

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0206-21_

SPONSOR: Seth Damon

TITLE: An Action Relating to the Budget and Finance Committee, Resources and Development Committee, Naabik'iyáti' Committee, and the Navajo Nation Council; Approving \$1,838,798 in Supplemental Funding from the Unreserved, Undesignated Fund Balance for the 110 Navajo Nation Chapters' Emergency Fund Accounts

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LEGISLATION SUMMARY SHEET

TRACKING NO. 0206-21

DATE: October 4, 2021

TITLE OF LEGISLATION: AN ACTION RELATING TO THE BUDGET AND FINANCE COMMITTEE, RESOURCES AND DEVELOPMENT COMMITTEE, NAABIK'IYATI' COMMITTEE, AND THE NAVAJO NATION COUNCIL; APPROVING \$1,838,798 IN SUPPLEMENTAL FUNDNG FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE FOR THE 110 CHAPTERS' EMERGENCY FUND ACCOUNTS

PURPOSE OF THIS LEGISLATION: to approve \$1,838,798 in UUFb funds for the 110 Chapters to bring their Emergency Fund accounts to the \$25,000 amount.

OLC No. 21-343-1

5-DAY BILL HOLD PERIOD:

VBREANNX

Website Posting Time/Date:

Posting End Date: October 9, 2021

Eligible for Action: October 10, 2021

Budget & Finance Committee

Thence

Resources & Development Committee

Thence

Naabik'iyáti' Committee

Thence

Navajo Nation Council

PROPOSED NAVAJO NATION COUNCIL RESOLUTION

24th NAVAJO NATION COUNCIL – Third Year, 2021

INTRODUCED BY

(Prime Sponsor)

TRACKING NO. 0206-21

AN ACTION

RELATING TO THE BUDGET AND FINANCE COMMITTEE, RESOURCES AND DEVELOPMENT COMMITTEE, NAABIK'ÍYÁTI' COMMITTEE, AND THE NAVAJO NATION COUNCIL; APPROVING \$1,838,798 IN SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE FOR THE 110 NAVAJO NATION CHAPTERS' EMERGENCY FUND ACCOUNTS

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Navajo Nation established the Budget and Finance Committee (“BFC”) as a Navajo Nation Council standing committee with the authority to recommend to the Navajo Nation Council the management of all funds. 2 N.N.C. §§ 300(A) and 301(B)(2).
- B. The Navajo Nation established the Resources and Development Committee (“RDC”) as a Navajo Nation Council standing committee and as such authorized RDC to oversee the Navajo Nation Chapters. 2 N.N.C. §§ 164(A)(9), 500(A), and 501(C)(1).
- C. The Navajo Nation Council established the Naabik’iyáti’ Committee as a standing committee that considers proposed legislation requiring final action by the Navajo Nation Council. 2 N.N.C. §164(A)(9).
- D. The Navajo Nation Council is the governing body of the Navajo Nation with the authority to approve supplemental appropriations. 2 N.N.C. §102(A) and 12 N.N.C. §820(I).

1 **SECTION TWO. FINDINGS**

2 A. The Navajo Nation Council may approve supplemental appropriations at any time during the
3 fiscal year, if and when additional sources of revenues above and beyond the initial or current
4 revenue projections are projected and are also determined to be in excess of the reserve amount
5 required by §820(J). 12 N.N.C. §820(I).

6 B. The Navajo Nation shall budget all recurring operating expenses, including capital
7 maintenance costs, from recurring revenues; and long-term debt shall not be used to pay for
8 recurring operating expenses. 12 N.N.C. §820(I).

9 C. The Navajo Nation “shall restrict non-recurring revenues to budget non-recurring
10 expenditures. In addition, non-recurring revenues will be budgeted only after an examination
11 by the Controller to determine whether or not the revenues are subsidizing an imbalance
12 between recurring revenues and expenditures, and expenditures may be authorized only if a
13 long-term (three-five year) forecast shows that the operating deficit will not continue.
14 Otherwise, non-recurring revenues will be added to the Unreserved, Undesignated Fund
15 balance. This provision may be amended or waived by a two-thirds vote of the full Navajo
16 Nation Council.” 12 N.N.C. §820(I).

17 D. The Controller (“OOC”) is responsible for designating what are recurring and non-recurring
18 revenues. 12 N.N.C. §820(I).

19 E. All requests for annual operating funds and supplemental funds shall be submitted to the Office
20 of Management and Budget (“OMB”) for budget impact analysis. 12 N.N.C. §820(M).

21 F. On behalf of the 110 Navajo Nation Chapters, the Division of Community Development
22 (“DCD”) has submitted a Supplemental Funding Proposal Summary, dated August 6, 2021.
23 With this form, DCD is requesting **\$1,838,798** out of the Unreserved, Undesignated Fund
24 Balance to provide the 110 Chapters enough funds to replenish their Emergency Fund accounts
25 back to the established amount of \$25,000. See Appendix K attached hereto as **EXHIBIT A**.

26 G. A comprehensive list showing each Chapters’ funding need is attached as **EXHIBIT B**. If the
27 total requested amount of **\$1,838,798** is approved by the Navajo Nation Council, different
28 Chapters will receive different dollar amounts as shown in Exhibit B - but all 110 Chapters
29 will end up with the same amount of \$25,000 in their Emergency Fund accounts.

30 H. On behalf of the Chapters, DCD has provided the required Navajo Nation Budget Forms,

1 attached as **EXHIBIT C** (3 pages total).

2 I. The OOC has not yet reviewed this supplemental funding request for the amount of **\$1,838,798**
3 as required by 12 N.N.C. §820(I). However, the OOC has provided a memorandum dated
4 August 20, 2021 regarding a previous DCD request for Chapters' emergency funds in the
5 amount of \$1,685,344. **EXHIBIT D**. The OOC can present an updated memorandum with a
6 review of this \$1,838,798 funding request, when this legislation is presented for consideration
7 by the Navajo Nation Council. The Controller has identified the Chapters' emergency funding
8 as non-recurring expenditures.

9 J. The Office of Management and Budget ("OMB") has not yet reviewed this \$1,838,798 funding
10 request, but the OMB can provide its memorandum, to satisfy the requirements in 12 N.N.C.
11 §820(M), when this legislation is presented for consideration by the Navajo Nation Council.

12
13 **SECTION THREE. APPROVING \$1,838,798 FOR THE 110 NAVAJO NATION**
14 **CHAPTERS FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE**

15 A. The Navajo Nation hereby approves **\$1,838,798** from the Unreserved, Undesignated Fund
16 Balance for the 110 Navajo Nation Chapters Emergency Fund accounts. Each Chapter shall
17 receive the designated dollar amount as shown in **EXHIBIT B**, so as to bring each Chapter's
18 Emergency Fund account up to the established \$25,000 amount.

19 B. This supplemental appropriation of **\$1,838,798** shall be from that amount of funds that exceeds
20 the minimum fund balance of the Unreserved, Undesignated Fund Balance as determined by
21 the OOC.

22
23 **SECTION FOUR. EFFECTIVE DATE**

24 The provisions of this Act shall become effective in accordance with 2 N.N.C. §221(B) and with
25 2 N.N.C. §164(A)(17).

26
27 **SECTION FIVE. SAVINGS CLAUSE**

28 If any provision of this Act is determined invalid by the Supreme Court of the Navajo Nation or
29 by any Navajo Nation District Court, without appeal to the Navajo Nation Supreme Court, the
30 remainder of this Act shall remain valid as the law of the Navajo Nation.