TITLE: An Action Relating To An Emergency; Approving Supplemental Funding From The Unreserved, Undesignated Fund Balance In The Amount Of Four Million Dollars ($4,000,000) For Emergency Funds To The Navajo Department Of Health, COVID-19 Emergency Funds, Business Unit New

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DATE: March 19, 2020

TITLE OF RESOLUTION: AN ACTION RELATING TO AN EMERGENCY; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF $4,000,000 FOUR MILLION DOLLARS FOR EMERGENCY FUNDS TO THE NAVAJO DEPARTMENT OF HEALTH, COVID-19 EMERGENCY FUNDS, BUSINESS UNIT NEW

PURPOSE: The purpose of this resolution is to approve a supplemental appropriation to the Navajo Department of Health.

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 – Second Year, 2020

INTRODUCED BY

(Prime Sponsor)

TRACKING NO. 0042-20

AN ACTION
RELATING TO AN EMERGENCY: APPROVING SUPPLEMENTAL FUNDING FROM
THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF FOUR
MILLION DOLLARS ($4,000,000) FOR EMERGENCY FUNDS TO THE NAVAJO
DEPARTMENT OF HEALTH, COVID-19 EMERGENCY FUNDS, BUSINESS UNIT NEW

BE IT ENACTED:

SECTION 1. AUTHORITY
A. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C.
§ 102(A).

B. Pursuant to 2 N.N.C. §164 (A)(16) “[m]atters constituting an emergency shall be limited
to the cessation of law enforcement services, and disaster relief services, fire protection
services or other direct services required as an entitlement under Navajo Nation or
Federal law, or which directly threaten the sovereignty of the Navajo Nation. Such an
emergency matter must arise due to the pressing public need for such resolution(s) and
must be a matter requiring final action by the Council.”

C. The Navajo Nation Council has the authority to approve supplemental appropriations. 12
N.N.C. § 820(L). Pursuant to 12 N.N.C. § 820 (L), “[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).”

D. 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. In light of the Navajo Nation’s Emergency Declaration regarding the outbreak of the COVID-19 virus 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 health effects of the pandemic virus.

B. The Navajo Department of Health has requested a supplemental appropriation for COVID-19 Emergency Funds, Business Unit New. The total amount requested is Four Million Dollars ($4,000,000). The budget documents are attached as Exhibit A.

C. Due to the emergency nature of the funding request, the budget impact analysis required by 12 N.N.C. 820(M) can be provided by the Office of Management and Budget when this matter is heard by Council either in person or telephonically.

D. Due to the emergency nature of the funding request the Controller can satisfy the requirements provided in 12 N.N.C. § 820(L) when this matter is heard by Council either in person or telephonically.

SECTION 3. APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF FOUR MILLION DOLLARS ($4,000,000) FOR EMERGENCY FUNDS TO THE NAVAJO DEPARTMENT OF HEALTH, COVID-19 EMERGENCY FUNDS, BUSINESS UNIT NEW

A. This supplemental appropriation of $4,000,000 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 $4,000,000 for emergency funds as indicated in the documents in Exhibit A.