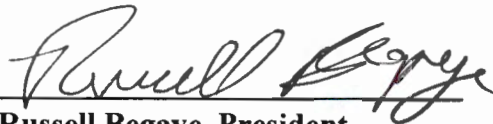




THE NAVAJO NATION

RUSSELL BEGAYE **PRESIDENT**
JONATHAN NEZ **VICE PRESIDENT**

TO: Honorable LoRenzo Bates, Speaker
Navajo Nation Council

FROM: 
Russell Begaye, President
THE NAVAJO NATION

DATE: February 5, 2017

SUBJECT: Resolution No. CJA-04-17: RELATING TO DIASTER RELIEF SERVICES; WAIVING 12 N.N.C. 820(E), 820(F) AND 820(L) RELATING TO THE DESIGNATION OF RECURRING AND NON-RECCURING REVENUES AND OPERATING EXPENSES AND USE OF THE UNRESERVED, UNDESIGNATED FUND BALANCE FOR RECURRING EXPENSES; WAIVING 12 N.N.C. 820(J) REGARDING MAINTENANCE OF THE MINIMUM FUND BALANCE; AND, APPROVING SUPPLEMENTAL FUNDING FROM THE MINIMUM FUND BALANCE OF THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$242,576.08 FOR THE NAVAJO NATION CHAPTER FOR DISASTER RELIEF SERVICES

Pursuant to 2 N.N.C. 1005 (C)(10), action for Resolution is being submitted to the Navajo Nation Council, through the Office of the Speaker within the ten (10) days requirement. Furthermore, the Navajo Nation President has line item veto authority for budget items within the annual Navajo Nation Comprehensive Budget or Supplemental appropriations, which are not subject to override by the Navajo Nation Council. 2 N.N.C. 164(A)(17).

After careful consideration and consultation with the Divisions, I have decided to exercise my line item veto for the following:

1. **Section Six. APPROVING SUPPLEMENTAL FUNDING FROM THE MINIMUM FUND BALANCE OF UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$242,576.08 FOR THE NAVAJO NATION CHAPTERS FOR DISASTER RELIEF SERVICES DURING THE WINTER SEASON.**
 - a. **I line-item veto \$242,576.08.**

2. **Section Six. APPROVING SUPPLEMENTAL FUNDING FROM THE MINIMUM FUND BALANCE OF UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$242,576.08 FOR THE NAVAJO NATION CHAPTERS FOR DISASTER RELIEF SERVICES DURING THE WINTER SEASON. The supplemental appropriation of \$242,576.08, for Navajo Nation Chapters...**
 - a. **I line-item veto \$242,576.08.**
3. **Exhibit A. PART III. BUDGET SUMMARY 8000 Public Assistance, Proposed Budget I line-item veto \$242,576.08, TOTAL I line-item veto \$242, 576.08.**
4. **Exhibit A. DETAILED LINE ITEM BUDGET AND JUSTIFICATION 8000 ASSISTANCE, Column (D), I line-item veto \$242,578.08; 8706 CHAPTERS 8740 Emergency, I line-item veto \$242,576.08.**
5. **Exhibit A. I line-item veto Nenahnezad BU# 108094 \$469.54; Standing Rock BU# 108053 \$605.53; Rock Point BU# 108098 \$1,423; Kaibeto BU# 108114 \$2,160.18; Pinedale BU# 108047 \$2,507.07; Casamero Lake BU# 108033 \$3,941.06; Tolani Lake BU# 108122 \$4,478.57; Pinon BU# 108021 \$6,061.93; Tohatchi BU# 108021 \$6,343.70; Mariano Lake BU# 108043 \$6,412.22; Cove BU# 108089 \$6,994.47; Klagnetoh 108069 \$7,327.12; Burnham BU# 108088 \$7,474.98; Teetso BU# 108080 \$7,613.71; Red Mesa BU# 108096 \$8,015.14; Tohajiilee BU#108032 \$8,156.17; Whitecone BU# 108083 \$8,586.08; Tachee/Blue Gap BU# 108024 \$8,661.10; Manuelito BU# 108042 \$8,757.54; Naschitti BU# 108074 \$8,833.11; Baca/Prewitt BU# 108029 \$8,927.00; Mexican Springs BU# 108073 \$9,553.63; Pueblo Pintado BU# 108048 \$9,667.76; Sheep Springs BU# 108101 \$9,714.75; Hogback BU# 108092 \$9,911.43; Whitehorse Lake BU#108057 \$9,979.30; Nahata Dziil BU# 108085 \$9,999.99; Birdsprings BU# 108106 \$10,000; Tuba City BU#108123 \$10,000; Crystal BU#108061 \$10,000; Churchrock BU# 108035 \$10,000; Mexican Water BU# 108093 \$10,000; Dilkon BU# 108062 \$10,000.**

We are a nation of laws and must abide by those laws. As leaders, we must respect and uphold our Navajo Nation Code, as we are not above the law. The Nation creating our own Navajo Nation Code and to be governed by those laws is what makes the Navajo Nation a sovereign nation. It is also what has made the Navajo Nation one of the most sophisticated and esteemed tribe in the United States.

