Allocation for \$4,000,000 (Pasture Land Forage)

Business Unit	Offices	Chapters	Number of Registered Voters	50% Equi Distribution	50% Registered Voter Distribution	Total Chapter Allocation
WESTERN AGENCY						
93	108111	1	Coppermine	772	18,181.82	13,428.66 \$ 31,610.48
94	108114	1	Kabalo	1,103	18,181.82	19,185.58 \$ 37,367.40
95	108116	1	LeChée	953	18,181.82	16,576.49 \$ 34,758.31
96	108120	1	Tonalea	1,316	18,181.82	22,890.50 \$ 41,072.32
97	108113	2	Tsah Bil Kin	708	18,181.82	12,314.95 \$ 30,496.77
98	108118	2	Navajo Mountain	607	18,181.82	10,558.15 \$ 28,739.97
99	108121	2	Shonto	1,205	18,181.82	20,959.78 \$ 39,141.60
100	108107	3	Bodaway/Gap	1,099	18,181.82	19,116.00 \$ 37,297.82
101	108108	3	Cameron	817	18,181.82	14,210.89 \$ 32,392.71
102	108110	3	Coalmine Canyon	725	18,181.82	12,610.65 \$ 30,792.47
103	108123	3	Toh Nanees Dizi	3,201	18,181.82	55,678.19 \$ 73,858.01
104	108106	5	Birdsprings	618	18,181.82	10,749.49 \$ 28,931.31
105	108117	5	Leupp	1,155	18,181.82	20,090.07 \$ 38,271.89
106	108122	5	Tolani Lake	523	18,181.82	9,097.06 \$ 27,278.88
107	108109	8	Chichinbeto	774	18,181.82	13,462.95 \$ 31,644.77
108	108112	8	Dennehoiso	1,132	18,181.82	19,690.00 \$ 37,871.82
109	108115	8	Kayenta	2,322	18,181.82	40,384.86 \$ 58,566.68
110	108119	8	Ojalo	1,473	18,181.82	25,621.36 \$ 43,803.18
			SUBTOTAL	20,503	327,272.6	3,961,623.63 \$ (631,965.50)
GRAND TOTAL						
			114,983	2,000,000	2,000,000	4,000,000

Chinle Agency	\$ 524,621.92
Eastern Agency	\$ 1,047,763.20
Fort Defiance Agency	\$ 980,074.38
Shiprock Agency	\$ 763,644.11
Western Agency	\$ 683,896.39
Grand Total:	\$ 4,000,000.00

Registered Voters as of 01/14/2021

FY 2021

THE NAVAJO NATION PROGRAM BUDGET SUMMARY

Page 1 of 3
BUDGET FORM 1

PART I. Business Unit No.: 108014-108123

Program Title: 110 Navajo Nation Chapters (Pastureland and Forage)

Division/Branch: Division of Community Development

Prepared By: Melinda Ciocco

Phone No.: 928.871.7260

Email Address: melindaciocco@navajo-nsn.gov

PART II. FUNDING SOURCE(S)	Fiscal Year Item	Amount	% of Total
State Funds	10-1-2020 to 9-30-21	4,000,000.00	100%

PART III. BUDGET SUMMARY

	Fund Type	(A) NMC Approved Original Budget	(B) Proposed Budget	(C) Difference (Column B - A)
2001 Personnel Expenses				0
3000 Travel Expenses				0
3500 Meeting Expenses				0
4000 Supplies				0
5000 Lease and Rental				0
5500 Communications and Utilities				0
6000 Repairs and Maintenance				0
6500 Contractual Services				0
7000 Special Transactions				0
8000 Public Assistance	1		4,000,000	4,000,000
9000 Capital Outlay				0
9500 Matching Funds				0
9500 Indirect Cost				0
TOTAL			4,000,000	4,000,000

PART IV. POSITIONS AND VEHICLES

Total # of Positions Budgeted:	(D)	(E)
Total # of Vehicles Budgeted:		

TOTAL: \$4,000,000.00 100%

PART V. I HEREBY ACKNOWLEDGE THAT THE INFORMATION CONTAINED IN THIS BUDGET PACKAGE IS COMPLETE AND ACCURATE.

Sherylene Yazzie, Chief of Staff, Legislative Branch

SUBMITTED BY: Program Manager's Printed Name



SUBMITTED BY: Program Manager's Signature and Date

Hon. Seth Damon, Speaker/24th Navajo Nation Council

APPROVED BY: Division Director/Branch Chief's Printed Name



APPROVED BY: Division Director/Branch Chief's Signature and Date

FY 2021

THE NAVAJO NATION
PROGRAM PERFORMANCE CRITERIA

Page 2 of 3
BUDGET FORM 2

PART I. PROGRAM INFORMATION:

Business Unit No.: 108014-108123

Program Name/Title:

110 NAVAJO NATION CHAPTERS

PART II. PLAN OF OPERATION/RESOLUTION NUMBER/PURPOSE OF PROGRAM: CAP-34-98: To direct the Chapter Administration and management control system, by promoting efficiency and accountability to the Chapter membership, and to effectuate plans of action to improve the standard of living for the Chapter membership.

PART III. PROGRAM PERFORMANCE CRITERIA:

	1st QTR		2nd QTR		3rd QTR		4th QTR	
Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual	

1. Goal Statement:

To ensure all 110 NN Chapters receive services and goods

Program Performance Measure:

		110			

2. Goal Statement:

To distribute services to all 110 Chapters: hay, feed, and grain

Program Performance Measure:

		110			

3. Goal Statement:

Program Performance Measure:

		110			

4. Goal Statement:

Program Performance Measure:


5. Goal Statement:

Program Performance Measure:

PART IV. I HEREBY ACKNOWLEDGE THAT THE ABOVE INFORMATION HAS BEEN THOROUGHLY REVIEWED.

Sherylene Yazzie, Interim Chief of Staff

Program Manager's Printed Name

 2/12/21
Program Manager's Signature and Date

Hon. Selth Damon, Speaker/24th Navajo Nation Council

Division Director/Branch Chief's Printed Name

 2/12/21
Division Director/Branch Chief's Signature and Date

FY 2021

THE NAVAJO NATION DETAILED BUDGET AND JUSTIFICATION

Page 3 of 3
BUDGET FORM 4

PART I. PROGRAM INFORMATION:

Program Name/Title: _____

110 Navajo Nation Chapters

Business Unit No.: _____

108014-108123

PART II. DETAILED BUDGET:

(A) Object Code (LOD 6)	(B) Object Code Description and Justification (LOD 7)	(C) Total by DETAILED Object Code (LOD 6)	(D) Total by MAJOR Object Code (LOD 4)
8705	<p>8000/ASSISTANCE</p> <p>Funds for Pasture Land Forage for the 110 Navajo Nation Chapters using the 50/50 formula.</p> <p>FUNDS WILL NOT BE USED FOR ANY OTHER PURPOSE!!!</p> <p>CHAPTER</p> <p>8715: Grant</p>	\$ 4,000,000.00	\$ 4,000,000.00
	<p>EASTERN AGENCY \$ 1,047,763.20</p> <p>FORT DEFIANCE AGENCY \$ 980,074.38</p> <p>NORTHERN AGENCY \$ 763,644.11</p> <p>WESTERN AGENCY \$ 683,896.39</p> <p>CHINLE AGENCY \$ 524,621.92</p> <p>TOTAL: \$ 4,000,000.00</p>		
TOTAL		4,000,000	4,000,000

**THE NAVAJO NATION
SUPPLEMENTAL FUNDING PROPOSAL SUMMARY**

PART I. Business Unit No.: 108014-108123 Program Title: 110 Navajo Nation Chapters
 Division/Branch: Division of Comm Dev. Amount Requested: \$4,000,000.00 Prepared By: Melinda Ciocco
 Phone No.: 928-871-7260 Email Address: melindaciocco@navajo-nsn.gov

PART II. REASON FOR REQUEST AND STATEMENT OF NEED:

Assistance for farmers and ranchers during the Covid-19 pandemic for livestock and forage.

PART III. LIST ALTERNATIVE FUNDING SOURCES BEING PURSUED AND CONTINGENCY PLAN IF REQUEST IS NOT FUNDED:

N/A

PART IV. AFFIRMATION IS PROVIDED THAT THE BUDGET AND PROPOSAL INFORMATION IS COMPLETE AND ACCURATE AND THE APPROPRIATE BRANCH CHIEF RECOMMENDS APPROVAL AS A PRIORITY.


