

RESOLUTION OF THE
BUDGET AND FINANCE COMMITTEE
OF THE NAVAJO NATION COUNCIL

23RD NAVAJO NATION COUNCIL - Second Year, 2016

AN ACTION

RELATING TO RESOURCES AND DEVELOPMENT AND BUDGET AND FINANCE
COMMITTEES; APPROVING AMENDMENTS TO THE NAVAJO NATION GAMING REVENUES
FUND MANAGEMENT PLAN

BE IT ENACTED:

Section One. Authority

- A. The Resources and Development Committee is established as a standing committee of the Navajo Nation Council. 2 N.N.C § 500(A).
- B. The Resources and Development Committee of the Navajo Nation Council is exercise oversight authority over gaming. 2 N.N.C § 500(C).
- C. The Budget and Finance Committee is established as a standing committee of the Navajo Nation Council. 2 N.N.C § 300(A).
- D. The Budget and Finance Committee of the Navajo Nation Council is empowered to "approve Fund Management Plans pursuant to the recommendations of the appropriate oversight committees and affected Division or Branch. 2 N.N.C. § 301(B) (14).
- E. The Budget and Finance Committee of the Navajo Nation Council provides oversight for the Gaming Revenues Fund Management Plan. 12 N.N.C § 2205. See also Navajo Nation Gaming Revenues Fund Management Plan, 3.B.

Section Two. Findings

- A. The Navajo Nation Council established the Gaming Revenue Fund Management Plan in which Class II and III net gaming revenues received by the Navajo Nation government from the Navajo Nation Gaming Enterprise shall be received and distributed. 12 N.N.C. § 2201.
- B. The Budget and Finance Committee approved the Navajo Nation Gaming Revenues Fund Management Plan. BFF-03-10, as amended by BFF-05-13.
- C. The purpose of the Gaming Revenues Fund Management Plan is to establish procedures for the Navajo Nation to allocate gaming revenues in a manner which recognizes both the immediate and long-term needs of the Navajo Nation and its members, and meets the requirements of the Indian Gaming Regulatory Act, see 12 N.N.C. § 2202(B) and Navajo Nation Revenues Fund Management Plan, 2. A.
- D. The Budget and Finance Committee approved an amount equal to 5% of net revenues deposited from all gaming facilities shall be divided equally and distributed to the host gaming chapters through the budget process. Navajo Nation Revenues Fund Management Plan, 4. A.
- E. The Navajo Nation Revenues Fund Management Plan provides the remaining net shall be distributed equally to the non-host chapter(s) through the budget process, which revenues shall be used by the non-host gaming chapter(s) for the purpose identified in 12 N.N.C. §2202(B) and consistent with the Office of the Controller's internal procedures; then the remaining net gaming revenues shall be distributed as authorized by the Budget and Finance Committee through the budget process, in accordance with Generally Accepted Accounting Principles and for the purposes identified in 12 N.N.C. §2202(B). Navajo Nation Revenues Fund Management Plan, 4. B. and C.

F. The Navajo Nation Gaming Regulatory Office and the Navajo Nation Department of Justice recommend approval of the Navajo Nation Gaming Revenues Fund Management Plan. The plan is attached as Exhibit A.

Section Three. Approval

A. The Budget and Finance Committee, pursuant to 12 N.N.C. § 2205, hereby approves the amendments to the Navajo Nation Gaming Revenues Fund Management Plan.

B. The Budget and Finance Committee may amend the Navajo Nation Gaming Revenues Fund Management Plan upon recommendation of the Navajo Nation Gaming Regulatory Office and the Navajo Nation Department of Justice.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the Budget and Finance Committee of the Navajo Nation Council at a duly called meeting held at Window Rock, Navajo Nation (Arizona), at which a quorum was present and that the same was passed by a vote of 4 in favor, 0 opposed, this 5th day of April, 2016.



Seth Damon, Chairperson

Budget and Finance Committee

Motion: Lee Jack, Sr.

Second: Tom T. Chee

Gaming Revenues Fund Management Plan

1. Establishment

A. In accordance with the requirements of the Navajo Nation Gaming Distribution Plan, 12 N.N.C. § 2205(A)(2)., the Budget and Finance Committee hereby establishes the Gaming Revenues Fund Management Plan. The net gaming revenues received by the Navajo Nation government from the Navajo Nation Gaming Enterprise shall be deposited by the Navajo Nation Controller into a special revenue fund and distributed in accordance with this Gaming Revenues Fund Management Plan. This Gaming Revenues Fund Management Plan does not govern the use of revenues received from the lease of gaming machines to other Indian Nations, which is instead addressed through the Gaming Development Fund, 12 N.N.C. § 1601 et seq.

