

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0142-23_

SPONSOR: Shaandiin Parrish

TITLE: An Action Relating to the Budget and Finance Committee; Accepting the Controller's FY2024 General Fund Revenue Projections; Approving the FY2024 Budget Instructions Manual and other Actions Related to the FY2024 Comprehensive Budget

Date posted: June 27, 2023 at 5:36PM

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SUMMARY OF PROPOSED LEGISLATION

Tracking No. 0142-23

DATE: June 23, 2023

RE: AN ACTION RELATING TO THE BUDGET AND FINANCE COMMITTEE; ACCEPTING THE CONTROLLER'S FY2024 GENERAL FUND REVENUE PROJECTIONS; APPROVING THE FY2024 BUDGET INSTRUCTIONS MANUAL; AND OTHER ACTIONS RELATED TO THE FY2024 COMPREHENSIVE BUDGET

Purpose of this Legislation:

to approve the Controller's FY2024 revenue projections, the FY2024 Indirect Cost projection, the FY2024 Budget Instructions Manual, and the FY2024 Budget Calendar.

OLC No. 23-284-1

5-DAY BILL HOLD PERIOD 3210
Website Posting Time/Date _____
Posting End Date: 07-02-23
Eligible for Action: 07-03-23

1 PROPOSED STANDING COMMITTEE RESOLUTION
2 25th NAVAJO NATION COUNCIL - First Year, 2023

3
4 Introduced by:

5 
6 _____
7 (Primary Sponsor)

8
9 Tracking No. 0142-23

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11 AN ACTION
12 RELATING TO THE BUDGET AND FINANCE COMMITTEE; ACCEPTING
13 THE CONTROLLER'S FY2024 GENERAL FUND REVENUE PROJECTIONS;
14 APPROVING THE FY2024 BUDGET INSTRUCTIONS MANUAL; AND OTHER
15 ACTIONS RELATED TO THE FY2024 COMPREHENSIVE BUDGET

16
17 BE IT ENACTED:

18
19 SECTION ONE. AUTHORITY

20 A. The Budget and Finance Committee is a standing committee of the Navajo Nation Council,
21 with the authority to make recommendations to the Council regarding the budgeting and
22 appropriation of all funds for the Navajo Nation, including matters related to the Navajo
23 Nation's Comprehensive Budget for each Fiscal Year. 2 N.N.C. §301(B)(2).

24 B. The provisions of the Navajo Nation Appropriations Act, at 12 N.N.C. §830, state as follows:

25 * * * *

26 (C) Annual Revenue Projection. The Controller shall review and recommend an annual
27 fiscal year revenue projection for all revenue generating sources for all
28 governmental, proprietary and fiduciary funds of the Navajo Nation. The annual
29 fiscal year revenue projection shall be submitted for review by the Budget and
30 Finance Committee of the Navajo Nation Council and will serve as the annual

1 revenue estimate at the beginning of the annual budget process for the next fiscal
2 year.

3 (D) The Office of Management and Budget shall prepare an estimate of all external
4 funding to be received by the Navajo Nation in the upcoming fiscal year and shall
5 present this information to the Budget and Finance Committee and the Controller by
6 the end of the second quarter of each fiscal year.

7 * * * *

8 (F) Approval of Revenue Projections. The Budget and Finance Committee shall
9 review the . . . fiscal year revenue projections and may approve them by
10 resolution.

11 * * * *

12 (H) Budget Instructions and Planning Base Amounts. The Office of Management
13 and Budget shall prepare budget instructions for each fiscal year which shall
14 be approved by the Budget and Finance Committee no later than 30 days after
15 the Controller releases the annual revenue projection as delineated in § 830(C).
16 The budget instructions shall include fiscal, financial, operational, policy
17 guidelines, budget development timelines and planning base amounts for each
18 fiscal year for the Executive Branch, the Judicial Branch, and the Legislative
19 Branch.

20 (I) Preparation of the Budget. . . . [E]ach branch, division, department, and
21 program of the Navajo Nation government shall prepare a budget request,
22 which shall be submitted to the Office of Management and Budget pursuant to
23 the time lines established in the annual Budget Instruction Manual. . . .

24 * * * *

25
26 **SECTION TWO. FINDINGS**

27 A. In accordance with 12 N.N.C. §830(C), the Acting Controller provided a memorandum dated
28 March 30, 2022, wherein she explains the Fiscal Year 2024 General Fund Revenue
29 Projections. This memorandum shows, for FY2024, \$216,602,000 as the total amount of
30 gross recurring/non-recurring revenues, and \$55,388,000 as the total for statutory set-aside

1 funds, and \$161,214,000 as the net total amount in general fund revenues. **EXHIBIT A-1.**

2 B. In addition, the Acting Controller provided a memorandum dated April 11, 2023, wherein
3 she explains the projection for Permanent Fund income available for FY2024 appropriations.
4 See **EXHIBIT A-2.**