 Sherylene Yazzle, Chief of Staff, Legislative Branch

REVIEWED BY: Division Director's Signature / Date


 Hon. Seth Damon, Speaker, 24th NN Council

RECOMMEND SUPPLEMENTAL: Branch Chief's Signature / Date

APPENDIX 1. Navajo Nation Pasture Range Forage Insurance - Historical Performance

8/18/2022

Year	State	Grids	Acres	Gross Benefits	Premiums	Net Into AIF
CY 2017	AZ	17	7,696,032	\$ 39,187,526	\$ 21,801,071	\$ 17,386,455
CY 2018	AZ	20	7,463,802	\$ 48,079,332	\$ 19,800,123	\$ 28,279,209
CY 2019	AZ	20	7,719,447		\$ 11,975,856	
	NM	10	2,308,741		\$ 4,282,398	
	TOTAL	30	10,028,188	\$ 9,353,056	\$ 16,258,254	\$ (6,905,198)
CY 2020	AZ	20	7,719,447		\$ 11,996,727	
	NM	10	2,308,741		\$ 4,253,037	
	TOTAL	30	10,028,188	\$ 49,079,219	\$ 16,249,764	\$ 32,829,455
CY 2021	AZ	20	7,719,447		\$ 11,961,745	
	NM	15	3,341,059		\$ 5,723,147	
	CO	1	28,599		\$ 45,101	
	TOTAL	36	11,089,105	\$ 35,503,904	\$ 17,729,993	\$ 17,773,911
CY 2022	AZ	20	9,237,647	TBD	\$ 14,387,101	TBD
	NM	15	3,341,059	TBD	\$ 5,738,466	TBD
	CO	1	28,599	TBD	\$ 46,200	TBD
	TOTAL	36	12,607,305		\$ 20,171,767	TBD
					GRAND TOTAL	\$ 89,363,832.00

NET PRF BENEFIT INTO AIF FOR CY 2017, 2018, 2019, 2020, AND 2021 IS \$89,363,832 (per CKP)

\$ 89,363,832

**APPENDIX 2: PROPOSED YEAR 2022 AGRICULTURE INFRASTRUCTURE FUND PROGRAM BUDGET
(THRU CROP YEAR 2021) (As of 08/18/2022)**

NET PRF BENEFIT INTO AIF FOR CY 2017, 2018, 2019, 2020, AND 2021 IS \$89,363,832 (per CKP)	\$ 89,363,832
TABLE 1. PREVIOUS AIF PROJECT PLAN BUDGETS APPROVED BY RESOURCES & DEVELOPMENT COMMITTEE	
CY 2017- YEAR 1 AIF PROJECT PLAN BUDGET BY RESOLUTION RDCD-100-18	\$ 17,384,159
CY 2018- YEAR 2 AIF PROJECT PLAN BUDGET BY RESOLUTION RDCD-100-18	\$ 19,277,820
CY 2021- YEAR 5 AIF LIVESTOCK FEED DISTRIBUTION BY RESOLUTION RDCMA-07-21	\$ 4,000,000
TOTAL	\$ 40,661,979
AMOUNT AVAILABLE FOR 2022 AIF PROJECT PLAN APPROVAL BY RDC	\$ 48,701,853

TABLE 2. AMOUNT AVAILABLE FOR 2022 AIF PROJECT PLAN APPROVAL BY RDC	\$ 48,701,853
TABLE 2A. REPAYMENT OF PAST WITHDRAWALS FROM PRF PREMIUM RESERVE	\$ 22,001,802
CY2017 \$9,655,131	
CY2019 \$12,156,434	
CY2021 \$190,237	
TABLE 2B. PRF PREMIUM RESERVE SET-ASIDE AMOUNTS PURSUANT TO NAVAJO NATION COUNCIL RESOLUTION C0-57-16	
CY 2017 - \$2,833,659 INCLUDED IN RDCD-100-18	\$ -
CY 2018 - \$2,833,659 INCLUDED IN RDCD-100-18	\$ -
CY 2019 - TO BE ALLOCATED BY RDC IN 2022 AIF PROJECT PLAN BUDGET	\$ 2,833,659
CY 2020 - TO BE ALLOCATED BY RDC IN 2022 AIF PROJECT PLAN BUDGET	\$ 2,833,659
CY 2021 - TO BE ALLOCATED BY RDC IN 2022 AIF PROJECT PLAN BUDGET	\$ 2,833,659
TOTAL	\$ 8,500,977
ADJUSTED AIF AVAILABLE FOR 2022 AIF PROJECT PLAN APPROVAL BY RDC	\$ 18,199,074

TABLE 3. ADJUSTED AIF AVAILABLE FOR 2022 AIF PROJECT PLAN APPROVAL BY RDC	\$ 18,199,074
TABLE 3A. DNR DEPARTMENT AIF BUDGETS	\$ 9,000,000
DEPT. OF AGRICULTURE	\$ 7,400,000
DEPT. OF FISH/WILDLIFE	\$ 800,000
FORESTRY DEPT.	\$ 300,000
HISTORIC PRESERVATION DEPT.	\$ 500,000
TABLE 3B. UNFUNDED YEAR 2 (CY 2018) AIF PROJECTS (FROM MARCH, 2021)	\$ 2,711,500
A. LIVESTOCK FEED ASSISTANCE TO NPL LIVESTOCK OWNERS (DZIL YIJIIN REG'L COUNCIL) (FOREST LAKE, HARDROCK, PINON, WHIPPOORWILL, TOLANI LAKE) (\$30,000 X 5 CHAPTERS)	\$ 150,000
B. LIVESTOCK FEED ASSISTANCE TO 1-PERMIT EASTERN NAVAJO AGENCY CHAPTERS (BACA-PREWITT, ROCK SPRINGS, TOHAJILEE, ALAMO) (\$30,000 X 4 CHAPTERS)	\$ 120,000
C. TALLY COUNT/CROP REPORT INCENTIVE FOR AGRIC OFFICIALS	\$ 211,500
78 DISTRICT GRAZING OFFICIALS @ \$1,500 EA.	\$ 117,000
20 EASTERN LAND BOARD OFFICIALS @ 1,500 EA.	\$ 30,000
43 FARM BOARD OFFICIALS @ \$1,500 EA.	\$ 64,500
D. "ADMINISTRATION" COSTS FOR AIF PROGRAM SUPPORT	\$ 2,230,000
VETERINARY PROGRAM SERVICES	\$ 900,000
TRIBAL RANCH PROPERTY TAXES/STATE LEASE FEES	\$ 400,000
NNDA FARM/GARDEN INCENTIVE PROGRAM	\$ 500,000
NAVAJO YOUTH 4-H/FFA INCENTIVE PROGRAM	\$ 250,000
NNDA AGRICULTURE EDUCATION WORKSHOPS/OUTREACH	\$ 180,000
E. OTHER YEAR 2 AIF PROJECTS	\$ 1,040,000
RAMAH BOUNDARY FENCING	\$ 130,000
SHIPROCK TRADITIONAL FARMERS COOPERATIVE (PHASE 1)	\$ 200,000
HOUCK CONSERVATION IMPROVEMTS (ADD TO \$30K APPROVED)	\$ 100,000

DWR TWO GREY HILLS/NEWCUMB IRRIG SYSTEM PHASE 1	\$	100,000
TOLANI LAKE TLOH HAAGI RMU FENCING	\$	110,000
NNFWD COLORADO RANCH ENTERPRISE HAY/FEED	\$	400,000

TABLE 3C. YEAR 3 AIF PROJECTS FOR RDC ALLOCATION

\$ 22,491,640 \$ 22,491,640

FARM BOARD FIELD IMPROVEMENTS (\$50,000 X 12 FARM BDS)	\$	600,000
SJRFB FARM FIELD IMPROVEMENTS (\$50,000 X 7 CHAPTERS)	\$	350,000
NAZLINI FARM BOARD STUDY	\$	50,000
LIVESTOCK ENFORCEMENT BRAND OFFICE	\$	500,000
ADMINISTRATIVE LAW JUDGES FOR PROBATE PROCESSING	\$	500,000
VETERINARY FACILITIES AT AGENCIES	\$	500,000
NAVAMILL LOGGING & LUMBER CO.	\$	200,000
ANIMAL REZ-Q SPAY/NEUTERING	\$	100,000
TOLANI LAKE WATER USERS ASSN RANGELAND IMPROVEMENT	\$	70,000
AGENCY DROUGHT MITIGATION PLANNING (\$20,000/AGENCY)	\$	100,000
NN AGRICULTURE SCIENCES ENDOWMENT @ 2 UNIVERSITIES	\$	120,000
DWR NORTH LEUPP FARMS WELL POWERLINE	\$	370,000
DWR YELLOWMAN SIPHON IMPROVEMENT (PHASE 4)	\$	311,640
DWR TOHATCHI CHUSKA LAKE WATER DELIVERY IMPROVEMTS	\$	467,000
DWR CAPTAIN TOM WASH IRRIGATION IMPROVEMENT W/ NRCS	\$	300,000
DWR ANETH FARMS IRRIGATION REDEVELOPMENT PLANNING	\$	250,000
NFWD NEW LANDS WELL IMPROVEMENTS FOR LIVESTK/WILDLIFE	\$	103,000
NN FAIR EVENTS/IMPROVEMENTS (CENTRAL, EASTERN, WESTERN, SOUTHWEST, NORTHERN, UTAH NAVAJO & NN FAIR)	\$	2,850,000
NNDA NAVAJO NATION AGRICULTURE INCENTIVE PROGRAMS	\$	10,000,000
NNDA HORSE PROJECT DNA TESTING EQUIPMENT & SERVICES	\$	350,000
MEAT PROCESSING PLANT PLANNING	\$	100,000
WOOL/MOHAIR PRODUCER INCENTIVES	\$	100,000
LIVESTOCK AUCTION & MARKETING INCENTIVES	\$	2,000,000
NNDA AGENCY OFFICES FOR AGRICULTURE SERVICES	\$	200,000
DNR HAY FIELD PROJECTS & INFRASTRUCTURE (WINSLOW TRACT)	\$	2,000,000

TOTAL PROGRAM BUDGETS (TABLES 3A, 3B AND 3C) \$ 34,203,140

SUMMARY:	TOTAL 2022 AIF PROJECT BUDGET PLAN FROM TABLES 2 AND 3 ABOVE	\$ 64,705,919
	TOTAL AIF AVAILABLE FOR 2022	\$ 48,701,853
	AIF DEFICIT TO BE ADJUSTED	\$ (16,004,066)

NOTE: INTEREST GAINED SINCE 2017 ON DEPOSITED PRF INDEMNITIES ARE TBD BY NNOOC FOR AIF BUDGET ALLOCATION (PER CO-57-16)

THE NAVAJO NATION




JONATHAN NEZ | PRESIDENT MYRON LIZER | VICE PRESIDENT

Memorandum

Date: September 22, 2022

To: 2 NNC § 164 Reviewers
Delegates & NNC 164 Reviewers
Navajo Nation Government

From: 
Robert Willie, Accounting Manager
Office of the Controller

Subject: 0164-018978-Approving & Adopting AIF Proj. Plans CY 2022 ;
Agriculture Infrastructure Fund-August 2022

Attached you will find the unaudited Income Statement and Balance sheet (Exhibit A) for the Agriculture Infrastructure Fund as of August 31, 2022.

