

THE NAVAJO NATION



JONATHAN NEZ | PRESIDENT MYRON LIZER | VICE PRESIDENT

Memorandum

Date: July 15, 2022

To: Honorable Jonathan Nez, President
Office of the President/Vice President

Honorable Seth Damon, Speaker
Navajo Nation Council

Honorable JoAnn Jayne, Chief Justice
Judicial Branch

From: Elizabeth Begay, Acting Controller
Office of the Controller

A handwritten signature in black ink, appearing to read "Elizabeth Begay", is written over the printed name and title.

Subject: Controller's Report – Summer Session July 2022

I am pleased to present to you the following information related to the 3rd Quarter of Fiscal Year 2022.

I. Controller's Highlights for the 3rd Quarter for FY2022:

During the 3rd Quarter of the Fiscal Year 2022, the following events occurred:

CARES Act Fund

The Office of the Controller is working on the CARES ACT Fund closeout process. Overall, Hardship assistance checks were issued to 319,403 adults and minors and supplemental assistance checks to 48,227 Navajo elders aged 60 and over. In total, CARES Act Hardship assistance through the first, second and supplemental elders hardship assistance checks amounted to \$361,910,293.



"Exhibit A-1" lists the financial status of each business unit that was established to account for the CARES Act Fund expenditures per approved Navajo Nation Council resolutions.

ARPA Fund

As of July 15, 2022, the Office of the Controller has issued 333,431 ARPA Hardship assistance checks to adults and minors for a total amount of \$553,329,400.

In accordance with the Navajo Nation Council Resolution CJY-41-21, 43 business units were established to account for the ARPA expenditures. **"Exhibit A-2"** lists the budget status of each business unit.

Sihasin Fund June 2022

The current unaudited un-appropriated balance in the Sihasin Fund is \$283,624,719 as of June 30, 2022. The following resolutions are the most recently approved and signed by the President.

- a. CAP 18-22 in the amount of \$53,787,500,
- b. CAP 20-22 Navajoland Nursing Home Inc in the amount of \$29,216,453 and
- c. CAP 22-22 Ramah Navajo School Board in the amount of \$3,600,000.

II. Controller's Office Financial Information for the 3rd Quarter of FY2022:

The Office of the Controller is an essential program and has remained open and processed payroll, accounts payable and reporting on financial matters during this pandemic.

1) The Payroll section has run 1,734 checks and processed 27,973 direct deposits with a gross wage amount of \$28,547,260 paid out in the 3rd Quarter of Fiscal Year 2022. Payroll continues to move away from costly payroll checks and move to direct deposits.

| | Direct Deposits | Checks | Gross Payments |
|-------------|--------------------|--------|-------------------|
| Apr 2022 | 7,989 | 499 | \$9,693,169 |
| May 2022 | 8,059 | 480 | \$9,306,426 |
| Jun 2022 | 11,925 | 755 | \$9,547,665 |
| Total: | 27,973 | 1,734 | \$28,547,260 |



2) The Accounts Payable section has run 73,072 checks and ACH payments, with a net total dollar amount of \$256,969,317 paid out in the 3rd Quarter of Fiscal Year 2022.

| | <u>Number of Checks & ACH payments</u> | <u>Amount</u> |
|----------|--|----------------|
| Apr 2022 | 45,603 | \$ 129,342,057 |
| May 2022 | 15,036 | \$ 85,289,123 |
| Jun 2022 | 12,433 | \$ 42,338,137 |
| Total: | 73,072 | \$ 256,969,317 |

3) The General Fund Financial data is as follows:

The unaudited gross General Fund Recurring Revenues (see **Exhibit "B"**) as of June 30, 2022, was \$171,832,900 and set asides totaled \$45,900,735. The Net Revenue for the General Fund was \$125,932,165, which is 91.78% of the projection. The average price of barrel of oil for the quarter was \$108.41, the lowest month being April 2022 with a price per barrel of \$101.64. (See below) This schedule shows the monthly revenue deposited into the Navajo Nation General Fund Revenues for oil. An amount of \$12,154,913 has been received in oil and gas revenues for the Third Quarter of the Fiscal Year.

Oil and Gas Revenue

| | <u>*Average Price of Oil Per Barrel</u> | <u>Monthly NN Revenue</u> |
|------------|---|-------------------------------|
| April 2022 | \$101.64 | \$4,410,574 |
| May 2022 | \$109.26 | \$3,478,787 |
| June 2022 | \$114.34 | \$4,265,552 |
| | <u>\$108.41</u> | <u>\$12,154,913</u> |

*Source: www.onrr.gov

The other significant revenue source is the Tax Revenues for the General Fund. The following is a schedule compiling the collections by month of the Tax Revenues. Total collections for the Third Quarter were \$24,068,258.



Tax Revenue

| | <u>Monthly Revenue</u> |
|------------|------------------------|
| April 2022 | \$ 2,958,164 |
| May 2022 | \$17,281,021 |
| June 2022 | <u>\$ 3,829,073</u> |
| | \$24,068,258 |

The total unaudited expenditures by branch are shown on **Exhibit "C."**

- The Legislative Branch expended \$10,285,527; encumbered \$1,462,252 with a remaining budget of \$7,927,789.
- The Executive Branch expended \$100,149,092; encumbered \$12,538,302 with a remaining budget of \$69,345,994.
- The Judicial Branch expended \$9,324,288; encumbered \$183,706 with a remaining budget of \$8,563,519.
- Fixed Cost expended \$18,570,475; encumbered \$4,897,112 with a remaining budget of \$14,277,330.
- Total General Fund and Fixed Cost expenditures were \$138,329,382; total encumbrances were \$19,081,372 with an overall remaining budget of \$100,114,632.

The updated UUFB as of July 01, 2022, was \$15,966,288 (see **Exhibit "D"**).

4) Contract and Grant Information:

Attached is a summary of the Active Federal Funds by Division (See **Exhibit "E"**). Unaudited Summary totals for the active federal report shows the revised budget to be \$2,219,051,255, actual expenses of \$1,354,394,989, encumbrances of \$99,465,062 and a remaining budget of \$765,191,204 as of May 31, 2022.

