TITLE: An Action Relating to an Emergency; Approving supplemental funding from the Unreserved, Undesignated Fund Balance in the amount of Fifteen Thousand dollars ($15,000.00) to each chapter's emergency fund; Waiving 12 N.N.C. § 820 (O) and Budget Instruction Manual provisions

Date posted: March 20, 2020 at 9:52am

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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: 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 FIFTEEN THOUSAND DOLLARS ($15,000.00) TO EACH CHAPTER’S EMERGENCY FUND; WAIVING 12 N.N.C. § 820 (O) AND BUDGET INSTRUCTION MANUAL PROVISIONS

PURPOSE: This resolution, if approved, would appropriate $15,000.00 to every chapter’s emergency fund.

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 – Second Year, 2020

INTRODUCED BY

(Prime Sponsor)

TRACKING NO. 0063-20

AN ACTION
RELATING TO AN EMERGENCY; APPROVING SUPPLEMENTAL FUNDING
FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE
AMOUNT OF FIFTEEN THOUSANDS DOLLARS ($15,000.00) TO EACH
CHAPTER’S EMERGENCY FUND; WAIVING 12 N.N.C. § 820 (O) AND BUDGET
INSTRUCTION MANUAL PROVISIONS

BE IT ENACTED:

SECTION ONE. 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 Navajo Nation Council has the authority to direct where additional revenues are
deposited. Pursuant to 12 N.N.C. § 820 (K), “[f]unds received in excess of the initial
or current revenue projection shall be deposited into the General Fund Unreserved,
Undesignated Fund balance unless otherwise designated by the Navajo Nation
Council.”

E. The Title 12 Navajo Nation Appropriations Act’s 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 TWO. FINDINGS
A. In light of the Navajo Nation’s Emergency Declaration, attached as Exhibit A,
regarding the outbreak of the COVID-19 virus this supplemental funding request is
made for the purpose of emergency financial stability at the Chapter level during the
pandemic emergency.
B. The total amount requested is one million six hundred fifty-two thousand six hundred
twenty dollars ($1,652,620.00); the proposed supplemental appropriation is attached as
Exhibit B.
C. The intent of this supplemental funding request is to provide the Chapters of the Navajo
Nation with sufficient resources to address pandemic emergency issues at the local
level that do not fall under the responsibilities and authorities of the Navajo Nation
government programs or other entities, including but not limited to federal and state
agencies. Examples of issues at the local level to be addressed by chapters include but
are not limited to provision of grocery and drug store gift cards to chapter members in
need who have transportation and purchase and delivery of food, sundries, cleaning
supplies and over-the-counter medicines and medical supplies to uninfected and
unexposed chapter members without access to transportation.
D. This supplemental funding request will provide each Chapter of the Navajo Nation
with fifteen thousand dollars ($15,000.00) of emergency funds; those chapters whose
emergency funds balance is negative shall be provided sufficient funds to bring their
balance to zero. The total amount to be provided to each Chapter is set forth in Exhibit
B.
E. 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.
F. 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 FOUR. WAIVING 12 N.N.C. § 820 (O) and BUDGET INSTRUCTION MANUAL, APPENDIX M, II (D)(4)

A. The Navajo Nation hereby waives 12 N.N.C. § 820 (O) requiring any appropriation intended for distribution to all chapters to be allocated pursuant to a 50/50 formula.

B. The Navajo Nation waives the Budget Instruction Manual, Section XII, pertaining to supplemental appropriations to allow an appropriation for emergency funding to the chapters to be approved by the Navajo Nation Council without budget forms.

C. The Navajo Nation hereby waives Budget Instruction Manual, Appendix M, II (D)(4) requiring a chapter resolution to receive funding under this supplemental appropriation.

SECTION FIVE. APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE

A. This supplemental appropriation of one million six hundred fifty-two thousand six hundred twenty dollars ($1,652,620.00) 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 in Exhibit B.

B. The Navajo Nation hereby approves supplemental funding from the Unreserved, Undesignated Fund Balance in the amount of $1,625,620.00 for emergency funds as indicated in Exhibit B.

SECTION SIX. APPROVING ADMINISTRATION OF SUPPLEMENTAL FUNDING

A. Chapters shall only expend the funds appropriated here for goods and services that are not provided by or under the authority and responsibilities of the Navajo Nation government or federal or state agencies.
B. Funds spent for goods and services that are provided by or under the authority and responsibilities of the Navajo Nation government or federal or state agencies will be disallowed.

C. Chapters shall maintain receipts and expenditure justifications for each expenditure.

SECTION SEVEN. EFFECTIVE DATE

The provisions of this Action shall become effective in accord with 2 N.N.C. § 221 (B).