The unaudited un-appropriated balance of the Agriculture Infrastructure Fund as of August 31, 2022, is \$59,830,541 (see Exhibit A, footnote 1). Exhibit A shows the composition of the Agriculture Infrastructure Fund.

In FY 2022 the Agriculture Infrastructure Fund (Exhibit A) has collected \$19,910,967, footnote 2, in revenue/contributions, the total expenditures are \$8,516,215, footnote 3. The excess of revenues over expenditures is \$11,394,752, footnote 4.

The Projects are shown in Exhibit B. Year 1 projects total budget was \$14,430,500 with expenditures of \$9,969,726.69, encumbrances of \$381,631.91 and a remaining balance of \$4,079,141.40. Note that there have been three business units that were overdrawn, N01438 Herd Compliance Incentive has a deficit of 5,375.00, N01439 Ranchers Supple Feed Distribution has a deficit of \$38,031.09 and N01447 F&W Climatech/Drought has a deficit of \$7,050.07. These would need to be covered in any upcoming appropriations.

NAVAJO NATION OFFICE OF THE CONTROLLER

P.O.BOX 3150 • WINDOW ROCK, AZ 86515 • PHONE: (928) 871-6398 • FAX: (928) 871-6026

Year 2 Projects has three projects set up. Total budget is \$16,562,800 with expenditure of \$2,258,703.17, encumbrances of \$302,598.89 and a remaining budget of \$14,001,497.94.

Total budgets for projects is \$30,993,300.00, total expenditures of \$12,228,429.86, encumbrances of \$684,230.80 and total remaining budget of \$18,080,639.34.

In **Exhibit C** you will see the business units set up for the Chapters \$4,000,000 allocation. The revised budget is \$4,000,000, actual expenditures of \$3,967,607.29, no encumbrances and an amount of \$32,392.71 remaining budget for this appropriation.

Thank you, if you should have any questions, please feel free to call me at tribal extension X6070.

THE NAVAJO NATION
Combining Balance Sheet
August 31, 2022 (Unaudited)

EXHIBIT "A"

Assets

Current Assets:

Cash and cash equivalents	\$ 3,804,551
PrePaid Expenses	4,062,441

Receivables:

Accounts Receivable	9,574,993
Advances Receivable	-

Total Current Assets	17,441,985
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Long Term Assets:

Investments	61,170,529
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Total Long Term Assets	61,170,529
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Total Assets	\$ 78,612,514
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Liabilities and Fund Balances

Liabilities:

Accounts Payable	\$ (17,102)
Accruals	-
Other Liabilities	-

Total Liabilities	(17,102)
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Fund Balances:

Unreserved	(59,830,541)	(1)
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Committed	(18,080,639)	
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Assigned	(684,231)	
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Total Fund Balances	(78,595,411)
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Total Liabilities and fund balances	\$ (78,612,514)
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THE NAVAJO NATION

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
August 31, 2022 (Unaudited)

Revenues:

Tax Revenue	\$ -
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Interest & Dividends	(274,073)
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Fees & Permits	-
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Other Revenue	(19,636,894)
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Total Revenue	(19,910,967) (2)
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Expenditures:

Total Expenditures	8,516,215 (3)
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Excess (deficit) of revenues over expenditures	(11,394,752) (4)
--	------------------

(1) - Unappropriated Balance Available

(2) - Total Revenue Collected

(3) - Total Expenditures

(4) - Net Revenue(Loss)

AIF PROJECTS BY YEAR
As of August 31, 2022

	Original	Revised	Actual	Open Commit	Budget	% Remaining
C0179C CLIMATE MONITORING SUPPORT YR1	50,000.00	50,000.00			50,000.00	1
C01791 DWR RED WILLOW FARM YR1	297,000.00	297,000.00	225,245.23		71,754.77	0.24
C01792 DWR WINDMILL PROJECTS YR1	3,900,000.00	3,900,000.00	3,642,568.18	3,058.43	254,373.39	0.07
C01793 DWR EARTHEN DAM REPAIRS YR1	1,200,000.00	1,200,000.00	365,034.48	4,700.00	830,265.52	0.69
C01794 COPPERMINE LIVSTCK WTRLINE YR1	327,000.00	327,000.00		8,832.00	318,168.00	0.97
C01795 GREASEWOOD LIVSTCK WTRLINE YR1	496,000.00	496,000.00	152,555.12	26,132.40	317,312.48	0.64
C01796 BURNSIDE WELLPUMP POWRLINE YR1	115,000.00	115,000.00	40,375.69	-	74,624.31	0.65
C01797 TOLANILAKE LIVSTCK WTRLINE YR1	208,500.00	208,500.00	92,163.52		116,336.48	0.56
C01798 AGRICULTURE SERVICE CNTERS YR1	1,100,000.00	1,100,000.00	883,243.53	92,268.50	124,487.97	0.11
N0143; NNDA HORSE MANAGEMENT YR 1	1,000,000.00	1,000,000.00	976,855.64	674.43	22,469.93	0.02
N0143; HERD COMPLIANCE INCENTIVE YR 1	500,000.00	500,000.00	505,375.00		(5,375.00)	-0.01
N0143; RANCHERS SUPPLE FEED DIST YR 1	500,000.00	500,000.00	538,031.09		(38,031.09)	(0.08)
N0144; TRIBAL RANCH INFRA IMPRVMT YR1	1,000,000.00	1,000,000.00	327,265.40	20,000.00	652,734.60	0.65
N0144; DRYLAND/FARMLAND RECOVERY YR1	400,000.00	400,000.00	334,410.00		65,590.00	0.16
N0144; AREA WIDE FENCING(RMU,ETC)YR 1	400,000.00	400,000.00			400,000.00	1.00
N0144; LIVESTOCKPROCESSG FACILITS YR1	500,000.00	500,000.00	373,118.41		126,881.59	0.25
N0144; TECH CAPACITY BLDG & CONSV YR1	400,000.00	400,000.00	195,295.88		204,704.12	0.51
N0144; AGR CONSERVATION CORP YR 1	400,000.00	400,000.00	273,603.40		126,396.60	0.32
N0144; FORESTRY DROUGHT MITIGATION YR1	120,000.00	120,000.00	58,230.77		61,769.23	0.51
N0144; F&W CLIMATECHG/DROUGHT MIT YR1	300,000.00	300,000.00	307,050.07		(7,050.07)	(0.02)
N0144; F&W WATER CONSRV&CATCHMNTS YR1	266,000.00	266,000.00	265,021.00		979.00	0.00
N0144; F&W WOODLAND HABITAT TRTMT YR1	114,000.00	114,000.00	52,650.57		61,349.43	0.54
N0145; F&W NTVSEED/RIPARIN RESTRTN YR1	122,000.00	122,000.00	111,239.36	6,166.15	4,594.49	0.04
N0145; LCR(LEUPP)ALLV AQUIFR STDY YR1	370,000.00	370,000.00	150,000.00	219,800.00	200.00	0.00
N0149; F&W/NHP BIOLOGICAL CLEARANCES Y1	345,000.00	345,000.00	100,394.35		244,605.65	0.71
Year 1 Total	14,430,500.00	14,430,500.00	9,969,726.69	381,631.91	4,079,141.40	
C01882 DWR WINDMILL PROJECTS YR2	3,900,000.00	3,900,000.00	165,057.20	247,922.00	3,487,020.80	0.89
C01883 DWR EARTHEN DAM REPAIRS YR2	1,200,000.00	1,200,000.00			1,200,000.00	1.00
C01884 DWR BIRDSPRINGS POWERLINE YR 2	124,000.00	124,000.00			124,000.00	1.00
C01885 TRIBAL RANCH INFRA IMPRVMT YR2	1,000,000.00	1,000,000.00	4,491.06		995,508.94	1.00
C01887 LIVESTOCKPROCESSG FACILITS YR2	500,000.00	500,000.00	10,000.00		490,000.00	0.98
C01888 AGRICULTURE SERVICE CNTERS YR2	3,000,000.00	3,000,000.00	1,082,870.37	53,442.80	1,863,686.83	0.62
N0150; F&W CLIMATECHG/DROUGHT MIT YR2	300,000.00	300,000.00	124,858.11	1,234.09	173,907.80	0.58
N0150; NON-NTUA DOMESTIC SYSTEMS YR2	200,000.00	200,000.00			200,000.00	1.00
N0150; DWR WATER SYSTEM SUPPLY YR2	500,000.00	500,000.00			500,000.00	1.00
N0150; AIF LCR STUDY YR 2	200,000.00	200,000.00			200,000.00	1.00