Exhibit "F" shows the Active State Funds Report by Division. Unaudited Summary totals for the active State report show the revised budget to be \$122,173,350, actual expenditures of \$19,198,220, encumbrances of \$15,556,976 and a remaining budget of \$87,418,154 as of May 31, 2022.

Exhibit "G" is the BIA-IHS Fund Report. Summary totals for the Active BIA-IHS report show the revised budget to be \$1,296,965,016, actual expenditures of \$747,892,019, encumbrances of \$30,674,943 and a remaining budget of \$518,398,054 as of May 31, 2022.



5) Investment Information:

The 3rd Quarter of the fiscal year has been a rocky market with externalities creating uncertainty in the marketplace. Also, because the NNGE has been on forbearance for their outstanding Gaming Loan, the various Navajo Nation portfolios have yielded a negative holding-period return.

Master Trust

The Master Trust has an ending market value of \$4.108 Billion as of May 31, 2022. The Master Trust had a **(4.53%)** return, and as of 3rd QTD, it has **(5.41%)** return with an overall FYTD return of **(6.37%)**. Most of this downturn comes from Unrealized Losses in the Fixed Income Asset Classes. Investment Managers have reported strategies for shorter-term positions to hold to maturity. This means that these Unrealized Losses will never be realized, and these positions are primarily used for interest income generation. The Equity Asset classes are experiencing volatility that is trending into a Bear Market due to recession fears. The International Equity asset classes are experiencing Foreign Exchange conversion losses.

Defined Benefit Plan-Retirement Plan

The Retirement Plan has an ending market value of \$1.13 Billion as of May 31, 2022. The Plan had a **(4.15%)** return, and as of 3rd QTD it has **(5.32%)** return with an overall FYTD return of **(5.8%)**. The Retirement Plan shares almost the same Investment Managers as the Master Trust, the Defined Benefit Plan portfolio is experiencing similar impacts regarding the Unrealized losses in the Fixed Income Asset Classes.

ARPA Fund

The ARPA portfolio has experienced the same pain as the Master Trust and the Defined Benefit Plan portfolio. The **ARPA** has an ending Market Value of **\$1.31 Billion** as of May 31, 2022. In the 2nd Quarter, it had a **(0.70%)** return, and as of May 31, 2022, 3 QTD it has **0.06%** with an overall FYTD of **(0.65%)**.

In-House Investments

As of June 30, 2022, the In-House portfolio invested with Wells Fargo had a principal amount of **\$1.8 Billion**. The in-house investment portfolio comprised of Grant Fund (20.8%), General Fund (47.9%) and the ARPA Fund (8.46%). The in-house investment portfolio has an average annualize yield of 76 basis points and an average of 166 term day investments.

Exhibit "H" shows the Master Trust and Retirement Plan investment portfolio performance as of May 31, 2022.





CARES Projects Listing
June 30, 2022

Exhibit A-1

| No Project | Description | Revised Budget Amt | Expense Amount | Open Commit Amount | Budget Balance | % Exp of Total |
|--|--------------------------------------|-----------------------|--------------------|-----------------------|-------------------|-------------------|
| CJN-47-20 | | | | | | |
| 1 K201500 | US TREASURY - CPMD BATHROOM ADD | 2,267,267 | 2,267,267 | - | - | 100% |
| 2 K201501 | US TREASURY - FINANCIAL SYSTEM | 2,559,499 | 2,559,499 | - | - | 100% |
| 3 K201503 | US TREASURY - CARE PACKAGES | 6,153,377 | 6,153,377 | - | - | 100% |
| 4 K201504 | US TREASURY - HEALTHCARE FAC | 3,000,000 | 3,000,000 | - | - | 100% |
| 5 K201505 | US TREASURY - DIT COMPUTER | 1,999,993 | 1,999,993 | - | - | 100% |
| 6 K201518 | US TREASURY - INTEREST INCOME | - | - | - | - | |
| | | 15,980,135 | 15,980,135 | - | - | 100% |
| CJN-46-20 Special Duty Pay, PPE, Facilities | | | | | | |
| 7 K201502 | US TREASURY - SPECIAL DUTY PAY | 2,176,744 | 2,176,744 | - | - | 100% |
| 8 K201507 | US TREASURY - FACILITIES MAINT | 6,485,369 | 6,485,369 | - | - | 100% |
| 9 K201508 | US TREASURY - PPE | 7,687,505 | 7,687,505 | - | - | 100% |
| | | 16,349,618 | 16,349,618 | - | - | 100% |
| CJY-67-20 Water, Powerline, and Broadband-Telecommunication Projects | | | | | | |
| 10 K201506 | US TREASURY - JUDICIAL BRANCH | 1,933,167 | 1,933,167 | - | - | 100% |
| 11 K201509 | US TREASURY - PUBLIC HEALTH/HC | 59,508,750 | 59,508,750 | - | - | 100% |
| 12 K201510 | US TREASURY - BROADBAND TELECO | 46,062,109 | 46,062,109 | - | - | 100% |
| 13 K201511 | US TREASURY - ECONOMIC DEVELOP | 28,587,417 | 28,587,417 | - | - | 100% |
| 14 K201512 | US TREASURY - SOLAR PROJECTS | 12,950,781 | 12,950,781 | - | - | 100% |
| 15 K201513 | US TREASURY - PAYROLL SUPPORT | 42,078,258 | 42,078,258 | - | - | 100% |
| 16 K201514 | US TREASURY - WATER PROJECTS | 27,384,389 | 27,384,389 | - | - | 100% |
| 17 K201515 | US TREASURY - POWERLINE PROJECTS | 17,899,436 | 17,899,436 | - | - | 100% |
| 18 K201516 | US TREASURY - GAMING ENTERPRISE | 24,600,000 | 24,600,000 | - | - | 100% |
| 19 K201517 | US TREASURY - PARKS & REC | 196,378 | 196,378 | - | - | 100% |
| | | 261,200,684 | 261,200,684 | - | - | 100% |
| CS-73-20 Chapter Distribution, Office of the Controller, and Amending Broadband Telecommunication | | | | | | |
| 20 K201519 | US TREASURY - BROADBAND TELE 2 | 13,665,575 | 13,665,575 | - | - | 100% |
| 21 K201521 | US TREASURY - CHAPTER DISTRIBU | 28,075,220 | 28,075,220 | - | - | 100% |
| 22 K201522 | US TREASURY - OOC | 17,222,269 | 17,222,269 | - | - | 100% |
| | | 58,963,064 | 58,963,064 | - | - | 100% |
| CS-74-20 Adding to the Hardship Assistance Expenditure Plan | | | | | | |
| 23 K201520 | US TREASURY - HARDSHIP ASSIST 1 & 2 | 345,529,054 | 345,655,697 | - | (126,642.48) | 100% |
| 24 K201523 | US TREASURY - HARDSHIP ASSIST SENIOF | 16,500,000 | 16,254,596 | - | 245,403.70 | 99% |
| | | 362,029,054 | 361,910,293 | - | 118,761.22 | 100% |
| GRAND TOTAL | | 714,522,556 | 714,403,795 | - | 118,761.22 | 100% |

