

**RESOLUTION OF THE  
RESOURCES AND DEVELOPMENT COMMITTEE  
Of the 23rd Navajo Nation Council---Second Year 2016**

**AN ACTION RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE,  
APPROVING THE NAVAJO NATION DEPARTMENT OF WATER RESOURCES, WATER  
CODE ADMINISTRATION ENTERPRISE FUND ALLOCATION MODIFICATION IN THE  
AMOUNT OF \$75,000.00 FOR A REVISED BUDGET OF \$725,000.00**

**BE IT ENACTED:**

**Section One. Authority**

The Resources and Development Committee is the oversight committee for the Navajo Nation Water Resources Department. 2 N.N.C. § 502(C)(1); Department of Water Resources Water Code Administration Enterprise Fund Management Plan, Section IV.

**Section Two. Findings**

A. The Department of Water Resources Water Code Administration Enterprise Fund Management Plan attached is **EXHIBIT C**.

B. The Navajo Nation Council through the Fiscal Year 2016 Navajo Nation Budget allocated \$650,000.00 from the Department of Water Resources Water Code Administration Enterprise Fund for the purposes of the Water Resources Water Code Enterprise Fund Management Plan. CS-39-15 Navajo Nation Fiscal Year 2016 Comprehensive Budget. The Department of Water Resources requests a modification of \$75,000.00 to the Fiscal Year 2016 Comprehensive Budget allocation. The requested budget modification documents are attached as **EXHIBIT A**.

C. Pursuant to the Department of Water Resources Enterprise Fund Management Plan "Any change in projected revenues or planned expenditures will be processed as a budget modification and processed through normal Navajo Nation budget policy and procedures for review and approval of such modifications." Water Resources Enterprise Fund Management Plan Section VII (C).

D. A budget modification which the Fiscal Year 2016 Budget Instructions Manual defines and explains as "a change in previously approved budget which usually involves an increase to an existing business unit budget; shall require oversight committee approval, unless it is an approved carryover funds." Fiscal Year 2016 Budget Instructions Manual (X)(D)(1)(c).

E. Pursuant to the November 13, 2015 memorandum from the Office of the Controller, attached hereto as **EXHIBIT B**, the Fiscal Year 2016 Revised Recommended Budget Level for the Water Code Administration [Enterprise Fund] has been revised to \$725,000.00 of which \$650,000.00 was allocated in the Fiscal Year 2016 Comprehensive Budget, CS-39-15, and \$75,000.00 is requested through this budget modification.

F. A memorandum dated August 5, 2015 from the Division of Natural Resources Division Director states the reasons for the modification to the funding level. The memorandum is attached as **Exhibit D**.

### **Section Three. Approval**

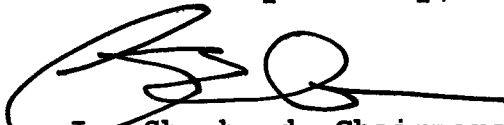
The Navajo Nation hereby approves the Department of Water Resources Enterprise Fund Management Plan Fund Account Number 515005 fund modification of \$75,000.00, in accord with the budget documents, attached hereto as **EXHIBIT A**.

### **Section Four. Directive to the Office of Management and Budget**

The Office of Management and Budget is directed to include this allocation in the Fiscal Year 2016 Executive Branch Proprietary Funds listing.

### **CERTIFICATION**

I, hereby, certify that the foregoing resolution was duly considered by the Resources and Development Committee of the 23<sup>rd</sup> Navajo Nation Council at a duly called meeting at Navajo Department of Transportation, (Navajo Nation) Tse Bonito, New Mexico, at which quorum was present and that same was passed by a vote of 3 in favor, 0 opposed, 1 abstained this 12<sup>th</sup> day of July, 2016.