Prepared by:
General Accounting
9/23/2022

EXHIBIT "B"

AIF PROJECTS BY YEAR
As of August 31, 2022

N0150f	NDA HORSE MANAGEMENT YR 2	900,000.00	173,052.21	726,947.79	0.19	0.81
N0150f	HERD COMPLIANCE INCENTIVE YR 2	600,000.00	106,000.00	494,000.00	0.18	0.82
N0151f	RANCHERS SUPPLE FEED DIST YR 2	500,000.00	41,334.04	458,665.96	0.08	0.92
N0151f	DRYLAND/FARMLAND RECOVERY YR2	500,000.00	106,000.00	394,000.00	0.21	0.79
N0151f	AREA WIDE FENCING(RMU,ETC)YR 2	400,000.00	106,000.00	294,000.00	0.27	0.74
N0151f	TECH CAPACITY BLDG & CONSV YR2	500,000.00	16,721.13	483,278.87	0.03	0.97
N0151f	AGR CONSERVATION CORP YR 2	500,000.00	110,319.05	389,680.95	0.22	0.78
N0151f	AGR CONSERVATION IMPROVEMT YR2	589,000.00	212,000.00	377,000.00	0.36	0.64
N0151f	F&W NTVSEED/RIPARIN RESTRTRYR2	209,800.00		209,800.00	0.00	1.00
N0151f	HHPD AIF CLEARANCES YR 1	120,000.00		120,000.00	0.00	1.00
N0151f	HHPD AIF CLEARANCES YR 2	250,000.00		250,000.00	0.00	1.00
N0151f	FORESTRY DROUGHT MITIGATIONYR2	225,000.00		225,000.00	0.00	1.00
N0152f	NHP BIOLOGICAL CLEARANCES YR2	345,000.00		345,000.00	0.00	1.00
Year 2 Total		16,562,800.00	2,258,703.17	302,598.89	14,001,497.94	
GRAND TOTAL		30,993,300.00	12,228,429.86	684,230.80	18,080,639.34	0.42

GRAND TOTAL

35 AGRICULTURE INFRA FUND	Original Budget	Revised Budget	Actuals	Encumbrances	Budget Available
115100 AIF-BLACK MESA CHAPTE		26,530.93	26,530.93		-
115101 AIF-CHINLE CHAPTER		79,913.11	79,913.11		-
115102 AIF-FOREST LAKE CHAPT		26,844.02	26,844.02		-
115103 AIF-HARD ROCK CHAPTER		30,583.73	30,583.73		-
115104 AIF-LUKACHUKAI CHAPTE		36,723.81	36,723.81		-
115105 AIF-MANYFARMS CHAPTER		40,428.73	40,428.73		-
115106 AIF-NAZLINI CHAPTER		32,444.89	32,444.89		-
115107 AIF-PINON CHAPTER		45,507.78	45,507.78		-
115108 AIF-ROUND ROCK CHAPTE		32,392.70	32,392.70		-
115109 AIF-ROUGH ROCK CHAPTE		30,548.94	30,548.94		-
115110 AIF-TACHEE/BLUE GAP C		32,566.64	32,566.64		-
115111 AIF-TSAILE/WHEATFIELD		40,185.22	40,185.22		-
115112 AIF-TSELANI/COTTONWOO		38,306.66	38,306.66		-
115113 AIF-WHIPPORWILL CHAPT		31,644.76	31,644.76		-
115114 AIF-ALAMO CHAPTER		35,714.96	35,714.96		-
115115 AIF-BACA/HAYSTACK CHA		39,854.73	39,854.73		-
115116 AIF-BECENTI CHAPTER		29,974.94	29,974.94		-
115117 AIF-BREADSPRINGS CHAP		33,175.43	33,175.43		-
115118 AIF-TOHAJILEE CHAPTE		35,593.20	35,593.20		-
115119 AIF-CASAMERO LAKE CHA		27,765.90	27,765.90		-
115120 AIF-CHICHILTAH CHAPTE		42,533.41	42,533.41		-
115121 AIF-CHURCHROCK CHAPTE		52,221.86	52,221.86		-
115122 AIF-COUNSELOR CHAPTER		27,209.29	27,209.29		-
115123 AIF-CROWNPOINT CHAPTE		36,775.99	36,775.99		-
115124 AIF-HUERFANO CHAPTER		44,290.20	44,290.20		-
115125 AIF-IYANBITO CHAPTER		31,296.88	31,296.88		-
115126 AIF-LAKE VALLEY CHAPT		25,104.62	25,104.62		-
115127 AIF-LITTLEWATER CHAPT		29,383.54	29,383.54		-
115128 AIF-MANUELITO CHAPTER		31,035.97	31,035.97		-
115129 AIF-MARIANO LAKE CHAP		31,401.25	31,401.25		-
115130 AIF-NAGEEZI CHAPTER		34,375.62	34,375.62		-
115131 AIF-NAHODISHGISH CHAP		26,739.65	26,739.65		-
115132 AIF-OJO ENCINO CHAPTE		28,409.48	28,409.48		-
115133 AIF-PINEDALE CHAPTER		37,054.30	37,054.30		-
115134 AIF-PUEBLO PINTADO CH		25,991.71	25,991.71		-
115135 AIF-RAMAH CHAPTER		38,758.91	38,758.91		-
115136 AIF-RED ROCK CHAPTER		44,794.63	44,794.63		-
115137 AIF-ROCK SPRINGS CHAP		40,306.97	40,306.97		-
115138 AIF-SMITH LAKE CHAPTE		28,270.33	28,270.33		-
115139 AIF-STANDING ROCK CHA		29,227.00	29,227.00		-
115140 AIF-THOREAU CHAPTER		39,750.37	39,750.37		-
115141 AIF-TORREON CHAPTER		36,062.84	36,062.84		-
115142 AIF-TSAYATOH CHAPTER		33,175.43	33,175.43		-
115143 AIF-WHITEHORSE LAKE C		27,678.93	27,678.93		-
115144 AIF-WHITE ROCK CHAPTE		23,834.86	23,834.86		-
115145 AIF-CORNFIELDS CHAPTE		32,584.04	32,584.04		-
115146 AIF-COYOTE CANYON CHA		35,784.53	35,784.53		-
115147 AIF-CRYSTAL CHAPTER		31,157.74	31,157.74		-
115148 AIF-DILKON CHAPTER		37,576.12	37,576.12		-
115149 AIF-FT DEFIANCE CHAPT		65,560.07	65,560.07		-
115150 AIF-GANADO CHAPTER		39,558.04	39,558.04		-
115151 AIF-HOUCK CHAPTER		37,280.43	37,280.43		-
115152 AIF-INDIAN WELLS CHAP		33,436.34	33,436.34		-
115153 AIF-JEDDITO CHAPTER		32,044.82	32,044.82		-
115154 AIF-KINLICHEE CHAPTER		40,880.99	40,880.99		-
115155 AIF-KLAGETOH CHAPTER		32,688.41	32,688.41		-
115156 AIF-LOW MOUNTAIN- CHA		30,966.40	30,966.40		-
115157 AIF-LOWER GREASEWOOD		34,201.69	34,201.69		-
115158 AIF-LUPTON CHAPTER		29,992.34	29,992.34		-
115159 AIF-MEXICAN SPRINGS C		32,514.46	32,514.46		-
115160 AIF-NASCHITTI CHAPTER		38,150.12	38,150.12		-
115161 AIF-OAK SPRINGS CHAPT		29,105.25	29,105.25		-
115162 AIF-RED LAKE #18 CHAP		29,331.37	29,331.37		-
115163 AIF-SAWMILL CHAPTER		34,253.87	34,253.87		-
115164 AIF-ST. MICHAELS CHAP		55,976.98	55,976.98		-

AIF Appropriation to Chapters
As of August 31, 2022

EXHIBIT "C"

