

23rd NAVAJO NATION COUNCIL LEGISLATION SPONSORSHIP WITHDRAWAL

1, Seth Daniel , Primary
Sponsor of proposed legislation hereby withdraw my
sponsorship of the proposed legislation. The legislation
tracking number is <u>0322-15</u> .
If there are any co-sponsors, they may re-sponsor the same
bill by beginning a new legislation.
SPONSOR SIGNATURE:
DATE: A-1/8/30/5

LEGISLATIVE SUMMARY SHEET Tracking No. 032215

DATE: September 15, 2015

TITLE OF RESOLUTION: AN ACTION RELATING TO AN EMERGENCY; FISCAL APPROPRIATION; APPROVING THE NAVAJO NATION FISCAL YEAR 2016 COMPREHENSIVE BUDGET; AND WAIVING 12 N.N.C. §820(I), §840(B)

PURPOSE: This emergency resolution, if approved, will adopt and approve the FY 2016 Comprehensive Budget for the Navajo Nation and will waive 12 N.N.C. §§ 820(I), 840(B)

This written summary does not address recommended amendments as may be provided by the standing committee. The Office of Legislative Counsel requests each committee member to review the proposed resolution in detail.

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PROPOSED NAVAJO NATION COUNCIL RESOLUTION 23rd NAVAJO NATION COUNCIL – First Year 2016

INTRODUCED BY



TRACKING NO. 0322-15

AN ACTION

RELATING TO AN EMERGENCY;

FISCAL APPROPRIATION;

APPROVING THE NAVAJO NATION FISCAL YEAR 2016 COMPREHENSIVE BUDGET; AND WAIVING 12 N.N.C. §820(I), §840(B)

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Section One. Findings

BE IT ENACTED:

- A. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §102(A).
- B. The Navajo Nation Council hereby finds that the lack of an adopted Navajo Nation Fiscal Year 2016 Comprehensive Budget constitutes an emergency for purposes of 2 N.N.C. §164(A)(16) due to the impending cessation of law enforcement services, disaster relief services, fire protection services and direct government services which would result from the absence of a Navajo Nation Fiscal Year 2016 Comprehensive Budget.
- C. The Budget and Finance Committee made recommendations concerning the budget; submitting it to the Navajo Nation Council for deliberation and approval, which included accepting the Navajo Nation Controller's Fiscal Year 2016 General Fund

Revenue Projection of total gross recurring revenue of \$217,785,000 and a net total general fund of \$163,384,000 and supporting the Navajo Nation Branch Chiefs recommended General Fund Allocations of \$172,654,000 that recognized the difference to be realized from general fund excess actual revenue less actual expenses or the net income realized of the General Fund or other fund sources prior to the close of the Fiscal Year 2015. See BFJN-18-15.

- D. The Budget and Finance Committee made recommendations concerning the final Fiscal Year 2016 Comprehensive Budget, after consultation with all oversight committees, to the Navajo Nation Council. See Legislation No. 0305-15, Budget and Finance Committee Report, September 2, 2015.
- E. The Navajo Nation Controller has received verification from the Navajo Nation Tax Commission of supplemental projected revenue of \$10,660,000, which is less Set Asides, of which \$9,270,000 will provide a balanced budget for Fiscal Year 2016; with the balance of \$1,390,000 to be reserved for possible projected revenue reductions in Fiscal Year 2015; and the Controller has determined the use of non-recurring revenue is proper under 12 N.N.C. §820(F).
- F. It is in the best interest of the Navajo Nation to approve the Navajo Nation Fiscal Year 2016 Comprehensive Budget.

Section Two. Adopting Navajo Nation Fiscal Year 2016 Budget

A. The Navajo Nation Council hereby adopts the Navajo Nation Fiscal Year 2016 Comprehensive Budget as recommended by the Navajo Nation Council's Budget and Finance Committee, BFJN-18-15 and Legislation No. 0305-15 as amended by the Budget and Finance Committee, with the Navajo Nation Controller's verification of supplemental projected revenue which balances revenues and expenditures; and approving \$1,390,000 from the supplemental projected revenue be reserved for possible revenue reductions in Fiscal Year 2015, as the extent of such reductions or impacts become known, this fund may be appropriated. The adoption of the Navajo Nation Fiscal Year 2016 Comprehensive Budget, as recommended by the Budget and

Finance Committee, shall not include the provision regarding the use of the Permanent Fund.

