LEGISLATION NO: _0238-21__  SPONSOR: Jamie Henio

TITLE: An Action Relating to the Budget and Finance Committee; As Recommended by the Navajo Nation Investment Committee, Approving the Selection of C.S. McKee as a Fixed Income Manager for the Funds Received by the Navajo Nation from the American Rescue Plan Act

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DATE: November 10, 2021

TITLE OF LEGISLATION: AN ACTION RELATING TO THE BUDGET AND FINANCE COMMITTEE; AS RECOMMENDED BY THE NAVAJO NATION INVESTMENT COMMITTEE, APPROVING THE SELECTION OF C.S. MCKEE AS A FIXED INCOME MANAGER FOR FUNDS RECEIVED BY THE NAVAJO NATION FROM THE AMERICAN RESCUE PLAN ACT

PURPOSE OF THIS LEGISLATION: to approve C.S. McKee as the Navajo Nation’s Investment Manager for the Navajo Nation’s ARPA funds; authorizing the President to execute C.S. McKee’s contract.
PROPOSED NAVAJO NATION STANDING COMMITTEE RESOLUTION
24th NAVAJO NATION COUNCIL - THIRD YEAR, 2021
INTRODUCED BY

(Primary Sponsor)

TRACKING NO. 0238-21

AN ACTION

RELATING TO THE BUDGET AND FINANCE COMMITTEE; AS
RECOMMENDED BY THE NAVAJO NATION INVESTMENT COMMITTEE,
APPROVING THE SELECTION OF C.S. MCKEE AS A FIXED INCOME
MANAGER FOR FUNDS RECEIVED BY THE NAVAJO NATION
FROM THE AMERICAN RESCUE PLAN ACT

BE IT ENACTED:

SECTION ONE. AUTHORITY

A. The Budget and Finance Committee of the Navajo Nation Council ("BFC") is empowered
with oversight authority in the areas of the Navajo Nation's budgeting, finance,
investment, bonds, contracting, and other related matters, for the purposes of coordinating,
overseeing, and regulating the fiscal, financial, investment, and contracting activities of
the Navajo Nation, and to promulgate rules and regulations related to contracting,
investments, and financial matters. 2 N.N.C. §300(C)(1) and §301(B)(1).

B. The Navajo Nation created the Navajo Nation Investment Committee ("Investment
Committee") pursuant to Resolution No. CAU-39-73, and the BFC has previously
approved and adopted the investment policies for all Navajo Nation financial resources
("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 responsible for making recommendations to the BFC regarding the management of the Navajo Nation’s investment program and the selection of investment managers and custodians as recommended by the Navajo Nation’s Investment Consultant RVK, Inc. (“RVK”), subject to the approval of each investment manager contract and each custodian contract by the BFC, in accordance with the Master Investment Policy, Section 4.3(d).

SECTION TWO. FINDINGS

A. In Resolution No. CJY-41-21 the Navajo Nation Council formally accepted its federally-allocated funds from the American Rescue Plan Act (“ARPA”), and established the “Navajo Nation Fiscal Recovery Fund” into which all ARPA funds received by the Navajo Nation were deposited.

B. Pursuant to Section 3(E) of CJY-41-21 the Controller is authorized to oversee the investment of ARPA funds, upon the recommendations of the Investment Committee.

C. The Controller has worked with RVK in reviewing and recommending potential Fixed Income Managers to the Investment Committee, regarding the hiring of an investment manager for the Navajo Nation’s ARPA funds.

D. The Investment Committee has reviewed the firm recommended by RVK as a Fixed Income Manager, C.S. McKee, and has approved RVK’s due diligence review of of C.S. McKee’s materials. Resolution No. NNICOC-05-21 attached as EXHIBIT A.

E. The Investment Committee has approved the selection of C.S. McKee as the Navajo Nation’s Fixed Income Manager for the Nation’s ARPA funds. EXHIBIT A.

F. The Office of the Controller and the Department of Justice have reviewed C.S. McKee’s proposed contract and determined that the contract and related documents are legally sufficient. EXHIBIT B.

G. The BFC finds that the selection of C.S. McKee and the execution of the C.S. McKee contract is in the best interest of the Navajo Nation.

SECTION THREE. APPROVAL

A. The Budget and Finance Committee hereby approves the selection of C.S. McKee as the
Navajo Nation’s Fixed Income Manager for the Nation’s ARPA funds.

B. The Budget and Finance Committee further approves the C.S. McKee contract and related documents, and authorizes the Navajo Nation President to execute the C.S. McKee contract and any other agreements as necessary to effectuate the purposes of contract and the intent of this Legislation.