115165 AIF-STEAMBOAT CHAPTER	36,028.06	36,028.06	-
115166 AIF-TEESTO CHAPTER	32,410.10	32,410.10	-
115167 AIF-TOHATCHI CHAPTER	38,202.30	38,202.30	-
115168 AIF-TWIN LAKES CHAPTE	42,115.95	42,115.95	-
115169 AIF-WHITECONE CHAPTER	30,931.61	30,931.61	-
115170 AIF-WIDE RUINS CHAPTE	32,183.99	32,183.99	-
115171 AIF-NAHATA DZIL CHAP	35,158.36	35,158.36	-
115172 AIF-ANETH CHAPTER	44,325.00	44,325.00	-
115173 AIF-BECLABITO CHAPTER	28,026.82	28,026.82	-
115174 AIF-BURNHAM CHAPTER	27,052.76	27,052.76	-
115175 AIF-COVE CHAPTER	27,000.57	27,000.57	-
115176 AIF-GADII'AHII CHAPTE	27,731.12	27,731.12	-
115177 AIF-UPPER FRUITLAND C	52,308.84	52,308.84	-
115178 AIF-HOGBACK CHAPTER	39,506.86	39,506.86	-
115179 AIF-MEXICAN WATER CHA	28,826.94	28,826.94	-
115180 AIF-NENAHNEZAD CHAPTE	40,602.68	40,602.68	-
115181 AIF-NEWCUMB CHAPTER	28,374.70	28,374.70	-
115182 AIF-RED MESA CHAPTER	38,376.25	38,376.25	-
115183 AIF-RED VALLEY CHAPTE	34,079.93	34,079.93	-
115184 AIF-ROCK POINT CHAPTE	39,037.22	39,037.22	-
115185 AIF-SAN JUAN CHAPTER	29,522.70	29,522.70	-
115186 AIF-SANOSTEE CHAPTER	43,003.05	43,003.05	-
115187 AIF-TOOH HALTSOOI CHA	29,035.67	29,035.67	-
115188 AIF-SHIPROCK CHAPTER	104,714.97	104,714.97	-
115189 AIF-SWEETWATER CHAPTE	33,001.50	33,001.50	-
115190 AIF-TEECNOSPOS CHAPTE	35,871.51	35,871.51	-
115191 AIF-TWO GREY HILLS CH	33,245.02	33,245.02	-
115192 AIF-BIRDSPRINGS CHAPT	28,931.31	28,931.31	-
115193 AIF-BODAWAY-GAP CHAPT	37,297.82	37,297.82	-
115194 AIF-CAMERON CHAPTER	32,392.71		32,392.71
115195 AIF-CHILCHINBETO CHAP	31,644.77	31,644.77	-
115196 AIF-COALMINE CANYON C	30,792.47	30,792.47	-
115197 AIF-COPPERMINE CHAPTE	31,610.48	31,610.48	-
115198 AIF-DENNEHOTSO CHAPTE	37,871.82	37,871.82	-
115199 AIF-INSCRIPTION HOUSE	30,496.77	30,496.77	-
115200 AIF-KAIBETO CHAPTER	37,367.40	37,367.40	-
115201 AIF-KAYENTA CHAPTER	58,566.68	58,566.68	-
115202 AIF-LECHEE CHAPTER	34,758.31	34,758.31	-
115203 AIF-LEUPP CHAPTER	38,271.89	38,271.89	-
115204 AIF-NAVAJO MOUNTAIN C	28,739.97	28,739.97	-
115205 AIF-OLJATO CHAPTER	43,803.18	43,803.18	-
115206 AIF-TONALEA/ RED LAKE	41,072.32	41,072.32	-
115207 AIF-SHONTO CHAPTER	39,141.60	39,141.60	-
115208 AIF-TOLANI LAKE CHAPT	27,278.88	27,278.88	-
115209 AIF-TUBA CITY CHAPTER	73,858.01	73,858.01	-
00035 AGRICULTURE INFRA FUND	<u>4,000,000.00</u>	<u>3,967,607.29</u>	<u>32,392.71</u>



EXECUTIVE SUMMARY

FOR DOCUMENT NO. 018978: PROPOSED RESOURCES AND DEVELOPMENT COMMITTEE (RDC) RESOLUTION APPROVING AND ADOPTING THE AGRICULTURE INFRASTRUCTURE FUND (AIF) PROJECT PLANS AND BUDGET LISTING FOR CALENDAR YEAR 2022

PURPOSE: TO OBTAIN EXECUTIVE BRANCH SAS REVIEW OF PROPOSED RDC RESOLUTION APPROVING AND ADOPTING THE AIF PROJECT PLANS AND BUDGET AMOUNTS FOR CALENDAR YEAR 2022.

BACKGROUND:

1. THE LIST OF APPENDICES AND EXHIBITS PROVIDES INFORMATION ON THE HISTORICAL PERFORMANCE OF NAVAJO NATION'S PARTICIPATION IN THE USDA PASTURE RANGE FORAGE INSURANCE PROGRAM (PRF) FROM 2017 TO CURRENT, INCLUDING APPLICABLE NAVAJO NATION COUNCIL AND STANDING COMMITTEE RESOLUTIONS.
2. THE RDC, BY RESOLUTION RDCD-100-18 (EXHIBIT E), APPROVED THE YEAR 1 AND YEAR 2 AIF PROJECT PLANS FOR CROP YEARS 2017 AND 2018 RESPECTIVELY.
3. THE RDC, BY RESOLUTION RDCMA-07-21 (EXHIBIT F), APPROVED A CROP YEAR 2021 AIF PROJECT PLAN FOR CHAPTER LIVESTOCK FEED DISTRIBUTION ADMINISTERED BY THE DIVISION OF COMMUNITY DEVELOPMENT.
4. APPENDIX 1 SUMMARIZES THE HISTORICAL PRF PERFORMANCE FROM CROP YEAR 2017 THROUGH CROP YEAR 2021. DURING THIS PERIOD, THE NAVAJO NATION'S PARTICIPATION IN THE USDA PRF PROGRAM RESULTED IN A NET PRF BENEFIT OF \$89,363,832 INTO THE AIF.
5. CROP YEAR 2022 IS CURRENTLY IN PROGRESS AND FINAL CROP YEAR PERFORMANCE RESULTS WILL NOT BE FULLY DETERMINED UNTIL AFTER COMPLETION OF THE FINAL NOVEMBER-DECEMBER 2022 INTERVAL. ADDITIONALLY, THE CROP YEAR 2023 REMAINS TO BE COMPLETED. THE CURRENT AUTHORIZATION BY THE NAVAJO NATION COUNCIL FOR PRF PARTICIPATION THROUGH CROP YEAR 2023 IS SHOWN IN EXHIBIT B.
6. THE DIVISION OF NATURAL RESOURCES AND DEPARTMENT OF AGRICULTURE COMPILED A CALENDAR YEAR 2022 PROGRAM BUDGET PLAN OF \$34,203,140 IN APPENDIX 2, TAKING INTO ACCOUNT STATUTORY PRF OBLIGATIONS AND: (A) THE NET PRF BENEFIT INTO THE AIF OF \$89,363,832; (B) AMOUNTS ALLOCATED BY RDC FOR CROP YEARS 2017, 2018 AND 2021; (C) OFFSETS FOR PRF WITHDRAWALS FROM THE PRF PREMIUM RESERVE; (D) ALLOCATIONS INTO A PREMIUM RESERVE SET-ASIDE TO REPLACE THE SIHASIN PREMIUM RESERVE AT THE END OF CROP YEAR 2023; AND (E) THE AIF CALENDAR YEAR 2022 PROJECT PLAN BUDGET LISTING OF \$34,203,140.
7. THE NAVAJO NATION OFFICE OF THE CONTROLLER'S COMBINING BALANCE SHEET DATED MAY 31, 2022 (ATTACHED) SHOWS AN UNRESERVED AIF FUND BALANCE OF \$57,746,963.02.

SUMMARY: THE DIVISION OF NATURAL RESOURCES AND DEPARTMENT OF AGRICULTURE REQUESTS FAVORABLE SAS REVIEW OF FOR DOCUMENT NO. 018978 FOR THE PROPOSED RESOURCES AND DEVELOPMENT COMMITTEE RESOLUTION TO APPROVE THE CALENDAR YEAR 2022 AIF PROJECT PLANS AND BUDGET AMOUNTS.

APPENDIX 1. Navajo Nation Pasture Range Forage Insurance - Historical Performance

8/18/2022

Year	State	Grids	Acres	Gross Benefits	Premiums	Net Into AIF
CY 2017	AZ	17	7,696,032	\$ 39,187,526	\$ 21,801,071	\$ 17,386,455
CY 2018	AZ	20	7,463,802	\$ 48,079,332	\$ 19,800,123	\$ 28,279,209
CY 2019	AZ	20	7,719,447		\$ 11,975,856	
	NM	10	2,308,741		\$ 4,282,398	
	TOTAL	30	10,028,188	\$ 9,353,056	\$ 16,258,254	\$ (6,905,198)
CY2020	AZ	20	7,719,447		\$ 11,996,727	
	NM	10	2,308,741		\$ 4,253,037	
	TOTAL	30	10,028,188	\$ 49,079,219	\$ 16,249,764	\$ 32,829,455
CY 2021	AZ	20	7,719,447		\$ 11,961,745	
	NM	15	3,341,059		\$ 5,723,147	
	CO	1	28,599		\$ 45,101	
	TOTAL	36	11,089,105	\$ 35,503,904	\$ 17,729,993	\$ 17,773,911
CY 2022	AZ	20	9,237,647	TBD	\$ 14,387,101	TBD
	NM	15	3,341,059	TBD	\$ 5,738,466	TBD
	CO	1	28,599	TBD	\$ 46,200	TBD
	TOTAL	36	12,607,305		\$ 20,171,767	TBD
					GRAND TOTAL	\$ 89,363,832.00

NET PRF BENEFIT INTO AIF FOR CY 2017, 2018, 2019, 2020, AND 2021 IS \$89,363,832 (per CKP)

