

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



**LEGISLATION NO: \_0238-22\_**

**SPONSOR: Eugene Tso**

**TITLE An Action Relating to the Resources and Development, Budget and Finance, and Naabik'iyáti' Committees, and to the Navajo Nation Council; Approving \$1,875,231 from the Unreserved, Undesignated Fund Balance ("UUFb") to Replenish the 110 Chapters' Emergency Fund Accounts; Waiving 12 N.N.C. § 820(O)**

***Date posted:* December 6, 2022 at 5:01 PM**

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## **SUMMARY OF PROPOSED LEGISLATION**

Tracking No. 0238-22

Date: December 6, 2022

**Re: AN ACTION RELATING TO THE RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO NATION COUNCIL; APPROVING \$1,875,231 FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE ("UUFb") TO REPLENISH THE 110 CHAPTERS' EMERGENCY FUND ACCOUNTS; WAIVING 12 N.N.C. §820(O)**

### **Purpose of this Legislation:**

to approve \$1,875,231 from the UUFb to replenish all 110 Chapters' emergency fund accounts; waiving 12 N.N.C. §820(O).

OLC No. 22-297-1

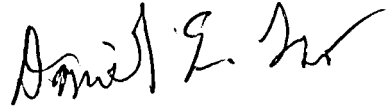
5-DAY BILL HOLD PERIOD: Johnson  
Website Posting Time/Date: \_\_\_\_\_  
Posting End Date: 12-11-22  
Eligible for Action: 12-12-22

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

PROPOSED NAVAJO NATION COUNCIL RESOLUTION  
24<sup>th</sup> NAVAJO NATION COUNCIL – Fourth Year, 2022

Introduced by:

(Prime Sponsor)



Tracking No. 0238-22

**AN ACTION**

**RELATING TO THE RESOURCES AND DEVELOPMENT, BUDGET AND  
FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO  
NATION COUNCIL; APPROVING \$1,875,231 FROM THE UNRESERVED,  
UNDESIGNATED FUND BALANCE ("UUF") TO REPLENISH THE 110  
CHAPTERS' EMERGENCY FUND ACCOUNTS; WAIVING 12 N.N.C. §820(O)**

BE IT ENACTED:

**SECTION ONE. AUTHORITY.**

- A. The Resources and Development Committee is a standing committee with oversight authority over the 110 Navajo Nation Chapters. 2 N.N.C. §500(C).
- B. The Navajo Nation established the Budget and Finance Committee is a standing committee with the authority to review and recommend to the Navajo Nation Council the management of all funds. 2 N.N.C. §164(A)(9); 2 N.N.C. §300(A), §301(B)(2).
- C. The Naabik'iyáti' Committee has the responsibility to review all final action by the Navajo Nation Council. 2 N.N.C. §164(A)(9); 2 N.N.C. §700(A).
- D. 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 during the fiscal year. "Supplemental appropriations of General Funds within the current fiscal year are permitted, if and when additional sources of revenues above and beyond the initial or current revenue

1 projections are projected and which are also in excess of the reserve amount set forth at  
2 §820(J).” 12 N.N.C. §820(L).

3 E. A “supplemental appropriation” is defined as: “[a]n appropriation of funds from the UUFB  
4 during the fiscal year, outside of the annual Comprehensive Budget Process.” See Section  
5 XIV.33 of the FY2023 Budget Instructions Manual.

6 F. The Title 12 restrictions on supplemental appropriations from the UUFB include:

7 1. Payment of recurring government operating expenses shall be from recurring revenues,  
8 and payment of nonrecurring expenses shall be from nonrecurring revenues such as UUFB  
9 funds. 12 N.N.C. §820(E), §820(F).

10 2. Specifically, the UUFB shall not be used for recurring government expenditures or  
11 operations. 12 N.N.C. §820(J), §820(L).

