THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION

LEGISLATION NO: _0203-19_____ SPONSOR: Pernell Halona

TITLE: An Action Relating To Health, Education And Human Services Committee, Budget And Finance Committee; Resources And Development Committee, Naabik’íyáti’ Committee And The Navajo Nation Council; Approving A Navajo Nation Grant And Supplemental Funding From The Unreserved, Undesignated Fund Balance In The Amount Of $400,000.00 (Four Hundred Thousand Dollars) For Tohatchi Area Of Opportunity & Services, Inc (Taos, Inc.) To Purchase Vehicles; Waiving 12 N.N.C. §§ 820(I) And 860(C) Relating To The Capital Improvement Process

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DATE: July 5, 2019

TITLE OF RESOLUTION: A PROPOSED NAVAJO NATION COUNCIL RESOLUTION; AN ACTION RELATING TO HEALTH, EDUCATION AND HUMAN SERVICES COMMITTEE, BUDGET AND FINANCE COMMITTEE; RESOURCES AND DEVELOPMENT COMMITTEE, NAABIK'ÍYÁTI' COMMITTEE AND THE NAVAJO NATION COUNCIL; APPROVING A NAVAJO NATION GRANT AND SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF $400,000.00 (FOUR HUNDRED THOUSAND DOLLARS) FOR THE TOHATCHI AREA OF OPPORTUNITY & SERVICES, INC (TAOS, INC.) TO PURCHASE VEHICLES; WAIVING 12 N.N.C. §§ 820(I) AND 860(C) RELATING TO THE CAPITAL IMPROVEMENT PROCESS

PURPOSE: This resolution, if approved, will approve supplemental funding from the Unreserved. Undesignated Fund Balance (UUF B) in the amount of $400,000.00 for the Tohatchi Area of Opportunity & Services, Inc. for $400,000.00 to purchase vehicles to replace vehicles with high mileage and waiving 12 N.N.C. §§ 820(I) and 860(C).

This written summary does not address recommended amendments as may be provided by the standing committee. The Office of Legislative Counsel requests each committee member to review the proposed resolution in detail.
PROPOSED NAVAJO NATION COUNCIL RESOLUTION

24th NAVAJO NATION COUNCIL—First Year, 2019

INTRODUCED BY

[Signature]

Primary Sponsor

TRACKING NO. 0203-19

AN ACTION

RELATING TO HEALTH, EDUCATION AND HUMAN SERVICES COMMITTEE, BUDGET AND FINANCE COMMITTEE; RESOURCES AND DEVELOPMENT COMMITTEE, NAABIK’IYÁTI’ COMMITTEE AND THE NAVAJO NATION COUNCIL; APPROVING A NAVAJO NATION GRANT AND SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF $400,000.00 (FOUR HUNDRED THOUSAND DOLLARS) FOR THE TOHATCHI AREA OF OPPORTUNITY & SERVICES, INC (TAOS, INC.) TO PURCHASE VEHICLES; WAIVING 12 N.N.C. §§ 820(I) AND 860(C) RELATING TO THE CAPITAL IMPROVEMENT PROCESS

BE IT ENACTED:

SECTION ONE. AUTHORITIES

A. Pursuant to 12 N.N.C. § 820 (I.), “[t]he Navajo Nation Council may adopt and approve supplemental appropriations to the Annual Comprehensive Budget during the fiscal year. Supplemental appropriations of General Funds within the current fiscal year are permitted if and when additional sources of revenues above and beyond the initial or current revenue projections are projected and which are also in excess of the reserve amount set forth at § 820(J).”

B. Pursuant to 2 N.N.C. § 401 (B)(6)(a), the Health, Education and Human Services Committee is to recommend resolutions relating to social services and health.
C. Pursuant to 2 N.N.C. § 300 (C)(1)(3) and (4) the Budget and Finance Committee is
authorized to recommend adoption of resolutions related to the expenditure of the
Nation’s financial resources.

D. Pursuant to 2 N.N.C. § 501 (B)(4)(c), the Resources and Development Committee is
to review and recommend to the Navajo Nation Council supplemental appropriations
to the capital improvement projects annual budget to fund necessary additional capital
improvement projects.

E. Pursuant to 2 N.N.C. § 164 (A)(9), a proposed resolution that requires final action by
the Navajo Nation Council shall be assigned to the Naabik’iyyáti’ Committee before it
is heard by the Navajo Nation Council.

SECTION TWO. TITLE 12 FINANCE ACT SUPPLEMENTAL
APPROPRIATION PROCESS

A. The Title 12 Finance Act Supplemental Appropriation requirements include:
   1. Pursuant to 12 N.N.C. § 820(L), when the Controller identifies additional sources
      of revenues above and beyond the initial or current revenue projections,
      supplemental appropriations may be allocated by the Navajo Nation Council.
   2. Pursuant to 12 N.N.C. § 820 (L), “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 designating recurring and non-recurring revenues and purposes.”
   3. Pursuant to 12 N.N.C. § 820(M), all requests for annual operating funds and
      supplemental funds shall be submitted to the Office of Management and Budget
      (“OMB”) for budget impact analysis.