\$ 89,363,832

**APPENDIX 2: PROPOSED YEAR 2022 AGRICULTURE INFRASTRUCTURE FUND PROGRAM BUDGET
(THRU CROP YEAR 2021) (As of 08/18/2022)**

NET PRF BENEFIT INTO AIF FOR CY 2017, 2018, 2019, 2020, AND 2021 IS \$89,363,832 (per CKP)	\$ 89,363,832
TABLE 1. PREVIOUS AIF PROJECT PLAN BUDGETS APPROVED BY RESOURCES & DEVELOPMENT COMMITTEE	
CY 2017- YEAR 1 AIF PROJECT PLAN BUDGET BY RESOLUTION RDCD-100-18	\$ 17,384,159
CY 2018- YEAR 2 AIF PROJECT PLAN BUDGET BY RESOLUTION RDCD-100-18	\$ 19,277,820
CY 2021- YEAR 5 AIF LIVESTOCK FEED DISTRIBUTION BY RESOLUTION RDCMA-07-21	\$ 4,000,000
TOTAL	\$ 40,661,979
AMOUNT AVAILABLE FOR 2022 AIF PROJECT PLAN APPROVAL BY RDC	\$ 48,701,853

TABLE 2. AMOUNT AVAILABLE FOR 2022 AIF PROJECT PLAN APPROVAL BY RDC	\$ 48,701,853
TABLE 2A. REPAYMENT OF PAST WITHDRAWALS FROM PRF PREMIUM RESERVE	\$ 22,001,802
CY2017 \$9,655,131	
CY2019 \$12,156,434	
CY2021 \$190,237	
TABLE 2B. PRF PREMIUM RESERVE SET-ASIDE AMOUNTS PURSUANT TO NAVAJO NATION COUNCIL RESOLUTION C0-57-16	
CY 2017 - \$2,833,659 INCLUDED IN RDCD-100-18	\$ -
CY 2018 - \$2,833,659 INCLUDED IN RDCD-100-18	\$ -
CY 2019 - TO BE ALLOCATED BY RDC IN 2022 AIF PROJECT PLAN BUDGET	\$ 2,833,659
CY 2020 - TO BE ALLOCATED BY RDC IN 2022 AIF PROJECT PLAN BUDGET	\$ 2,833,659
CY 2021 - TO BE ALLOCATED BY RDC IN 2022 AIF PROJECT PLAN BUDGET	\$ 2,833,659
TOTAL	\$ 8,500,977
ADJUSTED AIF AVAILABLE FOR 2022 AIF PROJECT PLAN APPROVAL BY RDC	\$ 18,199,074

TABLE 3. ADJUSTED AIF AVAILABLE FOR 2022 AIF PROJECT PLAN APPROVAL BY RDC	\$ 18,199,074
TABLE 3A. DNR DEPARTMENT AIF BUDGETS	\$ 9,000,000
DEPT. OF AGRICULTURE	\$ 7,400,000
DEPT. OF FISH/WILDLIFE	\$ 800,000
FORESTRY DEPT.	\$ 300,000
HISTORIC PRESERVATION DEPT.	\$ 500,000
TABLE 3B. UNFUNDED YEAR 2 (CY 2018) AIF PROJECTS (FROM MARCH, 2021)	\$ 2,711,500
A. LIVESTOCK FEED ASSISTANCE TO NPL LIVESTOCK OWNERS (DZIL YUJIN REG'L COUNCIL) (FOREST LAKE, HARDROCK, PINON, WHIPPOORWILL, TOLANI LAKE) (\$30,000 X 5 CHAPTERS)	\$ 150,000
B. LIVESTOCK FEED ASSISTANCE TO 1-PERMIT EASTERN NAVAJO AGENCY CHAPTERS (BACA-PREWITT, ROCK SPRINGS, TOHAJILEE, ALAMO) (\$30,000 X 4 CHAPTERS)	\$ 120,000
C. TALLY COUNT/CROP REPORT INCENTIVE FOR AGRIC OFFICIALS	\$ 211,500
78 DISTRICT GRAZING OFFICIALS @ \$1,500 EA.	\$ 117,000
20 EASTERN LAND BOARD OFFICIALS @ 1,500 EA.	\$ 30,000
43 FARM BOARD OFFICIALS @ \$1,500 EA.	\$ 64,500
D. "ADMINISTRATION" COSTS FOR AIF PROGRAM SUPPORT	\$ 2,230,000
VETERINARY PROGRAM SERVICES	\$ 900,000
TRIBAL RANCH PROPERTY TAXES/STATE LEASE FEES	\$ 400,000
NNDA FARM/GARDEN INCENTIVE PROGRAM	\$ 500,000
NAVAJO YOUTH 4-H/FFA INCENTIVE PROGRAM	\$ 250,000
NNDA AGRICULTURE EDUCATION WORKSHOPS/OUTREACH	\$ 180,000
E. OTHER YEAR 2 AIF PROJECTS	\$ 1,040,000
RAMAH BOUNDARY FENCING	\$ 130,000
SHIPROCK TRADITIONAL FARMERS COOPERATIVE (PHASE 1)	\$ 200,000
HOUCK CONSERVATION IMPROVEMTS (ADD TO \$30K APPROVED)	\$ 100,000

DWR TWO GREY HILLS/NEWCUMB IRRIG SYSTEM PHASE 1	\$	100,000
TOLANI LAKE TLOH HAAGI RMU FENCING	\$	110,000
NNFWD COLORADO RANCH ENTERPRISE HAY/FEED	\$	400,000

TABLE 3C. YEAR 3 AIF PROJECTS FOR RDC ALLOCATION

\$ 22,491,640 \$ 22,491,640

FARM BOARD FIELD IMPROVEMENTS (\$50,000 X 12 FARM BDS)	\$	600,000
SJRFB FARM FIELD IMPROVEMENTS (\$50,000 X 7 CHAPTERS)	\$	350,000
NAZLINI FARM BOARD STUDY	\$	50,000
LIVESTOCK ENFORCEMENT BRAND OFFICE	\$	500,000
ADMINISTRATIVE LAW JUDGES FOR PROBATE PROCESSING	\$	500,000
VETERINARY FACILITIES AT AGENCIES	\$	500,000
NAVAMILL LOGGING & LUMBER CO.	\$	200,000
ANIMAL REZ-Q SPAY/NEUTERING	\$	100,000
TOLANI LAKE WATER USERS ASSN RANGELAND IMPROVEMENT	\$	70,000
AGENCY DROUGHT MITIGATION PLANNING (\$20,000/AGENCY)	\$	100,000
NN AGRICULTURE SCIENCES ENDOWMENT @ 2 UNIVERSITIES	\$	120,000
DWR NORTH LEUPP FARMS WELL POWERLINE	\$	370,000
DWR YELLOWMAN SIPHON IMPROVEMENT (PHASE 4)	\$	311,640
DWR TOHATCHI CHUSKA LAKE WATER DELIVERY IMPROVEMTS	\$	467,000
DWR CAPTAIN TOM WASH IRRIGATION IMPROVEMENT W/ NRCS	\$	300,000
DWR ANETH FARMS IRRIGATION REDEVELOPMENT PLANNING	\$	250,000
NFWD NEW LANDS WELL IMPROVEMENTS FOR LIVESTK/WILDLIFE	\$	103,000
NN FAIR EVENTS/IMPROVEMENTS (CENTRAL, EASTERN, WESTERN, SOUTHWEST, NORTHERN, UTAH NAVAJO & NN FAIR)	\$	2,850,000
NNDA NAVAJO NATION AGRICULTURE INCENTIVE PROGRAMS	\$	10,000,000
NNDA HORSE PROJECT DNA TESTING EQUIPMENT & SERVICES	\$	350,000
MEAT PROCESSING PLANT PLANNING	\$	100,000
WOOL/MOHAIR PRODUCER INCENTIVES	\$	100,000
LIVESTOCK AUCTION & MARKETING INCENTIVES	\$	2,000,000
NNDA AGENCY OFFICES FOR AGRICULTURE SERVICES	\$	200,000
DNR HAY FIELD PROJECTS & INFRASTRUCTURE (WINSLOW TRACT)	\$	2,000,000

TOTAL PROGRAM BUDGETS (TABLES 3A, 3B AND 3C) \$ 34,203,140

SUMMARY:	TOTAL 2022 AIF PROJECT BUDGET PLAN FROM TABLES 2 AND 3 ABOVE	\$ 64,705,919
	TOTAL AIF AVAILABLE FOR 2022	\$ 48,701,853
	AIF DEFICIT TO BE ADJUSTED	\$ (16,004,066)

NOTE: INTEREST GAINED SINCE 2017 ON DEPOSITED PRF INDEMNITIES ARE TBD BY NNOOC FOR AIF BUDGET ALLOCATION (PER CO-57-16)



Document No. 018978

Date Issued: 07/08/2022

EXECUTIVE OFFICIAL REVIEW

Title of Document: Approving & Adopting AIF Proj. Plans CY:2022 Contact Name: NOTAH, FERDINAND *Notah 7/14/22*

Program/Division: DIVISION OF NATURAL RESOURCES

Email: notahf@yahoo.com *ferdinandnotah@navap-nsh.gov* Phone Number: (928) 871-6605
→ 4b Official navap-nsh.gov email address