  
Alton Joe Shepherd, Chairperson  
Resources and Development Committee  
Of the 23<sup>rd</sup> Navajo Nation Council

Motion: Honorable Benjamin Bennett  
Second: Honorable Jonathan Perry

# THE NAVAJO NATION PROGRAM BUDGET SUMMARY

FY 2016

Page 1 of 4

EXHIBIT

**A**

PART I. Business Unit No.: 515005 Program Title: DWR / TCOB Water Code Section Division/Branch: DNR / Executive  
 Prepared By: M. Natonabab Phone No.: 928-729-4132 Email Address: manatonabab@yahoo.com

| PART II. FUNDING SOURCE(S) |  | Fiscal Year Term    | Amount   | % of Total | PART III. BUDGET SUMMARY          |   |                  |                |
|----------------------------|--|---------------------|----------|------------|-----------------------------------|---|------------------|----------------|
| Special Revenue Fund       |  | 10/01/15 - 09/30/16 | \$75,000 | 100%       |                                   |   |                  |                |
|                            |  |                     |          |            |                                   |   |                  |                |
|                            |  |                     |          |            | 2001 Personnel Expenses           | 5 | 467,003          | 0              |
|                            |  |                     |          |            | 3000 Travel Expenses              | 5 | 67,058           | 0              |
|                            |  |                     |          |            | 3500 Meeting Expenses             |   |                  | 0              |
|                            |  |                     |          |            | 4000 Supplies                     | 5 | 51,456           | 56,634         |
|                            |  |                     |          |            | 5000 Lease and Rental             | 5 | 2,000            | 0              |
|                            |  |                     |          |            | 5500 Communications and Utilities | 5 | 24,414           | 0              |
|                            |  |                     |          |            | 6000 Repairs and Maintenance      | 5 | 8,500            | 0              |
|                            |  |                     |          |            | 6500 Contractual Services         |   | 17,668           | 17,668         |
|                            |  |                     |          |            | 7000 Special Transactions         | 5 | 11,901           | 0              |
|                            |  |                     |          |            | 8000 Public Assistance            |   |                  | 0              |
|                            |  |                     |          |            | 9000 Capital Outlay               |   | 0                | 18,366         |
|                            |  |                     |          |            | 9500 Matching Funds               |   |                  | 0              |
|                            |  |                     |          |            | 9500 Indirect Cost                |   |                  | 0              |
|                            |  |                     |          |            | <b>TOTAL</b>                      |   | <b>\$650,000</b> | <b>725,000</b> |

| PART IV. POSITIONS AND VEHICLES           |  | (D) | (E) |
|-------------------------------------------|--|-----|-----|
| Total # of Positions Budgeted:            |  | 6   | 6   |
| Total # of Permanently Assigned Vehicles: |  | 4   | 4   |

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

Najam H. Tariq  
 SUBMITTED BY: Program Manager's Printed Name and Signature / Date  
Najam H. Tariq 4/11/16

Bidliah Becker  
 APPROVED BY: Division Director/Branch Chief's Printed Name and Signature / Date  
Bidliah Becker 4/11/2016

# THE NAVAJO NATION PROGRAM PERFORMANCE CRITERIA

FY 2016

Page 2 of 4

## PART I. PROGRAM INFORMATION:

Business Unit No.: 515005

Program Name/Title: \_\_\_\_\_

DWR / TCOB Water Code Section \_\_\_\_\_

## PART II. PLAN OF OPERATION REFERENCE/LEGISLATED PROGRAM PURPOSE:

**GSCJY-50-00**

A. The Department of Water Resources shall plan, coordinate, develop and manage the water resources of the Navajo Nation for its maximum beneficial use and promote the sovereignty of the Navajo Nation over its water; B) The Department of Water Resources shall provide administration and ensure compliance with all applicable laws, rules, regulations, policies and procedures related to the department's administrative, technical and financial matters; C) The Department of Water Resources shall operate and maintain all livestock, irrigation and domestic water facilities under its jurisdiction; D) The Department of Water Resources shall study, plan, design, construct, rehabilitate and otherwise be responsible for providing engineering, geohydrological, drilling and construction support to water development projects; E) The Department of Water Resources shall study, plan, design, monitor, construct, rehabilitate/upgrade all recognized major dams on the Navajo Reservation; F) The Department of Water Resources shall protect and manage the resources of the Navajo Nation; G) The Department of Water Resources shall serve as a Navajo Nation repository for water and climate related data including reports, books, maps, government publications and other materials pertinent to the purposes of the Department.