B. The Navajo Nation Council approves the appropriation of 12% of the Fiscal Year 2016 revenue in the amount of \$26,134,000 to the Navajo Nation Permanent Fund; 4% of Fiscal Year 2016 revenue in the amount of \$8,711,000 to the Navajo Veterans Trust Fund; 2% of Fiscal Year 2016 revenue in the amount of \$4,356,000 to the Navajo Nation Land Acquisition Trust Fund; \$2,000,000 of Fiscal Year 2016 revenue to the Capital Outlay Match Funding Special Revenue Fund; \$2,000,000 of Fiscal Year 2016 revenue to the Water Rights Claim Fund; and \$11,200,000 of Fiscal Year 2016 revenue to the Diné Higher Education Grant Fund.

C. The Navajo Nation Council hereby approves the appropriation of \$620,361,145 as the Navajo Nation Fiscal Year 2016 Operating Budget, as set forth in the attached Exhibit A, which constitutes \$172,654,000 of General Funds; \$17,500,000 Indirect Cost Credit; \$11,200,000 in Higher Education set aside funds; \$5,000,000 Personnel Savings; \$60,045,615 Proprietary Fund; \$54,628,256 Fiduciary Funds; \$25,185,239 Special Revenue Internal Funds; and \$274,148,035 Special Revenue External Funds, summarized as follows:

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1. Legislative Branch: \$16,444,089 as the Navajo Nation Fiscal Year 2016 Operating Budget, as set forth in the attached Exhibit B, which is constituted of \$14,902,730 General Fund Revenue; \$1,531,359 Indirect Cost Credit; \$10,000 Proprietary Funds; \$ 0 Fiduciary Funds, \$_0 Special Revenue Internal Funds; \$ 0 Special Revenue External Funds, for the Navajo Nation Council, various Standing Committees, boards, commissions, offices, programs, and activities within the Legislative Branch.

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2. Judicial Branch: \$15,396,641 as the Navajo Nation Fiscal Year 2016 Operating Budget, as set forth in the attached **Exhibit C**, which constitutes \$13,873,785 of

General Funds; \$81,805 Indirect Cost Credit; \$__0__ Proprietary Funds; \$__0__ Fiduciary Funds; \$__0__ Special Revenue Internal Funds and \$1,441,051 Special Revenue External Funds, for the Navajo Nation Supreme Court, district courts, family courts, various offices, programs and activities within the Judicial Branch.

- 3. Executive Branch: \$556,947,065 as the Navajo Nation Fiscal Year 2016 Operating Budget, as set forth in the attached **Exhibit D**, which constitutes \$121,060,689 of General Funds; \$12,130,282 Indirect Cost Credit; \$11,200,000 Higher Education Set Aside Funds; \$60,035,615 Proprietary Funds; \$54,628,256 Fiduciary Funds; \$25,185,239 Special Revenue Internal Funds; and, \$272,706,984 Special Revenue External Funds; for the various divisions, departments, programs and offices within the Executive Branch.
- Fixed Costs: \$27,573,350 constituted of \$18,816,796 General Funds, \$3,756,554
 Indirect Cost Credit; and \$5,000,000 Personnel Savings as set forth in the attached
 Exhibit E.
- 5. Capital Improvement Funds constituted of \$4,000,000 General Fund Revenue, to be used at chapter discretion (exception: not be used for recurring expenses), as set forth in the attached **Exhibit F**.
- 6. Chapter Non-Administrative Costs; \$12,500,000 for non-administrative costs. This does not include chapter official's stipends, permanent personnel costs, and travel expenses of chapter officials and chapter staff.
- D. The Navajo Nation Council hereby approves funding from the Fiscal Year 2015 Personnel Savings Fund as follows:

Funding of up to \$5,000,000 from the Fiscal Year 2015 Personnel Savings Fund for funding the shortfall in Defined Benefit Plan Retirement Plan, Business Unit Number 118018.

