LEGISLATION NO: _0383-19____  SPONSOR: Raymond Smith Jr.

TITLE: An Action Relating to Resources and Development, Budget and Finance, Naabik’íyáti’ Committees, and Navajo Nation Council; Approving supplemental finding from the Unreserved, Undesignated Fund Balance in the amount of one million eight hundred seventy-four thousand three hundred fifty-three dollars ($1,874,353) for chapter emergency funds; Waiving 12 N.N.C. §§820 (E) and (F) regarding to the restriction over matching recurring revenues with recurring expenditures.

Date posted: December 31, 2019 at 6:59pm

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Written comments may be mailed to:

Executive Director
Office of Legislative Services
P.O. Box 3390
Window Rock, AZ 86515
(928) 871-7590

Comments may be made in the form of chapter resolutions, letters, position papers, etc. Please include your name, position title, address for written comments; a valid e-mail address is required. Anonymous comments will not be included in the Legislation packet.

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DATE: December 31, 2019

TITLE OF RESOLUTION: AN ACTION RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, NAA'BIK'ÍYÁTI' COMMITTEES, AND NAVAJO NATION COUNCIL; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF ONE MILLION EIGHT HUNDRED SEVENTY-FOUR THOUSAND THREE HUNDRED FIFTY-THREE DOLLARS ($1,874,353) FOR CHAPTER EMERGENCY FUNDS; WAIVING 12 N.N.C. §§ 820 (F) AND (F) REGARDING TO THE RESTRICTION OVER MATCHING RECURRING REVENUES WITH RECURRING EXPENDITURES

PURPOSE: The purpose of this resolution is to approve an appropriation for chapters with less than $25,000 in available emergency funds.

This written summary does not address recommended amendments as may be provided by the standing committees. The Office of Legislative Counsel requests each Council Delegate to review each proposed resolution in detail.
PROPOSED NAVAJO NATION COUNCIL RESOLUTION
24th NAVAJO NATION COUNCIL – First Year, 2019

INTRODUCED BY

(Prime Sponsor)

TRACKING NO. 0383-19

AN ACTION

RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, NAABIK’IYÁTI’ COMMITTEES, AND NAVAJO NATION COUNCIL; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF ONE MILLION EIGHT HUNDRED SEVENTY-FOUR THOUSAND THREE HUNDRED FIFTY-THREE DOLLARS ($1,874,353) FOR CHAPTER EMERGENCY FUNDS; WAIVING 12 N.N.C. §§ 820 (E) AND (F) REGARDING TO THE RESTRICTION OVER MATCHING RECURRING REVENUES WITH RECURRING EXPENDITURES

BE IT ENACTED:

SECTION 1. AUTHORITY

A. The Navajo Nation established the Resources and Development Committee (RDC) as a Navajo Nation Council standing committee and as such gave RDC oversight over Navajo Nation Chapters. 2 N.N.C. §§ 500 (A) and 501 (C)(1).

B. The Navajo Nation established the Budget and Finance Committee (BFC) as a Navajo Nation Council standing committee and as such empowered BFC to review and recommend to the Navajo Nation Council the management of all funds. 2 N.N.C. §§ 300 (A) and 301 (B)(2).
C. The Navajo Nation Council established the Naabik'íyáti' Committee as a Navajo Nation standing committee and as such proposed legislation that requires final action by the Navajo Nation Council shall be assigned to the Naabik'íyáti' Committee. 2 N.N.C. §§ 164 (A)(9).

D. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. § 102(A).

E. The Navajo Nation Council has the authority to approve supplemental appropriations. 12 N.N.C. § 820(L).

F. The Title 12 Finance Act Supplemental Appropriation requirements include:

1. All requests for annual operating funds and supplemental funds shall be submitted to the Office of Management and Budget for budget impact analysis. 12 N.N.C. § 820(M).

2. When the Controller identifies additional sources of revenues above and beyond the initial or current revenue projections, supplemental appropriations may be approved by the Navajo Nation Council. 12 N.N.C. § 820(L).

3. Supplemental Appropriations made from non-recurring revenues shall only be made for non-recurring operations or purposes, as set forth at § 820(F). The Controller of the Navajo Nation shall be responsible for designation recurring and non-recurring revenues. 12 N.N.C. § 820(L).

4. The Nation shall budget all recurring operating expenses, including capital maintenance, from recurring revenues. Long term debt shall not be used to finance recurring operating expenses. 12 N.N.C. §820(E).

5. The Navajo Nation Code provides. "[t]he Nation shall restrict non-recurring revenues to budget non-recurring expenditures. In addition, non-recurring revenues will be budgeted only after an examination by the Controller to determine whether or not the revenues are subsidizing an imbalance between recurring revenues and expenditures, and expenditures may be authorized only if a long-term (three-five year) forecast shows that the operating deficit will not continue. Otherwise, non-recurring revenues
will be added to the Unreserved, Undesignated Fund balance. This provision may be amended or waived by a two-thirds vote of the full Navajo Nation Council.” 12 N.N.C. § 820(F).

SECTION 2. FINDINGS

A. This supplemental funding request is made for the purpose of emergency financial stability to address all aspects of providing emergency services including, preparedness, mitigation, response, and recovery. The aim of the funding is to reduce the harmful effects of all hazards incurred by chapters.

B. The amount requested is One Million Eight Hundred Seventy-Four Thousand Three Hundred Fifty-Three Dollars ($1,874,353). The supplemental funding proposal and budget documents are attached as Exhibit A.

C. The intent of this supplemental funding request is to bring chapters with less than $25,000 in emergency funds to $25,000. Any chapter with a zero after it in Exhibit A had at least $25,000 in its emergency funds at the time the budget was prepared. Any chapter listed to receive more than $25,000 had a negative balance when the documents in Exhibit A were prepared.

D. The Executive Branch has completed a Section 164 Review which is attached as Exhibit B.

E. The memorandum provided by the Office of Management and Budget, dated October 8, 2019, satisfies the budget impact analysis required by 12 N.N.C. 820(M) and is included in Exhibit B.

F. The Office of the Controller provided a memorandum, dated November 1, 2019, indicating this request for funding is recurring. This memorandum satisfies the requirements provided in 12 N.N.C. § 820(L) and is included in Exhibit B.

SECTION 3. WAIVING 12 N.N.C. § 820 (F) AND (F)
The Navajo Nation Council waives 12 N.N.C. § 820(E) and (F) with regard to the restriction on matching recurring revenues with recurring expenditures.
SECTION 4. APPROVING SUPPLEMENTAL FUNDING FROM THE
UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF
ONE MILLION EIGHT HUNDRED SEVENTY FOUR THOUSAND THREE
HUNDRED FIFTY THREE DOLLARS ($1,874,353) FOR CHAPTER
EMERGENCY FUNDS

A. This supplemental appropriation of $1,874,353 shall be from that amount of
funds that exceeds the minimum fund balance of the Unreserved, Undesignated
Fund Balance as determined by the Office of the Controller and as indicated the
documents in Exhibit A.

B. The Navajo Nation hereby approves supplemental funding from the Unreserved,
Undesignated Fund Balance in the amount of $1,874,353 for chapter emergency
funds as indicated in the documents in Exhibit A.