## PART III. PROGRAM PERFORMANCE CRITERIA:

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

### 1. Program Performance Area:

To report on a quarterly basis, the following program statistics and services provided

#### Goal Statement:

Process 80% of the quarter's water use & well permit applications

actual % = no. processed (P) divided by no. received (R), or P / R

### 2. Program Performance Area:

Revenue generation from filing fees, water use fees, etc.

#### Goal Statement:

Generate water use fees of at least \$400,000 per year

### 3. Program Performance Area:

Efficiency in Water Use Dispute Mediation

#### Goal Statement:

Mediate at least 80% of reported disputes / quarter

actual % = no. mediated (M) divided by no. reported (R), or M / R

### 4. Program Performance Area:

Public Outreach

#### Goal Statement:

Give at least three (3) chapter presentation / quarter on WCA

### Program Performance Area:

### 5. Interagency Cooperation

#### Goal Statement:

Do 3 interagency meetings / presentations on the Water Code each quarter

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

Najam H. Tariq

Program Manager's Printed Name and Signature/Date

Bidtah Becker

Division Director/Branch Chief's Printed Name and Signature / Date

**THE NAVAJO NATION  
DETAILED LINE ITEM BUDGET AND JUSTIFICATION**

FY 2016

Page 3 of 4

| <b>PART I. PROGRAM INFORMATION:</b><br>Program Name/Title: _____ DWR / TCOB Water Code Section _____ Business Unit No.: <u>515005</u> |                                                                                                                    |                                     |                                  |
|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|-------------------------------------|----------------------------------|
| <b>PART II. DETAILED BUDGET:</b>                                                                                                      |                                                                                                                    |                                     |                                  |
| (A)                                                                                                                                   | (B)                                                                                                                | (C)                                 | (D)                              |
| Object Code<br>(LOD 6)                                                                                                                | Object Code Description and Justification                                                                          | Total by<br>DETAILED<br>Object Code | Total by<br>MAJOR<br>Object Code |
|                                                                                                                                       | <b>Revenues</b>                                                                                                    |                                     | <b>(75,000)</b>                  |
| 1220                                                                                                                                  | Sales Taxes<br>1221 - Current Year<br><br>3,550.00                                                                 | (3,550)                             |                                  |
| 1852                                                                                                                                  | Fees<br>1854 - Filing Fee<br>1869 - Other Permit Fees ( <i>Water Usage Fees</i> )<br><br>\$1,775.00<br>\$69,225.00 | (71,000)                            |                                  |
| 1880                                                                                                                                  | Sales<br>1881 - Retail Sales ( <i>Water Code Manual</i> )<br><br>450                                               | (450)                               |                                  |
| <b>TOTAL</b>                                                                                                                          |                                                                                                                    | <b>(75,000)</b>                     | <b>(75,000)</b>                  |

**THE NAVAJO NATION  
DETAILED LINE ITEM BUDGET AND JUSTIFICATION**

|                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                              |                                           |
|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|-------------------------------------------|
| <b>PART I. PROGRAM INFORMATION:</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                              |                                           |
| Program Name/Title: _____           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Business Unit No.: 515005                    |                                           |
| DWR / TCOB Water Code Section       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                              |                                           |
| <b>PART II. DETAILED BUDGET:</b>    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                              |                                           |
| <b>(A)</b>                          | <b>(B)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>(C)</b>                                   | <b>(D)</b>                                |
| <b>Object Code<br/>(LOD 5)</b>      | <b>Object Code Description and Justification</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Total by<br/>DETAILED<br/>Object Code</b> | <b>Total by<br/>MAJOR<br/>Object Code</b> |
|                                     | <b>4000 SUPPLIES</b><br>Additional funding for supplies, materials, duplicating water use permits, print manuals/brochures and other forms which will allow for continued services to the general public federal/state agencies. Cover cost for items considered as expendable office supplies, i.e., stationaries, envelopes, folders, perforated paper, ribbons, staples, copy paper, pens, pencils, computer/xerox/printer toners, cartridges/drums, postage, certified mail, newspaper (media), publication subscriptions, computer and mapping software and janitorial supplies. | 56,634                                       | 56,634                                    |
| <b>4410</b>                         | <b>OPERATING SUPPLIES</b><br>4420 - General Operating Supplies<br>4440 - Non-Cap Computer Software<br>4450 - Postage, Courier, Shipping (\$25 per quarter)<br>4490 - Custodial Supplies<br>4530 - Printing/Binding/Photocopying<br>4540 - Books, Periodicals, Subscription 2 @ 100/year                                                                                                                                                                                                                                                                                               |                                              |                                           |
|                                     | <b>9000 - CAPITAL OUTLAY</b><br>Cost for addition to current office building (install coverage passageway, construction, installation, anchors, skirting, delivery and setup cost)                                                                                                                                                                                                                                                                                                                                                                                                    |                                              | 18,366                                    |
| <b>9050</b>                         | <b>Building</b><br>9052 - Building<br>9054 - Building Improvement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 18,366                                       |                                           |
| <b>TOTAL</b>                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 75,000                                       | 75,000                                    |





