

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0063-20_____

SPONSOR: Vince R. James

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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Office of Legislative Services
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LEGISLATIVE SUMMARY SHEET

Tracking No. 0063-20

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 THOUSANDS 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 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

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

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

11 E. The Title 12 Navajo Nation Appropriations Act’s Supplemental Appropriation
12 requirements include:

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

1 year) forecast shows that the operating deficit will not continue. Otherwise, non-
2 recurring revenues will be added to the Unreserved, Undesignated Fund balance.
3 This provision may be amended or waived by a two-thirds vote of the full Navajo
4 Nation Council.” 12 N.N.C. § 820(F).

5 6 **SECTION TWO. FINDINGS**

7 A. In light of the Navajo Nation’s Emergency Declaration, attached as **Exhibit A**,
8 regarding the outbreak of the COVID-19 virus this supplemental funding request is
9 made for the purpose of emergency financial stability at the Chapter level during the
10 pandemic emergency.

11 B. The total amount requested is one million six hundred fifty-two thousand six hundred
12 twenty dollars (\$1,652,620.00); the proposed supplemental appropriation is attached as
13 **Exhibit B**.

14 C. The intent of this supplemental funding request is to provide the Chapters of the Navajo
15 Nation with sufficient resources to address pandemic emergency issues at the local
16 level that do not fall under the responsibilities and authorities of the Navajo Nation
17 government programs or other entities, including but not limited to federal and state
18 agencies. Examples of issues at the local level to be addressed by chapters include but
19 are not limited to provision of grocery and drug store gift cards to chapter members in
20 need who have transportation and purchase and delivery of food, sundries, cleaning
21 supplies and over-the-counter medicines and medical supplies to uninfected and
22 unexposed chapter members without access to transportation.

23 D. This supplemental funding request will provide each Chapter of the Navajo Nation
24 with fifteen thousand dollars (\$15,000.00) of emergency funds; those chapters whose
25 emergency funds balance is negative shall be provided sufficient funds to bring their
26 balance to zero. The total amount to be provided to each Chapter is set forth in **Exhibit**
27 **B**.

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

1 F. Due to the emergency nature of the funding request the Controller can satisfy the
2 requirements provided in 12 N.N.C. § 820(L) when this matter is heard by Council
3 either in person or telephonically.
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5 **SECTION FOUR. WAIVING 12 N.N.C. § 820 (O) and BUDGET INSTRUCTION**
6 **MANUAL, APPENDIX M, II (D)(4)**

- 7 A. The Navajo Nation hereby waives 12 N.N.C. § 820 (O) requiring any appropriation
8 intended for distribution to all chapters to be allocated pursuant to a 50/50 formula.
9 B. The Navajo Nation waives the Budget Instruction Manual, Section XII, pertaining to
10 supplemental appropriations to allow an appropriation for emergency funding to the
11 chapters to be approved by the Navajo Nation Council without budget forms.
12 C. The Navajo Nation hereby waives Budget Instruction Manual, Appendix M, II (D)(4)
13 requiring a chapter resolution to receive funding under this supplemental appropriation.
14

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

- 17 A. This supplemental appropriation of one million six hundred fifty-two thousand six
18 hundred twenty dollars (\$1,652,620.00) shall be from that amount of funds that exceeds
19 the minimum fund balance of the Unreserved, Undesignated Fund Balance as
20 determined by the Office of the Controller and as indicated in **Exhibit B**.
21 B. The Navajo Nation hereby approves supplemental funding from the Unreserved,
22 Undesignated Fund Balance in the amount of \$1,625,620.00 for emergency funds as
23 indicated in **Exhibit B**.
24

25 **SECTION SIX. APPROVING ADMINISTRATION OF SUPPLEMENTAL**
26 **FUNDING**

- 27 A. Chapters shall only expend the funds appropriated here for goods and services that are
28 not provided by or under the authority and responsibilities of the Navajo Nation
29 government or federal or state agencies.
30

1 B. Funds spent for goods and services that are provided by or under the authority and
2 responsibilities of the Navajo Nation government or federal or state agencies will be
3 disallowed.

4 C. Chapters shall maintain receipts and expenditure justifications for each expenditure.
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6 **SECTION SEVEN. EFFECTIVE DATE**

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