



Budget & Finance Committee Approves the Three Branch Chief's Recommendation for the Fiscal Year 2022 General Fund

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WINDOW ROCK, Ariz. — On June 29th, the Budget & Finance Committee of the 24th Navajo Nation Council accepted the Navajo Nation Fiscal Year (FY) 2022 General Fund Revenue Projections, which establishes the FY 2022 General Fund Budget and the Three Branch Planning Allocations to prepare for the FY 2022 Navajo Nation Comprehensive Budget.

“I am very thankful to the Office of the President and Vice President (OPVP) and the Judicial Branch for their collective agreement for approving the Three Branch Chiefs’ Agreement, which kicks off the Fiscal Year 2022 Budget Session,” said Speaker Seth Damon (Bááhaalí, Chichiltah, Manuelito, Red Rock, Rock Springs, Tséyatoh).

In the FY 2022 General Fund Revenue Projections, the Navajo Nation Controller showed a total gross recurring revenue of \$137,205,000, which is less the set-asides for projected revenue.

It follows as:

- \$22,479,000 will be allocated to the Navajo Nation Permanent Fund.
- \$3,746,000 will be allocated to the Navajo Nation Land Acquisition Trust Fund.
- \$12,400,000 will be allocated to the Diné Higher Education Grant Fund.
- \$2,000,000 will be allocated to the Capital Outlay Match Funding Special Revenue Fund.
- \$2,000,000 will be allocated to the Navajo Nation Water Rights Claim Fund.
- \$7,493,000 will be allocated to the Navajo Veterans Trust Fund.

Additionally, the Navajo Nation Three Branch Chiefs met and agreed upon their recommendations for the FY2022 base planning amounts, funding sources, and other financial matters to be presented to the Budget & Finance Committee (BFC).

According to the agreement, the total projected revenue consisting of General Fund Revenues and interest income from the Permanent Trust Fund (PTF) that is available is \$177,205,000.

Out of that amount, \$137,205,000 will be allocated to the General Fund Projection and \$40,000,000 will be allocated to the PTF.

The Three Branch Chiefs also recommended to BFC their allocations, which is as follows:

- \$18,013,778, which makes up 10.17%, will be allocated to Fixed Costs.

- \$3,500,000, which makes up 1.98%, will be allocated to External Funds Cash Match.
- \$111,518,160, which makes up 62.92%, will be allocated to the Executive Branch.
- \$15,732,069, which makes up 8.88%, will be allocated to the Legislative Branch.
- \$15,765,782, which makes up 8.90%, will be allocated to the Judicial Branch.
- \$12,675,211, which makes up 7.15%, will be allocated to the Chapters (non-administrative)

Regarding the Personnel Lapse/Savings Fund, the Three Branch Chiefs recommended that \$3,019,319 be allocated to cover the FY2021 General Wage Adjustment for the three branches.

Additionally, that \$3,000,000 be allocated to the Navajo Nation Retirement Plan to cover increasing costs.

In regards to the Undesignated, Unreserved Fund Balance (UUFB), the Agreement recommends that \$20,000,000 be set aside for the FY2023 budget, which is consistent with the UUFB set-aside that was established in Resolution No. CN-88-20.

BFC has accepted the Three Branch Chiefs' recommendations on FY2022 and the Annual Budget calendar.

Now, BFC has adopted a comprehensive budget policy manual is adopted, Navajo Nation programs and entities shall be guided by the existing budget policies set forth in Navajo Nation statutes and resolutions.

Additionally, the Committee requests that the Office of Management and Budget monitor the scheduled timelines to ensure that all deadlines are met.

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