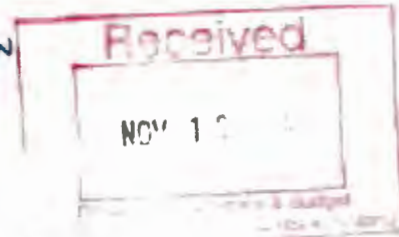
THE NAVAJO NATION

RUSSELL BEGAYE PRESIDENT  
JONATHAN NEZ VICE-PRESIDENT



MEMORANDUM

*Begaye 11-16-15  
To: Budget Section*



TO: Dominic Beyal, Director  
Office of Management and Budget

DATE: November 13, 2015

FROM: *Robert Willie*  
Robert Willie, Acting Controller  
OFFICE OF THE CONTROLLER

SUBJECT: **Fiscal Year 2016 Revised: Recommended for Budget Levels for Navajo Nation  
Special Revenue Funds, Fiduciary Funds, and Proprietary Funds**

Attached is the revised Fiscal Year 2016 Revenue Budget Recommendation for Special Revenue Funds, Fiduciary Funds, and Proprietary Funds. Permanent Fund has been revised and the new totals are \$506,777 and \$10,920,000. Water Code Administration's new total for FY 2016 is \$725,000.

Also, there is a new fund, Sihasin Fund, which has a budget of \$2,162,500.

Should there be any questions, call me at tribal extension 6125.

**SCHEDULE OF RECOMMENDED FY 2016 BUDGET LEVELS FOR VARIOUS  
NAVAJO NATION SPECIAL REVENUE FUNDS, FIDUCIARY FUNDS AND PROPRIETARY FUNDS**

