

Class "C" Resolution
No BIA Action Required.

RESOLUTION OF THE
NAVAJO TRIBAL COUNCIL

Creating and Authorizing a Permanent Fund
for the Navajo Nation

WHEREAS:

1. The Navajo Tribal Council is the governing body of the Navajo people and is responsible for the future of the Navajo Nation; and

2. The Navajo Nation's General Fund Reserve has been declining over the past years to its present \$21 million from a previous high of \$63 million, as outlined in Exhibit "A" attached hereto; and

3. The majority of the Navajo Nation's revenues to date have been received from the exploitation of its oil and gas resources which is declining, as indicated in Exhibit "A"; and

4. Other sources for future revenue must be developed to replace the income which is now derived from depletable natural resources. Such a source is a permanent fund which will generate interest from yearly Tribal contributions to rebuild the Tribal reserve and provide funds at a future date, as projected in Exhibit "B"; and

5. The Navajo Bond Financing and Investment Committee has worked on the concept of a permanent fund in conjunction with its specific tasks to strengthen the financial position of the Navajo Nation, and recommends the adoption of the permanent fund legislation as set forth herein; and

6. It would be in the best interest of the Navajo Nation to build its current reserves for future generations by establishing a Navajo Nation permanent fund; and

7. The Advisory Committee of the Navajo Tribal Council by Resolution ACJY-140-85, considered and unanimously recommended the approval of the creation of a permanent fund for the Navajo Nation.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Navajo Tribal Council hereby creates and authorizes a permanent fund for the Navajo Nation, as set forth below:

SECTION 1. Establishment of a Navajo Nation Permanent Fund.

There is hereby established the "Navajo Nation Permanent Fund" [hereinafter the "Fund"]. Each year

6. It appears that the Indian Health Service continues to defy the rulings of three (3) Federal Courts, dating back over 11 years, and the more recent 1982 report of the Government Accounting Office; and

7. The Congressional Office of Technology Assessment currently is conducting a study of the health status of American Indians, the adequacy of the Indian Health Service in providing for the health needs of American Indians, and the availability of alternate technologies for the provision of health care to eligible American Indians.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Navajo Tribal Council calls upon the Congressional Office of Technology Assessment to include in its report to the Congress of the United States, a comprehensive analysis of the long-standing inability of the Indian Health Service to equitably provide for the health care needs of its eligible beneficiaries "by the consistent application of reasonable distributive standards".

2. The Navajo Tribal Council also calls upon the Office of Technology Assessment to recommend to Congress, a set of economically and epidemiologically-based formulae by which the allocations of Indian Health Service funding to eligible Indian beneficiaries should be determined; the formulae should take into account the continually changing health conditions of the various Tribes, shifts in the geographic distribution of eligible Indian beneficiaries, and regional differences in the availability of alternative health care delivery systems.

3. The Navajo Tribal Council respectfully request the Congress of the United States to promptly address the problem of inequitable Indian Health Service funding to Areas, Service Units and Tribes, a problem which has withstood the scrutiny of three Federal Court decisions and a Government Accounting Office investigation.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the Navajo Tribal Council at a duly called meeting at Window Rock, Navajo Nation (Arizona), at which a quorum was present and that same was passed by a vote of 66 in favor and 0 opposed, this 25th day of July, 1985.


Chairman
Navajo Tribal Council

**THE NAVAJO TRIBE GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE**

	'81	'82	'83	'84
REVENUES:				
Oil and Gas	\$32,544,825	\$36,753,363	\$28,966,031	\$28,994,980
Mining	8,680,456	9,094,843	8,430,433	8,809,506
Timber	2,684,723	1,435,093	2,885,891	1,790,052
Land Rentals	4,038,095	4,271,532	3,480,914	3,816,829
Interest/Divi- dends	8,022,424	11,873,069	8,247,684	7,374,089
Gain on Sale of Investments	3,738,956	-0-	-0-	-0-
Other	<u>3,115,908</u>	<u>1,930,932</u>	<u>2,426,081</u>	<u>1,531,122</u>
TOTAL REVENUES	<u>\$62,825,387</u>	<u>\$65,358,832</u>	<u>\$54,437,034</u>	<u>\$52,316,578</u>
EXPENDITURES:				
Budget Expenditures	36,133,825	60,883,368	63,558,917	62,435,525
Prior Year PO's Cancelled	(349,882)	(699,907)	(578,352)	(412,876)
Provision for Uncollectible Receivables	1,410,749	5,037,695	4,262,264	855,925
Other Increases (Decreases)	<u>438,557</u>	<u>(1,321,440)</u>	<u>(1,911,731)</u>	<u>20,631</u>
TOTAL EXPEND- ITURES	<u>\$37,633,249</u>	<u>\$63,899,716</u>	<u>\$65,331,098</u>	<u>\$62,899,205</u>
Excess (deficiency) of revenues over expenditures	25,192,138	1,459,111	(10,894,064)	(10,582,627)
Transfer to Self- Insurance Fund	-0-	-0-	-0-	(3,540,272)
Fund balance at beginning of year	<u>47,918,426</u>	<u>73,110,564</u>	<u>74,569,680</u>	<u>63,675,616</u>
Fund balance at end of year	<u>\$73,110,564</u>	<u>\$74,569,680</u>	<u>\$63,675,616</u>	<u>\$49,552,717</u>
<hr style="border-top: 1px dashed black;"/>				
* Reserve for Retirement of NAPI Debt	\$ 2,500,000	\$14,500,000	\$15,527,295	20,211,548
Unexpended Budget Carryovers	7,266,914	17,831,655	18,157,363	7,994,642
Tribal Reserves	63,343,650	42,238,025	29,990,958	21,346,527
	<u>73,110,564</u>	<u>74,569,680</u>	<u>63,675,616</u>	<u>49,552,717</u>