ARPA PROJECTS LISTING
As of June 30, 2022

Exhibit A-2

| No | Project | Description | Revised Budget Amt | Expense Amount | Open Commit Amount | Budget Balance | |
|--|---------|-------------------------------------|-----------------------|--------------------|-----------------------|--------------------|------|
| CIY-41-21 Sihasin and UUFb Funds | | | | | | | |
| | | US Treasury- Sihasin and UUFb Funds | - | - | - | - | |
| | | | - | - | - | - | |
| CIY-41-21 Defunded CARES Projects | | | | | | | |
| 1 | K211528 | US TREASURY- NTUA ELECTRICITY | 28,982,874 | 14,491,437 | 14,491,437 | 14,491,437 | 100% |
| 2 | K211529 | US TREASURY- NTUA WASTE WATER | 3,200,004 | 1,600,002 | 1,600,002 | 1,600,002 | 100% |
| 3 | K211530 | US TREASURY- NTUA SEPTIC SYS | 11,105,636 | 5,552,818 | 5,552,818 | 5,552,818 | 100% |
| 4 | K211531 | US TREASURY- NTUA WATER DISTR | 2,898,372 | 1,449,186 | 1,449,186 | 1,449,186 | 100% |
| 5 | K211532 | US TREASURY- NTUA DRINKING WAT | 755,486 | 377,743 | 377,743 | 377,743 | 100% |
| 6 | K211533 | US TREASURY- NTUA CISTERN SYS | 3,701,879 | 1,850,939 | 1,850,939 | 1,850,940 | 100% |
| 7 | K211534 | US TREASURY- NTUA BB LAST MILE | 5,370,432 | 2,685,216 | 2,685,216 | - | 100% |
| 8 | K211535 | US TREASURY- NTUA BB OTHR PROJ | 9,679,381 | 4,839,690 | 4,839,691 | - | 100% |
| 9 | K211518 | US TREASURY- JUDICIAL BRANCH | 5,876,685 | - | 10,540 | 5,866,145 | 0% |
| 10 | K211542 | US TREASURY-DWR WATER SOURCES | 4,193,775 | - | - | 4,193,775 | 0% |
| 11 | K211543 | US TREASURY- DWR WATER TRANS./DIST. | 31,556,346 | - | - | 31,556,346 | 0% |
| 12 | K211544 | US TREASURY- WATER TREATMENT | 405,000 | - | - | 405,000 | 0% |
| 13 | K211523 | US TREASURY- CISTERN SYSTEMS | 14,722,159 | - | - | 14,722,159 | 0% |
| 14 | K211516 | US TREASURY- DED BUS. ECON. RELIEF | 31,412,583 | 29,133,148 | 11,607 | 2,267,828 | 93% |
| 15 | K211524 | US TREASURY- COVIDE 19 EMS SERVICES | 1,808,662 | - | - | 1,808,662 | 0% |
| 16 | K211525 | US TREASURY- COVIDE 19 EMERG. FOOD | 3,000,000 | - | - | 3,000,000 | 0% |
| 17 | K211537 | US TREASURY- COVIDE 19 DALTICS | 2,330,205 | - | - | 2,330,205 | 0% |
| 18 | K211538 | US TREASURY- COVIDE 19 MOBILE UNITS | 953,380 | - | - | 953,380 | 0% |
| 19 | K211526 | US TREASURY- COVIDE 19 PPE | 600,000 | - | - | 600,000 | 0% |
| 20 | K211539 | US TREASURY- COVIDE 19 TESTING | 3,451,186 | - | - | 3,451,186 | 0% |
| 21 | K211517 | US TREASURY- DIT CYBERSECURITY INF. | 1,644,509 | - | 1,620,894 | 23,615 | 99% |
| | | Un-budgeted | - | | | | |
| | | | <u>167,648,554</u> | <u>61,980,180</u> | <u>34,490,072</u> | <u>96,500,427</u> | 58% |
| CIY-41-21 Central Support | | | | | | | |
| 22 | K211500 | US TREASURY- OPVP FRF OFFICE | 25,337,389 | 781,253 | 308,043 | 24,248,093 | 4% |
| 23 | K211501 | US TREASURY- BROADBAND OFC-FRF | 2,725,789 | 18,216 | - | 2,707,573 | 1% |
| 24 | K211502 | US TREASURY- HUMAN RESOURCES | 869,194 | 1,982 | - | 867,212 | 0% |
| 25 | K211503 | US TREASURY- WATER RESOURCES | 2,629,500 | - | - | 2,629,500 | 0% |
| 26 | K211505 | US TREASURY- BUSINESS REG- FRF | 330,768 | 20,004 | - | 310,764 | 6% |
| 27 | K211509 | US TREASURY- DIV COMM DEV- FRF | 10,683,627 | 2,706 | - | 10,680,921 | 0% |
| 28 | K211510 | US TREASURY- DCD CHAPTERS- FRF | 7,761,517 | - | - | 7,761,517 | 0% |
| 29 | K211514 | US TREASURY- OOC - FRF | 17,664,167 | 2,145,069 | 484,732 | 15,034,367 | 15% |
| 30 | K211519 | US TREASURY - ATTORNEY GENERAL | 25,446,993 | - | 1,393 | 25,445,600 | 0% |
| 31 | K211521 | US TREASURY- ECONOMIC DEV- FRF | 2,843,597 | - | - | 2,843,597 | 0% |
| 32 | K211527 | US TREASURY- NN WASHINGTON OFC | 5,254,962 | - | - | 5,254,962 | 0% |
| 33 | K211536 | US TREASURY- NDOH - FRF | 1,852,157 | - | - | 1,852,157 | 0% |
| 34 | K211540 | US TREASURY- OFC OF MGMT & BDG | 2,788,084 | - | - | 2,788,084 | 0% |
| | | | <u>106,187,744</u> | <u>2,969,230</u> | <u>794,168</u> | <u>102,424,347</u> | 4% |
| CIY-41-21 Regulatory | | | | | | | |
| 35 | K211504 | US TREASURY- EPA ADMIN - FRF | 8,093,953 | 38,885 | 383,035 | 7,672,032 | 5% |
| 36 | K211506 | US TREASURY- HERITAGE & HIST P | 1,010,601 | 33,202 | 19,909 | 957,490 | 5% |
| 37 | K211508 | US TREASURY- GENERAL LAND DEV | 2,183,797 | 108,959 | - | 2,074,838 | 5% |
| 38 | K211511 | US TREASURY- AMLR - FRF | 2,033,414 | 60,066 | 17,446 | 1,955,903 | 4% |
| 39 | K211512 | US TREASURY- FORESTRY - FRF | 991,293 | 4,860 | - | 986,433 | 0% |
| 40 | K211513 | US TREASURY- MINERALS - FRF | 1,440,527 | 83 | - | 1,440,444 | 0% |
| 41 | K211515 | US TREASURY- NAVAJO LAND DEPT | 5,059,674 | 275,198 | - | 4,784,476 | 5% |
| 42 | K211520 | US TREASURY - FISH & WILDLIFE | 3,525,471 | 43,806 | - | 3,481,665 | 1% |
| | | | <u>24,338,730</u> | <u>565,058</u> | <u>420,390</u> | <u>23,353,281</u> | 4% |
| | | Un-budgeted | - | | | | |
| | | | <u>130,526,474</u> | <u>3,534,288</u> | <u>1,214,558</u> | <u>125,777,628</u> | 4% |
| CIY-62-21 Hardship Assistance | | | | | | | |
| | | | 557,000,000 | | | | |
| 43 | K211522 | US Treasury- Hardship Assistance | 557,000,000 | 537,181,300 | - | 19,818,700 | 96% |
| | | TOTAL ALLOCATED DOLLARS | <u>855,175,028</u> | <u>602,695,768</u> | <u>35,704,630</u> | <u>242,096,755</u> | 75% |
| Un-allocated dollars | | | | | | | |
| | | Un-allocated \$ | 1,224,286,436 | | | | |
| | | TOTAL UN-ALLOCATED DOLLARS | <u>1,224,286,436</u> | | | | |
| | | GRAND TOTAL | <u>2,079,461,464</u> | | | | |



