DATE: June 27, 2013

TITLE OF RESOLUTION: A PROPOSED STANDING COMMITTEE RESOLUTION; AN ACTION RELATING TO BUDGET AND FINANCE; ACCEPTING THE NAVAJO NATION CONTROLLER’S FISCAL YEAR 2014 GENERAL FUND REVENUE PROJECTION, ESTABLISHING THE GENERAL FUND BUDGET CEILING AND BRANCH PLANNING ALLOCATION AMOUNTS, ADOPTING THE BUDGET INSTRUCTIONS AND POLICIES MANUAL FOR THE PREPARATION OF THE FISCAL YEAR 2014 NAVAJO NATION COMPREHENSIVE BUDGET AND OTHER RELATED ACTIONS

PURPOSE: The purpose of this resolution is to accept the Navajo Nation Controller’s Fiscal Year 2014 General Fund revenue projection, establishing the General Fund budget ceiling and branch planning allocation amounts, adopting the Budget Instructions and Policies Manual for the preparation of the Fiscal Year 2014 Navajo Nation Comprehensive Budget and other related actions.

This written summary does not address recommended amendments as may be provided by the standing committees. The Office of Legislative Counsel requests each Council Delegate to review each proposed resolution in detail.
PROPOSED STANDING COMMITTEE RESOLUTION

22nd NAVAJO NATION COUNCIL -- Third Year, 2013

INTRODUCED BY

(Primary Sponsor)

TRACKING NO. 0188-13

AN ACTION

RELATING TO BUDGET AND FINANCE; ACCEPTING THE NAVAJO NATION CONTROLLER'S FISCAL YEAR 2014 GENERAL FUND REVENUE PROJECTION, ESTABLISHING THE GENERAL FUND BUDGET CEILING AND BRANCH PLANNING ALLOCATION AMOUNTS, ADOPTING THE BUDGET INSTRUCTIONS AND POLICIES MANUAL FOR THE PREPARATION OF THE FISCAL YEAR 2014 NAVAJO NATION COMPREHENSIVE BUDGET AND OTHER RELATED ACTIONS

BE IT ENACTED:

1. The Budget and Finance Committee hereby accepts the Navajo Nation Controller’s Fiscal Year 2014 General Fund Revenue Projection of $234,912,000.

2. The Budget and Finance Committee establishes the Fiscal Year 2014 General Fund Budget Ceiling at $175,928,000 which is less the set-asides of the projected revenue for:

   a. 12% or $28,189,000 for the Navajo Nation Permanent Fund;
   b. 2% or $4,698,000 for the Navajo Nation Land Acquisition Trust Fund;
   c. $12,000,000 for the Capital Outlay Match Funding Special Revenue Fund;
   d. $2,000,000 for the Navajo Nation Water Rights Claim Fund;
   e. $11,200,000 for the Dine Higher Education Grant Fund;
   f. $1,500,000 for the Historic Trust Asset Mismanagement Litigation Trust Fund;
   g. 4% or $9,396,000 for the Navajo Veterans Trust Fund.

Page 1 of 4

13-385-1
3. The Budget and Finance Committee approves the amount $18,050,225 as a set aside from General Fund Revenue for funding of the Navajo Nation fixed costs.

4. The Budget and Finance Committee further sets the General Fund Branch Planning Allocations, as follows:

<table>
<thead>
<tr>
<th>Operating Budget</th>
<th>FY 2014 Planning Allocation</th>
<th>Percent Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Costs</td>
<td>18,050,225</td>
<td>10.57%</td>
</tr>
<tr>
<td>Executive</td>
<td>108,044,447</td>
<td>63.24%</td>
</tr>
<tr>
<td>Legislative</td>
<td>14,523,858</td>
<td>8.50%</td>
</tr>
<tr>
<td>Judicial</td>
<td>13,727,470</td>
<td>8.03%</td>
</tr>
<tr>
<td>Capital-Chapters</td>
<td>4,000,000</td>
<td>2.34%</td>
</tr>
<tr>
<td>Chapter Non-Administrative Costs</td>
<td>12,500,000</td>
<td>7.32%</td>
</tr>
<tr>
<td>Totals</td>
<td>$170,846,000</td>
<td>100%</td>
</tr>
</tbody>
</table>

5. The Budget and Finance Committee recommends a capital improvement budget of $4,000,000 for Chapter Capital Projects.

6. The Budget and Finance Committee recommends that the chapters be allocated $12,500,000 for non-administrative costs. Disallowed administrative costs include, but are not limited to, chapter officials’ stipends, permanent personnel costs, and travel expenses of chapter officials and chapter staff.

7. The Budget and Finance Committee adopts the Navajo Nation Fiscal Year 2014 Budget Instructions and Polices Manual, attached as Exhibit B, for use by all Navajo Nation programs and entities for the preparation of the Navajo Nation Fiscal Year 2014 Comprehensive Budget, as well as for preparation of any subsequent carryover and supplemental budgets for the Navajo Nation Fiscal Year 2014.

8. The Budget and Finance Committee directs that indirect cost funding be distributed to eligible branches, divisions, departments, offices, programs and entities of the Navajo Nation, in accord with the currently approved indirect cost proposal.
9. The Budget and Finance Committee recommends that $________ in FY2014 Non-Recurring Projected Revenues be in reserve for future non-recurring expenditures.

