

RESOLUTION OF THE  
NAVAJO NATION COUNCIL

23RD NAVAJO NATION COUNCIL -- Third Year, 2017

AN ACTION

RELATING TO BUDGET AND FINANCE, NAABIK'ÍYÁTI' COMMITTEES AND NAVAJO NATION COUNCIL; REDISTRIBUTING MONIES HELD IN THE DEBT SERVICE PERMANENT FUND SET ASIDE ACCOUNT IN FISCAL YEAR 2017 FOR DEPOSIT INTO THE UNRESERVED, UNDESIGNATED FUND BALANCE OF THE NAVAJO NATION GENERAL FUND

BE IT ENACTED:

SECTION ONE. AUTHORITY.

- A. The Navajo Nation established the Budget and Finance Committee (BFC) as a Navajo Nation Council standing committee and as such empowered BFC to review and recommend to the Navajo Nation Council the management of all funds. 2 N.N.C. §§164 (A)(9), 300 (A), 301 (B)(2).
- B. The Naabik'íyáti' Committee is a standing committee of the Navajo Nation Council and as such proposed legislation that requires final action by the Navajo Nation Council shall be assigned to the Naabik'íyáti' Committee. 2 N.N.C. §§164 (A)(9), 700 (A).
- C. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C §102 (A).

SECTION TWO. FINDINGS.

- A. The Navajo Nation Council passed and the Navajo Nation President signed Resolution No. CS-47-13, *Approving the Navajo Nation Fiscal Year 2014 Comprehensive Budget; Waiving 12 N.N.C. §820(I); and Waiving CF-07-11*, with the Navajo Nation President exercising line item veto authority for several budget items.
- B. Through CS-47-13 the Navajo Nation Council authorized "the use of the set aside for the Permanent Fund as provide for in 12 N.N.C. §901 into a new Business Unit to fund debt service for Capital Improvements and Infrastructure Development including buildings with a cumulative value of at least \$10,000,000." See CS-47-13, paragraph 8, attached as **Exhibit A**.
- C. The Navajo Nation President did not exercise line item veto authority over the \$10,000,000 appropriation for debt service.
- D. According to the Office of the Controller, the \$10,000,000 appropriation established for Fiscal Year 2014, including interest income, has a balance of \$11,728,198.18 as of January 2017. A report indicating the amount in the fund is attached as **Exhibit B**.

- E. Appropriations approved by the Navajo Nation Council will lapse at the end of the fiscal year unless otherwise designated by the Navajo Nation Council. 12 N.N.C. §820(N).
- F. The \$10,000,000 appropriation established for Fiscal Year 2014 did not lapse, however, and is currently in account N01305, Debt Service Permanent Fund Set Aside.
- G. The Office of the Controller did not include the \$10,000,000 appropriation from Fiscal Year 2014 in the Fiscal Year 2017 Comprehensive Budget. Therefore, these funds are available for redistribution.

### SECTION THREE. CONFIRMING, ACCEPTING AND APPROVING

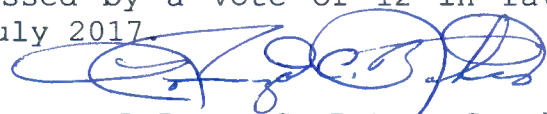
- A. The Navajo Nation confirms the \$10,000,000 appropriated in Fiscal Year 2014 as an appropriation lapse under 12 N.N.C. §820(N).
- B. The Navajo Nation accepts the \$10,000,000, held in Account N01305 Debt Service Permanent Fund Set Aside, as funds previously appropriated and available for redistribution to the General Fund Unreserved, Undesignated Fund balance.
- C. The Navajo Nation approves the redistribution of all funds currently held in account N01305, Debt Service Permanent Fund Set Aside, to the General Fund Unreserved, Undesignated Fund balance.

### SECTION FOUR. EFFECTIVE DATE

This action shall be effective in accordance with 2 N.N.C. § 221(C).

### 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 12 in favor and 06 opposed, this 20<sup>th</sup> day of July 2017.