- E. The Navajo Nation Council hereby approves the carryover of unexpended Indirect Cost Credit, if any, from Navajo Nation Fiscal Year 2015 into Fiscal Year 2016.
- F. The Navajo Nation Council hereby approves the carryover of unexpended Capital Improvement Project Funds from Fiscal Year 2015 to Fiscal Year 2016.
- G. The Navajo Nation Council hereby approves the carryover of General Fund unexpended balances from Navajo Nation Fiscal Year 2015 into Fiscal Year 2016 as follows:
 - 1. \$4,000,000 for the Government Branches (Executive, Legislative, Judicial) from their respective unexpended balances, as follows:
 - a) Executive: \$2,500,000
 - b) Legislative: \$1,000,000
 - c) Judicial: \$ 500,000
 - 2. Other unexpended fund balances for Divisions, Departments and Programs listed in **Exhibit G**.
- H. The Navajo Nation Council hereby approves the Conditions of Appropriations for Navajo Nation Fiscal Year 2016, as set forth in the attached **Exhibit H**.
- I. The Navajo Nation Council hereby acknowledges that all federal, state, and local government funds addressed in the Navajo Nation Fiscal Year 2016 Comprehensive Budget are provided primarily for information purposes, as directed in the Budget Instructions and Policies Manual, and should not be deemed to limit the expenditure authority for any program, provided additional funds are accepted pursuant to 2 N.N.C. §164(B), 2 N.N.C. §301(B)(15), and 2 N.N.C. §701(A)(10).
- J. The Navajo Nation Council hereby authorizes monthly drawdowns of all deposited into BIA Account, PL7341701, Navajo Tribe, Arizona/New Mexico, which are

considered Navajo Nation General Funds as part of the overall revenue projection for support of the operations of the Navajo Nation Government.

K. The Budget and Finance Committee and the Navajo Nation Council hereby authorizes the Office of Management and Budget to carry-over available budget amounts to cover any prior year open encumbrances carried into Fiscal Year 2016 by the Office of the Controller. Further, the Office of the Controller shall ensure that the budgeted funds carried over are used specifically, and only for, those open encumbrances. The Office of the Controller shall also inform the Office of Management and Budget, in writing, of any cancelled or reduced prior year open encumbrances so that the Office of Management and Budget can make the appropriate budget adjustments.

- L. The Navajo Nation Council hereby directs the Branch Chiefs of the Executive, Legislative and Judicial Branches to prioritize the unmet needs of their respective branches and to prepare appropriate budgets for such prioritized needs for potential consideration of supplemental appropriations in Fiscal Year 2016, in accordance with 12 N.N.C. § 820(L).
- M. The Navajo Nation Council hereby waives 12 N.N.C. §820(I) requiring the development of a Capital Budget of an appropriation for the current year of the Capital Improvement Plan.
- N. The Navajo Nation Council, in harmony with the emergency resolution, authorizes a limited procedural waiver of 12 N.N.C. §840(B), which requires the adoption of a Comprehensive Budget at least "twenty (20) days" prior to the expiration of each fiscal year.
- O. The Navajo Nation Council hereby approves the Fiscal Year 2016 Budget Detail binder, included as **Exhibit I**.

A. The Navajo Nation Council directs the Office of Management and Budget to recalculate the final monetary totals such that the figures conform to the amendments

any other changes to the exhibits such that they conform to the amendments passed

Fiscal Year 2016 Budget Summary The Navajo Nation

¥	Total	556,947,065	16,444,089	15,396,641	27,573,350
,	Special Revenue Fund - External	_		1,441,051	
-	Special Revenue Fund - Internal	60,035,615 54,628,256 25,185,239 272,706,984	-		
I	Fiduciary	54,628,256	ı	1	
9	Personnel Proprietary aving Fund	60,035,615	10,000		i
ıL	Personnel Saving Fund				5,000,000
В	Higher Education Setaside	11,200,000	and the state of t		
٥	Indirect Cost Fund	12,130,282	1,531,359	81,805	3,756,554
U	Navajo Nation Indirect Cost General Fund Fund	121,060,689	14,902,730	13,873,785	18,816,796
8	Description	100xxx Executive Branch	101xxx Legislative Branch	102xxx Judicial Branch	118xxx Fixed Costs
4	Business Unit	100xxx	101xxx		118xxx
		-	2	3	4