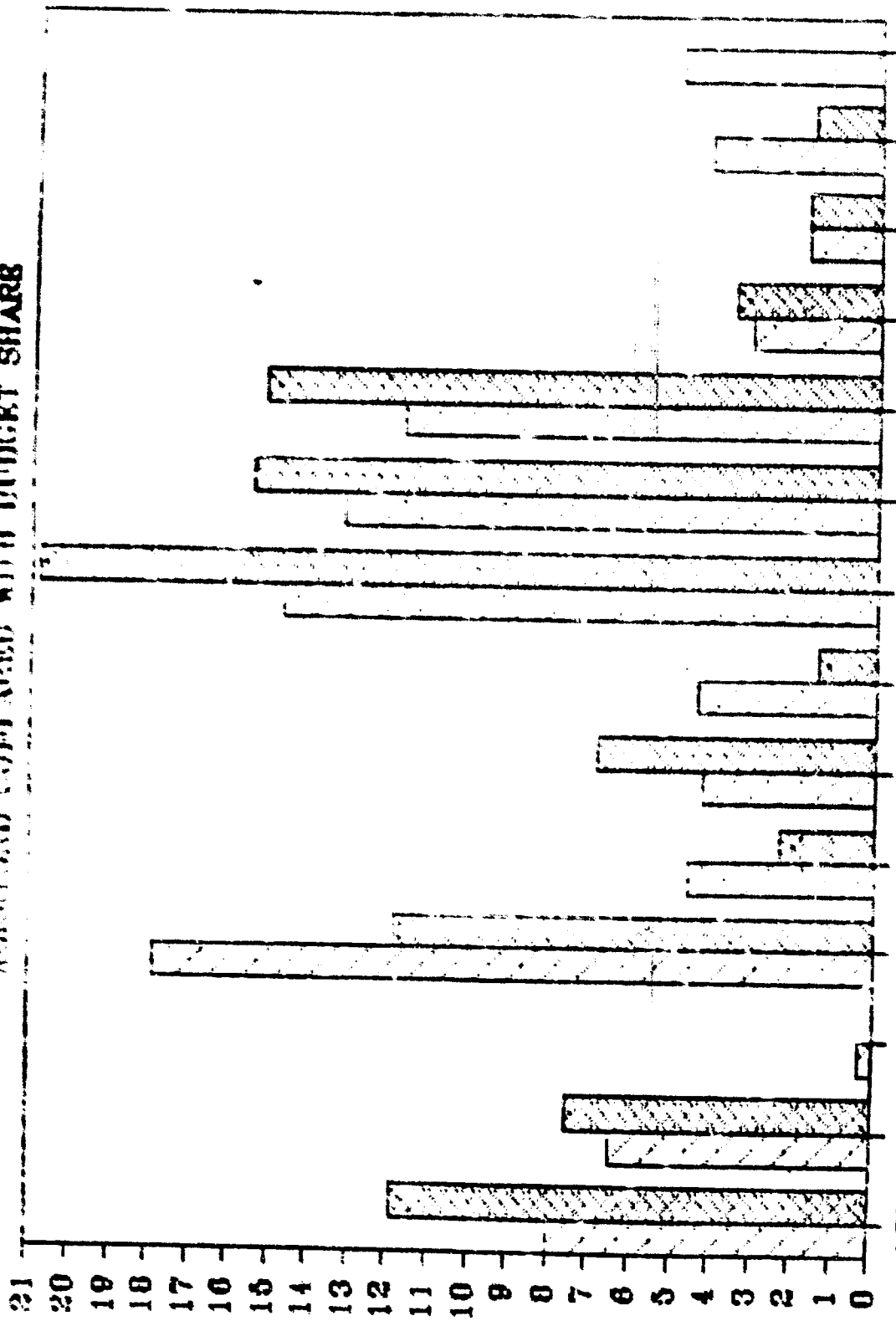
NAVAJO NATION PROPOSED PERMANENT FUND

Comparison of Year End Balances Based on Investment
of \$6,000,000, \$5,000,000 and \$4,000,000 a Year for
Twenty Years Assuming an Interest Rate of 8% Compounded Daily

Investment each year	<u>\$ 6,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 4,000,000</u>
Balance at the end of year 1.	6,499,665	5,416,387	4,333,110
2.	13,540,605	11,283,837	9,027,070
3.	21,167,896	17,639,914	14,111,931
4.	29,430,369	24,525,307	19,620,246
5.	38,380,919	31,984,099	25,587,279
6.	48,076,848	40,064,039	32,051,232
7.	58,580,229	48,816,857	39,053,486
8.	69,958,305	58,298,587	46,638,870
9.	82,283,918	68,569,931	54,855,945
10.	95,635,976	79,696,646	63,757,318
11.	110,099,959	91,749,966	73,399,973
12.	125,768,466	104,807,054	83,845,644
13.	142,741,806	118,951,505	95,161,204
14.	161,128,641	134,273,868	107,419,094
15.	181,046,686	150,872,238	120,697,790
16.	202,623,454	168,852,878	135,082,303
17.	225,997,080	188,330,900	150,664,720
18.	251,317,201	209,431,001	167,544,801
19.	278,745,917	232,288,265	185,830,612
20.	308,458,827	257,045,023	205,639,218

H & C BUDGET COMPARISONS — FY 84

WORKLOAD COMPARED WITH BUDGET SHARPS



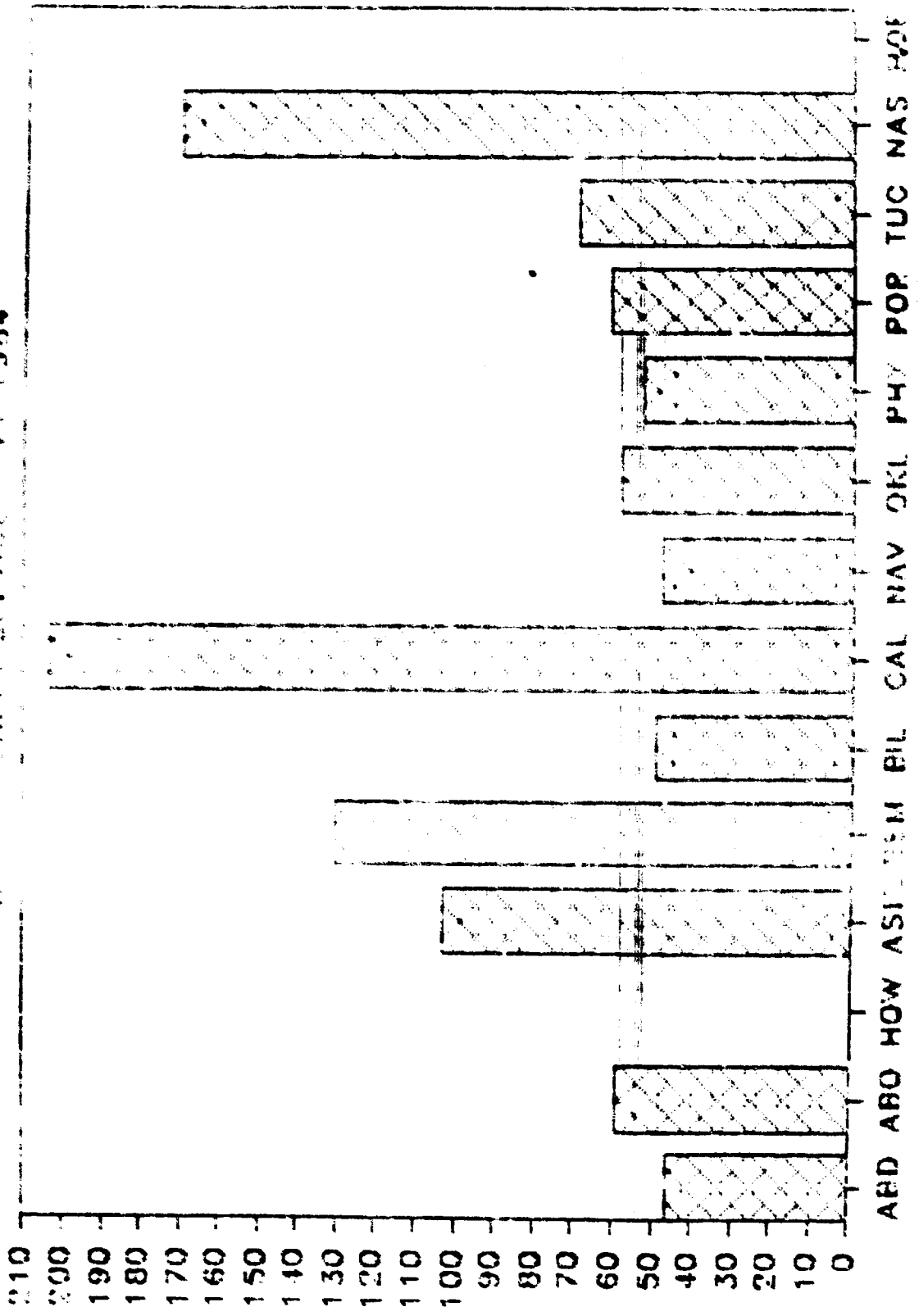
ABQ ABQ HQW ASK NEH BIL CAL MAY OKL PHX FOR TUC HAR HQT