B. The Title 12 Capital Improvement Process includes:
   1. Pursuant to 12 N.N.C. § 810(F), “Capital Improvement” means a major
      project undertaken by the Navajo Nation that is generally not recurring on an annual
      basis and which fits within one or more of the following categories:
      (1) All projects requiring debt obligation or borrowing;
(2) Any acquisition or lease of land;

(3) Purchase of major equipment or vehicles, with a life expectancy of five years or more, valued in excess of an amount to be established by the Controller;

(4) Major building improvements that are not routine maintenance expenses and that substantially enhance the value or extend the useful life of a structure;

(5) Construction of new buildings or facilities including engineering, design, and other pre-construction costs with an estimated cost in excess of an amount to be determined by the Controller; and/or

(6) Major equipment or furnishing required to furnish new buildings or other projects, the cost of which is above a certain amount to be established by the Controller.

2. Pursuant to 12 N.N.C. § 820 (I), the "[d]evelopment of the Capital Budget shall be coordinated with development of the Operating Budget. All budget requests for capital improvements shall be in compliance with an adopted Capital Improvement Plan and shall not be approved unless in compliance with the Plan."

3. Pursuant to 12 N.N.C. § 820 (M), the Office of Management and Budget shall coordinate the overall preparation, adoption and implementation of both the annual operating and capital budgets of the Navajo Nation. All requests for annual operating funds and supplemental funds shall be submitted to the Office of Management and Budget for budget impact analysis and other appropriate action.

4. Pursuant to 2 N.N.C. § 501 (B)(4)(c), the Resources and Development Committee is to review and recommend to the Navajo Nation Council through the appropriate process supplemental appropriations to the capital improvement projects annual budget to fund necessary additional capital improvement projects.

5. Pursuant to 12 N.N.C. § 860 (C)(2) "[t]he appropriation portion of the Capital Improvement Plan is subject to approval of the Navajo Nation Council upon recommendation of the Budget and Finance Committee. Any modification or amendment affecting the approved Capital Improvement Plan is subject to review and concurrence by the Resources and Development Committee prior to consideration by the Navajo Nation Council."
SECTION THREE. FINDINGS

A. The Tohatchi Area of Opportunity & Services, Inc. (TAOS, Inc.), formerly known as A School For Me, Inc., was created “[t]o promote, develop, implement, manage and acquire training programs and activities as well as opportunities and specialized services including, but not limited to, custodial, residential care and related services for individuals with disabilities residing on or near the Navajo Indian Reservation.” See Restatement of Articles of Incorporation in Exhibit C, the Navajo Nation Grant Application.

B. The Tohatchi Area of Opportunity & Services, Inc. must ensure the safety and well-being of individuals and staff as they go about their daily activities, including the use of safe and reliable vehicles. TAOS maintains a vehicle fleet of 22 vehicles, most have high mileage and need constant vehicle maintenance. Tohatchi Area of Opportunity & Services, Inc. is requesting $400,000.00 to purchase vehicles to replace vehicles with high mileage.

C. The budget documents requesting $400,000.00 from the Unreserved, Undesignated Fund Balance (UUFB) for the Tohatchi Area of Opportunity & Services, Inc. are attached as Exhibit A.

D. The Office of the Controller’s memorandum identifying additional revenues above and beyond the initial or current revenue projections, pursuant to 12 N.N.C. § 820(L), is currently being requested and will be made available to the Navajo Nation Council at the time the Navajo Nation Council considers this legislation.

E. The Office of the Controller’s determination as to whether this request for supplemental appropriation is a non-recurring cost, pursuant to 12 N.N.C. § 820 (L), will be made available to the Navajo Nation Council at the time the Navajo Nation Council considers this legislation.

F. The Office of Management and Budget Impact Analysis is attached as Exhibit B.

G. Chapter resolutions and letters of support are attached as Exhibit D.
SECTION FOUR. WAIVING 12 N.N.C. §§ 820(I) AND 860 (C) REGARDING THE CAPITAL IMPROVEMENT PROCESS AS IT PERTAINS TO THE PURCHASE OF VEHICLES FOR TOHATCHI AREA OF OPPORTUNITY & SERVICES, INC.

The Navajo Nation Council hereby waives 12 N.N.C. §§ 820(I) and 860(C) with regard to the Capital Improvement process as it pertains to the purchase of vehicles by the Tohatchi Area of Opportunity & Services, Inc.

SECTION FIVE. APPROVING A NAVAJO NATION GRANT AND SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF $400,000.00 FOR TOHATCHI AREA OF OPPORTUNITY & SERVICES, INC. TO PURCHASE VEHICLES

A. The Navajo Nation Council, having received certification by the Office of the Controller of the availability of certain funds from the Unreserved, Undesignated Fund Balance (UUFB) for supplemental appropriation hereby approves a Navajo Nation Grant and the supplemental appropriation of $400,000.00 for Tohatchi Area of Opportunity & Services, Inc. to purchase vehicles.

B. This supplemental appropriation of $400,000.00 shall be from that amount of funds that exceeds the minimum fund balance of the UUFB.