LoRenzo C. Bates, Speaker  
Navajo Nation Council

7/28/17  
Date

Motion: Honorable Herman M. Daniels  
Second: Honorable Leonard Pete  
Speaker Bates not voting

# NAVAJO NATION

RCS# 818

NNC Summer Session

7/20/2017

02:54:46 PM

Amd# to Amd#

Legislation No. 0215-17

PASSED

MOT Daniels

Redistributing Monies held in

SEC Pete

the Debt Service Permanent Fund

Set Aside Account in FY 2017

**Yea : 12**

**Nay : 6**

**Not Voting : 6**

**Yea : 12**

BeGaye, N  
Bennett  
Damon

Daniels  
Hale  
Jack

Pete  
Phelps  
Slim

Tso  
Witherspoon  
Yazzie

**Nay : 6**

Begay, K  
Begay, S

Brown  
Chee

Crotty

Smith

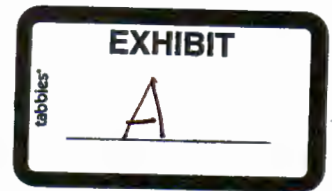
**Not Voting : 6**

Bates  
Begay, NM

Filfred  
Perry


Shepherd

Tsosie



MEMORANDUM

TO: Honorable Johnny Naize, Speaker  
The 22<sup>nd</sup> Navajo Nation Council

FROM:   
Ben Shelly, President  
THE NAVAJO NATION

DATE: September 27, 2013

SUBJECT: Legislation CJY-47-13; Relating to Budget and Finance Committee and the Naa'Bik'iyati' Committee; Approving the Navajo Nation Fiscal Year 1014 Comprehensive Budget, Waiving 12 N.N.C. §820(I); and waiving CF-07-11.

Pursuant to 2 N.N.C. §1005(C)(10), the above titled Legislation CJY-47-13 is being submitted to the Navajo Nation Council, through the Office of the Speaker, within the ten (10) days requirement.

The Navajo Nation President has line-item veto authority for budget items within the annual Navajo Nation Comprehensive Budget or Supplemental appropriations, which are not subject to override by the Navajo Nation Council. 2 N.N.C. §164(A)(17).

I hereby exercise my line-item veto authority to line-item veto in the amount of \$609,729 of the Fiscal Year 2014 Comprehensive Budget, Business Unit 407001 (\$281,218 Personnel Expenses; \$315,542 Travel Expenses; \$10,000 Lease & Rental; \$2,969 Special Transaction). The amount of \$11,552,698 is an excessive amount that is not fiscally responsible to fund. Furthermore, funding unclassified positions is an irresponsible act.

I hereby exercise my line-item veto authority to line-item veto the following Amendments to CJY-47-13 of the Undesignated, Unreserved Fund balance:

- 9b. *Funding of up to \$3,000,000 for infrastructure (waterlines and power lines) and housing within the former Bennett Freeze area and Navajo Partitioned lands to Business Unit 108004.* The current land status of the freeze area is unclear. Until the land status is assured to be under Navajo jurisdiction, the funds will remain unspent. Furthermore, unauthorized signatures violate the Navajo Nation Appropriations Act, 12 N.N.C. §800 et. al., Fiscal Year 2014 Budget Instructions and Policies Manual (pursuant to 12 N.N.C. §840(H)) and Executive Order 02-2011.



- 9d. *Funding of up to \$500,000 to assist with mileage and fuel costs for the Senior Citizen Centers, Police Vehicles, CHR, Emergency Management Service ambulance vehicles, Fire and Rescue vehicles. Budget was not attached. It is important the budget supplement request complies with the Navajo Nation Appropriations Act, 12 N.N.C. §800 et. al., Executive order No. 02-2011 and other pertinent Navajo laws.*
- 9f. *Funding of \$3,000,000 to fund Public Employment Funds for the 110 Chapters of the Navajo Nation, Business Unit 108014-108123. Unauthorized signatures of Council Delegates to submit and approve the budget form violate the Navajo Nation Appropriations Act, 12 N.N.C. §800 et. al., Fiscal Year 2014 Budget Instructions and Policies Manual (pursuant to 12 N.N.C. §840(H)) and Executive Order 02-2011.*
- 9g. *Funding of \$1,232,000: i) Chichiltah Chapter in the amount of \$600,000 for renovation of the chapter house; ii) \$300,000 for Chilchinbeto Chapter for design for the chapter; iii) \$100,000 for Teec Nos Pos Chapter House roof repair as described in the budget documents attached as an Exhibit; iv) \$90,000 for Lupton Chapter for roof repairs; v) \$142,000 for Ohjato Chapter renovation. Unauthorized signatures of Council Delegates to submit and approve the budget form violate the Navajo Nation Appropriations Act, 12 N.N.C. §800 et. al., Fiscal Year 2014 Budget Instructions and Policies Manual (pursuant to 12 N.N.C. §840(H)) and Executive Order 02-2011.*

**I hereby exercise my line-item veto authority to line-item veto the following Amendments to CJY-47-13 of the Personnel Savings Fund:**

