



24th Navajo Nation Council receives report from Division of Community Development and approves Fiscal Year 2023 Budget

FOR IMMEDIATE RELEASE: September 9, 2022

PHOENIX, Ariz. — Yesterday, the 24th Navajo Nation Council received and approved a report by the Navajo Nation Division of Community Development (DCD) regarding the Capital Projects Funding Shortfall in addition to approving the Navajo Nation's Comprehensive Budget for Fiscal Year 2023.

"As discussions move forward, many questions surrounding the next course of action that the 24th Navajo Nation Council will make will be closely communicated with the Budget & Finance Committee while maintaining clear transparency," said Hon. Speaker Seth Damon (Báahaalí, Chichiltah, Manuelito, Red Rock, Rock Springs, Tséyatoh). "Clearer and precise information must be provided before proceeding forward and until then, I am grateful for the questions my colleagues have posed as this is a top priority."

Providing the report was Dr. Pearl Yellowman, DCD Director, Paulson Chaco, Navajo Nation Office of the President and Vice President Chief of Staff, Dominic Beyal, Navajo Nation Office of Management and Budget, and Elizabeth Begay, Interim Controller for the Navajo Nation Office of the Controller.

Dr. Yellowman explained the various factors that may or may not contribute to a shortfall in which the original funding amount requested is based on the intended purpose for the project completion, whether the funding was designated for the planning, design, or construction process.

Many of the projects that have experienced a shortfall are attributed to the COVID-19 Pandemic with the increase in cost of materials and a shortage of them as well.

The report reads as follows:

- For the Eastern Agency, the original funding amount requested for the projects submitted was \$5,375,000 but requested a shortfall amount of \$27,757,500. Totaling a new estimated cost of \$33,132,500.
- For the Western Agency, the original funding amount requested for the projects submitted was \$2,233,333 but requested a shortfall amount of \$11,346,064.88. Totaling a new estimated cost of \$13,579,397.88.
- For the Fort Defiance Agency, the original funding amount requested for the projects submitted was \$14,099,666.67 but requested a shortfall amount of \$71,650,000. Totaling a new estimated cost of \$85,749,666.67.

- For the Northern Agency, the original funding amount requested for the projects submitted was \$2,895,000 but requested a shortfall amount of \$17,908,167.22. Totaling a new estimated cost of \$20,803,167.22.
- For the Chinle Agency, the original funding amount requested for the projects submitted was \$2,068,230.50 but requested a shortfall amount of \$2,320,000. Totaling a new estimated cost of \$4,388,230.50.
- Lastly, for heavy equipment for Navajo Nation Chapters, the original funding amount requested for the projects submitted was \$6,215,301.01 but requested a shortfall amount of \$300,000. Totaling a new estimated cost of \$6,515,301.01.

The grand total of the original funding amount requested for all the projects submitted was \$32,886,531.18 but requested a shortfall amount of \$131,281,732.10. Totaling a new estimated cost of \$164,168,263.28.

It was shared after various council delegates raised questions pertaining to creating potential business unit numbers in order to expedite the process of constructing these projects. However, it was shared that due to many of the positions being unable to be filled, resources are already being stretched to continue work.

After the report, the 24th Navajo Nation Council voted in favor Legislation No. 0152-22, approving the Navajo Nation's Comprehensive Budget for Fiscal Year 2023.

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