

THE NAVAJO NATION
LEGISLATIVE BRANCH
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LEGISLATION NO: _0126-24_

SPONSOR: Shaandiin Parrish

TITLE: An Action Relating to the Budget and Finance Committee; Accepting the Controller's FY2025 General Fund Revenue Projections; Approving the FY2025 Budget Instructions Manual; and Other Actions Related to the FY2025 Comprehensive Budget

Date posted: June 12, 2024 at 8:41PM

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SUMMARY OF PROPOSED LEGISLATION

Tracking No. 0126-24

DATE: June 12, 2024

RE: AN ACTION RELATING TO THE BUDGET AND FINANCE COMMITTEE; ACCEPTING THE CONTROLLER'S FY2025 GENERAL FUND REVENUE PROJECTIONS; APPROVING THE FY2025 BUDGET INSTRUCTIONS MANUAL; AND OTHER ACTIONS RELATED TO THE FY2025 COMPREHENSIVE BUDGET

PURPOSE OF THIS LEGISLATION:

to approve the FY2025 BIM and take other actions related to the FY2025 Comprehensive Budget.

FINAL AUTHORITY and VOTE REQUIREMENT:

The Budget & Finance Committee has final authority. A simple majority vote is required.

OLC No. 24-303-1

5-DAY BILL HOLD PERIOD: Johnson
Website Posting Time/Date: _____
Posting End Date: 06-17-24
Eligible for Action: 06-18-24

PROPOSED STANDING COMMITTEE RESOLUTION
25th NAVAJO NATION COUNCIL - Second Year, 2024

Introduced by:

A. M. SA

(Primary Sponsor)

Tracking No. 0126-24

AN ACTION

**RELATING TO THE BUDGET AND FINANCE COMMITTEE; ACCEPTING
THE CONTROLLER'S FY2025 GENERAL FUND REVENUE PROJECTIONS;
APPROVING THE FY2025 BUDGET INSTRUCTIONS MANUAL; AND OTHER
ACTIONS RELATED TO THE FY2025 COMPREHENSIVE BUDGET**

BE IT ENACTED:

SECTION ONE. AUTHORITY

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

B. For purposes of this Action, the relevant provisions of the Navajo Nation Appropriations Act are set forth at 12 N.N.C. §830, and state as follows:

* * * *

(C) Annual Revenue Projection. The Controller shall review and recommend an annual fiscal year revenue projection for all revenue generating sources for all governmental, proprietary and fiduciary funds of the Navajo Nation. The annual fiscal year revenue projection shall be submitted for review by the Budget and

1 Finance Committee of the Navajo Nation Council and will serve as the annual
2 revenue estimate at the beginning of the annual budget process for the next fiscal
3 year.

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

8 * * * *

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

11 * * * *

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

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

23 * * * *

24
25 **SECTION TWO. FINDINGS**

26 A. In accordance with 12 N.N.C. §830(C), the Navajo Nation Controller has prepared a
27 memorandum dated March 28, 2024, wherein he explains the Fiscal Year 2025 (“FY2025”)
28 General Fund Revenue Projections. This memorandum shows \$242,455,000 as the total
29 amount of gross recurring/non-recurring revenues projected for FY2025, the amount of
30 \$60,042,000 projected for statutory set-asides for FY2025, and \$182,413,000 as the net total

1 amount in General Fund revenues for FY2025. The Controller’s memorandum is attached
2 hereto as **EXHIBIT A-1**.

3 B. The Controller has also prepared a memorandum dated March 29, 2024, wherein he explains
4 that: (1) in accordance with Navajo Nation Council Resolution No. CAP-30-21, \$40,000,000
5 from the Permanent Fund will be deposited into the General Fund for FY2025; and (2) the
6 projection for net Permanent Fund income available for FY2025 appropriations is
7 \$22,752,000. See the attached **EXHIBIT A-2**.

8 C. In accordance with 12 N.N.C. §830(D), the Office of Management and Budget (“OMB”) has
9 provided its “Projected Recovery of IDC Funds” for FY2025 (“FY2025 IDC”). See the
10 attached **EXHIBIT B-1**.

11 D. Pursuant to 12 N.N.C. §830(H), OMB has provided a Budget Preparation Calendar with
12 proposed timelines for the FY2025 Comprehensive Budget process. The FY2025 Budget
13 Calendar is attached as **EXHIBIT B-2**.

14 E. In accordance with 12 N.N.C. §830(H), OMB has provided a proposed Budget Instructions
15 Manual (“BIM”) for FY2025. The FY2025 BIM is attached hereto as **EXHIBIT B-3**.

16 F. The Budget and Finance Committee has received and reviewed the Controller’s March 28,
17 2024 and March 29, 2024 memoranda regarding the FY2025 revenue projections, OMB’s
18 FY2025 IDC projection, OMB’s FY2025 Budget Preparation Calendar, and the FY2025
19 BIM, and the Committee finds that accepting and approving these documents is in the best
20 interest of the Navajo Nation.

21
22 **SECTION THREE. APPROVALS AND DIRECTIVES**

23 A. The Budget and Finance Committee hereby accepts the Controller’s FY2025 General Fund
24 Revenue Projections, as shown in **EXHIBIT A-1**.

25 B. The Budget and Finance Committee hereby accepts the Controller’s projections for
26 Permanent Fund income available for FY2025 appropriations, as shown in **EXHIBIT A-2**.

27 C. The Budget and Finance Committee hereby accepts OMB’s FY2025 IDC projection, as
28 shown in **EXHIBIT B-1**.

29 D. The Budget and Finance Committee hereby approves the FY2025 Budget Calendar provided
30 by OMB, attached as **EXHIBIT B-2**.

1 E. The Budget and Finance Committee hereby approves the FY2025 BIM attached as
2 **EXHIBIT B-3.**

3 F. In compliance with 12 N.N.C. §830(I), each branch, division, department, and program of
4 the Navajo Nation government shall use the FY2025 BIM to prepare a FY2025 budget
5 request, and shall submit its budget documents to OMB by the deadline established in the
6 FY2025 Budget Calendar.

7 G. The Budget and Finance Committee hereby directs OMB to monitor compliance with the
8 deadlines in the FY2025 Budget Calendar, to ensure that all deadlines are met and, if
9 necessary, to recommend any revisions to the established deadlines.

10 H. The Budget and Finance Committee hereby directs all Navajo Nation government entities
11 receiving or operating with external funds during FY2025 to provide to OMB all financial
12 and funding information relevant to such external funding, for review during deliberations
13 on the FY2025 Comprehensive Budget.

14 I. In accordance with Navajo Nation Council Resolution No. CF-07-11, all Navajo Nation
15 government entities shall expend funds from the Personnel Lapse/Savings Fund only for the
16 purpose of administering and maintaining the classification and pay plans established by the
17 Department of Personnel Management.

18
19 **SECTION FOUR. EFFECTIVE DATE**

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

22
23 **SECTION FIVE. SAVING CLAUSE**

24 If any part of this Action is determined invalid by the Navajo Nation Supreme Court, or by a
25 District Court of the Navajo Nation without appeal to the Navajo Nation Supreme Court, the
26 remainder of this Action shall be the law of the Navajo Nation.