



**The 21<sup>st</sup> Navajo Nation Council**  
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## **Navajo Council tables Fiscal Year 2011 Navajo Nation Comprehensive Budget, approves continuing resolution for six months**

**WINDOW ROCK, Ariz.** – After two days of budget deliberations, the 21<sup>st</sup> Navajo Nation Council tabled the Navajo Nation Fiscal Year 2011 Comprehensive Budget and voted in favor of a continuing legislation that will begin Oct. 1 and last no later than March 31, 2011. The adoption of the continuing legislation also prevents layoffs of Navajo Nation government employees.

Honorable Young Jeff Tom motioned to table the Navajo Nation Fiscal Year 2011 Comprehensive Budget after time was yielded to him by Honorable Herman Morris. Tom said the last two days of deliberation on the comprehensive budget resulted in various questions left unanswered and that the Council was not given proper information to make a decision in the best interest of the Navajo Nation.

“There are still questions on the Contingency Management Funds and its balance and how much has been expended,” Tom said, explaining the need for a continuing resolution. “We have not been properly informed, including the Veterans Trust Fund. Because of these reasons and lack of information to be shared, I want to make a statement that this full operating budget be tabled until March 31, 2011.”

In addition, the Navajo Nation’s three branch chiefs met in June recommending the Budget and Finance Committee to adopt a continuing resolution because of budget cuts experienced by all three branches from the proposed comprehensive budget and also to prevent the layoffs of Navajo Nation employees. The proposed operating budget for Fiscal Year 2011 is \$148 million compared to the current operating budget of \$161 million. The difference is a \$12 million shortfall for Fiscal Year 2011.

Immediately after Tom’s motion, Honorable Katherine Benally raised a point of order requesting legal advice on the tabling motion.

“If the intent is to present a continuing legislation, we should vote down this comprehensive budget legislation,” Benally said. “It is necessary to work with a budget and we cannot just table the comprehensive budget. We are going to need legal advice.”

Frank Seanez, chief legislative counsel, said Tom’s tabling motion was in order with no legal bar. Marcelino Gomez, assistant attorney general for the Navajo Department of Justice, agreed with Seanez’s interpretation after the Council requested for a second legal opinion. Soon after the legal advice, the Council voted 43-25 on tabling the Navajo Nation Fiscal Year 2011 Comprehensive Budget until March 31, 2011 or once the 22<sup>nd</sup> Navajo Nation Council brings the matter back from table status.

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Following the Council's agreement to table the FY 2011 Comprehensive Budget, Sponsor Young Jeff Tom motioned for a continuing resolution. Tom sponsored the resolution for emergency reasons in case the full Council voted down or tabled the comprehensive budget, which is a necessary component for the operation of the Navajo Nation government and sovereignty of the Navajo Nation.

Honorable Roy Laughter motioned to open up discussion on the continuing resolution and Honorable Tom Lapahie seconded the motion.

Once Tom introduced his resolution various "questions of privilege" and "points of order" arose from the Council floor, as a result of lack of proper documentation, particularly the need to clarify the continuing resolution's budget amount.

On hand to answer questions regarding the continuing resolution was Mark Grant, controller of the Navajo Nation, and Dominic Beyal, executive director for Office of Management and Budget, who were agents to Tom's resolution. Both agents were in agreement the base budget for the continuing resolution is \$161 million. Beyal recommended to the Council to motion for an amendment because under current provisions the resolution amount is greater than the base amount of the Fiscal Year 2010 General Fund Branch Budget Planning Allocation operating budget.

To that note, Honorable Lorenzo Bates (Upper Fruitland), chairman of the Budget and Finance Committee, sponsored two amendments. On the first amendment, the Council voted, 51-12, to change language in the continuing resolution, which provided clarity on when the 22<sup>nd</sup> Navajo Nation Council would begin comprehensive budget deliberations. The amendment resulted in the continuing resolution beginning October 1 and ending no later than March 31, 2011 providing the opportunity for the new Council to meet and adopt a comprehensive budget to operate the Navajo Nation government for the remainder of Fiscal Year 2011.

On the second amendment, the Council voted 38-30 to use 90 percent of the Fiscal Year 2010 General Fund Branch Budget Planning Allocation of \$161 million. 90 percent of the \$161 million equates to approximately \$145 million and is the budget amount the Navajo Nation government will operate under for the next six months.

With the budget in place, Navajo Nation Government divisions, departments, offices, programs and Navajo Nation Chapters shall expect an allocation one-half of the \$145 million budget beginning Oct. 1 and ending no later than March 31, 2011 in accord with Navajo Nation Council Resolution CS-29-09.

Provisions in the resolution also provide that the Speaker of the Navajo Nation Council can convene a special session no later than March 1, 2011 for the purpose of the Navajo Nation Council to consider the proposed Navajo Nation Fiscal Year 2011 Comprehensive Budget. The Personnel Funds set forth in Resolution CS-29-09 will end on Sept. 30 to provide an accrual of personnel savings of all Navajo Nation Government divisions, departments, offices, programs and Navajo Nation Chapters.

The passage of the continuing resolution also means there will be no layoffs of Navajo Nation government employees and the negative balance of \$24 million in the Undesignated Unreserved Fund Balance carries over during the six months and remains in deficit status.

The Council voted in favor of adopting Tom's continuing resolution with Bates' two amendments, 51-24.

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