| FUND<br>TYPE | TRIAL<br>DIVISION     | FUND<br>DESCRIPTION                                  | FY 2015 INVESTMENT<br>INCOME PROJECTIONS | FY 2015 RECOMMENDED<br>PROGRAM BUDGET | USE OF UNRESTRICTED<br>RESERVES TO MAINTAIN<br>2015 FUNDING LEVEL | TOTAL 2015<br>RECOMMENDED<br>PROGRAM BUDGET | BUDGET PORTION TO BE<br>SUBMITTED BY OGC FOR<br>INVESTMENT ADMIN. FEES |
|--------------|-----------------------|------------------------------------------------------|------------------------------------------|---------------------------------------|-------------------------------------------------------------------|---------------------------------------------|------------------------------------------------------------------------|
| SR           | Education             | Scholarship - Graduates                              | 800,000(100%)                            | 800,000                               | 130,000                                                           | 900,000                                     | 130,000                                                                |
| SR           | Education             | Scholarship - Teachers                               | 90,000(100%)                             | 90,000                                | 0                                                                 | 90,000                                      | 90,000                                                                 |
| SR           | Education             | 1982 Claims - Scholarship                            | 500,000(100%)                            | 500,000                               | 52,000                                                            | 420,000                                     | 32,000                                                                 |
| SR           | Education             | Nav. Eng. & Const. Auth. (NECA)                      | 300,000(100%) (B)                        | 268,196                               | 0                                                                 | 275,997                                     | 0                                                                      |
| Fid          | Education             | Vocational Education Trust                           | 400,000(100%) (B)                        | 417,037                               | 77,059                                                            | 441,059                                     | 38,000                                                                 |
| Fid          | Education             | Handicapped Trust                                    | 450,000(95%) (A)                         | 349,117                               | 0                                                                 | 308,466                                     | 38,000                                                                 |
| Fid          | Education             | Navajo Preparatory                                   | 17,000(100%) (B)                         | 16,822                                | 0                                                                 | 16,822                                      | 0                                                                      |
| SR           | Comm. Devel.          | 1982 & 1986 Claims - Chapters                        | 3,000,000(95%) (A)                       | 2,270,084                             | 0                                                                 | 1,881,968                                   | 140,000                                                                |
| Fid          | Health                | Senior Citizens Trust                                | 370,000(95%) (A)                         | 304,951                               | 0                                                                 | 274,308                                     | 35,000                                                                 |
| Fid          | Human Resources       | Retirement Fund (Employees)                          | 28,000,000(100%)                         | 29,825,000                            | 0                                                                 | 31,436,000                                  | 3,000,000                                                              |
| Fid          | Human Resources       | 401 (K) Plan - Nihobeeo Svcs.                        | 600,000(100%)                            | 0                                     | 0                                                                 | 0                                           | 0                                                                      |
| SR           | Economic Devel.       | Navajo Tourism Fund                                  | 1,500,000(100%)                          | 1,470,000                             | 0                                                                 | 1,451,400                                   | 0                                                                      |
| SR           | Natural Res.          | Land Acquisition Trust Fund                          | 2,880,000(90%)                           | 2,100,000                             | 0                                                                 | 2,100,000                                   | 0                                                                      |
| Fid          | Off. of Controller    | Permanent Fund                                       | 40,000,000(100%)                         | 520,777                               | 0                                                                 | 598,777                                     | 280,000                                                                |
| Fid          | Off. of Controller    | Sihasin Fund (NEIW)                                  | 16,186,828(100%)                         | 0                                     | 0                                                                 | 2,182,508                                   | 10,829,000                                                             |
| PR           | Div. of Gen. Serv.    | Workers Compensation                                 | 1,000,000(100%)                          | 3,000,000                             | 0                                                                 | 4,000,000                                   | 2,182,500                                                              |
| Fid          | Human Resources       | Veterans Trust Fund                                  | 1,600,000(100%) (B)                      | 2,344,391                             | 0                                                                 | 2,991,319                                   | 65,000                                                                 |
| Fid          | Human Resources       | Veterans Trust Fund-Homes                            | N/A                                      | 0                                     | 0                                                                 | 4,355,500                                   | 310,000                                                                |
| SR           | NNEPA                 | EPA/Underground Storage Tank 1150511002              | N/A                                      | 120,000                               | 0                                                                 | 120,000                                     | 0                                                                      |
| SR           | NNEPA                 | EPA/Leaking UST 1160511001                           | N/A                                      | 400,000                               | 0                                                                 | 400,000                                     | 0                                                                      |
| SR           | NNEPA                 | EPA/UC Program 1170511003                            | N/A                                      | 241,000                               | 0                                                                 | 245,000                                     | 0                                                                      |
| SR           | Div. of Nat. Res.     | Navajo Reforestation                                 | N/A                                      | N/A                                   | 0                                                                 | 0                                           | 0                                                                      |
| SR           | Comm. Devel.          | Road Maintenance                                     | N/A                                      | 7,166,800                             | 0                                                                 | 6,766,800                                   | 0                                                                      |
| SR           | NNEPA                 | Public Water System Program 1260511005               | N/A                                      | 250,000                               | 0                                                                 | 300,000                                     | 0                                                                      |
| SR           | NNEPA                 | Air Quality Control/Operating Permit Prog 1180511007 | N/A                                      | 1,100,000                             | 0                                                                 | 1,197,076                                   | 0                                                                      |
| SR           | NNEPA                 | Hazardous Substance Fund 1330511007                  | N/A                                      | 0                                     | 0                                                                 | 0                                           | 0                                                                      |
| SR           | NNEPA                 | Water Quality Fund 1330511008                        | N/A                                      | 0                                     | 0                                                                 | 0                                           | 0                                                                      |
| SR           | Div. of Public Safety | Judicial/Public Safety Facilities                    | N/A                                      | 3,000,000                             | 0                                                                 | 50,000                                      | 0                                                                      |
| SR           | Off. of Controller    | Finance & Accounting Scholarship Project             | N/A                                      | 65,000                                | 0                                                                 | 4,000,000                                   | 0                                                                      |
| SR           | Water Resources       | Water Code Administration                            | N/A                                      | 650,000                               | 0                                                                 | 60,000                                      | 0                                                                      |
| SR           |                       |                                                      |                                          |                                       |                                                                   | 725,000                                     | 0                                                                      |