- 10e. *Funding of up to \$46,721 (salary of \$32,219 to object code 2110 plus fringe benefits of \$14,502 to Object Code 2900) to restore a Central Records Supervisor position (Position No. 150092) for the Records Management Department, Business Unit No. 112010. Unauthorized signatures of Council Delegates to submit and approve the budget form violate the Navajo Nation Appropriations Act, 12 N.N.C. §800 et. al., Fiscal Year 2014 Budget Instructions and Policies Manual (pursuant to 12 N.N.C. §840(H)) and Executive Order 02-2011.*
- 10f. *Funding of up to \$83,100 for the Gallup Diné Health Advisory Board to advocate for the new proposed replacement health facility construction of the Gallup Indian Medical Center. Information of corporation status is uncertain and budget is inconsistent with the amendment language.*
- 10i. *Funding in the amount of \$150,000 for the demolition of the current Boys and Girls Club building to build a new District Judicial Complex serving 19 chapters in the Northern Agency. Unauthorized signatures of Council Delegates to submit and approve the budget form violate the Navajo Nation Appropriations Act, 12 N.N.C. §800 et. al., Fiscal Year 2014 Budget Instructions and Policies Manual (pursuant to 12 N.N.C. §840(H)) and Executive Order 02-2011.*
- 10k. *The amount of \$81,000 for the Dził Yjün Court, Business Unit No. 102015. Unauthorized signatures of Council Delegates to submit and approve the budget form violate the Navajo Nation Appropriations Act, 12 N.N.C. §800 et. al., Fiscal Year 2014 Budget*

Instructions and Policies Manual (pursuant to 12 N.N.C. §840(H)) and Executive Order 02-2011.

- 10m. *Funding of \$80,000; \$10,000 for each of the following fairs: Southwest Fair, Ramah fair, Aneth Fair, Shiprock Fair, Western Fair, Central Fair, Eastern Fair and Kayenta Fair. A specific entity for each fair is uncertain neither is it provided.*
- 10n. *Funding of up to \$3,500 for Speed of Trust Training for Dził Yjün Regional Chapter Officials and Staff through the Navajo Nation Staff Development and training Department, Business Unit 114006. Unauthorized signatures of Council Delegates to submit and approve the budget form violate the Navajo Nation Appropriations Act, 12 N.N.C. §800 et. al., Fiscal Year 2014 Budget Instructions and Policies Manual (pursuant to 12 N.N.C. §840(H)) and Executive Order 02-2011.*
- 10o. *Funding of up to \$550,000 for all 110 chapters General Activity Fund balance, Business Unit 108014-108123. Unauthorized signatures of Council Delegates to submit and approve the budget form violate the Navajo Nation Appropriations Act, 12 N.N.C. §800 et. al., Fiscal Year 2014 Budget Instructions and Policies Manual (pursuant to 12 N.N.C. §840(H)) and Executive Order 02-2011.*

**I hereby exercise my line-item veto authority to line-item veto carryovers k, l, m, n, and o in paragraph 17 of unexpended balances from Navajo Nation FY 2013 into FY 2014.** It is not fiscally responsible to carry over unexpended balances without an actual amount and supplemental appropriations in order to maintain the Undesignated Unreserved Fund Balance.

**I hereby exercise my line-item veto authority to line-item veto #1, #2, #3, #4, #5, #6, #7, #8, #9, #10, #11, #12, #13, #14, #16, #17, #18, #19, #20, #21 and #28 of the Fiscal Year 2014 Conditions of Appropriations (COA).** The above COAs affects the annual budget and is therefore subject to line-item veto. Employees are also subject to their due process rights, it is uncertain as to whether due process was incorporated or not.

Pursuant to 2 N.N.C. §1005(A), the Navajo Nation President is the Chief Executive Officer over the Executive Branch and its divisions and programs with full authority to conduct, supervise and coordinate personnel and programs. The President also has fiduciary responsibility for the proper and efficient operation of all Executive Branch offices. Pursuant to the above authority Executive Order No. 02-2011 was executed to define the Executive Supplement Budget Request Process. The Process was established to provide organization and fiscal responsibility to the programs under the Executive Branch.

It is clearly defined within the Executive Order that: (1) all requests will follow the 164 Review Process (Executive Order No. 07-2013) then forward to the President for consideration, prioritization and possible recommendation; (2) no supplement request will be forward to the President unless the request complied with the Appropriations Act (12 N.N.C. §800 et al.) and the Budget Instruction and Policies Manual.

Pursuant to Appropriations Act 12 N.N.C. §820(H), the Budget and Finance Committee approved the fiscal year 2014 Budget Instruction and Policies Manual on July 5, 2013 which

further clearly established guidelines for supplemental request and authorized signatures on the budget forms.

