



## BRANCH CHIEFS SUPPLEMENTAL APPROPRIATION AGREEMENT

First Quarter Fiscal Year 2012

The Branch Chiefs of the Navajo Nation met on November 16, 2011 to discuss the approximately \$41.9 million currently in the Undesignated Unreserved Fund Balance ("UUFB") and available for supplemental appropriation in accordance with the Appropriations Act. Pursuant to this discussion and the consensus reached, the Branch Chiefs recommend the following:

1. The Branch Chiefs reached consensus that between \$20 and \$25 million of the approximately \$41.9 million should be treated as "untouchable" and not be appropriated. The President recommends that \$25 million remain unappropriated following the same purposes and criteria applied to the Minimum Fund Balance of the UUFB as set forth in the Appropriations Act. The Speaker and Chief Justice recommend that (1) \$10 million remain unappropriated following the same purposes and criteria applied to the Minimum Fund Balance of the UUFB; and (2) \$10 million be reserved or unappropriated for "emergencies" to be defined through future legislation.

2. The Branch Chiefs reached consensus and recommend that supplemental appropriations in the near future be only for immediate exigent needs with a priority given to proposals that leverage Navajo Nation funds. Using this criteria, the Branch Chiefs recommend the following for immediate supplemental appropriations totaling \$9,684,255.00:

a.	Matching Funds	
	1) Head Start Grant	\$3,000,000
	2) Solid Waste Joint Powers Agreement	1,500,000
	3) Air Transportation Grant	43,000
	4) Navajo Transit Grant	<u>390,000</u>
	Subtotal	\$4,933,000
b.	Facilities Renovation and Displacement	
	1) Admin. Building 1 (Remediation/Planning/Displacement)	\$1,500,000
	2) Window Rock Court staff relocation & Chinle Court repair	325,000
	3) Legislative Complex	<u>600,000</u>
	Subtotal	\$2,425,000
c.	Replenish Personnel Lapse Fund <sup>1</sup>	<u>\$2,326,255</u>
	Total	\$9,684,255
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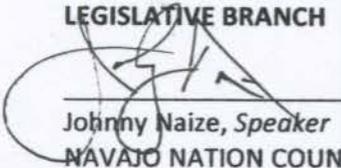
3. The Branch Chiefs reached consensus and recommend that any amounts remaining of the \$41.9 million not already recommended as "untouchable" or included in the \$9,684,255 immediate

<sup>1</sup> The Personnel Lapse Fund was established to support the Pay Plan and fund general wage adjustments and salary step increases. At the start of Fiscal Year 2012, the balance of the Personnel Lapse Fund was zero. The Branch Chiefs reached consensus and recommend that the balance of the Fund be replenished to cover a 2.5% General Wage Adjustment.

supplemental appropriation recommendation be considered for future supplemental appropriations following the priorities in the order set forth below:<sup>2</sup>

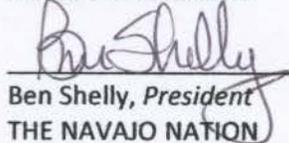
- a. Needs of the Nation's youth addressing education and restorative justice with emphasis on Diné language and culture curriculum development, counseling programs and facilities, and higher education scholarships.
  - b. Infrastructure, including, but not limited to, communications and telecommunications, roads, water lines, and power.
  - c. Creation of government efficiencies, including, but not limited to, analysis and review of external funding efficiencies, policy revisions, and procedural streamlining to be shared with on-going government reform efforts.
  - d. Government facilities maintenance, repair, and displacement costs to ensure the safety of employees, as well as the general public.
4. The Branch Chiefs reached consensus and recommend that all supplemental appropriation requests be communicated to the public for comment before legislative action is commenced.
5. The Branch Chiefs reached consensus and agreed to meet more frequently to discuss future supplemental appropriation requests.

**LEGISLATIVE BRANCH**



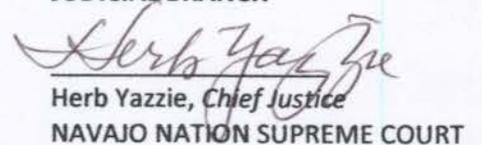
Johnny Naize, *Speaker*  
NAVAJO NATION COUNCIL

**EXECUTIVE BRANCH**



Ben Shelly, *President*  
THE NAVAJO NATION

**JUDICIAL BRANCH**



Herb Yazzie, *Chief Justice*  
NAVAJO NATION SUPREME COURT

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<sup>2</sup> Under the President's preference that \$25 million be treated as "untouchable" and remain unappropriated, there would be \$7,274,507 available for future supplemental appropriations. Under the Chief Justice's and the Speaker's preference that \$20 million be treated as "untouchable" and remain unappropriated, there would be \$12,274,507 available for future supplemental appropriations.