(A) Legislation mandates that 95% of Investment Income is allowed for expenditures purposes.  
 (B) Revised legislation for Voc. Ed., NECA and Navajo Preparatory authorizes expenditure of 4% of prior Fiscal Year End Market Value of the Fund.  
 Veterans Trust is average Market Value over the last 12 quarters.

*Robert Willie* 11-13-15  
 Robert Willie, Acting Controller





NAVAJO NATION DIVISION OF NATURAL RESOURCES,  
DEPARTMENT OF WATER RESOURCES,  
WATER CODE ADMINISTRATION

ENTERPRISE FUND MANAGEMENT

August 30, 2005

I. ESTABLISHMENT

There is hereby established a Water Code Administration Enterprise Fund, for use by the Water Code Administration within the Department of Water Resources, Division of Natural Resources.

II. PURPOSE

The Water Code Administration Enterprise Fund shall be used to facilitate administration and implementation of the Navajo Nation Water Code, 22 N.N.C. §§ 1101 *et seq.*, by serving as a repository for permit application fees, water use fees, and such other incidental funds that may be collected pursuant to the Navajo Nation Water Code, and related laws, administrative rules, regulations, and policies, and/or duly approved resolutions of the Resources Committee of the Navajo Nation Council, to provide for a mechanism to improve services of the Water Code Administration and to increase revenue generation by facilitating actions necessary to implement the Navajo Nation Water Code.

III. OBJECTIVES

To protect and enhance the people's rights and interests in the waters of the Navajo Nation. And, to more effectively and efficiently manage and employ funds generated by the Water Code Administration, and thereby improve Water Code implementation, performance, administration, technical assistance, compliance, revenue generation, enforcement, and conflict resolution actions relating to the Navajo Nation Water Code, as identified in 22 N.N.C. §§ 1101 *et seq.* and related laws, administrative rules, regulations, policies, and/or duly approved resolutions of the Resources Committee of the Navajo Nation Council.

IV. LEGISLATIVE OVERSIGHT AND AUTHORITY

A. Resources Committee of the Navajo Nation Council

Pursuant to 2 N.N.C. §§ 691 *et seq.*, the Resources Committee is established as a standing committee of the Navajo Nation Council and is responsible for overseeing all matters pertaining to the development and use of natural resources. Further, under 22 N.N.C. §§ 1301 *et seq.*, the Resources Committee has several specified responsibilities under the Navajo Nation Water Code.

#### B. Budget and Finance Committee of the Navajo Nation Council

Pursuant to 2 N.N.C. §§ 371 *et seq.*, the Budget and Finance Committee of the Navajo Nation Council is established as a standing committee of the Council, with a principal purpose of overseeing and regulating the fiscal, financial, investment, contracting, and audit practices of the Nation.

### V. ADMINISTRATION

#### A. Water Code Administration

The Water Code Administrator, pursuant to 22 N.N.C. §§ 1101 *et seq.*, Resources Committee Resolution RCAP-65-97, and delegation memorandum dated February 20, 2003, from the Director, Division of Natural Resources, to the Director, Department of Water Resources, (1) collects all fees and receipts described in part VI. A., below, as Sources of Revenues, (2) prepares an annual budget and expenditure plan for review and approval by the Department Director, Division Director, and appropriate administrative and legislative authorities, (3) prepares long- and short-term operation and action plans for the Water Code Administration pursuant to Division-wide and Department-wide management and planning directives, (4) prepares, as needed, equipment, staff, service, and technology improvement proposals for consideration and potential approval by appropriate offices and authorities, and (5) acquires necessary goods and services through normal procurement and contracting processes and procedures in order to achieve the Objectives of Section II, above.