Section VII (B)(2) of the Budget Instruction and Policies Manual clearly states, "Supplemental funding proposal shall have the Branch/Division Director's and Branch Chief's written concurrence..." Section VII (B)(1) states, "Any incomplete or inaccurate budget proposal will be returned to the program for corrections." Furthermore, Section XI (B) Budget Form 1 (Part V) states, "Forms without appropriate signatures will not be processed and will be returned to program or entity."

It is important the budget supplement request complies with the Navajo Nation Appropriations Act (12 N.N.C. §800 et al.), all policies and procedures created by the FY 2014 Budget Instructions and Policies Manual and other pertinent Navajo laws. Legislation CJY-47-13 was brought before the Navajo Nation Council, however, the above supplemental request violated the laws and policies mentioned. Therefore, this legislation requires line-item veto as noted above.

RESOLUTION: CJY-47-13

TITLE: AN ACTION: RELATING TO BUDGET AND FINANCE COMMITTEE AND THE  
NAA'BIK'IYATI' COMMITTEE: APPROVING THE NAVAJO NATION FISCAL YEAR 2014  
COMPREHENSIVE BUDGET, WAIVING 12 N.N.C. §820(I); AND WAIVING CF-07-11.

DELIVERED TO PRESIDENT'S OFFICE: Wednesday, September 18, 2013 @ 5:30  
Date Time

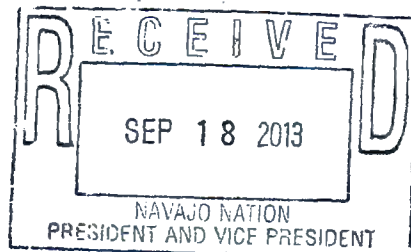
Received By: Deswood Tule Sept 18, 2013  
Name Date

Veto power Waived as of 5:00 P.M.

Sunday, September 29, 2013, 2016  
Date

Prepared by Office of Legislative Services: \_\_\_\_\_

Amber K Crotty, Policy Analyst  
(928) 871-7278 office





RESOLUTION OF THE  
NAVAJO NATION COUNCIL

22<sup>nd</sup> NAVAJO NATION COUNCIL - Third Year 2013

AN ACTION

RELATING TO BUDGET AND FINANCE COMMITTEE AND THE NABIK'ÍYÁTI'  
COMMITTEE; APPROVING THE NAVAJO NATION FISCAL YEAR 2014  
COMPREHENSIVE BUDGET; WAIVING 12 N.N.C. §820(I);  
AND WAIVING CF-07-11

BE IT ENACTED:

1. The Navajo Nation Council hereby adopts the Navajo Nation Fiscal Year 2014 Comprehensive Budget.

2. The Navajo Nation Council approves the appropriation of 12% in the amount of \$28,189,000 to the Navajo Nation Permanent Fund of Fiscal Year 2014; 4% of Fiscal Year 2014 revenue in the amount of \$9,396,000 to the Navajo Veterans Trust Fund; 2% of Fiscal Year 2014 revenue in the amount of \$4,698,000 to the Navajo Nation Land Acquisition Trust Fund; \$2,000,000 of Fiscal Year 2014 revenue to the Capital Outlay Match Funding Special Revenue Fund; \$2,000,000 of Fiscal Year 2014 revenue to the Water Rights Claim Fund; \$1,500,000 of Fiscal Year 2014 revenue to the Historical Trust Asset Mismanagement Litigation Trust Fund; and \$11,200,000 of Fiscal Year 2014 revenue to the Dine Higher Education Grant Fund.

3. The Navajo Nation Council hereby approves \$14,315,962 from the Fiscal Year 2013 General Fund Personnel Savings pursuant to the Classification and Pay Plan Resolution CF-07-11; and \$7,959,165 from the Undesignated, Unreserved Fund Balance.

4. The Navajo Nation Council hereby approves the Appropriation of \$587,432,942 as the Navajo Nation Fiscal Year 2014 Operating Budget, as set forth in the attached Exhibit A, which is constituted of \$190,095,817 General Fund Revenue; \$10,000,000 Indirect Cost Credit; \$11,200,000 in Higher Education set aside funds; \$57,460,684 Proprietary Fund; \$43,951,688 Fiduciary Funds; \$27,787,247 Special Revenue Internal Funds; and \$246,937,506 Special Revenue External Funds, summarized as follows:

- a. Legislative Branch - \$15,737,102 as the Navajo Nation Fiscal Year 2014 Operating Budget, as set forth in the attached Exhibit B, which is constituted of \$14,849,242 General Fund Revenue; \$877,860 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. The Legislative Branch appropriation includes \$180,499 from the Personnel Savings Fund.