100xxx	00xxx Executive Branch	121,060,689	12,130,282	11,200,000		60,035,615	54,628,256	25, 185, 239	60,035,615 54,628,256 25,185,239 272,706,984	556,947,065
101xxx	Legislative Branch	14,902,730	1,531,359			10,000				16,444,089
102xxx	102xxx Judicial Branch	13,873,785	81,805			1			1,441,051	15,396,641
118xxx	118xxx Fixed Costs	18,816,796	3,756,554		5,000,000					27,573,350
108xxx	108xxx Capital Projects	4,000,000		and a spin or						4,000,000
	Total:	Total: 172,654,000 17,500,000	17,500,000	11,200,000	5,000,000	60,045,615	54,628,256	25,185,239	11,200,000 5,000,000 60,045,615 54,628,256 25,185,239 274,148,035 620,361,145	620,361,145

The Navajo Nation Fiscal Year 2016 Legislative Branch Budget Summary

Business Unit	Program	Navajo Nation General Fund	Indirect Cost Fund	Proprietary Fund	Fiduciary	Special Revenue Fund -	Special Revenue Fund - External	Total
101001	Navajo Nation Council	2,046,081	745,085					2,791,166
101003	Budget & Finance Committee	91,650	8,157					99,807
101014	Navajo Nation Labor Commission	288,612	35,841			and the same of th		324,453
101015	Ofc of the Speaker	2,129,024	215,032					2,344,056
101016	Ofc of Government Development	514,959	18,762		nave.		-	533,721
101017	Ofc of Legislative Counsel	1,149,415	110,154					1,259,569
101018	Navajo Utah Commission	268,091	and the second second					268,091
101019	Ofc of Legislative Services	1,455,824	187,598					1,643,422
101020	Ethics & Rules Office	461,907	41,309		-			503,216
101021	Ofc of Election Administration	1,094,427	29,151					1,123,578
101022	Board of Elections Supervisors	138,175	- Addinguista programme and the second					138,175
101023	Black Mesa Review Board	19,126						19,126
101024	Ofc of the Auditor General	1,493,767	34,331					1,528,098
101025	Navajo-Hopi Land Commission	215,000				ļ	-	215,000
101026	Commission on Emergency Mgmt	13,157				·		13,157
101027	Eastern Agency Land Commission	110,685					-	110,685
101028	Office of Eastern Navajo Land Commission	309,234						309,234
101029	Human Rights Commission	656,111						656,111
101030	Health, Educ. and Human Services Comm.	121,940	31,453					153,393
101031	Resources and Development Committee	126,331	31,326					157,657
101032	Law and Order Committee	95,810	20,507					116,317
101033	Nabik'iyatii Committee	333,601	22,653					356,254
101034	OLS/Legislative District Assistants	1,769,803						1,769,803
901001	Navajo Nation Code Enterprise			10,000				10,000
	Total:	14.902.730	1,531,359	10,000				16.444.089

The Navajo Nation Fiscal Year 2016 Judicial Branch Budget Summary

8	O	Q	E	L	O	×	
	Navajo Nation	Indirect	Proprietary	Fiduciary	Special	Special Revenue	
E E	General	Cost Fund	Fund	Fund	- pund		otal
	Fund				Internal	External	

102001 Administrative Office of the Courts 1,566,024 81,805 102002 Chinle Judicial District 837,162 81,805 102003 Crownpoint Judicial District 709,886 709,886 102004 Window Rock Judicial District 924,196 812,127 102005 Shiprock Judicial District 812,127 818,567 102006 Tuba City Judicial District 560,421 818,567 102007 Ramah Judicial District 915,063 709,217 102010 Kayenta Judicial District 599,985 709,217 102011 Dilkon Judicial District 599,985 709,217 102013 Tohajillee Judicial District 599,985 705,075 102014 Alamo Judicial District 400,142 709,172 102015 Pueblo Pintado Circuit Court 298,712 709,172 102017 Pueblo Pintado Circuit Court 298,712 709,142 102018 Probation Services 1,691,563 709,142
Courts 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1,
8 <u>5</u> +
102001 102003 102004 102005 102006 102007 102010 102011 102014 102014 102014 102014 102014