INDIAN HEALTH SERVICE AREA WORKLOAD & H&C WORKLOAD

% H&C BUDGET

H & C DOLLAR COST PER WORKLOAD UNIT

INDUSTRIAL HEALTH SERVICE - FY 1984



WORKLOAD UNIT: 6 (MPT) + OUTPT DAYS
 [Hatched Box] TUC WORKLOAD UNITS

NAVAJO ARE INDIAN HEALTH SERVICE
 FY 1984 BUDGET ANALYSIS
 WORKLOAD/HOSPITAL AND CLINIC DOLLARS BY AREA

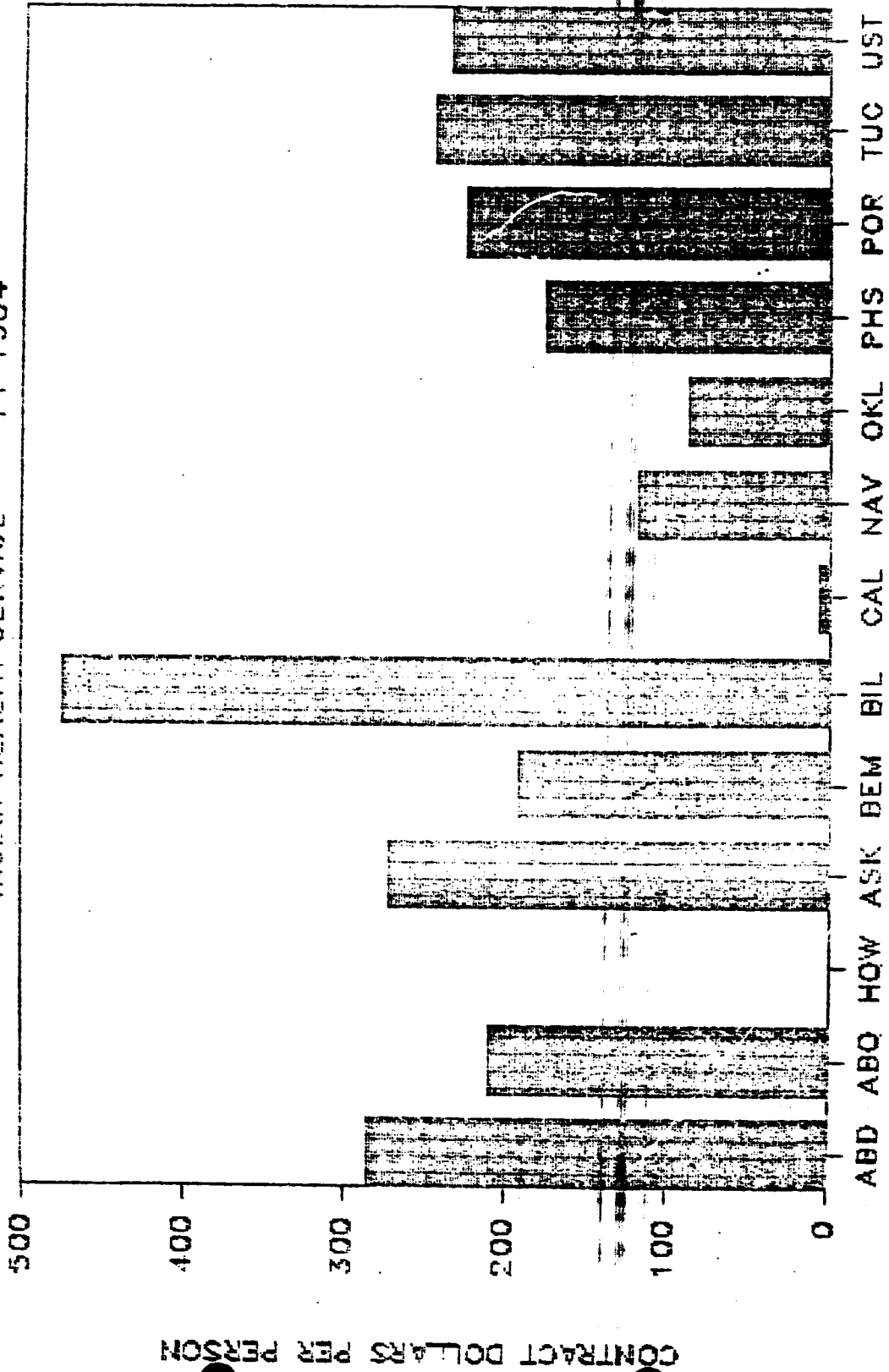
ASP CODES:	AREAS:	POPULATION:	ADULT PATIENT DAYS:	NEWBORN PATIENT DAYS:	OUTPATIENT VISITS:	WORKLOAD UNITS:	PERCENT IHS PERCENT:	HOSPITAL & CLINICS TOTALS: \$	HOSPITAL & CLINICS PERCENT: %	COST PER HOSPS/CLINICS WORKLOAD UNIT: \$
ABD	ABERDEEN	70,293	44,612	2654	411,764	695,360	11.9%	\$32,095,800	8.0%	\$46
ABQ	ALBUQUERQUE	50,964	27,467	1,485	271,654	445,366	7.6%	\$26,289,800	6.5%	59
HCH	HQ-EAST	0	0	0	0	0	0.0%	\$1,434,000	0.4%	0
ASK	ANCHORAGE	70,772	69,034	4,348	252,320	696,972	11.9%	\$72,063,100	17.8%	103
BEN	BENIDJI	46,792	5,390	242	109,296	143,018	2.4%	\$18,639,700	4.6%	131
BIL	BILLINGS	39,954	11,619	800	276,767	352,481	6.0%	\$17,520,500	4.3%	50
CAL	CALIFORNIA	70,788	n/a	n/a	96,440	86,440	1.5%	\$17,561,000	4.4%	203
NAV	NAVAJO	161,352	83,613	9,881	628,085	1,220,249	20.8%	\$59,111,900	14.7%	48
OKL	OKLAHOMA	187,755	49,653	7,330	566,375	911,271	15.5%	\$53,383,200	13.2%	59
PHX	PHOENIX	81,603	80,439	3,436	389,799	893,049	15.2%	\$47,676,500	11.6%	53
POR	PORTLAND	82,748	n/a	n/a	212,547	212,547	3.6%	\$13,064,700	3.2%	61
TUC	TUCSON	17,734	7,315	184	59,004	103,998	1.9%	\$7,213,100	1.8%	69
NAS	NASHVILLE	28,560	6,329	199	60,901	100,069	1.7%	\$17,056,100	4.2%	170
HCE	HQ-EAST (RCXVL)	0	0	0	0	0	0.0%	\$20,318,600	5.0%	0
TOTAL		909,315	389,911	31,059	3,335,000	5,850,820	100.0%	\$403,482,300	100.0%	\$68

