### THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: \_0165-22\_\_

SPONSOR: Herman Daniels, Jr.

TITLE: An Act Relating to an Emergency; Approving \$89,480 from the Unreserved, Undesignated Fund Balance ("UUFB") for a New HVAC System for the Oljato Chapter Senior Center

Date posted: September 20, 2022 at 2:21PM

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### **SUMMARY OF PROPOSED LEGISLATION**

TrackingNo. 0165-22

Date: September 12, 2022

Re: AN ACT RELATING TO AN EMERGENCY; APPROVING \$89,480 FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE ("UUFB") FOR A NEW HVAC SYSTEM FOR THE OLJATO CHAPTER SENIOR CENTER

## **Purpose of this Legislation:**

to approve \$89,480 from the UUFB for a new HVAC system for the Oljato Chapter Senior Center.

OLC No. 22-310-1

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# PROPOSED NAVAJO NATION COUNCIL RESOLUTION 24th NAVAJO NATION COUNCIL - Fourth Year, 2022

Introduced by:

Herman M. Daniels, Jr

(Prime Sponsor)

Tracking No. 0165-22

AN ACT

# RELATING TO AN EMERGENCY; APPROVING \$89,480 FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE ("UUFB") FOR A NEW HVAC SYSTEM FOR THE OLJATO CHAPTER SENIOR CENTER

BE IT ENACTED:

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# SECTION ONE. AUTHORITY

A. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §102(A). As such, the Council may approve supplemental appropriations whenever additional sources of revenues above current revenue projections are anticipated and such revenues exceed the required reserve amount. 12 N.N.C. §820(L).

B. The Navajo Nation Council may approve emergency legislation to address any matter "constituting an emergency [that] 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." 2 N.N.C. §164 (A)(16).

C. At this time, this Act is being considered as an emergency measure because the Oljato Chapter Senior Center has been without a functioning central heating and air conditioning/cooling system ("HVAC") for over a year's time. The lack of heat in the winter and adequate air conditioning/cooling during the summer months has created extremely uncomfortable and dangerous conditions at the Senior Center. There is a high risk for this facility to be closed at this time. Despite these conditions, the staff has worked to keep providing services to the elderly residents of the Oljato Community. The imminent shutdown of the Senior Center would deny many Navajo elders of the dire services, especially daily meals, that they have come to rely upon. Given this situation, there is a pressing public need for the Council to approve this Act.

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- D. The restrictions on supplemental appropriations, including all monies from the Navajo Nation's Unreserved, Undesignated Fund Balance, include:
  - Payment of recurring government operating expenses shall be from recurring revenues, and payment of nonrecurring expenses shall be from nonrecurring revenues such as UUFB funds. 12 N.N.C. §820(E), §820(F).
  - 2. Specifically, the UUFB shall not be used for recurring government expenditures or operations. 12 N.N.C. §820(J), §820(L).
- 3. Nonrecurring revenues such as UUFB funds may be used only after the Controller determines whether or not such revenues are subsidizing an imbalance between the Navajo Nation's recurring revenues and expenditures, and government expenditures shall only be authorized if a long-term (3-year to 5-year year) forecast shows that the operating deficit will not continue; otherwise, nonrecurring revenues will be added to the Unreserved, Undesignated Fund Balance. 12 N.N.C. §820(F).
  - 4. The above provisions in Title 12 may be amended or waived by a two-thirds vote of the full Navajo Nation Council. 12 N.N.C. §820(F), 12 N.N.C. §880.
  - 5. In compliance with 12 N.N.C. §820(F) all UUFB funding requests must be reviewed by the Controller. Such review is also required because the Controller determines which revenues and expenses are recurring and which are non-recurring. 12 N.N.C. §820(L).
  - 6. In compliance with 12 N.N.C. §820(M) all UUFB funding requests must be submitted to the Office of Management and Budget ("OMB") for a budget impact analysis.
  - 7. Supplemental funding such as UUFB appropriations shall lapse at the end of the current fiscal year unless the Navajo Nation Council decides otherwise. 12 N.N.C. §820(N).

### SECTION TWO. FINDINGS

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- A. As stated above, the Oljato Chapter Senior Center has been without central heating and air conditioning for over a year's time. This has created extremely uncomfortable and dangerous conditions at the Senior Center, and the facility faces imminent shutdown.
- B. The Oljato Chapter Senior Center is requesting \$89,480 in UUFB funds to pay for the installation of a new HVAC system at the Center. **EXHIBIT A**.
- C. The Oljato Chapter has submitted completed Budget Forms for its proposed expenditures,
  attached as EXHIBIT B, as well as the required Appendix K "Supplemental Funding
  Proposal Funding Summary," attached as EXHIBIT C.
- D. The Controller has provided a memorandum regarding this funding request, in compliance
  with 12 N.N.C. §820(F) and §820(L). EXHIBIT D. The Controller has indicated that the
  proposed expenditures by ARQ are *nonrecurring* expenses; therefore, a waiver of 12 N.N.C.
  §820(E), §820(F), §820(J), or §820(L) is not necessary.
- E. The Office of Management and Budget has provided a memorandum regarding this funding
  request, in compliance with 12 N.N.C. §820(M). EXHIBIT E.
  - F. The Navajo Nation Council has determined that approving the requested UUFB funds for the Oljato Chapter Senior Center is an urgent and critical priority for the Navajo Nation. The proposed HVAC system is urgently needed and will provide the facility with safe and comfortable conditions for the many Oljato Community Navajo elders, as well as all staff and visitors, who use the Center every day and rely upon the many services provided.
    - SECTION THREE. APPROVAL OF \$89,480 FROM THE UUFB FOR A NEW HVAC SYSTEM FOR THE OLJATO CHAPTER SENIOR CENTER

A. The Navajo Nation hereby approves \$89,480 from the UUFB for the installation of a new HVAC system for the Oljato Chapter Senior Center.

- B. The approved UUFB funds shall be from those revenues that exceed the 10% minimum balance of the UUFB which must be maintained according to 12 N.N.C. §820(J).
- C. The approved UUFB funds shall not lapse at the end of Fiscal Year 2022, as would otherwise occur pursuant to 2 N.N.C. §820(N), so long as such funds are used for the installation of the HVAC system at the Oljato Chapter Senior Center, as provided for herein.

- D. Upon the effective date of this Act, the Controller shall promptly transfer the approved UUFB funds to the Division of Community Development ("DCD").
- E. Upon receipt of the approved UUFB funds, the DCD shall then arrange for the expenditure of these funds for the installation of a new HVAC system for the Oljato Chapter Senior Center, in accordance with the EXHIBIT B and EXHIBIT C, and in accordance with DCD's regular procedures and requirements that apply to expenditures for non-LGA-certified Chapters.
- F. The approved UUFB funds shall be used strictly to pay for the Oljato Chapter Senior Center's HVAC system, as described in EXHIBIT A, EXHIBIT B and EXHIBIT C.

#### SECTION FOUR. EFFECTIVE DATE

This Act shall become effective pursuant to 2 N.N.C. §221(B) and 2 N.N.C. §164(A)(17).

### SECTION FIVE. SAVING CLAUSE

If any portion of this Act is determined invalid by the Navajo Nation Supreme Court, or by a District Court of the Navajo Nation without appeal to the Navajo Nation Supreme Court, the remainder of this Act shall be the law of the Navajo Nation.

OLC No. 22-310-1