THE NAVAJO NATION
General Fund Revenue Schedule
(Unaudited)
JUNE 30, 2022

FY 2022
EXHIBIT "B"

| GENERAL FUND REVENUE | Original Budget | Revised Budget | Actual Revenue Received | Revenue to be collected | % Revenue of Total |
|---------------------------------------|------------------------|------------------------|----------------------------|----------------------------|-----------------------|
| TNN: ROYAL; GAS; OIL | \$ 27,919,000 | \$ 27,919,000 | \$ 28,238,852 | \$ (319,852) | 101.15 |
| TNN: COAL REVENUES | 28,835,000 | 28,835,000 | 22,315,520 | 6,519,480 | 77.39 |
| TNN:OTR MINERALS REV | | | 10,307 | (10,307) | |
| TNN: LAND REVENUES | 70,165,000 | 70,165,000 | 61,806,860 | 8,358,140 | 88.09 |
| TNN: BUSINESS FEES | | | 85,110 | (85,110) | |
| TNN: INTEREST INCOME | 4,000,000 | 4,000,000 | (1,623,587) | 5,623,587 | -40.59 |
| TNN: TAX REVENUES | 55,154,000 | 55,154,000 | 58,817,212 | (3,663,212) | 106.64 |
| COURT FINES + FEES | 500,000 | 500,000 | 365,918 | 134,082 | 73.18 |
| TNN: OTHER REVENUES | 750,000 | 750,000 | 1,318,844 | (568,844) | 175.85 |
| BIA: ROYAL; GAS; OIL | | | 457,564 | (457,564) | |
| BIA: COAL REVENUES | | | 185 | (185) | |
| BIA:OTR MINERALS REV | | | | - | |
| BIA: LAND REVENUES | | | 40,116 | (40,116) | |
| TOTAL REVENUE | \$ 187,323,000 | \$ 187,323,000 | 171,832,900 | (1) \$ 15,490,100 | 91.73 |
| LESS:SET ASIDES | | | | | |
| CAPITAL OUTLAY MATCH | \$ (2,000,000) | \$ (2,000,000) | \$ (2,000,000) | \$ - | 100.00 |
| LAND FUND TRANSFER | (3,746,000) | (3,746,000) | (3,277,859) | (468,141) | 87.50 |
| PERMANENT FUND TRNSF | (22,479,000) | (22,479,000) | (19,667,157) | (2,811,843) | 87.49 |
| WATER RIGHTS CLAIM FU | (2,000,000) | (2,000,000) | (2,000,000) | - | 100.00 |
| DINE' HIGHER EDUCATIO | (12,400,000) | (12,400,000) | (12,400,000) | - | 100.00 |
| VETERANS TRUST FUND S | (7,493,000) | (7,493,000) | (6,555,719) | (937,281) | 87.49 |
| TOTAL SET ASIDE | \$ (50,118,000) | \$ (50,118,000) | \$ (45,900,735) | (2) \$ (4,217,265) | 91.59 |
| SUB TOTAL | \$ 137,205,000 | \$ 137,205,000 | \$ 125,932,165 | (3) \$ 11,272,835 | 91.78 |
| PERMANENT FUND INCOME TRANSFER | | | | | |
| OTHER REVENUE TRANSFER | \$ 41,366,131 | \$ 41,366,131 | \$ 41,366,131 | (4) \$ - | 100.00 |
| TOTAL PFI TRANSFER | \$ 41,366,131 | \$ 41,366,131 | \$ 41,366,131 | \$ - | 100.00 |
| NET PFI TRANSFER | \$ 41,366,131 | \$ 41,366,131 | \$ 41,366,131 | \$ - | \$ 100 |
| GRAND TOTAL | \$ 178,571,131 | \$ 178,571,131 | \$ 167,298,296 | (5) \$ 11,272,835 | 93.69 |