\$ = HOSPITALS & CLINICS TOTALS INCLUDES EQUITY HEALTH CARE DOLLARS

WORKLOAD UNITS = 6X(INPATIENT DAYS) + OUTPATIENT DAYS

CONTRACT CARE DOLLARS PER PERSON

INDIAN HEALTH SERVICE - FY 1984



INDIAN HEALTH SERVICE AREAS

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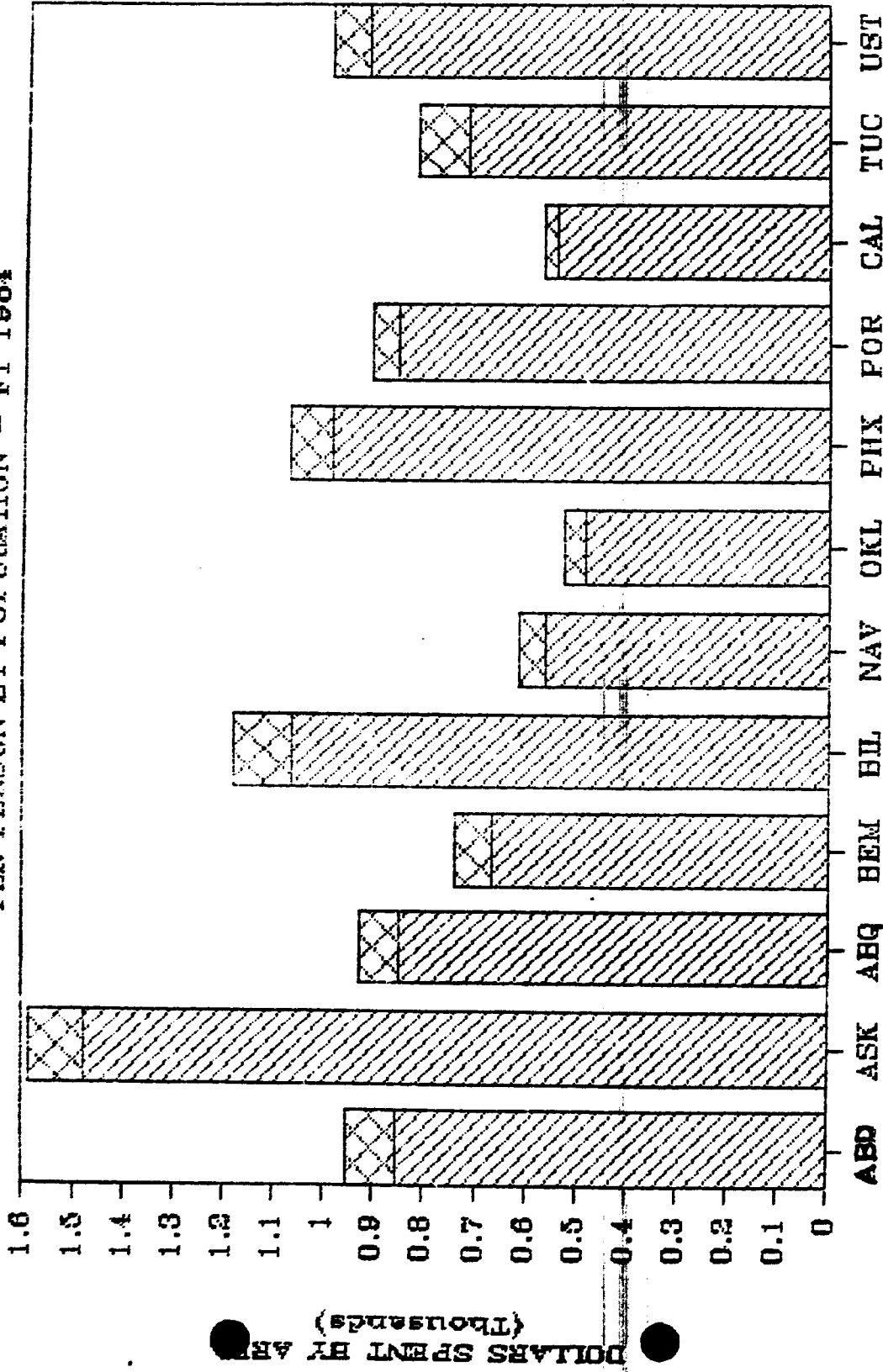
RMB/CONCARE/05-03-85

NAVAJO AREA INDIAN HEALTH SERVICE
 FY 1984 BUDGET ANALYSIS
 CONTRACT CARE DOLLARS BY AREA

ADP CODES:	AREA:	POPULATION:		CONTRACT CARE:		CONTRACT CARE/ PERSON:
		PERCENT:	PERCENT:	PERCENT:	PERCENT:	PERSON:
ABD	Aberdeen	70,293	7.7%	\$20,029,000	12.7%	\$295
ABQ	Albuquerque	50,964	5.6%	10,694,000	6.9%	210
HQW	HQOTRS West	0	0.0%	0	0.0%	0
ASK	Alaska	70,772	7.8%	19,296,000	12.2%	273
BEN	Beaidji	46,792	5.1%	8,980,000	5.7%	192
BIL	Billings	39,954	4.4%	18,976,000	12.0%	475
CAL	California	70,788	7.8%	525,000	0.3%	7
NAV	Navajo	161,352	17.7%	19,074,000	12.1%	118
OKL	Oklahoma	187,755	20.6%	16,478,000	10.4%	88
PHS	Phoenix	51,603	9.0%	14,284,000	9.0%	175
POR	Portland	82,748	9.1%	18,549,000	11.7%	224
TUC	Tucson	17,734	2.0%	4,330,000	2.7%	244
UST	Uset	28,560	3.1%	6,712,000	4.3%	235
HQE	HQOTRS EAST	0	0.0%	0	0.0%	0
TOTAL		909,315	100.0%	\$157,927,000	100.0%	174