- b. Judicial Branch - \$15,226,343 as the Navajo Nation Fiscal Year 2014 Operating Budget, as set forth in the attached Exhibit C, which is constituted of \$13,856,276 General Fund Revenue; \$77,536 Indirect Cost Credit; \$0 Proprietary Funds; \$0 Fiduciary Funds; \$0 Special Revenue Internal Funds and \$1,292,531 Special Revenue External Funds, for the Navajo Nation Supreme Court, district courts, family courts, various offices, programs and activities within the Judicial Branch. The Judicial Branch includes \$231,000 from the Personnel Savings Fund and \$44,415 from UUFB.
- c. Executive Branch - \$527,194,371 as the Navajo Nation Fiscal Year 2014 Operating Budget, as set forth in the attached Exhibit D, which is constituted of \$133,802,435 General Fund Revenue; \$7,357,342 Indirect Cost Credit; \$11,200,000 Higher Education Set Aside Funds; \$57,450,684 Proprietary Funds; \$43,951,688 Fiduciary Funds; \$27,787,247 Special Revenue Internal Funds; and, \$245,644,975 Special Revenue External Funds; for the various divisions, departments, programs and offices within the Executive Branch. The Executive Branch appropriation includes \$5,997,153 from Personnel Savings Fund and \$7,414,750 from UUFB.
- d. Fixed Costs - \$25,275,126 constituted of \$23,587,864 General Fund Revenue, \$1,687,262 Indirect Cost Credit, as set forth in the attached Exhibit E.
- e. 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.
- f. Chapter Non-Administrative Costs; \$12,500,000 for non-administrative costs include, but are not limited to, chapter officials stipends, permanent personnel costs, and travel expenses of chapter officials and chapter staff.

- g. \$3,000,000 for the Decentralization Project and \$1,700,000 for Administration Building 1 (One) and 2 (Two) rehabilitation project. BFJY-27-13.

5. The Navajo Nation Council hereby authorizes Fiscal Year 2014 Recurring Projected Revenues in the amount of \$3 million, in a new Business Unit to be administered by the Division of Community Development, for a Decentralization Project as described in Exhibit I; and

6. The Navajo Nation Council hereby authorizes funding of up to \$5,000,000 from the Fiscal Year 2013 Personnel Savings Fund for funding the shortfall in Defined Benefit Plan, Retirement Plan, Business Unit Number 118018; and

7. The Navajo Nation Council hereby authorizes funding of up to \$2,994,618 from the Fiscal Year 2013 Personnel Savings Fund for funding the Navajo Area Agency on Aging, Business Unit Numbers 113010 through 113015, for senior centers; and

8. The Navajo Nation Council hereby authorizes the use of the set aside for the Permanent Fund as provided for in 12 N.N.C. §901 into a new Business Unit to fund debt service for Capital Improvements and Infrastructure Development including buildings with a cumulative value of at least \$10,000,000; and

9. The Navajo Nation Council hereby authorizes funding from the Undesignated, Unreserved Fund Balance for the following projects:

- a. \$150,000 as a grant to Northern Arizona University; and

*BS.* ~~b. funding of up to \$3,000,000 for infrastructure (waterlines and power lines) and housing within the Former Bennett Freeze Area and Navajo Partitioned lands to Business Unit 108004; and~~ *BS.*

- c. funding of \$32,750 for Diné Land Senior Rodeo Association; and

*BS.* ~~d. funding of up to \$500,000 to assist with mileage and fuel costs for the Senior Citizen Centers, Police Vehicles, GVR, Emergency Management Services ambulance vehicles, Fire and Rescue vehicles. There shall be no mileage limit for direct-services and emergency vehicles. The Office of the President/Vice President will determine the allocations and if the allocation~~ *BS.*

B

N01305 DEBT SERVICE PERM FD SETASIDE

NAVAJO NATION  
Job Status Inquiry Print4/3/2017 10:34:16  
Page - 1  
Print Date 12/31/2016

Cost Code	Cost Type	Description	L P M	DE C U M	Original Budget Amt	Revised Budget Amt	Actual Amount	Open Commit Amount	Budget Balance	% Revised Spent	% Revised Remaining
1850	Other Revenue Sources		4	T			11,728,198.18-		11,728,198.18		
1000	Revenues		3	T			11,728,198.18-		11,728,198.18		
N01305	DEBT SERVICE PERM FD SETASIDE		T				11,728,198.18-		11,728,198.18		
Total:			1	T			11,728,198.18-		11,728,198.18		