B. The Gaming Revenues Fund Management Plan is adopted herein to be flexible enough to be adjusted from time to time by the Budget and Finance Committee, as specific needs are identified, to comply with the Indian Gaming Regulatory Act and all other applicable laws.

2. Purpose

The purposes for the Fund Management Plan are to:

A. Establish the procedures for the Navajo Nation to allocate gaming revenues in a manner which recognizes both the immediate and long-term needs of the Navajo Nation and its members, and meets the requirements of the Indian Gaming Regulatory Act. Such needs are identified in 12 N.N.C. § 2202(B) and include, but are not limited to, the development of infrastructure, health, housing, education, scholarship, job training, elderly care, veterans' benefits, police and fire services, and economic development; and

B. Ensure proper accounting for net gaming revenues in accordance with the Indian Gaming Regulatory Act and applicable federal laws.

3. Program Administration

A. Funding Source

The Funding source of the special revenue fund shall be net gaming revenues generated by the Navajo Nation Gaming Enterprise and distributed to the Navajo Nation Government by the Navajo Nation Gaming Enterprise, in accordance with the Navajo Nation Gaming Distribution Plan.

B. Legislative Oversight

The Budget and Finance Committee of the Navajo Nation Council shall be the legislative oversight for funds appropriated under this Plan.

C. Budgeting

The use and request for gaming revenues funds shall be budgeted through the Navajo Nation budget process, in accordance with the Budget Instructions Manual adopted on an annual basis by the Budget and Finance Committee.

4. Distribution of Revenues

The net gaming revenue deposited into the special revenue fund, after deduction of statutory set-aside (as provided in 12 N.N.C. §2202 et. seq.), shall be distributed as follows:

A. An amount equal to Five percent (5%) of the net revenues deposited from the Navajo Nation Gaming Enterprise shall be divided equally and distributed to the host gaming chapter(s) through the budget process, which revenues shall be used by the host gaming chapter(s) for the purpose identified in 12 N.N.C. §2202(B) and consistent with the Office of the Controller's internal procedures; then

B. The remaining net gaming revenue shall be distributed equally to the non-host chapter(s) through the budget process, which revenues shall be used by the non-host gaming chapter(s) for the purpose identified in 12 N.N.C. §2202(B) and consistent with the Office of the Controller's internal procedures; then

C. The remaining net gaming revenues shall be distributed as authorized by the Budget and Finance Committee through the budget process, in accordance with Generally Accepted Accounting Principles and for the purposes identified in 12 N.N.C. §2202(B) .

5. Recording, Depositing and Expending Revenues

The Office of the Controller shall establish internal procedures for the recording, depositing, and the expending of revenues from the special revenue fund. The Office of the Controller shall maintain this special revenue fund in a separate account with its own balance sheets with revenue and expenditure statements. The Controller may seek input on such internal procedures from the Navajo Gaming Regulatory Office.

6. Budget Requirements

Each year the Navajo Nation shall develop a budget for the special revenue fund using the appropriate Navajo Nation budget forms provided by the Office of Management and Budget.

7. Auditing and Reporting Requirements

A. The fund shall be audited annually by independent auditors as part of the overall audit of the Navajo Nation Government.

B. The Navajo Gaming Regulatory Office shall have the authority to conduct unannounced audits of the special revenue fund and expenditures from the special revenue fund to ensure compliance with federal law.

C. Any host gaming chapter which receives net gaming revenues from the special revenue fund shall prepare quarterly reports detailing expenditures there from and shall submit such reports to the Controller and the Budget and Finance Committee of the Navajo Nation Council.

8. Amendments

The Fund Management Plan may be amended from time to time upon approval by the Budget and Finance Committee of the Navajo Nation Council upon provision of no less than ten (10) working days to the Navajo Gaming Regulatory Office for review of the draft amendments. The purpose of the review by the Navajo Gaming Regulatory Office is to allow the Navajo Gaming Regulatory Office the opportunity to make recommendations on such draft amendments in order to ensure Navajo Nation compliance with federal law, in accordance with 12 N.N.C. §2205(A)(2).