(1) Gross General Fund Revenues

(2) Total Set Asides for General Fund Revenue

(3) Net General Fund Revenue

(4) Permanent Fund Income allocation to General Fund

(5) Grand total General Fund Revenues



FY 2022 EXHIBIT "C"

The Navajo Nation Budget Status, Income Statement As of June 30, 2022

| Branch / Object Account | Original Budget | Revised Budget | Actual Expenses | Encumbrances | Budget Available | % Available |
|-----------------------------------|-----------------------|-----------------------|----------------------------|---------------------------|----------------------------|--------------|
| LEGISLATIVE BRANCH | | | | | | |
| 2001 - Personnel Expenses | \$ 13,019,287 | 13,344,181 | 7,329,921 | - | \$ 6,014,260 | 45.07 |
| 3000 - Travel Expenses | 928,679 | 1,209,119 | 887,671 | 9,981 | 311,468 | 25.76 |
| 3500 - Meeting Expenses | 124,411 | 336,663 | 41,951 | 1,259 | 283,453 | 87.17 |
| 4000 - Supplies | 372,515 | 642,188 | 236,573 | 159,608 | 246,106 | 38.32 |
| 5000 - Lease & Rental | 140,809 | 181,029 | 112,175 | 10,638 | 49,215 | 27.19 |
| 5500 - Communications & Utilities | 168,162 | 193,863 | 107,886 | 1,499 | 84,478 | 43.58 |
| 6000 - Repairs & Maintenance | 133,103 | 223,676 | 28,345 | 105,652 | 89,679 | 40.09 |
| 6500 - Contractual Services | 1,541,268 | 2,860,525 | 1,187,305 | 1,071,094 | 602,126 | 21.05 |
| 7000 - Special Transactions | 338,031 | 597,871 | 289,563 | 72,622 | 235,687 | 39.42 |
| 8000 - Assistance | - | - | - | - | - | - |
| 9000 - Capital Outlay | 416,513 | 86,453 | 64,135 | 21,000 | 1,318 | 1.52 |
| 9500 - Matching & Indirect Cost | - | - | - | - | - | - |
| Total LEGISLATIVE BRANCH | \$ 17,180,778 | \$ 19,675,567 | \$ 10,285,527 (1a) | \$ 1,462,252 (1b) | \$ 7,927,789 (1c) | 40.28 |
| EXECUTIVE BRANCH | | | | | | |
| 2001 - Personnel Expenses | \$ 91,172,726 | 94,914,434 | 48,554,247 | - | \$ 46,360,188 | 48.84 |
| 3000 - Travel Expenses | 9,378,462 | 8,244,987 | 4,596,525 | 4,619 | 3,643,843 | 44.19 |
| 3500 - Meeting Expenses | 549,521 | 499,053 | 171,182 | 4,488 | 323,393 | 64.80 |
| 4000 - Supplies | 8,252,455 | 9,033,604 | 3,280,329 | 1,621,920 | 4,131,355 | 45.73 |
| 5000 - Lease & Rental | 960,130 | 1,621,100 | 755,567 | 53,729 | 811,805 | 50.08 |
| 5500 - Communications & Utilities | 1,811,779 | 2,073,007 | 675,515 | 64,264 | 1,333,228 | 64.31 |
| 6000 - Repairs & Maintenance | 2,508,316 | 3,436,470 | 857,925 | 496,779 | 2,081,766 | 60.59 |
| 6500 - Contractual Services | 3,505,130 | 8,451,885 | 2,597,127 | 2,147,465 | 3,707,292 | 43.86 |
| 7000 - Special Transactions | 2,954,184 | 4,061,658 | 1,875,132 | 352,388 | 1,834,138 | 45.16 |
| 8000 - Assistance | 37,272,998 | 46,575,328 | 36,423,850 | 6,778,259 | 3,373,218 | 7.24 |
| 9000 - Capital Outlay | 2,314,716 | 3,121,862 | 361,684 | 1,014,410 | 1,745,768 | 55.92 |
| 9300 - Other Income and Expense | - | - | - | - | - | - |
| 9500 - Matching & Indirect Cost | - | - | - | - | - | - |
| Total EXECUTIVE BRANCH | \$ 158,678,417 | \$ 182,033,388 | \$ 100,149,092 (2a) | \$ 12,538,302 (2b) | \$ 69,345,994 (2c) | 38.10 |
| JUDICIAL BRANCH | | | | | | |
| 2001 - Personnel Expenses | \$ 15,072,760 | 15,779,614 | 8,750,253 | - | \$ 7,029,361 | 44.55 |
| 3000 - Travel Expenses | 429,229 | 425,552 | 144,944 | - | 280,608 | 65.94 |
| 3500 - Meeting Expenses | 10,000 | 5,500 | 421 | - | 5,079 | 92.35 |
| 4000 - Supplies | 588,951 | 772,114 | 217,979 | 110,255 | 443,880 | 57.49 |
| 5000 - Lease & Rental | 13,986 | 19,445 | 10,523 | 181 | 8,741 | 44.95 |
| 5500 - Communications & Utilities | 140,197 | 157,428 | 46,826 | - | 110,602 | 70.26 |
| 6000 - Repairs & Maintenance | 28,800 | 335,603 | 12,456 | 9,459 | 313,678 | 93.47 |
| 6500 - Contractual Services | 7,719 | 86,619 | 800 | 60,141 | 25,588 | 29.54 |
| 7000 - Special Transactions | 241,435 | 332,438 | 139,997 | 3,660 | 188,781 | 56.79 |
| 8000 - Assistance | - | - | - | - | - | - |
| 9000 - Capital Outlay | 120,000 | 157,200 | - | - | 157,200 | - |
| 9300 - Other Income and Expense | - | - | - | - | - | - |
| Total JUDICIAL BRANCH | \$ 16,633,077 | \$ 18,071,513 | \$ 9,324,288 (3a) | \$ 183,706 (3b) | \$ 8,563,519 (3c) | 47.39 |
| FIXED COST | | | | | | |
| 2001 - Personnel Expenses | \$ - | - | - | - | \$ - | - |
| 3000 - Travel Expenses | - | - | 2,059 | - | (2,059) | 0.00 |
| 3500 - Meeting Expenses | - | - | - | - | - | - |
| 4000 - Supplies | - | 81,743 | 8,400 | 3,821 | 69,522 | 85.05 |
| 5000 - Lease & Rental | 183,400 | 204,496 | 161,023 | 2,098 | 41,375 | 20.23 |
| 5500 - Communications & Utilities | 6,523,500 | 7,106,837 | 4,545,648 | 289,889 | 2,271,301 | 31.96 |
| 6000 - Repairs & Maintenance | 3,482,322 | 5,370,624 | 1,729,891 | 1,493,897 | 2,146,837 | 39.97 |
| 6500 - Contractual Services | 3,742,463 | 6,168,161 | 1,764,858 | 3,020,813 | 1,382,490 | 22.41 |
| 7000 - Special Transactions | 7,877,884 | 8,050,725 | 7,838,573 | - | 212,152 | 2.64 |
| 8000 - Assistance | - | - | 260 | - | (260) | - |
| 9000 - Capital Outlay | - | 210,291 | 16,725 | 86,596 | 106,970 | 50.87 |
| 9300 - Other Income and Expense | - | - | - | - | - | - |
| 9500 - Matching & Indirect Cost | 3,500,000 | 10,552,040 | 2,503,037 | - | 8,049,003 | 0.00 |
| Total FIXED COST | \$ 25,309,569 | \$ 37,744,917 | \$ 18,570,475 (4a) | \$ 4,897,112 (4b) | \$ 14,277,330 (4c) | 37.83 |
| GRAND TOTAL: | \$ 217,801,841 | \$ 257,525,388 | \$ 138,329,382 (5a) | \$ 19,081,372 (5b) | \$ 100,114,632 (5c) | 38.88 |