CLINICAL & PREVENTIVE CARE COSTS

PER PERSON BY POPULATION - FY 1984



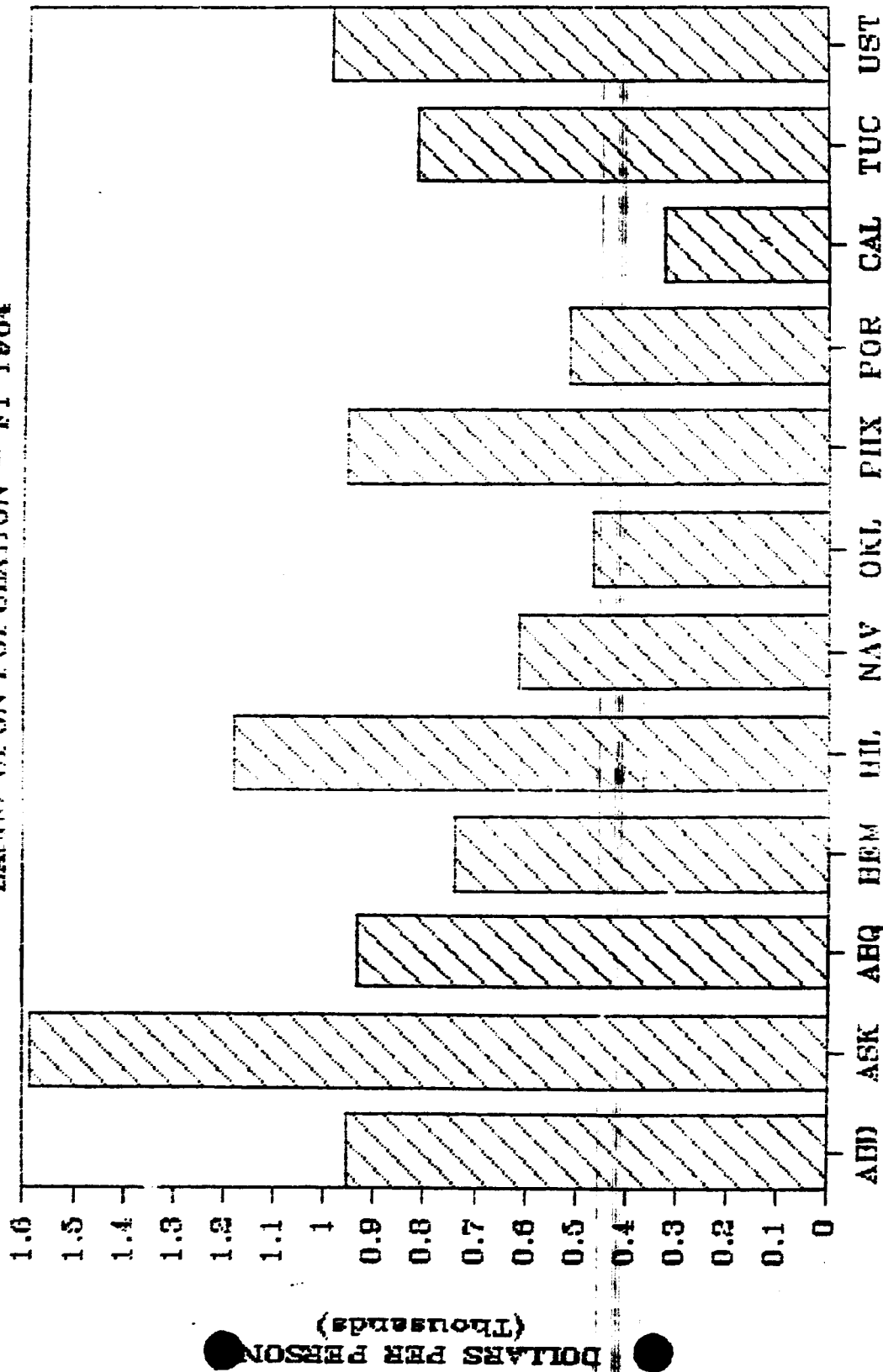
DOLLARS SPENT BY AREA (Thousands)

CLINICAL SERVICES
 INDIAN HEALTH SERVICE AREAS PREVENTIVE HEALTH

Total Health Care Dollars = : Total Clinical Services Dollars + Total Preventive Health Dollars
 Total Clinical Services Includes H&C, Dental, MI, Alcohol, M&R, Reimbursements, CHC & equity
 Total Preventive Health Includes San, PHN, HE, CHR, INN

TOTAL HEALTH CARE EXPENDITURES

BASED UPON POPULATION - FY 1984



INDIAN HEALTH SERVICE AREAS

Total Health Care Dollars = Total Clinical Services Dollars + Total Preventive Health Dollars

Total Clinical Services Includes DRG, Dental, MI, Alcohol, M&R, Reimbursements, CHC & equity

Total Preventive Health Includes San, HN, HR, CHR, IMM

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NAVAJO ARE INDIAN HEALTH SERVICE - BUDGET ANALYSIS
HEALTH CARE DOLLARS AS RELATED TO POPULATION

FISCAL YEAR 1984

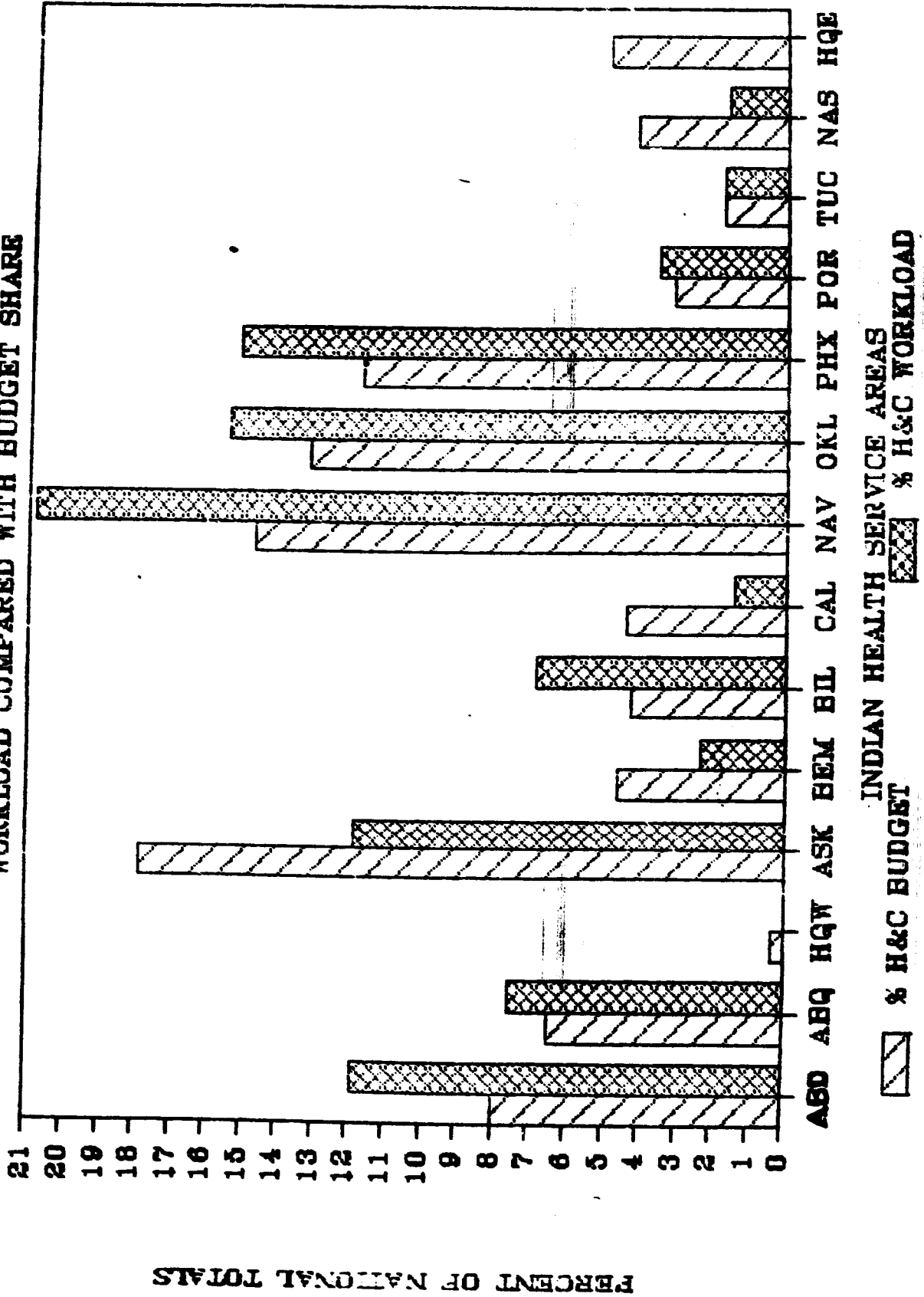
AREAS:	POPULATION:	TOTAL CLINICAL SERVICES:	CLINICAL SERVICES/ PERSON:	TOTAL PREVENTIVE HEALTH:	PREVENTIVE HEALTH/ PERSON:	TOTAL HEALTH CARE:	TOTAL HEALTH CARE \$ PER PERSON:
Aberdeen	70,293	\$59,951,000	\$853	\$7,104,100	\$101	\$67,055,100	\$954
Alaska	70,772	104,469,400	1,476	7,719,400	109	112,188,800	1,585
Albuquerque	50,964	43,349,000	851	4,098,400	80	47,447,400	931
Beaidji	48,792	31,092,400	644	3,455,600	74	34,538,000	738
Billings	39,954	42,590,000	1,066	4,494,600	110	46,994,600	1,176
Navajo	161,352	90,383,900	560	9,155,100	57	99,539,000	617
Oklahoma	187,755	90,237,400	481	7,919,600	42	98,157,000	470
Phoenix	81,603	70,816,800	983	7,098,100	87	77,914,900	955
Portland	82,748	38,140,700	466	4,299,300	52	42,440,000	513
Sacramento	70,788	21,390,500	339	1,861,500	26	23,252,000	328
Tucson	17,734	12,756,000	719	1,792,600	101	14,548,600	820
Usat	28,560	26,209,600	919	2,074,000	73	28,283,600	990
IHS-HQ West	0	2,906,800	0	302,000	0	3,408,800	0
IHS-HQ East	0	21,228,700	0	111,700	0	21,340,400	0
TOTAL	909,315	\$645,512,200	\$710	\$61,596,000	\$68	\$707,108,200	\$778