The Navajo Nation Fiscal Year 2016 Executive Branch Budget Summary

ш	Business Unit	Program	Navajo Nation General Fund	Indirect Cost Fund	Higher Education Setaside	Proprietary Fund	Fiduciary	Special Revenue Fund -	Special Revenue Fund - External	Total
	103xxx	Executive Offices	8,431,692	815,895						9,247,587
	104xxx	Department of Justice	5,887,325	1,332,987					p	7,220,312
	105xxx	Office of Management and Budget	1,454,811	837,399						2,292,210
	106xxx	Office of Navajo Tax Commission	1,548,967	3						1,548,967
	107xxx	Office of the Controller	3,415,354	2,833,968	1	1,208,000	14,845,777	4,651,000		26,954,099
	108xxx	Division of Community Development	4,124,743	774,917			A 0.00000		6,586,157	11,485,817
	108xxx	Navajo Nation Chapters	26,975,993	3 5				2,138,966		29,114,959
	109xxx	Department of Dine' Education	8,041,836	316,562	11,200,000	45,000	766,352	4,092,997	40,417,583	64,880,330
	110xxx	Division of Economic Development	4,629,334	184,206		290,000		1,451,400		6,554,940
10	111xxx	Navajo Enviromental Protection Agency	1,752,683	96,380				2,912,076	4,876,831	9,637,970
	112xxx	Division of General Services	5,059,531	2,270,685		50,479,615			2,666,017	60,475,848
12	113xxx	Division of Health	12,638,294	111,988			274,308		53,794,925	66,819,515
13	114xxx	Divison of Human Resources	4,999,746	1,331,797		47,500	38,741,819		13,725,885	58,846,747
	115xxx	Division of Natural Resources	18,021,292	223,321		7,505,000		2,750,000	10,564,669	39,064,282
	116xxx	Division of Public Safety	9,607,450	244,428		75,500		432,000	43,649,460	54,008,838
16	117xxx	Division of Social Services	3,455,078	586,790		140,000			81,843,662	86,025,530
17	120xxx	Office of Gaming Regulatory		The second secon		200,000			1	200,000
8	121xxx	Navajo Division of Transportation	1,016,560	168,959		45,000		6,756,800	14,581,795	22,569,114
		Total:	Total: 121,060,689	12,130,282	11,200,000	60,035,615	54,628,256	25,185,239	272,706,984	556,947,065

The Navajo Nation Fiscal Year 2016 Fixed Costs Budget Summary

Business Unit									
	S	Navajo Nation General Fund	Indirect Cost Fund	Personnel Saving Fund	Proprietary Fund	Fiduciary	Special Revenue Fund -	Special Revenue Fund - External	Total
118001	Annual Audit - OOC	1,719,886	114						1,720,000
118004	Insurance Premiums - DGS	3,800,000		٠					3,800,000
118005	Utilities - DGS	2,700,000	1,434,502	***					4,134,502
118007	Telecommunications - DGS	1,100,000	523,872						1,623,872
118008	Radio Communications - DGS	310,000	309,960						619,960
118009	Equip./Furniture/Bldg. Maint OOC		4,554						4,554
118010	FMIS Debt Service - OOC	976,731							976,731
118013	Hopi Partitioned Land Rental - NHLCO	120,400							120,400
118017	Indirect Cost Plan - OMB	50,000							20,000
118018	Retirement Plan Account - DHR	000,000		5,000,000					5,600,000
118019	NN Integrated Justice Info. Sharing - JB	368,991							368,991
118020	Fixed Cost Investment Fees - OOC	150,000							150,000
13 118022	FMIS Maintenance Services - OOC	1,500,000							1,500,000
14 118023	Fixed Cost Facility Maintenance	420,788	1,483,552						1,904,340
15 NO1000	Fixed Cost Litigation - DOJ	5,000,000							5,000,000
16	Total:	18,816,796	3,756,554	5,000,000					27,573,350