Footnotes:

Legislative Branch

- (1a) Legislative Expenses
- (1b) Legislative Encumbrances
- (1c) Legislative Budget Available

Executive Branch

- (2a) Executive Expenses
- (2b) Executive Encumbrances
- (2c) Executive Budget Available

Judicial Branch

- (3a) Judicial Expenses
- (3b) Judicial Encumbrances
- (3c) Judicial Budget Available

Fixed Cost

- (4a) Fixed Cost Expenses
- (4b) Fixed Cost Encumbrances
- (4c) Fixed Cost Budget Available
- Total General Fund and Fixed Cost**
- (5a) General Fund and Fixed Cost Expenses
- (5b) General Fund and Fixed Cost Encumbrances
- (5c) General Fund and Fixed Cost Budget Available



FY 2022
EXHIBIT "D"

Undesignated, Unreserved, Fund Balance (UUFB)
July 1, 2022

| | | |
|---|----|------------|
| 09-30-21 UUFB balance <u>(Un-Audited)</u> | \$ | 25,786,238 |
|---|----|------------|

Less Supplementals:

| | |
|--|------------------|
| CO-54-21-Tohatchi Area of Opportunity & Services, Inc. | 258,512 |
| CO-55-21-Judicial Branch/Election Administration | 1,561,438 |
| CAP-19-22-DOJ Water Rights | 4,000,000 |
| CJN-28-22-Summer Youth | <u>4,000,000</u> |

| | |
|---------------------|------------------|
| Total Supplementals | <u>9,819,950</u> |
|---------------------|------------------|

| | | |
|--------------------------|----|-------------------|
| UUFB -Unaudited 07/01/22 | \$ | <u>15,966,288</u> |
|--------------------------|----|-------------------|



THE NAVAJO NATION
Active Federal Fund Report (Unaudited)
May 31, 2022

FY 2022
EXHIBIT "E"

| | Revised Budget | Actual Expenses | Encumbrances | Budget Balance |
|-------------------------------|----------------|-----------------|--------------|----------------|
| LEGISLATIVE BRANCH | - | - | - | - |
| JUDICIAL BRANCH | 8,206,844 | 127,199 | - | 8,079,645 |
| EXECUTIVE OFFICES (OP/VP) | 30,592,351 | 649,674 | 311,578 | 29,631,099 |
| OFFICE OF ATTORNEY GENERAL | 27,428,339 | 525,818 | - | 26,902,521 |
| OFFICE OF MANAGEMENT & BUDGET | 2,788,084 | - | - | 2,788,084 |
| OFFICE OF THE CONTROLLER | 936,941,331 | 888,623,986 | 1,467,068 | 46,850,277 |
| DIV. OF COMMUNITY DEVELOPMENT | 61,077,423 | 21,150,972 | 16,754,197 | 23,172,254 |
| DEPT OF DINE EDUCATION | 55,091,696 | 26,931,673 | 2,619,481 | 25,540,541 |
| DIV. OF ECONOMIC DEVELOPMENT | 34,586,948 | 29,148,468 | 11,607 | 5,426,874 |
| ENV. PROTECTION AGENCY | 26,151,771 | 10,927,582 | 2,297,694 | 12,926,495 |
| DIVISION OF GENERAL SERVICES | 33,462,322 | 16,313,400 | 9,208,607 | 7,940,315 |
| DEPARTMENT OF HEALTH | 86,404,803 | 22,121,562 | 8,986,753 | 55,296,487 |
| DIVISION OF HUMAN RESOURCES | 51,117,543 | 13,566,467 | 605,143 | 36,945,934 |
| DIVISION OF NATURAL RESOURCES | 113,455,369 | 18,287,952 | 14,589,963 | 80,577,455 |
| DIVISION OF PUBLIC SAFETY | 24,928,288 | 13,350,180 | 3,181,751 | 8,396,357 |
| DIVISION OF SOCIAL SERVICES | 376,275,978 | 155,748,856 | 11,467,810 | 209,059,312 |
| DIVISION OF TRANSPORTATION | 350,542,165 | 136,921,200 | 27,963,411 | 185,657,554 |
| Total ALL DIVISIONS | 2,219,051,255 | 1,354,394,989 | 99,465,062 | 765,191,204 |



