



25TH NAVAJO NATION COUNCIL

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MEDIA CONTACT:

nnlb.communications@gmail.com

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Budget and Finance Committee receive reports to prepare for Fiscal Year 2025 Comprehensive Budget



Budget and Finance Committee (L to R) Chair Shaandiin Parrish, Council Delegate Lester Yazzie, Council Delegate Amber Kanazbah Crotty, Council Delegate Cherilyn Yazzie and Council Delegate Norman M. Begay

WINDOW ROCK, Ariz. – The Budget and Finance Committee (BFC) convened on Tuesday to receive updates on the Fiscal Year 2025 General Wage Adjustment (GWA) funding and personnel payroll allocations.

During the session, the BFC welcomed its newest member, Council Delegate Cherilyn Yazzie, who was recently appointed to the committee and had previously served as the Vice Chair of the Law and Order Committee.

The committee voted four in favor and none opposed to approve an amended version of Legislation No. 0154-24, which delays sanctions for the Hard Rock Chapter until the completion of a third follow-up review by the Office of the Auditor General that is expected by February 2025. As part of the corrective plan, the Hard Rock Chapter agreed to subsidize the cost of the review to help address outstanding audit findings.

Delegate Germaine Simonson, who sponsored the legislation, explained that the amendment provides the Hard Rock Chapter with an opportunity to implement corrective measures while maintaining financial accountability. “This approach aims to strike a balance between accountability and constructive support to help the chapter achieve compliance,” she stated.

BFC Chair Shaandiin Parrish reinforced support for bringing chapters into compliance standards. “We remain dedicated to working collaboratively with chapters to resolve audit issues and strengthen financial integrity across the Nation,” said Chair Parrish.

BFC also received key presentations from Controller Sean McCabe, Acting Division Director of Human Resources Reycita Toddy, and Judicial Branch Director of Human Resources Cheron S. Damon. These presentations focused on GWA funding and personnel payroll allocations, outlining the projected costs of the four percent GWA across all branches.

Acting Human Resources Director Toddy highlighted a \$12,923 shortfall in GWA funding and emphasized the importance of proactive budget planning to avoid similar shortfalls in the future. "Proactive planning is essential to ensure we have the necessary funding to meet wage adjustments without last-minute discrepancies," Director Toddy noted.

Office of Management and Budget (OMB) representative Mr. Beyal provided additional insights on the use of the 7250 account and budget transfers to cover gaps in GWA funding. During the discussion, Delegate Yazzie raised questions regarding budget trends and the transparency of fund allocations.

Judicial Branch HR Director Damon also reported a \$25,000 shortfall in GWA funding. Damon echoed the need for earlier inclusion in budget planning and stressed the importance of timely collaboration between departments to address financial challenges effectively.

"The financial stability of all branches is critical, and it's important that we fully understand how budget transfers and lapse funds are being used to cover shortfalls," said Delegate Cheryl Yazzie. "We need transparency and proactive planning to ensure these wage adjustments are sustainable and properly funded across all departments."

Controller McCabe assured the committee that most business units under the General Fund have sufficient funding for personnel costs through the Continuing Resolution, which ends in March 2025. He noted that departments can reallocate funds from vacant positions to cover shortfalls, offering a temporary solution to address immediate funding needs.

However, concerns over the reliance on personnel lapse funds for recurring adjustments were raised by Delegate Amber Kanazbah Crotty. "We need sustainable solutions to address systemic shortfalls," Crotty said. "Transparency in allocation processes is essential to ensure we're not relying on temporary fixes."

The BFC voted four in favor and none opposed to accept all reports and announced plans for a leadership meeting scheduled for February 10, 2025, to discuss the FY2026 Budget Instruction Manual, strategies for addressing unmet needs, and improvements to interdepartmental collaboration. Additionally, the committee will initiate bi-weekly discussions on the five-year Permanent Trust Fund Plan, beginning January 15, 2025, to enhance financial planning efforts.

Chairwoman Parrish concluded, "Through collaborative governance, we aim to build a stronger, more resilient financial framework to serve the needs of our people effectively."

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