Total Clinical Services Dollars + Total Preventive Health Dollars

H & C BUDGET COMPARISONS - FY - 89

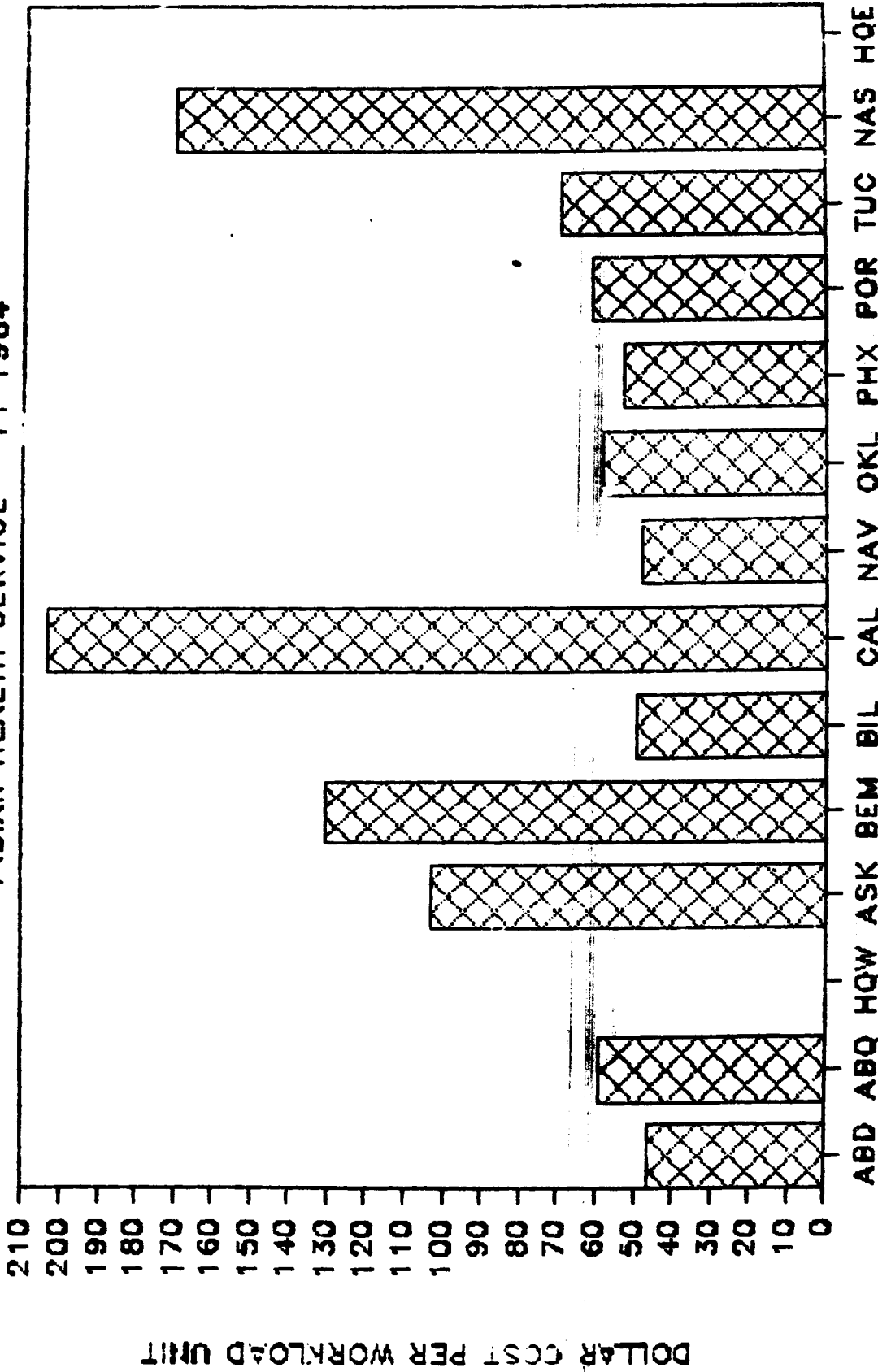
FY - 89

WORKLOAD COMPARED WITH BUDGET SHARE



H & C DOLLARS COST PER WORKLOAD UNIT

INDIAN HEALTH SERVICE - FY 1984



WORKLOAD UNIT: 6X(INPT) + OUTPT DAYS
 H&C/WORKLOAD UNITS

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INDIAN HEALTH SERVICE
 FY 1984 BUDGET ANALYSIS
 WORKLOAD/HOSPITAL AND CLINIC DOLLARS BY AREA