THE NAVAJO NATION
Active State Fund Report (Unaudited)
May 31, 2022

FY 2022
EXHIBIT "F"

| | Revised Budget | Actual Expenses | Encumbrances | Budget Balance |
|-------------------------------|--------------------|-------------------|-------------------|-------------------|
| LEGISLATIVE BRANCH | - | - | - | - |
| DIV. OF COMMUNITY DEVELOPMENT | 63,564,161 | 7,674,555 | 7,876,962 | 48,012,645 |
| DEPT OF DINE EDUCATION | 3,881,072 | 901,400 | 550,980 | 2,428,691 |
| DIV. OF ECONOMIC DEVELOPMENT | - | - | - | - |
| ENV. PROTECTION AGENCY | - | - | - | - |
| DIVISION OF GENERAL SERVICES | 5,902,144 | 1,931,638 | 1,593,142 | 2,377,365 |
| DEPARTMENT OF HEALTH | 26,986,650 | 3,936,990 | 295,743 | 22,753,917 |
| DIVISION OF HUMAN RESOURCES | 40,000 | - | - | 40,000 |
| DIVISION OF NATURAL RESOURCES | - | - | - | - |
| DIVISION OF PUBLIC SAFETY | - | - | - | - |
| DIVISION OF SOCIAL SERVICES | 7,850,746 | 2,099,396 | 40,017 | 5,711,332 |
| DIVISION OF TRANSPORTATION | 13,948,577 | 2,654,240 | 5,200,132 | 6,094,204 |
| Total ALL DIVISIONS | <u>122,173,350</u> | <u>19,198,220</u> | <u>15,556,976</u> | <u>87,418,154</u> |



THE NAVAJO NATION
Active BIA-IHS Report (Unaudited)
May 31, 2022

FY 2022
EXHIBIT "G"

Active BIA-IHS

| | <u>Revised Budget</u> | <u>Actual Expenses</u> | <u>Encumbrances</u> | <u>Budget Balance</u> |
|-------------------------------|-----------------------|------------------------|---------------------|-----------------------|
| DIV.OF COMMUNITY DEVELOPMENT | 300,000 | 237,750 | 62,250 | - |
| DEPARTMENT OF HEALTH | 387,914,742 | 178,403,704 | 2,871,087 | 206,639,951 |
| DIVISION OF PUBLIC SAFETY | 91,015,018 | 64,774,180 | 1,508,734 | 24,732,104 |
| DIVISION OF SOCIAL SERVICES | 9,932,066 | 5,811,709 | 64,850 | 4,055,507 |
| FED 638 CONTRACT (DHHS - IHS) | <u>489,161,826</u> | <u>249,227,342</u> | <u>4,506,922</u> | <u>235,427,562</u> |
| | | | | |
| JUDICIAL BRANCH | 13,618,538 | 9,885,506 | 204,191 | 3,528,841 |
| OFFICE OF ATTORNEY GENERAL | 1,086,958 | 669,601 | - | 417,357 |
| OFFICE OF MANAGEMENT & BUDGET | 129,413,448 | 119,546,142 | - | 9,867,306 |
| OFFICE OF THE CONTROLLER | - | - | - | - |
| DIV.OF COMMUNITY DEVELOPMENT | 16,537,366 | 3,876,392 | 81,926 | 12,579,049 |
| DEPT OF DINE EDUCATION | 113,557,178 | 45,726,828 | 6,750,905 | 61,079,445 |
| DIVISION OF HUMAN RESOURCES | 14,564,662 | 10,314,425 | 54,996 | 4,195,240 |
| DIVISION OF NATURAL RESOURCES | 187,654,493 | 79,607,395 | 10,903,538 | 97,143,560 |
| DIVISION OF PUBLIC SAFETY | 230,711,650 | 157,549,961 | 4,104,325 | 69,057,364 |
| DIVISION OF SOCIAL SERVICES | 100,658,898 | 71,488,429 | 4,068,141 | 25,102,328 |
| DIVISION OF TRANSPORTATION | - | - | - | - |
| FED 638 CONTRACT (DOI - BIA) | <u>807,803,190</u> | <u>498,664,677</u> | <u>26,168,022</u> | <u>282,970,492</u> |
| | | | | |
| Total ALL DIVISIONS | <u>1,296,965,016</u> | <u>747,892,019</u> | <u>30,674,943</u> | <u>518,398,054</u> |

Master Trust and Retirement Performance

May 31, 2022

Unaudited

EXHIBIT "H"