#### B. Office of the Controller and Office of Management and Budget

The Accounting Managers within the Office of the Controller and the Office of Management and Budget, in a manner prescribed by Navajo Nation policies, procedures, rules, regulations, and laws, have the authority and related responsibilities to (1) establish Enterprise funds for the deposit and management of all fees, receipts, and revenues described below as Sources of Revenues, (2) review and regulate expenditures from such established Enterprise Fund Accounts to insure compliance with existing Navajo Nation policies, procedures, rules, regulations, and laws regarding such accounts, and (3) maintain an accurate accounting of all transactions in the manner prescribed by Section VII below on Accounting, Expenditure Controls, and Cash Management.

### VI. SOURCES OF REVENUE & FEE ESTABLISHMENT

#### A. Sources

The following sources of revenue are to be deposited in the Water Code Administration Enterprise Fund Account. Permit application and filing fees, water use fees, incidental charges for copies of the water code and other documents. Appropriate fees for any special technical services. Any current or future fines and penalties that may

be assessed for violations of applicable provisions the Navajo Nation Water Code and/or related laws, administrative rules, regulations, and policies, and/or duly approved resolutions of the Resources Committee. Such other appropriate fees, fines, or revenues as may be established by duly approved resolutions or laws of the Resources Committee or the Navajo Nation Council.

#### B. Establishment

Incidental application and other fees, fines, and revenue rates shall be established by the Water Code Administrator, in consultation with the Director of the Department of Water Resources and the Director of the Division of Natural Resources. Water use fees, however, will be formally established by no less authority than the Resources Committee.

#### C. Waivers and Limitations

Fees may only be waived for emergency purposes, circumstances of bona fide financial hardship (at the discretion of the Water Code Administrator), or to further special and officially identified project or policy purposes of the Navajo Nation, or for purposes of the public health, safety, and welfare. Waivers can include, but are not limited to, such things as fire emergency water uses, public health exigencies, urgent drought responses, and so on, based on the best judgment of the Water Code Administrator, and/or other appropriate authorities, such as the Directors of the Department of Water Resources and Division of Natural Resources, the Resources Committee, or the Navajo Nation Council. All fees shall be on a basis as described in provision VIII. D. below. Extending credit is not to be allowed.

### VII. ANNUAL BUDGET/EXPENDITURE PLAN

#### A. Preparation & Review

An annual budget and expenditure plan pertaining to use of the Water Code Administration Enterprise Fund will be prepared for review and approval by the Department and Division Directors, and the Resources Committee. This plan will then be incorporated into the regular annual Navajo Nation budget for review and approval by the Budget and Finance Committee and the Navajo Nation Council.

#### B. Revenue Projections

The plan will include detailed projections of revenues for the upcoming fiscal period and detailed line item expenditures planned for the same fiscal period.

#### C. Modifications

Any change in projected revenues or planned expenditures will be processed as a budget modification and processed through normal Navajo Nation budget policy and procedures for review and approval of such modifications.

## VIII. ACCOUNTING AND EXPENDITURE CONTROL

### A. Books of Account & Reports

All books of account for the Water Code Administration Enterprise Fund shall be maintained by the Office of the Comptroller and Office of Management and Budget in accordance with generally accepted accounting principles and Navajo Nation accounting policies and procedures. The Water Code Administrator shall receive a monthly report detailing revenues received, expenditures, and open commitments.

### B. Deposits and Receipts

All receipts shall be deposited in an appropriate depository account, or accounts, on a daily basis, if practical, and in no case shall the deposit be delayed past the close of business the day following receipt, in the absence of verified and recorded mitigating circumstances. Field cash receipts or other equivalent records shall be issued for any fees or other revenues regardless of amount.