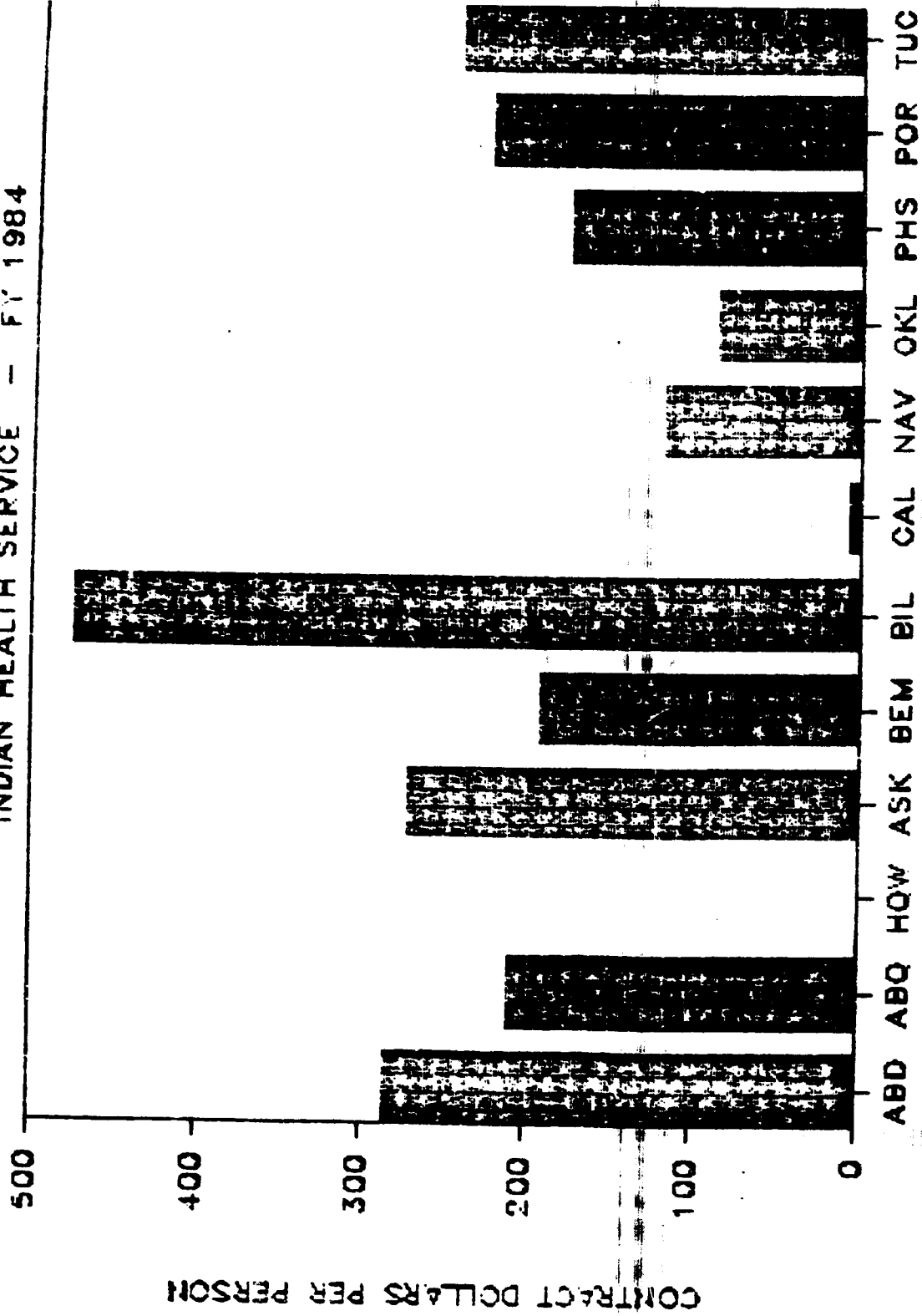
IP CODES:	AREAS:	POPULATION:	ADULT PATIENT DAYS:	MEMOR PATIENT DAYS:	OUTPATIENT VISITS:	WORKLOAD UNITS:	PERCENT IHS PERCENT:	HOSPITAL & CLINICS TOTALS: \$	HOSPITAL & CLINICS PERCENT: %	COST PER HOSPS/CLINICS WORKLOAD UNIT: \$
BD	ABERDEEN	70,293	44,612	2654	411,764	695,360	11.9%	\$32,095,800	8.0%	\$46
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DN	MO-NEST	0	0	0	0	0	0.0%	\$1,434,000	0.4%	0
SK	ANCHORAGE	70,772	68,084	4,348	262,380	696,972	11.9%	\$72,068,100	17.9%	103
EN	BERIBJI	46,792	5,380	242	109,286	143,018	2.4%	\$18,689,700	4.6%	131
IL	BILLINGS	39,954	11,819	800	276,767	352,481	6.0%	\$17,520,500	4.3%	50
AL	CALIFORNIA	70,788	n/a	n/a	86,440	86,440	1.5%	\$17,561,000	4.4%	203
NV	NAVAJO	161,352	98,613	9,081	628,085	1,220,249	20.8%	\$59,111,800	14.7%	48
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AZ	PHOENIX	81,603	80,439	3,436	389,799	693,049	15.2%	\$47,676,500	11.8%	53
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MS	NASHVILLE	28,560	6,329	199	60,901	100,069	1.7%	\$17,056,100	4.2%	170
NE	MO-EAST (CKVL)	0	0	0	0	0	0.0%	\$20,318,000	5.0%	0
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WORKLOAD UNITS = 6X(IHS PATIENT DAYS) + OUTPATIENT DAYS