☐ **Business Site Lease** Sufficient Insufficient

- | | | | |
|---|-------------|---|---|
| 1. Division: _____ | Date: _____ | □ | □ |
| 2. Office of the Controller: _____ | Date: _____ | □ | □ |
| (only if Procurement Clearance is not issued within 30 days of the initiation of the E.O. review) | | | |
| 3. Office of the Attorney General: _____ | Date: _____ | □ | □ |

☐ **Business and Industrial Development Financing, Veteran Loans, (i.e. Loan, Loan Guarantee and Investment) or Delegation of Approving and/or Management Authority of Leasing transactions**

- | | | | |
|--|-------------|---|---|
| 1. Division: _____ | Date: _____ | □ | □ |
| 2. Office of the Attorney General: _____ | Date: _____ | □ | □ |

☐ **Fund Management Plan, Expenditure Plans, Carry Over Requests, Budget Modifications**

- | | | | |
|---|-------------|---|---|
| 1. Office of Management and Budget: _____ | Date: _____ | □ | □ |
| 2. Office of the Controller: _____ | Date: _____ | □ | □ |
| 3. Office of the Attorney General: _____ | Date: _____ | □ | □ |

☐ **Navajo Housing Authority Request for Release of Funds**

- | | | | |
|--|-------------|---|---|
| 1. NNEPA: _____ | Date: _____ | □ | □ |
| 2. Office of the Attorney General: _____ | Date: _____ | □ | □ |

☐ **Lease Purchase Agreements**

- | | | | |
|--|-------------|---|---|
| 1. Office of the Controller: _____ | Date: _____ | □ | □ |
| (recommendation only) | | | |
| 2. Office of the Attorney General: _____ | Date: _____ | □ | □ |

☐ **Grant Applications**

- | | | | |
|---|-------------|---|---|
| 1. Office of Management and Budget: _____ | Date: _____ | □ | □ |
| 2. Office of the Controller: _____ | Date: _____ | □ | □ |
| 3. Office of the Attorney General: _____ | Date: _____ | □ | □ |

☐ **Five Management Plan of the Local Governance Act, Delegation of an Approving Authority from a Standing Committee, Local Ordinances (Local Government Units), or Plans of Operation/Division Policies Requiring Committee Approval**

- | | | | |
|--|-------------|---|---|
| 1. Division: _____ | Date: _____ | □ | □ |
| 2. Office of the Attorney General: _____ | Date: _____ | □ | □ |

☐ **Relinquishment of Navajo Membership**

- | | | | |
|--|-------------|---|---|
| 1. Land Department: _____ | Date: _____ | □ | □ |
| 2. Elections: _____ | Date: _____ | □ | □ |
| 3. Office of the Attorney General: _____ | Date: _____ | □ | □ |

		Sufficient	Insufficient
<input type="checkbox"/>	Land Withdrawal or Relinquishment for Commercial Purposes		
1. Division:	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. Office of the Attorney General:	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Land Withdrawals for Non-Commercial Purposes, General Land Leases and Resource Leases		
1. NLD	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. F&W	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
3. HPD	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
4. Minerals	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
5. NNEPA	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
6. DNR	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
7. DOJ	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Rights of Way		
1. NLD	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. F&W	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
3. HPD	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
4. Minerals	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
5. NNEPA	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
6. Office of the Attorney General:	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
7. OPVP	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Oil and Gas Prospecting Permits, Drilling and Exploration Permits, Mining Permit, Mining Lease		
1. Minerals	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. OPVP	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
3. NLD	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Assignment of Mineral Lease		
1. Minerals	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. DNR	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
3. DOJ	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	ROW (where there has been no delegation of authority to the Navajo Land Department to grant the Nation's consent to a ROW)		
1. NLD	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. F&W	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
3. HPD	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
4. Minerals	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
5. NNEPA	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
6. DNR	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
7. DOJ	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
8. OPVP	_____ Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	OTHER:		
1. NNDA	_____ Date: 7/15/22	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. DNR	_____ Date: 7/20/2022	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. OMB	_____ Date: 8-5-22	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. OOC	_____ Date: 8-23-22	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. DOJ	_____ Date: 10/14/22	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. OPVP	_____ Date: 10/12/22	<input checked="" type="checkbox"/>	<input type="checkbox"/>



NAVAJO NATION DEPARTMENT OF JUSTICE

DOCUMENT REVIEW REQUEST FORM



☐ RESUBMITTAL

DOJ	
9-28-22 @ 816	DATE / TIME
<input type="checkbox"/> 7 Day Deadline	
DOC #: 18978	
SAS #:	
UNIT: NM	

*** FOR NNDOJ USE ONLY - DO NOT CHANGE OR REVISE FORM. VARIATIONS OF THIS FORM WILL NOT BE ACCEPTED. ***

CLIENT TO COMPLETE

DATE OF REQUEST:	9/27/2022	DIVISION:	Natural Resources
CONTACT NAME:	Ferdinand Notah	DEPARTMENT:	Agriculture
PHONE NUMBER:	(928) 871-6605	E-MAIL:	ferdinandnotah@navajo-nsn.gov

TITLE OF DOCUMENT: EOR Document No. 018978. Proposed Resolution of the Resources and Development Committee Approving and Adopting the Agriculture Fund Projects Plans for Crop Years 2018, 2019, 2020, and 2021

DOJ SECRETARY TO COMPLETE

DATE/TIME IN UNIT: 9-28-22 9:42 AM	REVIEWING ATTORNEY/ADVOCATE: Brian Curley Chambers 10-07-22
---------------------------------------	--

DATE TIME OUT OF UNIT: 10-04-22 4:07 PM

DOJ ATTORNEY / ADVOCATE COMMENTS

legally sufficient, provided the program work with OMB to address concerns OMB identified in memo dated August 05, 2022.

REVIEWED BY: (Print)	Date / Time	SURNAMED BY: (Print)	Date / Time
Brian Curley-Chambers	10/4/22 @ 2:36 PM	V B Luchat	10/4/22 4:07 PM

DOJ Secretary Called: Jennifer for Document Pick Up on 10-04-22 at 4:07 PM By: CN

PICKED UP BY: (Print)	DATE / TIME:
-----------------------	--------------

NNDOJ/DRRF-July 2013

OFFICE OF THE PRESIDENT AND VICE PRESIDENT
REQUEST FOR SERVICES

Date of Request: 10/5/2022

Name: Ferdinand Notah

Phone Number: (928) 811-6605

Please Check One:
(☒) 164 Review No. 018978

Agriculture
Department: Department of Agriculture

Email: notahf@yahoo.com

() Support Letter (s) _____

Description of Service: EOR Doc. No. 018978. Please review and
Sign.

Deadline: _____

Reason: _____

RECOMMENDATIONS, AUTHORIZED PERSONNEL ONLY.

Signed off on EOR ✓ 8A 10/12/22
Ready for pick up.

Picked Up By: Ferdinand Notah
PLEASE PRINT NAME

Signature: Ferdinand Notah Date: 10/18/22 Time: 4:20 pm

To Be Completed by OPVP Staff

Scanned Date/Time: _____

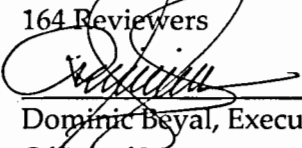
THE NAVAJO NATION

JONATHAN NEZ | PRESIDENT MYRON LIZER | VICE PRESIDENT



MEMORANDUM

TO : 164 Reviewers

FROM : 
Dominic Beyer, Executive Director
Office of Management and Budget

DATE : August 05, 2022

SUBJECT : **Executive Official Review of Document No. 018978: Approving & Adopting the AIF (Agriculture Infrastructure Funds) Project Plans, CY 2022**

The Office of Management and Budget reviewed the above and deems the document to be insufficient based on the following:

1. OMB understands this is an Executive Review Request, not the actual 164A/B review. The 164A/B process and format would be done later.
2. Appendix 2, Table 3 is the Proposed Year 2022 AIF Project Plan for a total of \$33,016,140 as follows:
 - a. Table 3A is for Recurring DNR Department Budgets for a total of \$9,000,000.
 - b. Table 3B is for Unfunded Year 2 (Crop Year 2018) AIF Projects for a total of \$2,711,500.
 - c. Table 3C is for Year 3 AIF Projects for RDC Allocation for a total of \$21,304,640.
3. Table 3A is for "recurring" DNR department budgets. Is this allowable? Per CO-57-16, the AIF was established to only fund and implement agriculture infrastructure projects.
4. Per Table 3, after all the repayments and set-asides are deducted, the adjusted AIF available for the 2022 AIF project plan is \$18,199,074. This amount of \$18.199 million is insufficient to cover the \$33.016 million in proposed projects to be approved. Also in Table 3, what is meant by "AIF Deficit to be adjusted"? The deficit is \$14,817,066. Office of the Controller should advise.
5. Further, there are inconsistencies in the numbers contained in the DRAFT RDC resolution and amounts on Appendix 2. Example, Paragraph H of the DRAFT resolution states the total placed in the AIF is \$89,356,760; however, in Appendix 2, the amount is \$89,363,832.
6. Once the Resources and Development Committee approves the AIF Plan for Year 2022, Navajo Nation budget forms need to be submitted for the projects listed in Appendix 2, Table 3. In accordance with the Fund Management Plan approved by RDCAU-74-18, Section V. C., the completed detailed budget forms for each project will need to be reviewed through the Executive Official Review.
7. Last, the Fund Management Plan requires quarterly reporting to leadership. OMB is not aware of any quarterly reports, including project status. Further, Dept of Agriculture has been submitting budget transfers for "incentive" payments for the Year 1 and Year 2 projects. \$10 million in "Incentive" payments is being proposed for Year 3. This should be reviewed for propriety.
8. Based on the issues raised in #1, #3 #4 #5 and #7 above, the document is insufficient.