### C. Expenditures

Revenue generated and received may be expended for the following, as needed, and where not otherwise covered by general or other approved funds: travel and per diem; training; staff salary and fringe benefits; office furniture and operating supplies; rental, lease, and/or purchase of office and field equipment; rental, lease, and/or purchase of cleaning and janitorial equipment, supplies, and services; repair and maintenance of office and support buildings; contractual commitments; Water Code public outreach and/or advertising and promotion; public and in-house Water Code-related events. All expenditures must be for the purposes cited. All non-personnel expenditures shall be made by Navajo Nation check and processed through normal Navajo Nation policy and procedures. All expenditures representing payment of wages, salaries, and benefits shall be made through the Navajo Nation Payroll System with appropriate deductions and withdrawals. No expenditure shall be authorized unless such has been approved in the annual Navajo Nation Budget. No expenditure shall be used for any illegal or unethical purposes. Finally, no expenditure shall be made to contribute to any political office holder or candidate.

### D. Money Orders, Cashier's Checks, Government Checks, Business Checks, Or Equivalent

The Water Code Administration is not authorized to accept cash or maintain cash accounts. Further, it is not authorized to accept personal checks. It is, however, authorized to accept postal and other money orders, cashier's check, government checks, or business checks, or the equivalent any one of these several types of negotiable instruments.

## IX. AUDITS AND REPORTS

### A. Account Book Availability

The books of account for the Navajo Water Code Administration shall be subject to periodic audit in conjunction with the regular Navajo Nation audit performed on all financial records of the Nation.

### B. Periodic Reports to the Resources Committee

The Water Code Administrator shall make periodic written reports to the Resources Committee on the status of the Fund. Further, any single expenditure in excess of \$10,000 must be detailed and explained separately.

## X. AMENDMENTS

This enterprise fund management plan may be amended from time to time by the Budget and Finance Committee upon recommendation of the Resources Committee.





**THE NAVAJO NATION**  
**DIVISION OF NATURAL RESOURCES**  
**Water Code Administration**

P.O. Box 678 • Fort Defiance, Arizona 86504 • (928) 729-4132 • FAX: (928) 729-4421




**Russell Begaye**  
**PRESIDENT**

**Jonathan Nez**  
**VICE PRESIDENT**

**MEMORANDUM:**

**TO :** Robert Willie, Acting Controller  
Office of the Controller  
Division of Finance

Carol Bailey, Acting Supervisor  
General Accounting  
Division of Finance

**FROM :**   
Bidtah Becker, Division Director  
Division of Natural Resources

**Date :** August 5, 2015

**Subject :** Budget Increase for Special Revenue Account # 515005

This memorandum serves as a request to increase our Water Code Section Special Revenue Account funding level from the current \$650,000 which has been in place for the past five (5) years to \$725,000.

Our FY'2015 revenue generated from October 01, 2014 to August 06, 2015 is over \$773,000 and the last five year average revenue is \$817,958.

As our revenues have been consistently increasing so have been our program's needs. Our most pressing needs at this time is to fund the Tuba City Compliance Officer Position, and funding for transportation (mileage-Vehicle), supplies, training and public awareness. The Tuba City Water Code Compliance officer position will cover the western part and will make significant improvement in Water Code compliance activities under DNR jurisdiction and will definitely increase revenues. Presently, we have only 3 Compliance Officers; 1st covers Northern, 2<sup>nd</sup> covers central and the 3<sup>rd</sup> covers eastern part of the Navajo Nation and the 4<sup>th</sup> is needed to cover the western part. In order for us to fund this position and fulfill the other above mentioned program needs, we are requesting to increase our budget ceiling to \$725,000.

Considering the increasing needs for technical reviews regarding water use and drilling permits, it was necessary to create a Civil Engineer position. This position is being advertised at this time. However, as mentioned above, a Compliance Officer is essential for Water Code compliance activities in the western part of the Navajo Nation. The Tuba City compliance officer's position has not been included in our Fiscal Year 2016 budget because of lack of

**Memo to Mr. Robert Willie, Acting Controller**  
**Page 2**

**funding. Therefore, we are requesting to increase Water Code Account # 515005 ceiling to \$725,000 to fund Tuba City Water Code Compliance Officer position in FY 2016 budget and to fulfill other program's needs.**

**Your approval of our requested in increasing the FY 2016 budget level from \$650,000 to \$725,000 will be greatly appreciated. I**

**If you have any questions regarding our request, please contact Ms. Marjorie Natonabah, Sr. Office Specialist, at (928) 729-4151 or myself at (928) 871-6592. Thank you.**