LEGISLATION NO: _0337-19_____     SPONSOR: Jamie Henio

TITLE: An Action Relating to the Budget and Finance Committee; Approving as recommended by the Navajo Nation Investment Committee, the selection of PineBridge Investments LLC as the bank loan manager for the remainder of the Navajo Nation’s Master Trust Funds; and approving the subscription documents and related documents between the Navajo Nation and PineBridge Investments LLC related to the Navajo Nation’s Master Trust and the Navajo Nation’s Retirement Plan

Date posted: November 14, 2019 at 6:30pm

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LEGISLATIVE SUMMARY SHEET
Tracking No. 0337-19

DATE: November 12, 2019

TITLE OF RESOLUTION: AN ACTION RELATING TO THE BUDGET AND FINANCE COMMITTEE; APPROVING AS RECOMMENDED BY THE NAVAJO NATION INVESTMENT COMMITTEE, THE SELECTION OF PINEBRIDGE INVESTMENTS LLC AS THE BANK LOAN MANAGER FOR THE REMAINDER OF THE NAVAJO NATION'S MASTER TRUST FUNDS; AND APPROVING THE SUBSCRIPTION DOCUMENTS AND RELATED DOCUMENTS BETWEEN THE NAVAJO NATION AND PINEBRIDGE INVESTMENTS LLC RELATED TO THE NAVAJO NATION'S MASTER TRUST AND THE NAVAJO NATION'S RETIREMENT PLAN

PURPOSE: The purpose of this resolution is approve the selection of PineBridge Investments LLC as the bank loan manager for the remainder of the Nation’s master trust funds.

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

24th NAVAJO NATION COUNCIL – FIRST YEAR, 2019

INTRODUCED BY

(Primary Sponsor)

TRACKING NO. 0337-19

AN ACTION


BE IT ENACTED:

SECTION ONE. AUTHORITY

A. The Budget and Finance Committee of the Navajo Nation Council (the “Budget and Finance Committee”) is empowered with the authority to exercise oversight in the areas including, but not limited to, budget, finance, investment, bonds, contracting, insurance, audits, accounting, taxes, loans, and Chapter budget and finance, for the purpose of coordinating, overseeing, and regulating the fiscal, financial, investment, contracting, and audit policies of the Navajo Nation pursuant to 2 N.N.C. § 300(C)(1); and to promulgate
rules and regulations related to contracting, investments, and financial matters pursuant to 2 N.N.C. § 301(B)(1).

B. The Navajo Nation created the Navajo Nation Investment Committee (the “Investment Committee”) pursuant to Resolution No. CAU-39-73, and the Budget and Finance Committee of the Navajo Nation Council (the “Budget and Finance Committee”) approved and adopted the investment policies for all Navajo Nation financial resources (the “Master Investment Policy”) pursuant to Resolution No. BFO-61-90, as amended by BFJY-114-03, BFJA-01-08, BFJN-17-15, BFD-38-17, BFD-41-17, and BFD-45-18.

C. The Investment Committee is an advisory group to the Budget and Finance Committee in the management of the Nation’s investment program and is responsible for recommending to the Budget and Finance Committee the approval of the selection of investment managers and custodians recommended by the Investment Consultant, subject to the approval of each investment manager contract and each custodian contract by the Budget and Finance Committee, pursuant to the Master Investment Policy, § 4.3(d).

SECTION TWO. FINDINGS

A. The Budget and Finance Committee previously approved the selection of PineBridge Investments LLC (“PineBridge”) as the Bank Loan Manager in the Navajo Nation’s Retirement Plan’s (“Retirement Plan”) Long Term Asset Allocation through Resolution No. BFMY-18-18, attached hereto as Exhibit 1. The Subscription Documents between the Navajo Nation and PineBridge and related documents for the Retirement Plan have not yet been executed.

B. The Investment Committee and the Investment Consultant, RVK, Inc. (“RVK”), have now recommended to the Budget and Finance Committee the approval of the selection of PineBridge as the Bank Loan Manager for the remainder of the Navajo Nation’s Master Trust Funds (the “Master Trust”) through Resolution No. NNICAP-01-19, attached hereto as Exhibit 2.

C. The Controller, RVK, the Navajo Nation Department of Justice and the Investment Committee’s outside counsel, Kutak Rock LLP, have negotiated with PineBridge the terms of the Subscription Documents and related documents between the Navajo Nation
and PineBridge for the Master Trust (the "Master Trust Agreements"), attached hereto as Exhibit 3, and the Subscription Documents and related documents between the Navajo Nation and PineBridge for the Retirement Plan (the "Retirement Plan Agreements"), attached hereto as Exhibit 4.

D. The Budget and Finance Committee now considers the recommendation of the Investment Committee and RVK to approve the selection of PineBridge as the Bank Loan Manager for the remainder of the Master Trust, and finds that this action is in the Nation's best interest.

E. The Budget and Finance Committee finds the implementation of the Master Trust Agreements and the Retirement Plan Agreements (collectively, the "Agreements") to be in the Nation's best interest.

F. The Department of Justice has reviewed the collective Agreements, which are the subject of this proposed resolution, and determined the Agreements to be legally sufficient for the purposes stated therein. The Department of Justice review is attached as Exhibit 5.

SECTION THREE. APPROVAL

A. The Budget and Finance Committee approves the selection of PineBridge as the Bank Loan Manager for the remainder of the Master Trust.

B. The Budget and Finance Committee further approves the Agreements and delegates authority to the Controller to make any reasonable and necessary changes to the Agreements consistent with the intent of this Legislation, to submit the Agreements to the Navajo Nation President for execution, and to effectuate the purposes of the Agreements and this Legislation.