Fiscal Year 2016 Capital Budget Summary The Navajo Nation

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ang J	usiness Unit	Description		Navajo Nation General Fund	Indirect Cost Fund	Proprietary Fund	Fiduciary Fund	Special Revenue Fund - Internal	Special Revenue Fund - External	Totai
-	08xxx	108xxx Capital Projects (NN Chapters)		4,000,000						4,000,000
			Total:	4,000,000						4,000,000

Fund Carryovers

- 1. Business Unit No. 102019, Judicial Conduct Commission. \$100,000 or remaining balance.
- 2. Business Unit No. 101020, Ethics and Rules Office. Remaining balance from object code 6520, Consulting.
- 3. Business Unit No. 101021, Election Administration Office. Remaining balance.
- 4. Business Unit No. 118023, Facilities Maintenance Fixed Cost. \$670,000 or remaining balance.
- 5. Business Unit No. 510003, Tourism Department. \$2,000,000 or remaining balance.
- 6. Business Unit No. 910005, Karigan Professional Office. \$100,000 or remaining balance.



MEMORANDUM

TO: Honorable Seth Damon

Navajo Nation Council

FROM:

Levon B. Henry, Chief Legislative Counsel

Office of Legislative Counsel

DATE: September 15, 2015

SUBJECT: AN ACTION RELATING TO AN EMERGENCY; FISCAL

APPROPRIATION; APPROVING THE NAVAJO NATION FISCAL YEAR 2016 COMPREHENSIVE BUDGET; AND WAIVING 12 N.N.C. §820(I),

§840(B)

Pursuant to your request, attached is the above-referenced proposed resolution and associated legislative summary sheet. Based on existing law and review of the documents submitted, the resolution as drafted is legally sufficient. However, as with all legislation, it is subject to review by the courts in the event of a challenge.

The Office of Legislative Council confirms the appropriate standing committee(s) reviews based on the standing committees powers outlined in 2 N.N.C. §§ 301, 401, 501, 601 and 701. Nevertheless, "the Speaker of the Navajo Nation Council shall introduce [the proposed resolution] into the legislative process by assigning it to the respective oversight committee(s) of the Navajo Nation Council having authority over the matters for proper consideration." 2 N.N.C. § 164(A)(5).

Please review the proposed resolution to ensure it is drafted to your satisfaction. If this proposed resolution is acceptable to you, please sign it where it indicates "Prime Sponsor", and submit it to the Office of Legislative Services for the assignment of a tracking number and referral to the Speaker.

If the proposed resolution is unacceptable to you, or if you have further questions, please contact me at the Office of Legislative Counsel and advise me of changes you would like made to the proposed resolution. You may contact me at (928) 871-7166. Thank you.

THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0322-15__ SPONSOR: <u>Seth Damon</u>

TITLE: An Action Relating To An Emergency; Fiscal Appropriation; Approving The Navajo Nation Fiscal Year 2016 Comprehensive Budget; And Waiving 12N.N.C. §820(I), §840(B)

Date posted: September 15, 2015 at 8:01PM

Digital comments may be e-mailed to comments@navajo-nsn.gov

Written comments may be mailed to:

Executive Director
Office of Legislative Services
P.O. Box 3390
Window Rock, AZ 86515
(928) 871-7586

Comments may be made in the form of chapter resolutions, letters, position papers, etc. Please include your name, position title, address for written comments; a valid e-mail address is required. Anonymous comments will not be included in the Legislation packet.

Please note: This digital copy is being provided for the benefit of the Navajo Nation chapters and public use. Any political use is prohibited. All written comments received become the property of the Navajo Nation and will be forwarded to the assigned Navajo Nation Council standing committee(s) and/or the Navajo Nation Council for review. Any tampering with public records are punishable by Navajo Nation law pursuant to 17 N.N.C. *§374 et. seq.*