

THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: \_0073-21\_

SPONSOR: Jamie Henio

**TITLE: An Action Relating to Budget and Finance Committee; Approving an Amendment and Restatement of the Retirement Plan for Employees of the Navajo Nation and Participating Affiliates to Implement Provisions of an Enhanced Retirement Program, Effective April 1, 2021**

*Date posted:* April 9, 2021 at 5:34PM

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**LEGISLATIVE SUMMARY SHEET**  
Tracking No. 0073-21

**DATE:** April 7, 2021

**TITLE OF RESOLUTION:** RELATING TO BUDGET AND FINANCE COMMITTEE; APPROVING AN AMENDMENT AND RESTATEMENT OF THE RETIREMENT PLAN FOR EMPLOYEES OF THE NAVAJO NATION AND PARTICIPATING AFFILIATES TO IMPLEMENT PROVISIONS OF AN ENHANCED RETIREMENT PROGRAM, EFFECTIVE APRIL 1, 2021

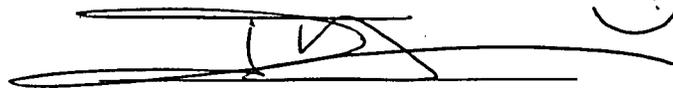
**PURPOSE:** The purpose of this resolution is to approve amendments to the Navajo Nation Retirement Plan.

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.

5-DAY BILL HOLD PERIOD: Brednerse  
Website Posting Time/Date:  
Posting End Date: April 14, 2021  
Eligible for Action: April 15, 2021

1 PROPOSED STANDING COMMITTEE RESOLUTION  
2 24<sup>th</sup> NAVAJO NATION COUNCIL—THIRD YEAR, 2020

3 INTRODUCED BY

4  21

5 Primary Sponsor

6 TRACKING NO. **0073-21**

7  
8 RELATING TO BUDGET AND FINANCE COMMITTEE; APPROVING  
9 AN AMENDMENT AND RESTATEMENT OF THE RETIREMENT PLAN  
10 FOR EMPLOYEES OF THE NAVAJO NATION AND PARTICIPATING  
11 AFFILIATES TO IMPLEMENT PROVISIONS OF AN ENHANCED  
12 RETIREMENT PROGRAM, EFFECTIVE APRIL 1, 2021  
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16 **SECTION ONE. AUTHORITY**

- 17 A. The Navajo Nation Council created and implemented a comprehensive retirement  
18 plan for the benefit of Tribal employees and authorized the Chairman of the Navajo  
19 Tribal Council with the approval of the Budget and Finance Committee of the  
20 Navajo Nation Council to develop, implement and administer the plan, through  
21 Navajo Tribal Council Resolution CF-21-73.  
22 B. The Budget and Finance Committee of the Navajo Nation Council (“the Budget  
23 and Finance Committee”) is empowered to promulgate policies and regulations  
24 concerning the fringe benefits for Navajo Nation officials and employees and to  
25 conduct oversight of the functions of the Retirement Services Department, pursuant  
26 to 2 N.N.C. §§ 301(B)(8) and (13).  
27

28 **SECTION TWO. FINDINGS**

- 29 A. The Budget and Finance Committee, under the authority delegated in CF-21-73,  
30 initially adopted the Retirement Plan for Employees of the Navajo Tribe and

1 Certain Tribal Affiliates (the "Retirement Plan") effective July 1, 1973, through  
2 BFMY-41-73.

3 B. The Navajo Nation Council, the Budget and Finance Committee, and the Human  
4 Services Committee have since approved various amendments, including various  
5 Amended and Restated versions, of the Retirement Plan through Resolution Nos.  
6 BFMA-56-74, BFMY-198-77, CMY-26-79, BFJY-101-85, BFJN-71-86, BFS-56-  
7 90, BFMY-25-91, BFS-98-02, BFMA-34-03, BFMA-05-08, BFCO-16-09, HSCD-  
8 13-10, BFJY-16-19, and BFO-34-19.

9 C. The Navajo Nation, as the Employer under the Retirement Plan, has the right to amend  
10 the Retirement Plan from time to time to any extent that it deems advisable, pursuant to  
11 Section 13.01 of the Retirement Plan.

12 D. At the direction of the Navajo Nation President, the Navajo Department of  
13 Retirement Services ("NDRS") worked with actuarial consultant Willis Towers  
14 Watson to prepare reports presenting several plan design alternatives for an  
15 enhanced retirement program in response to risks posed to employees by COVID-  
16 19. Several meetings were convened to discuss and update the plan designs,  
17 involving the Office of the President and Vice President, NDRS, Navajo Division  
18 of Human Resources, the Employee Benefits Program of the Navajo Nation  
19 Insurance Services Department, and the Navajo Department of Justice. Following  
20 discussions, the plan design alternatives were updated and four alternatives were  
21 presented to the Retirement Plan Administration Committee for consideration.

22 E. The Retirement Plan Administration Committee chose an alternative, offering an  
23 additional three years of Benefit Service to eligible regular status employee Plan  
24 Participants aged sixty and above with at least ten years of Vesting Service who  
25 elect to retire under the Enhanced Retirement Plan. The Retirement Plan  
26 Administration Committee approved and recommended to the Budget and Finance  
27 Committee the adoption and approval of a Restated Plan Document incorporating  
28 this change for the Retirement Plan for Employees of the Navajo Nation and  
29 Participating Affiliates, through RPAC-01-21, attached as **Exhibit 1**.

30

1 F. Attached as **Exhibit 2** is an underscore-strikeout version of the current Retirement  
2 Plan document effective April 1, 2019, indicating insertion of new language by  
3 underscore and deletion of old language by overstrike. For reference, a “clean”  
4 unmarked version of the Amended and Restated Retirement Plan for Employees of  
5 the Navajo Nation and Participating Affiliates is attached as **Exhibit 3**.

6 G. The Navajo Nation Department of Retirement Services recommends that the  
7 Amended and Restated Plan become effective April 1, 2021 in order to give the  
8 Department time to provide notice of the changes to Plan Participants and to  
9 implement the changes.

10 H. The Budget and Finance Committee approves the Amended and Restated  
11 Retirement Plan for Employees of the Navajo Nation and Participating Affiliates,  
12 Effective April 1, 2021, attached as **Exhibit 2**.

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14 **SECTION THREE. APPROVAL**

15 The Budget and Finance Committee hereby approves and adopts the Amended and  
16 Restated Retirement Plan for Employees of the Navajo Nation and Participating Affiliates,  
17 Effective April 1, 2021, attached as **Exhibit 2**.

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19 **SECTION FOUR. EFFECTIVE DATE**

20 The Amended and Restated Retirement Plan for Employees of the Navajo Nation and  
21 Participating Affiliates, attached as **Exhibit 2**, is effective as of April 1, 2021.  
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