

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0383-19_____

SPONSOR: Raymond Smith Jr.

TITLE: An Action Relating to Resources and Development, Budget and Finance, Naabik'iyáti' Committees, and Navajo Nation Council; Approving supplemental finding from the Unreserved, Undesignated Fund Balance in the amount of one million eight hundred seventy-four thousand three hundred fifty-three dollars (\$1,874,353) for chapter emergency funds; Waiving 12 N.N.C. §§820 (E) and (F) regarding to the restriction over matching recurring revenues with recurring expenditures.

Date posted: December 31, 2019 at 6:59pm

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LEGISLATIVE SUMMARY SHEET

Tracking No. 0383-19

DATE: December 31, 2019

TITLE OF RESOLUTION: AN ACTION RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, NAA'BIK'ÍYÁTI' COMMITTEES, AND NAVAJO NATION COUNCIL.; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF ONE MILLION EIGHT HUNDRED SEVENTY-FOUR THOUSAND THREE HUNDRED FIFTY-THREE DOLLARS (\$1,874,353) FOR CHAPTER EMERGENCY FUNDS; WAIVING 12 N.N.C. §§ 820 (E) AND (F) REGARDING TO THE RESTRICTION OVER MATCHING RECURRING REVENUES WITH RECURRING EXPENDITURES

PURPOSE: The purpose of this resolution is to approve an appropriation for chapters with less than \$25,000 in available emergency funds.

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.

5-DAY BILL HOLD PERIOD: High
Website Posting Time/Date: _____
Posting End Date: 01-05-20
Eligible for Action: 01-06-20

Resources & Development Committee
Thence
Budget & Finance Committee
Thence
Naabik'iyáti' Committee
Thence
Navajo Nation Council

1 PROPOSED NAVAJO NATION COUNCIL RESOLUTION
2 24th NAVAJO NATION COUNCIL – First Year, 2019

3
4 INTRODUCED BY

5
6 
7 _____

(Prime Sponsor)

8
9 TRACKING NO. 0383-19

10
11 AN ACTION

12 RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE,
13 NAA'BIK'ÍYÁTTI COMMITTEES, AND NAVAJO NATION COUNCIL; APPROVING
14 SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND
15 BALANCE IN THE AMOUNT OF ONE MILLION EIGHT HUNDRED SEVENTY-FOUR
16 THOUSAND THREE HUNDRED FIFTY-THREE DOLLARS (\$1,874,353) FOR CHAPTER
17 EMERGENCY FUNDS; WAIVING 12 N.N.C. §§ 820 (E) AND (F) REGARDING TO THE
18 RESTRICTION OVER MATCHING RECURRING REVENUES WITH RECURRING
19 EXPENDITURES

20
21 BE IT ENACTED:

22
23 **SECTION 1. AUTHORITY**

- 24 A. The Navajo Nation established the Resources and Development Committee
25 (RDC) as a Navajo Nation Council standing committee and as such gave RDC
26 oversight over Navajo Nation Chapters. 2 N.N.C. §§ 500 (A) and 501 (C)(1).
27 B. The Navajo Nation established the Budget and Finance Committee (BFC) as a
28 Navajo Nation Council standing committee and as such empowered BFC to
29 review and recommend to the Navajo Nation Council the management of all
30 funds. 2 N.N.C. §§ 300 (A) and 301 (B)(2).

1 C. The Navajo Nation Council established the Naabik'iyáti' Committee as a Navajo
2 Nation standing committee and as such proposed legislation that requires final
3 action by the Navajo Nation Council shall be assigned to the Naabik'iyáti'
4 Committee. 2 N.N.C. §§ 164 (A)(9).

5 D. The Navajo Nation Council is the governing of body of the Navajo Nation. 2
6 N.N.C. § 102(A).

7 E. The Navajo Nation Council has the authority to approve supplemental
8 appropriations. 12 N.N.C. § 820(L).

9 F. The Title 12 Finance Act Supplemental Appropriation requirements include:

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

1 will be added to the Unreserved, Undesignated Fund balance. This
2 provision may be amended or waived by a two-thirds vote of the full
3 Navajo Nation Council.” 12 N.N.C. § 820(F).
4

5 **SECTION 2. FINDINGS**

- 6 A. This supplemental funding request is made for the purpose of emergency
7 financial stability to address all aspects of providing emergency services
8 including, preparedness, mitigation, response, and recovery. The aim of the
9 funding is to reduce the harmful effects of all hazards incurred by chapters.
- 10 B. The amount requested is One Million Eight Hundred Seventy-Four Thousand
11 Three Hundred Fifty-Three Dollars (\$1,874,353). The supplemental funding
12 proposal and budget documents are attached as **Exhibit A**.
- 13 C. The intent of this supplemental funding request is to bring chapters with less than
14 \$25,000 in emergency funds to \$25,000. Any chapter with a zero after it in
15 **Exhibit A** had at least \$25,000 in its emergency funds at the time the budget was
16 prepared. Any chapter listed to receive more than \$25,000 had a negative balance
17 when the documents in **Exhibit A** were prepared.
- 18 D. The Executive Branch has completed a Section 164 Review which is attached as
19 **Exhibit B**.
- 20 E. The memorandum provided by the Office of Management and Budget, dated
21 October 8, 2019, satisfies the budget impact analysis required by 12 N.N.C.
22 820(M) and is included in **Exhibit B**.
- 23 F. The Office of the Controller provided a memorandum, dated November 1, 2019,
24 indicating this request for funding is recurring. This memorandum satisfies the
25 requirements provided in 12 N.N.C. § 820(L) and is included in **Exhibit B**.
26

27 **SECTION 3. WAIVING 12 N.N.C. § 820 (E) AND (F)**

28 The Navajo Nation Council waives 12 N.N.C. § 820(E) and (F) with regard to the restriction
29 on matching recurring revenues with recurring expenditures.
30

1 **SECTION 4. APPROVING SUPPLEMENTAL FUNDING FROM THE**
2 **UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF**
3 **ONE MILLION EIGHT HUNDRED SEVENTY FOUR THOUSAND THREE**
4 **HUNDRED FIFTY THREE DOLLARS (\$1,874,353) FOR CHAPTER**
5 **EMERGENCY FUNDS**

6 A. This supplemental appropriation of \$1,874,353 shall be from that amount of
7 funds that exceeds the minimum fund balance of the Unreserved, Undesignated
8 Fund Balance as determined by the Office of the Controller and as indicated the
9 documents in **Exhibit A**.

10 B. The Navajo Nation hereby approves supplemental funding from the Unreserved,
11 Undesignated Fund Balance in the amount of \$1,874,353 for chapter emergency
12 funds as indicated in the documents in **Exhibit A**.