10. The Budget and Finance Committee accepts the distribution of Gaming Revenue Funds from the Navajo Gaming Enterprise in the Amount of $__ million dollars and directs such other amounts as may be available shall be appropriated in accordance with the requirements of the “IGRA” Indian Gaming Regulatory Act as reflected in NN Council Resolution CJY-30-08 and in accordance with Fiscal Year 2014 Budget Process.

11. The Budget and Finance recommends that the IDC Recovery Revenue Projection will be set at $10 million; subject to revision when IDC plans are up to date.

12. The Budget and Finance Committee requests that Branch Chiefs to direct he Navajo Nation programs and entities to comply with the Navajo Nation Fiscal Year 2014 Budget Instructions and Policies Manual in preparation of Fiscal Year 2014 budget and other funding proposals, and further directs and authorizes the Office of Managements and Budget to take all actions authorized under its enabling legislation and plan of operations to recommend any amendments that it deems necessary to the Navajo Nation Fiscal Year 2014 Budget Instructions and Policies Manual for consideration by the Budget and Finance Committee.

13. The Budget and Finance Committee request the Branch Chiefs to direct all Navajo Nation programs and entities which operate with external funds to provide all financial and funding information to be included in the Fiscal Year 2014 budget to the Office of Management and Budget, as required by the Navajo Nation 2014 Budget Instructions and Policies Manual.

14. The Budget and Finance Committee directs the Office of Management and Budget to monitor the scheduled timelines set forth within the Navajo Nation Fiscal Year 2014 Budget Instructions and Policies Manual to assure that the timelines are being met and, if necessary, to recommend revisions of the timelines to the Budget and Finance Committee.
15. The Budget and Finance Committee of the Navajo Nation Council requests the Branch
    Chiefs and the Standing Committees of the Navajo Nation Council to follow the timelines
    established in the Navajo Nation Fiscal Year 2014 Budget Instructions and Policies
    Manual to assure that they are being met.
June 27, 2013

MEMORANDUM

TO: Honorable Members
Budget and Finance Committee

FROM: Hon. Johnny Naize, Speaker
22nd Navajo Nation Council

SUBJECT: ASSIGNMENT OF LEGISLATION

Pursuant to 2 N.N.C § 164 (A)(4), this memorandum serves to inform and advise you that I assign the following legislation to the Budget and Finance Committee:

Legislation No. 0188-13

RELATING TO BUDGET AND FINANCE; ACCEPTING THE NAVAJO NATION CONTROLLER’S FISCAL YEAR 2014 GENERAL FUND REVENUE PROJECTION, ESTABLISHING THE GENERAL FUND BUDGET CEILING AND BRANCH PLANNING ALLOCATION AMOUNTS, ADOPTING THE BUDGET INSTRUCTIONS AND POLICIES MANUAL FOR THE PREPARATION OF THE FISCAL YEAR 2014 NAVAJO NATION COMPREHENSIVE BUDGET AND OTHER RELATED ACTIONS.

As the Committee assigned to consider the legislation, Legislation No. 0188-13 must be placed on the and Finance Committee’s agenda at the next regular meeting for final consideration.

ATTACHMENT: Legislation No. 0188-13

cc: Hon. Ben Shelly, President
The Navajo Nation
Harrison Tsosie, Attorney General
Mark Grant, Controller
Dominic Beyal, Executive Director, OMB
Honorable LoRenzo C. Bates, Council Delegate (Prime Sponsor)
MEMORANDUM

To : Honorable LoRenzo Bates
     Tiistoh Sikaad, Nenahnezah, Upper Fruitland, Tse’Daa’Kaan, Newcomb, San Juan Chapters

From : Marana Kahn, Attorney
       Office of Legislative Counsel

Date : June 27, 2013

Re : PROPOSED STANDING COMMITTEE RESOLUTION: AN ACTION RELATING TO BUDGET AND FINANCE; ACCEPTING THE NAVAJO NATION CONTROLLER’S FISCAL YEAR 2014 GENERAL FUND REVENUE PROJECTION, ESTABLISHING THE GENERAL FUND BUDGET CEILING AND BRANCH PLANNING ALLOCATION AMOUNTS, ADOPTING THE BUDGET INSTRUCTIONS AND POLICIES MANUAL FOR THE PREPARATION OF THE FISCAL YEAR 2014 NAVAJO NATION COMPREHENSIVE BUDGET AND OTHER RELATED ACTIONS

As requested, I have prepared the above-referenced proposed resolution and associated legislative summary sheet pursuant to your request for legislative drafting. Based on existing law and review of documents submitted, the resolution drafted is legally sufficient. However, as with all legislation, it is subject to review by the courts in the event of challenge. You are encouraged to review the proposed resolution to ensure that it is drafted to your satisfaction.

If you are satisfied with the proposed resolution, please sign it as "sponsor" and submit it to the Office of Legislative Services where it will be given a tracking number and sent to the Office of the Speaker for assignment.

If the proposed resolution is unacceptable to you, please contact me at the Office of Legislative Counsel and advise me of the changes you would like made to the proposed resolution.

Thank you for your service to the Navajo Nation.
LEGISLATION NO: _0188-13____ SPONSOR: LoRenzo Bates

TITLE: An Action Relating Budget And Finance; Accepting Then Navajo Nation Controller's Fiscal Year 2014 General Fund Revenue Projection, Establishing The General Fund Budget Ceiling And Branch Planning Allocation Amounts, Adopting The Budget Instructions And Policies Manual For The Preparation Of The Fiscal Year 2014 Navajo Nation Comprehensive Budget And Other Related Action

Date posted: June 27, 2013, at 4:20 pm

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) 871-7590

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.