

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0054-20__

SPONSOR: Charlaine Tso

TITLE: An Action Relating To An Emergency: Approving Supplemental Funding From The Unreserved, Undesignated Fund Balance In The Amount Of \$3,000,000 Three Million Dollars For Emergency Funds For The Department Of Emergency Management And Chapter Emergency Funds

Date posted: March 13, 2020 at 7:10 PM

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LEGISLATIVE SUMMARY SHEET

Tracking No. 0054-20

DATE: March 13, 2020

TITLE OF RESOLUTION: AN ACTION RELATING TO AN EMERGENCY; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$3,000,000 THREE MILLION DOLLARS FOR EMERGENCY FUNDS FOR THE DEPARTMENT OF EMERGENCY MANAGEMENT AND CHAPTER EMERGENCY FUNDS

PURPOSE: The purpose of this resolution is to approve a supplemental appropriation of \$3,000,000 to for emergency funds for the Department of Emergency Management.

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. 0054-20

AN ACTION

RELATING TO AN EMERGENCY; APPROVING SUPPLEMENTAL FUNDING FROM
THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF
\$3,000,000 THREE MILLION DOLLARS FOR EMERGENCY FUNDS FOR THE
DEPARTMENT OF EMERGENCY MANAGEMENT AND CHAPTER
EMERGENCY FUNDS

BE IT ENACTED:

SECTION 1. AUTHORITY

- A. The Navajo Nation Council is the governing of 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

1 adopt and approve supplemental appropriations to the Annual Comprehensive Budget
2 during the fiscal year. Supplemental appropriations of General Funds within the current
3 fiscal year are permitted, if and when additional sources of revenues above and beyond
4 the initial or current revenue projections are projected and which are also in excess of the
5 reserve amount set forth at § 820(J).”

6 D. The Title 12 Finance Act Supplemental Appropriation requirements include:

- 7 1. All requests for annual operating funds and supplemental funds shall be submitted
8 to the Office of Management and Budget for budget impact analysis. 12 N.N.C.
9 § 820(M).
- 10 2. When the Controller identifies additional sources of revenues above and beyond
11 the initial or current revenue projections, supplemental appropriations may be
12 approved by the Navajo Nation Council. 12 N.N.C. § 820(L).
- 13 3. Supplemental Appropriations made from non-recurring revenues shall only be
14 made for non-recurring operations or purposes, as set forth at § 820(F). The
15 Controller of the Navajo Nation shall be responsible for designation recurring and
16 non-recurring revenues. 12 N.N.C. § 820(L).
- 17 4. The Nation shall budget all recurring operating expenses, including capital
18 maintenance, from recurring revenues. Long term debt shall not be used to finance
19 recurring operating expenses. 12 N.N.C. §820(E).
- 20 5. The Navajo Nation Code provides, “[t]he Nation shall restrict non-recurring
21 revenues to budget non-recurring expenditures. In addition, non-recurring revenues
22 will be budgeted only after an examination by the Controller to determine whether
23 or not the revenues are subsidizing an imbalance between recurring revenues and
24 expenditures, and expenditures may be authorized only if a long-term (three-five
25 year) forecast shows that the operating deficit will not continue. Otherwise, non-
26 recurring revenues will be added to the Unreserved, Undesignated Fund balance.
27 This provision may be amended or waived by a two-thirds vote of the full Navajo
28 Nation Council.” 12 N.N.C. § 820(F).

29
30 **SECTION 2. FINDINGS**

- 1 A. In light of the Navajo Nation's Emergency Declaration regarding the outbreak of the
2 COVID-19 virus this supplemental funding request is made for the purpose of
3 emergency financial stability to address all aspects of providing emergency services
4 including, preparedness, mitigation, response, and recovery. The aim of the funding is
5 to reduce the harmful health effects of the pandemic virus.
- 6 B. The total amount requested is Three Million Dollars (\$3,000,000). The supplemental
7 funding proposal and budget documents are attached as **Exhibit A**.
- 8 C. The intent of this supplemental funding request is to provide the Department of
9 Emergency Management sufficient resources to address the health crises on the Navajo
10 Nation and to bring chapters with less than \$15,000 in emergency funds to \$15,000.
11 Any chapter with a zero after it in **Exhibit A** had at least \$15,000 in its emergency
12 funds at the time the budget was prepared. Any chapter listed to receive more than
13 \$15,000 had a negative balance when the documents in **Exhibit A** were prepared.
- 14 D. The Executive Branch has completed a Section 164 Review which is attached as
15 **Exhibit B**.
- 16 E. The memorandum provided by the Office of Management and Budget, dated March
17 12, 2020, satisfies the budget impact analysis required by 12 N.N.C. 820(M) and is
18 included in **Exhibit B**.
- 19 F. The Office of the Controller memorandum, dated, March 12, 2020 indicating this
20 request for funding is non-recurring. This memorandum satisfies the requirements
21 provided in 12 N.N.C. § 820(L) and is included in **Exhibit B**.

22
23 **SECTION 3. APPROVING SUPPLEMENTAL FUNDING FROM THE**
24 **UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF**
25 **THREE MILLION DOLLARS (\$3,000,000) FOR EMERGENCY FUNDS**

- 26 A. This supplemental appropriation of \$3,000,000 shall be from that amount of funds
27 that exceeds the minimum fund balance of the Unreserved, Undesignated Fund
28 Balance as determined by the Office of the Controller and as indicated the documents
29 in **Exhibit A**.
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B. The Navajo Nation hereby approves supplemental funding from the Unreserved, Undesignated Fund Balance in the amount of \$3,000,000 for emergency funds as indicated in the documents in **Exhibit A**.