FY 2022

| | MASTER TRUST* | | | | | | | | | | | | | | | FUND TOTALS |
|-----------------------------|-----------------------|-----------------------|--------------------------|-------------------------------|-----------------------------------|-------------------------------|--------------------------------------|-----------------------------------|--------------------------------|--------------------------------------|---------------------------------------|--|------------------------|------------------------------|-----------------------|---------------|
| | -100- General Fund | -115- Workers Comp | -120- Permanent Trust | -125- Handicapped Trust | -130- Senior Citizens Trust | -135- Vocational Education | -140- 1982 Chapter Claims Fund | -145- 1982 Scholarship Fund | -155- Business Ind. Dev. | -160- 1988 Chapter Claims Fund | -165- Graduate Scholarship Fund | -170- Tucson Gas & Electric Fund | -175- Veterans Fund | -180- Land Acquisition | -185- Sihasin Fund | |
| Beginning Balance (5/1/22) | 66,561,140 | 15,064,441 | 2,917,042,121 | 16,065,597 | 12,811,713 | 13,133,493 | 30,265,412 | 15,204,421 | 59 | 33,433,509 | 50,462,520 | 3,797,762 | 185,076,140 | 160,824,913 | 578,076,818 | 4,097,820,059 |
| Other Rec./Dist. | - | - | (1,187) | - | - | - | - | - | - | - | - | - | - | - | - | (1,187) |
| Interest | 204,225 | 20,552 | 1,852,799 | 18,481 | 16,415 | 16,983 | 66,772 | 31,451 | 0 | 80,145 | 40,381 | 2,638 | 192,994 | 181,736 | 509,361 | 3,234,932 |
| Dividends | 60 | 7,979 | 2,391,712 | 7,953 | 6,937 | 5,679 | 5,880 | 3,008 | - | 3,608 | 30,211 | 2,344 | 103,070 | 103,099 | 519,337 | 3,190,877 |
| Other Income | 6,647 | 1 | 1,427,230 | 1 | 0 | 1 | 1 | 0 | - | 1 | 4 | 0 | 13 | 13 | 225,092 | 1,659,004 |
| OID/Market Accretion Income | 23 | 1,890 | 21 | 19 | 19 | 63 | 32 | 74 | - | 45 | 3 | 161 | 119 | 500 | 2,967 | |
| Net Change Accrued | (68,910) | 1,525 | 89,262 | 2,029 | 1,770 | 1,464 | (8,948) | (3,069) | (0) | (11,981) | 11,793 | 823 | 15,116 | 4,081 | (24,139) | (10,084) |
| Unrealized Gain/Loss | 581,867 | 133,649 | 9,980,000 | 30,746 | 46,464 | 29,311 | 214,790 | 94,806 | 0 | 246,774 | (5,842) | 12,310 | 140,936 | 1,107,573 | 3,858,394 | 16,471,778 |
| Realized Gain/Loss | (282,383) | (66,446) | (8,901,438) | (105,769) | (83,468) | (69,386) | (128,402) | (57,430) | (0) | (119,033) | (336,663) | (19,393) | (1,371,976) | (981,961) | (1,209,231) | (13,712,978) |
| Fees and Expenses | (1,993) | (0) | (381,064) | (0) | (0) | (0) | (0) | (0) | - | (0) | (1) | (0) | (4) | (4) | (56,852) | (419,920) |
| Amortization | (7,593) | (92) | (5,970) | (73) | (62) | (69) | (641) | (236) | (0) | (807) | (207) | (22) | (2,645) | (3,265) | (1,639) | (23,221) |
| Total Investment Change | 410,919 | 97,190 | 6,474,420 | (48,610) | (11,925) | (15,997) | 149,514 | 68,662 | 0.36 | 198,781 | (260,280) | (1,198) | (922,235) | 431,391 | 3,820,823 | 10,393,355 |
| Ending Balance (5/31/22) | 66,972,059 | 15,161,631 | 2,923,515,354 | 16,016,987 | 12,799,788 | 13,117,496 | 30,414,926 | 15,272,983 | 59 | 33,632,290 | 50,202,240 | 3,796,564 | 184,153,905 | 161,256,304 | 581,897,641 | 4,108,212,227 |
| Allocation (%) | 1.63% | 0.37% | 71.16% | 0.39% | 0.31% | 0.32% | 0.74% | 0.37% | 0.00% | 0.82% | 1.22% | 0.09% | 4.48% | 3.93% | 14.16% | 100.00% |
| MTD Total Return | 0.62% | 0.65% | 0.22% | -0.29% | -0.09% | -0.12% | 0.49% | 0.45% | 0.61% | 0.59% | -0.52% | -0.03% | -0.50% | 0.27% | 0.66% | 0.25% |

| RETIREMENT FY 2022 | | | | | | | | | | | | | | |
|--------------------------|----------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-----------|-----------|-----------|--|
| Description | Beginning Balance | 10/31/2021 | 11/30/2021 | 12/31/2021 | 1/31/2022 | 2/28/2022 | 3/31/2022 | 4/30/2022 | 5/31/2022 | 6/30/2022 | 7/31/2022 | 8/31/2022 | 9/30/2022 | |
| Cash & Cash Equivalents | 15,669,271 | 21,002,581 | 14,581,520 | 14,581,520 | 15,212,971 | 12,279,701 | 12,279,701 | 12,279,701 | 14,744,116 | 16,170,186 | - | - | - | |
| Interest Receivables | 1,702,103 | 2,102,339.16 | 1,636,189 | 1,636,189 | 2,105,658 | 1,823,359 | 1,823,359 | 1,823,359 | 2,311,649 | 1,850,938 | - | - | - | |
| International Fund | 506,291 | 501,043 | 504,687 | 504,687 | 294,915 | - | - | - | - | - | - | - | - | |
| UST Treasuries | 242,554,878 | 241,248,928 | 245,856,273 | 245,856,273 | 237,086,974 | 231,315,825 | 231,315,825 | 231,315,825 | 218,501,790 | 217,404,271 | - | - | - | |
| Common Stocks | 668,285,611 | 704,081,874 | 700,658,717 | 700,658,717 | 659,840,439 | 656,324,099 | 656,324,099 | 656,324,099 | 594,048,442 | 595,844,268 | - | - | - | |
| Corporate Bonds | 167,861,420 | 168,472,625 | 166,994,795 | 166,994,795 | 167,570,031 | 160,530,507 | 160,530,507 | 160,530,507 | 158,892,051 | 156,165,461 | - | - | - | |
| Municipal Bonds | 790,571 | 807,375 | 799,420 | 799,420 | 764,164 | 702,356 | 702,356 | 702,356 | 641,029 | 617,680 | - | - | - | |
| Real Estate | 119,043,033 | 126,353,767 | 127,000,017 | 127,000,017 | 136,727,608 | 134,537,652 | 134,537,652 | 134,537,652 | 144,962,617 | 142,650,117 | - | - | - | |
| Market Value Adjustments | - | - | - | - | 163,447 | 271,841 | 271,841 | 271,841 | 271,841 | 271,841 | - | - | - | |
| ACCOUNT BALANCE | 1,216,414,177 | 1,216,414,177 | 1,264,568,534 | 1,258,011,618 | 1,258,011,618 | 1,219,566,206 | 1,197,785,339 | 1,197,785,339 | 1,132,373,536 | 1,130,984,762 | - | - | - | |
| FYTD Total Return** | | 0.00% | 3.96% | 3.42% | 3.42% | 0.26% | -1.53% | -1.53% | -6.91% | -7.02% | -100.00% | -100.00% | -100.00% | |

*Performance shown is Net of fees.

**Simple Total Return ((Overall End. Bal. / Overall Bgn. Bal.) - 1); May vary due to calculation method and/or rounding of numbers