Contact D.Sam at (928) 871-6029/6470 if there are any questions and/or concerns regarding this memorandum.



Executive Official Review of Document 018978- Response to OMB Comments

From: Ferdinand Notah (notahf@yahoo.com)

To: dbeyal@omb.navajo-nsn.gov

Cc: dsam@omb.navajo-nsn.gov; lwjtrust@yahoo.com; lwatchman@navajo-nsn.gov; rickienez@navajo-nsn.gov; wilsonstewartjr@navajo-nsn.gov; keeallenbegayjr@navajo-nsn.gov; hdaniels@navajo-nsn.gov; m.freeland@navajo-nsn.gov; thomaswalkerjr@navajo-nsn.gov

Date: Thursday, September 1, 2022 at 05:41 PM MDT

This will respond to OMB's comment on EOR document no. 018978.

1. Yes, the Executive Review Request is correct. The 164A/B process will follow with detailed project budgets.
2. Appendix 2, Table 3 is the Proposed Year 2022 AIF Project Plan. The new updated Table 3 numbers are attached.
 - a. Table 3A was reworted to DNR Department AIF Budgets with the same \$9,000,000 total. The word "recurring" was removed.
 - b. Table 3B remained the same for projects listed with total of \$2,711,500.
 - c. Table 3C is the Year 3 AIF Projects for RDC Allocation was \$33,833,140, not \$21,304,640 as OMB cited. This amount was changed to \$34,203,140 to reflect the new Table 3 numbers.
3. On Table 3 A, the word "recurring" was removed to reflect DNR Department AIF Projects proposals received from DNR Departments.
4. On Table 3, after considering repayments and set-asides, the adjusted AIF available for 2022 AIF project plan remains at \$18,199,074 per Tables 1 and 2 of Appendix 2. Yes, this amount is insufficient to cover the \$34,203,140 for projects to be approved. The difference of \$16,004,066 is the amount of projects that would need to be reduced (the AIF deficit to be adjusted to remain within the available funding of \$18,199,074).

However, several points need to be addressed when considering the amounts available to fund the proposed AIF projects and amounts. On examining NNOOC's Combining Balance Sheet of May 31, 2022, we do not see any specific notations of the amounts for pre-obligations or reserves for: 1) the \$40,661,979 already allocated by RDC (Table 1); 2) the premium drawdowns made against the \$19.8 million premium reserve established by C0-57-18 and repayment thereof (Table 2A); 3) the establishment of the PRF premium reserve set-aside to ultimately replace the Sihasin premium reserve (Table 2B); and 4) the low interest gain (shown on the Combining Statement of Revenues, Expenditures and Changes in Fund Balance below the Balance Sheet). The interest gain of \$85,871.10 is extremely low for all net indemnities received and deposited for the PRF over the past 5+ years. We agree that NNOOC should advise. As a result of the lack of these actions by NNOOC, the Balance Sheet clearly illustrates an Unreserved Fund Balance of \$57,746,963.02, which the RDC can base their approval action upon. Simply put, the \$57,746,963.02 will sufficiently and fully fund the \$34,203,140 in the 2022 AIF Project Budget Plan.
5. Appendix 1 shows the correct Net Into AIF of \$89,363,832. The proposed resolution can be changed to reflect this amount.
6. We agree that the project budget forms will reflect the appropriate Fiscal Year budget forms after RDC approves the AIF Plan for 2022. Be reminded that AIF project funds are based on Calendar Year budgets (not Fiscal Year budgets) and that AIF funds do not lapse at fiscal year end.

7. NNDA and CKP Insurance LLC have given quarterly reports and updates to RDC, including other interested Navajo Nation Council Delegates and Office of the President/Vice President. NNOOC and OMB have been informed of such update or leadership meetings, but no attendance is noted on our sign-in sheets. Periodically, reports are also given to the Budget and Finance Committee.

8. We hope we adequately addressed the issues raised by OMB, and we hope OMB will classify the EOR document as sufficient. We will attach our response comments to the EOR document and forward to the next reviewers. Simultaneously, be informed that emergency legislation is being proposed for RDC to approve the 2022 AIF Project Plan.

Please contact us if needed. Thank you for your favorable review.



08.18.22 PRF.AIF 2022 nos. for RDC EOR Resolutn READY BOXED.xlsx
18.8kB



THE NAVAJO NATION DEPARTMENT OF AGRICULTURE

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Phone: (928) 871-6605 Fax: (928) 871-6679

NORTHERN AGENCY GRAZING COMMITTEE MEETING

District 9 ~ District 12 ~ District 13



EXHIBIT

11

Resolution of the Northern Agency Grazing Committee: NAGC-12-13-22-1

REQUESTING AND SUPPORTING THE RESOURCES AND DEVELOPMENT COMMITTEE OF THE NAVAJO NATION COUNCIL TO ALLOCATE AGRICULTURE INFRASTRUCTURE FUND IN THE AMOUNT OF \$900,000 TO PROCURE HEAVY EQUIPMENTS FOR THE NORTHERN AGENCY GRAZING COMMITTEE FOR EARTHEN DAM MITIGATION IN THE NORTHERN AGENCY CHAPTERS/COMMUNITIES

1. The District Grazing Committees of the Navajo Nation; were established by the Navajo Tribal Resolution CJ-6-53; and the Navajo Tribal Advisory Committee Resolution ACA-31-55 and CAN-83-57; and,
2. District Grazing Committees are the administrative bodies of the within the Navajo Nation Government with primary responsibility for managing range lands, livestock management and for enforcing the Navajo Grazing Regulations and other related landuse issues on within the confines of the Navajo Nation; and,
3. Northern Navajo Agency Grazing Committees, are in compliance with 25 CFR Part 167- Navajo Grazing Regulation in compliance to the Grazing Committee's Plan of Operation; and,
4. Pursuant to Navajo Nation Council Resolution CAP-38-98, The District Grazing Committee's Plan of Operation is codified in Navajo Nation Code Title 3, Chapter 5, Subchapter 5, Article § 871 et. Seq. giving authority and duties to The District Grazing Committee to conduct business and regulate Grazing and Livestock on Navajo Land; and,
5. The Navajo Nation Department of Agriculture's Infrastructure Fund was established by CO-57-16 to use any remaining indemnity payments in the excess amount necessary to guarantee the subsequent Crop Year's insurance premiums to fund and implement agriculture infrastructure projects on the Navajo Nation; and,
6. The Northern Agency Grazing Committee acknowledges a need for Heavy Equipment Procurement for Earthen Dam Mitigation in the District 9, 12, and 13, Grazing Region of the Navajo Nation, which will include a Bulldozer, Semi-Truck, and Semi-Trailer; and,
7. Windmill and Earth Dam Water Infrastructures on the Navajo Nations Rangelands are vital and important to the Navajo People, these agricultural infrastructures are just as important as other infrastructures such as roads, bridges, transportation, sewage, broadband, and electric systems; and,
8. The Navajo Rangelands Water Infrastructures and Natural Resources have also been deteriorating for many years and there is a lack of planning and long-term strategy for restoration projects to implement an on-going maintenance and repair procedures for these systems to sustain the livestock economy of the Navajo People's, sheep, cattle, goats, and horses, adequately and sufficiently; and,

THEREFORE, BE IT RESOLVED THAT:

1. Upon further discussion at a duly called meeting, the Northern Agency Grazing Committee, The Northern Agency Grazing Committee, Requests and Supports the Equipment Procurement by the Resources and Development Committee; and,

Resolution of the Northern Agency Grazing Committee: NAGC-12-13-22-1

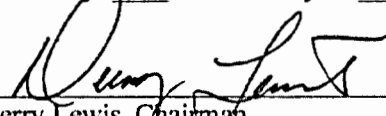
3. The allocated funds should also cover Heavy Equipment Insurance and Personnel Operational Expenses; and,
4. The allocation of funds requested shall be from the Agriculture Infrastructure Funds.

C-E-R-T-I-F-I-C-A-T-I-O-N


We hereby certify that the foregoing Resolution was duly considered by the Northern Agency Grazing Committee at a duly called teleconferencing meeting at the Nenahnezad Chapter (New Mexico) Navajo Nation, at which a quorum was present, and that the Resolution was Passed by a vote of 15 in favor, 0 opposed and 5 abstained this 15th day of December 2022.

Motion by: Tanner J Begaye

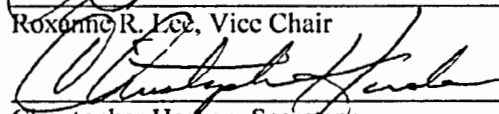
Second by: Clarence Cly Sr.



Derry Lewis, Chairman



Roxanne R. Lee, Vice Chair



Christopher Haskan, Secretary