12 3. UUFB funds may be used only after the Controller determines whether or not such  
13 revenues are subsidizing an imbalance between the Navajo Nation’s recurring revenues  
14 and expenditures, and government expenditures shall only be authorized if a long-term  
15 (3-year to 5-year year) forecast shows that the operating deficit will not continue;  
16 otherwise, nonrecurring revenues are added to the UUFB account. 12 N.N.C. §820(F).

17 4. The above provisions in Title 12 may be amended or waived by a two-thirds vote of the  
18 full membership of the Navajo Nation Council. 12 N.N.C. §820(F), §880.

19 5. Pursuant to 12 N.N.C. §820(F) all UUFB funding requests must be reviewed by the  
20 Controller. Such review is also required because the Controller determines which  
21 revenues and expenses are recurring and which are non-recurring. 12 N.N.C. §820(L).

22 6. Pursuant to 12 N.N.C. §820(M) all UUFB funding requests must be submitted to the  
23 Office of Management and Budget (“OMB”) for a budget impact analysis.  
24

## 25 **SECTION TWO. FINDINGS**

26 A. Due to the heavy rainfall and snowfall expected for Winter 2022-23, all 110 Navajo Nation  
27 Chapters have a vital and urgent need to replenish their emergency funds accounts, so they  
28 all have the capacity to quickly respond to weather-related emergencies at the local level.

29 B. On behalf of the Chapters, the Division of Community Development (“DCD”) has submitted  
30 a Supplemental Funding Proposal Summary (BIM-Appendix K), requesting \$1,875,231

(rounded up) from the Unreserved, Undesignated Fund Balance to provide the Chapters sufficient funds to replenish each of their Emergency Fund accounts back to the established amount of \$25,000. **EXHIBIT A.**

C. A comprehensive list showing each Chapters' individual funding need is attached hereto as **EXHIBIT B.** If the requested \$1,875,231 is approved, the Chapters will receive different dollar amounts as shown in **EXHIBIT B**, but all 110 Chapters will end up with the same balance of \$25,000 in their Emergency Fund accounts.

D. On behalf of the Chapters, DCD has provided the required Navajo Nation Budget Forms, attached hereto as **EXHIBIT C.**

E. The Office of the Controller's memorandum required by 12 N.N.C. §820(L) is attached as **EXHIBIT D.** The Controller has indicated that the proposed expenditures are considered "non-recurring" expenses; therefore approval of the requested UUFB funds complies with 12 N.N.C. §820(E) and §820(F).

F. The Office of Management and Budget has provided a budget impact analysis as required by 12 N.N.C. §820(M), attached as **EXHIBIT E.**

### **SECTION THREE.**

A. The Navajo Nation hereby approves an appropriation of \$1,875,231 from the Unreserved, Undesignated Fund Balance for the 110 Navajo Nation Chapters Emergency Fund accounts. Each Chapter shall receive the designated dollar amount as shown in **EXHIBIT B**, so as to bring each Chapter's Emergency Fund account balance to \$25,000.

B. In accordance with 12 N.N.C. §820(J), this UUFB appropriation shall be from that amount of funds that exceeds the minimum fund reserve balance in the UUFB as determined by the Controller.

C. Pursuant to 12 N.N.C. §820(N), the UUFB funds approved herein shall not lapse at the end of Fiscal Year 2023, so long as each Chapter budgets these funds in the subsequent fiscal year for the same emergency purposes.

D. The Navajo Nation hereby waives 12 N.N.C. §820(O) (the Chapter 50/50 formula) to allow for this supplemental appropriation of UUFB funds to all 110 Chapters, in the dollar amounts specified in **EXHIBIT B.**

1   **SECTION FOUR. EFFECTIVE DATE**

2   The provisions of this Action shall become effective in accordance with 2 N.N.C. §221(B) and  
3   with 2 N.N.C. §164(A)(17).  
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5   **SECTION FIVE. SAVINGS CLAUSE**

6   If any provision of this Action is determined invalid by the Supreme Court of the Navajo Nation  
7   or by any Navajo Nation District Court, without appeal to the Navajo Nation Supreme Court,  
8   the remainder of this Action shall remain valid as the law of the Navajo Nation.  
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