CONTRACT CARE DOLLARS PER PER

INDIAN HEALTH SERVICE - FY 1984



INDIAN HEALTH SERVICE AREAS

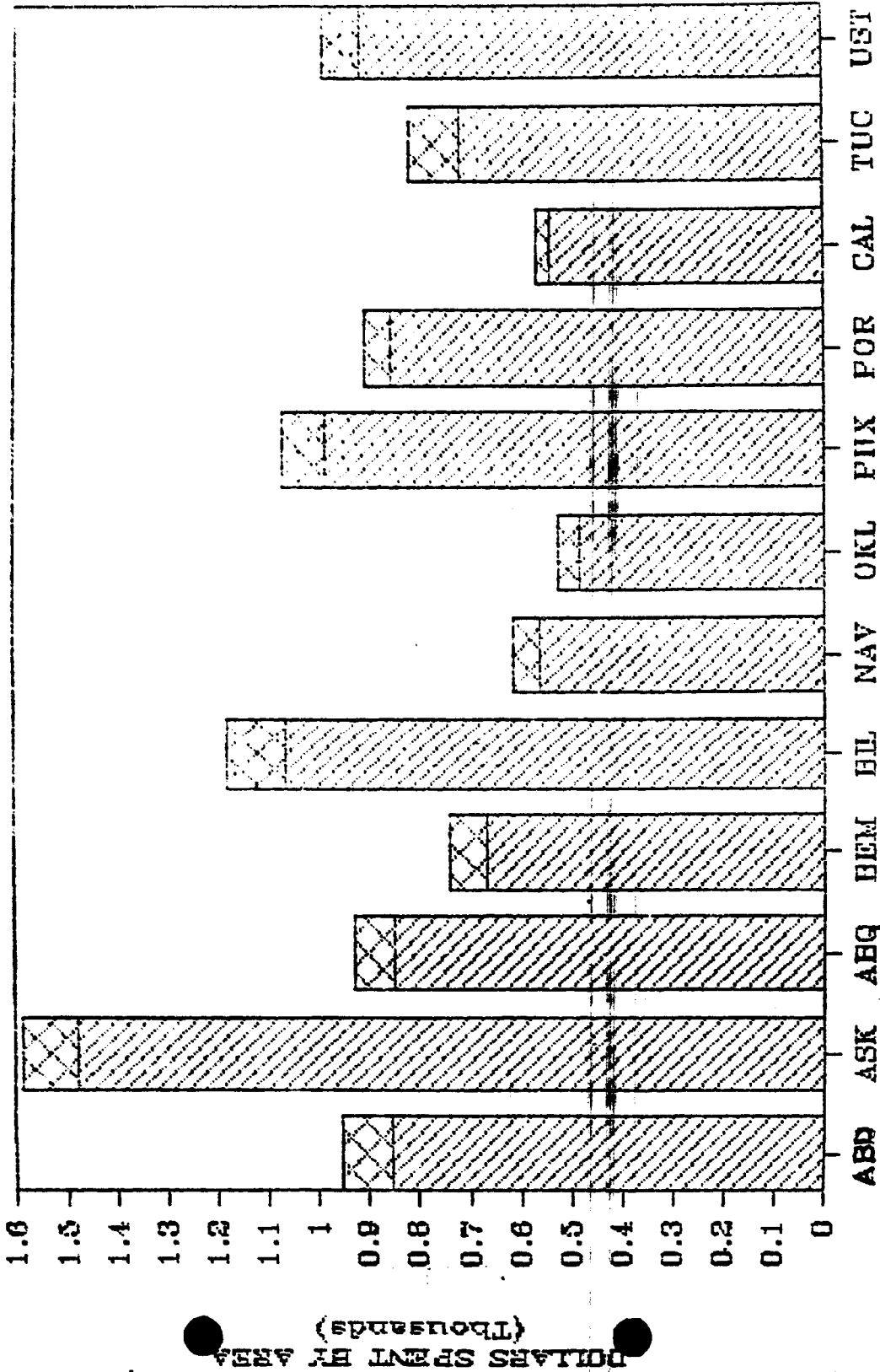
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INDIAN HEALTH SERVICE
 FY 1984 BUDGET ANALYSIS
 CONTRACT CARE DOLLARS BY AREA

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	AREA:	PERCENT:	CARE:	PERCENT:	PERSON:	
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TOTAL		909,315	100.0%	\$157,927,000	100.0%	174

current/tolerance

CLINICAL & PREVENTIVE CARE COSTS PER PERSON BY POPULATION - FY 1984



CLINICAL SERVICES
 INDIAN HEALTH SERVICE AREAS
 PREVENTIVE HEALTH

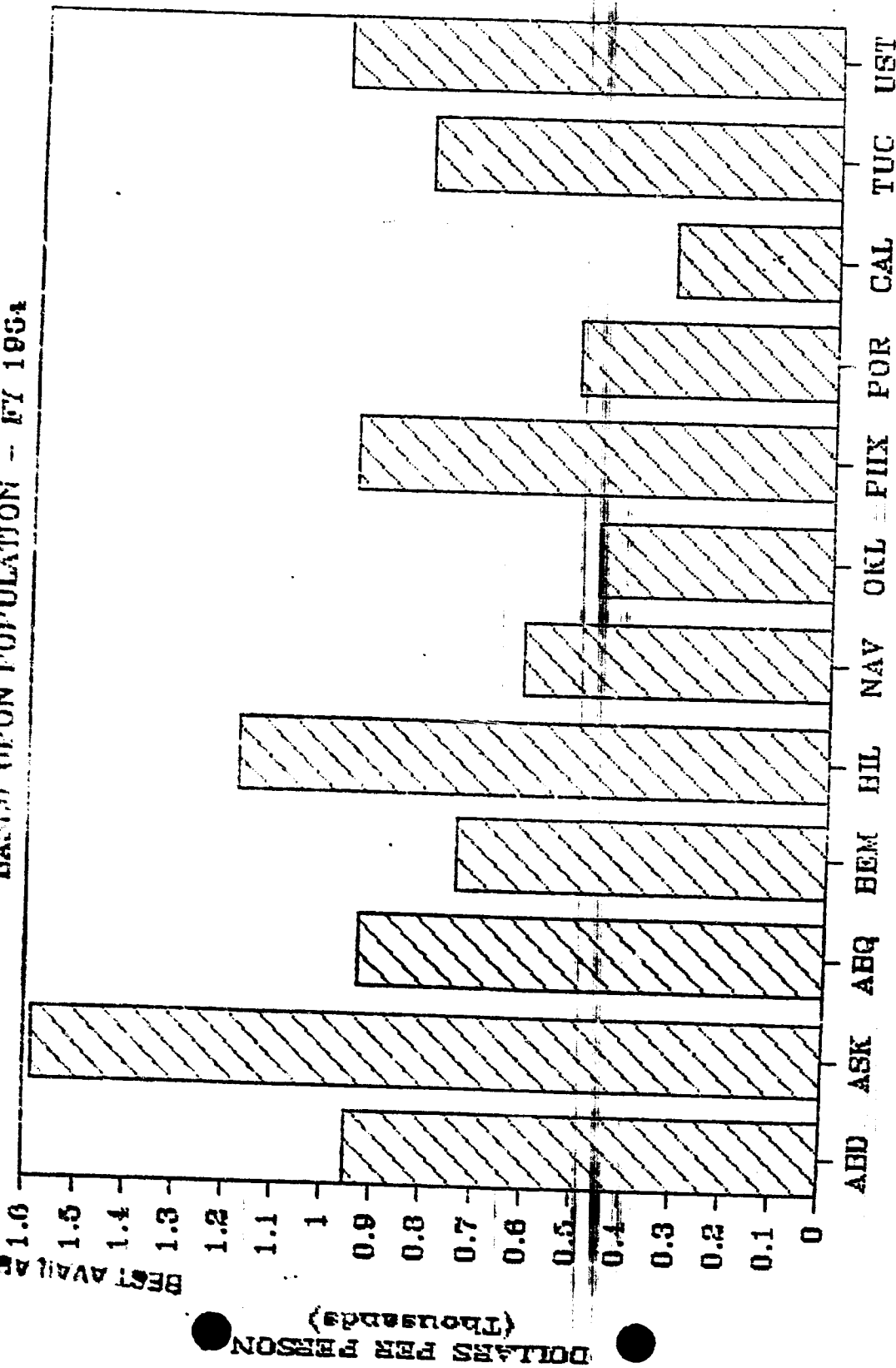
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 Total Clinical Services Includes H&C, Dental, MI, Alcohol, M&R, Reimbursements, CHC & equity
 Total Preventive Health Includes San, PHN, HE, CHR, INN

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TOTAL HEALTH CARE EXPENDITURES

BASED UPON POPULATION - FY 1954

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DOLLARS PER PERSON (Thousands)

INDIAN HEALTH SERVICE AREAS

Total Health Care Dollars = : Total Clinical Services Dollars + Total Preventive Health Dollars

Total Clinical Services Includes H&C, Dental, MI, Alcohol, M&R, Reimbursements, CHC & equity

Total Preventive Health Includes San, PHN, HE, CHR, IMM

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