5 C. Pursuant to Navajo Nation Council Resolution No. CAP-30-21 at Section THREE (B), the
6 Controller has determined that \$40,000,000 from the Permanent Fund is available for
7 FY2024 General Fund expenditures. **EXHIBIT A-2.**

8 D. Pursuant to Section THREE (D) of CAP-30-21, the Controller has designated \$21,555,000
9 as excess income “that shall remain in the Permanent Fund, and shall be available to fund
10 additional needs by Navajo Nation leadership.” **EXHIBIT A-2.**

11 E. In accordance with 12 N.N.C. §830(D), the Office of Management and Budget (“OMB”) has
12 provided the Indirect Cost Recovery Projection for FY2024 (“FY2024 IDC Projection”). See
13 **EXHIBIT B-1.**

14 F. OMB has prepared budget instructions and a budget timeline for the FY2024 Comprehensive
15 Budget process. See 12 N.N.C. §830(H). The FY2024 Budget Instructions Manual (“BIM”)
16 is attached hereto as **EXHIBIT B-2** and the FY2024 Budget Calendar is attached as
17 **EXHIBIT B-3.**

18 G. The Budget and Finance Committee has received and reviewed the Controller’s March 30,
19 2023 and April 11, 2023 memoranda regarding the FY2024 revenue projections, OMB’s
20 FY2024 IDC Projection, the FY2024 BIM, and the FY2024 Budget Calendar, and finds that
21 accepting and approving these documents is critical to the FY2024 Comprehensive Budget
22 process and is therefore in the best interest of the Navajo Nation.

23
24 **SECTION THREE. APPROVALS AND DIRECTIVES**

25 A. The Budget and Finance Committee hereby accepts the Controller’s Fiscal Year 2024
26 General Fund Revenue Projections, as shown in **EXHIBIT A-1.**

27 B. The Budget and Finance Committee hereby accepts the Controller’s projections for
28 Permanent Fund income available for FY2024 appropriations, as shown in **EXHIBIT A-2.**

29 C. The Budget and Finance Committee hereby accepts the FY2024 IDC Projection provided by
30 OMB, as shown in **EXHIBIT B-1.** Further, the Budget and Finance Committee directs that

1 Indirect Cost funds be distributed to all eligible entities of the Navajo Nation, in compliance
2 with the current Indirect Cost Negotiation Agreement between the Navajo Nation and the
3 U.S. Department of the Interior, which Agreement was approved by the Naabik'iyáti'
4 Committee in Resolution No. NABIF-02-23.

5 D. The Budget and Finance Committee hereby approves the FY2024 BIM provided by OMB,
6 attached as **EXHIBIT B-2**. All Navajo Nation government entities shall use the FY2024
7 BIM for the preparation of their proposed budgets to be included in the Navajo Nation's
8 Comprehensive Budget for FY2024, as well as for the preparation of any subsequent
9 carryover and supplemental budgets for expenditures during FY2024.

10 E. The Budget and Finance Committee hereby approves the FY2024 Budget Calendar provided
11 by OMB, attached as **EXHIBIT B-3**. All Navajo Nation government entities and Oversight
12 Committees should adhere to the timelines established in the FY2024 Budget Calendar, to
13 ensure that all deadlines are met so the Navajo Nation Council has sufficient time to review
14 and approve the FY2024 Comprehensive Budget by the statutory deadline of September 20,
15 2023 set forth in 12 N.N.C. §840(B).

16 F. In compliance with 12 N.N.C. §830(I), each branch, division, department, and program of
17 the Navajo Nation government shall prepare a FY2024 budget request and submit it to OMB
18 by the deadlines established in the Budget Calendar.

19 G. The Budget and Finance Committee hereby directs OMB to monitor compliance with the
20 deadlines in the FY2024 Budget Calendar, to ensure that all deadlines are met and, if
21 necessary, to recommend any revisions to the established deadlines.

22 H. The Budget and Finance Committee hereby requests that the Three Branch Chiefs direct all
23 Navajo Nation government entities operating with external funds to provide to OMB all
24 financial and funding information relevant to such funding, as directed by OMB, for
25 inclusion in the FY2024 Comprehensive Budget.

26 I. In accordance with Navajo Nation Council Resolution No. CF-07-11, the Budget and
27 Finance Committee hereby directs that all Navajo Nation government entities shall expend
28 funds from the Personnel Lapse/Savings Fund only for the purpose of administering and
29 maintaining the classification and pay plans established by the Department of Personnel
30 Management.

1 **SECTION FOUR. EFFECTIVE DATE**

2 This Action shall become effective in accordance with the 2 N.N.C. §301(B), 12 N.N.C. §830,
3 and 2 N.N.C. §221(C).

4
5 **SECTION FIVE. SAVING CLAUSE**

6 If any portion of this Action is determined invalid by the Navajo Nation Supreme Court, or by
7 a District Court of the Navajo Nation without appeal to the Navajo Nation Supreme Court, the
8 remainder of this Action shall be the law of the Navajo Nation.

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