Resolution No. CJA-04-17 is not in compliance with the Navajo Nation Code. First, 12 N.N.C. 820 (J) requires the Minimum Fund Balance ("MFB") to be maintained at no less than 10% of the Nation's General Fund Operating Budget for the prior fiscal year. Pursuant to the Office of the Controller and the Office of Management and Budget, the \$242,576.08 allocation will cause the MFB to go below the 10% requirement. Therefore is a **violation of 12 N.N.C.**

820(J). Second, pursuant to the Office of the Attorney General **12 N.N.C. 820(J) cannot be waived** by the Navajo Nation Council. Third, 12 N.N.C. 820(O) requires any distribution to the Chapters must be based on the 50/50 requirement. However, this Resolution allocated funds to only 33 Chapters. Therefore, this Resolution **violates 12 N.N.C. 820 (O)**, as this **Resolution ignored the law** it did not either waive or amend the Code.

Moreover, the Chapters accounts used were dated September 30, 2016. This is outdated information. It should have been based on numbers that are up-to-date because when Chapters declare an emergency, it is allowed to transfer monies from non-restricted accounts. Therefore, these accounts may have been fully replenished. Furthermore, there are Chapters on this list that have not declared a State of Emergency and Chapters that are not on the list that have declared a State of Emergency, it is unclear how the list in Exhibit A was developed. In addition, per the Emergency Management Department the primary need for emergency relief was for the Navajo Division of Transportation and Bureau of Indian Affairs as roads were the main calamity. It is important for the use of our limited resources be used smartly as it is part of our fiscal responsibility.

If the Council does not agree with certain provisions in the Code, then the proper avenue is to amend the laws. The Navajo Nation Code should not be ignored or waived. In my previous memorandum, I asked the Council to lean on the Department of Justice for guidance to ensure that the laws are followed or if a need arises to update/amend the laws of the Nation. We should be moving in a direction that respects and not ignore or waive the laws of the Nation. I will no longer support those efforts.

I have attached the memorandum from the Office of Management and Budget and an opinion from the Office of the Attorney General. As the President of the Navajo Nation, I am held to the highest standard to ensure fiscal responsibility and financial integrity of the Nation. Our Navajo People should expect nothing less. For these reasons, I must line-item veto this Resolution.

Lastly, the Vice President and I are always open to meet with Council Delegates and with the Council. In all our State of the Nations and memorandums we send to Council is for a one-on-one meeting with the Council. These requests have also gone unanswered. In recent Leadership Meeting, we were informed that not the full Council was given notice regarding these meetings. Our relationship should be leader to leader and that is between the President, Vice President and the full Navajo Nation Council. It should always be the full Council and not a select few. For this upcoming year, I look forward to moving this Nation and ask the Council to work with the Executive Branch. I would like for us to strive to hold more Leadership Meetings and better our communication, as this is not one-sided. We must do this for the betterment of our Navajo People and the Navajo Nation.



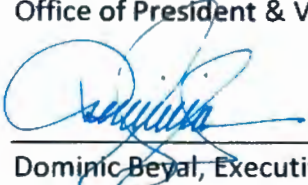
THE NAVAJO NATION

RUSSELL BEGAYE **PRESIDENT**
JONATHAN NEZ **VICE PRESIDENT**

February 1, 2017

MEMORANDUM

To: President Russell Begaye
Office of President & Vice-President

From: 
Dominic Beval, Executive Director
Office of Management and Budget

Subject: Resolution CJA-04-17 Supplemental Appropriation of \$242,576 for Chapters
Disaster Relief Services from Minimum UUFB Balance

1. This resolution was added to the Navajo Nation Council Agenda as an emergency so it did not go through the regular 2 NNC 164 review process. No review comments were sought or provided. An outdated Chapters fund balance report from 9/30/16 (attached) by the Auditor General's Office was used as the basis for determining that 33 Chapters have either expended all of their emergency funds or have less than \$10,000 available. More current information should be provided from the Division of Community Development. As it is, the amounts allocated range from a low of \$469.54 to the full \$10,000 per Chapter.
2. OMB compiled Chapter balances as of January 27, 2017 using the DCD WIND system, but the findings are suspect and do not appear to be reliable because the Chapters and Division of Community Development apparently do not maintain accurate and current balances information. OMB finds there are other Chapters with low or differing balances because expenditures are and have been made since October 1, 2016 and/or funds have been allocated to the emergency account. It is difficult to identify true balances and needs. The DCD Administrative Service Centers have the duty to address this.
3. The resolution waives the Appropriation Act at 12 NNC 820 E-F which are the Recurring Funds for Recurring Expenses and Non-Recurring Funds for Non-Recurring Expenses sections of the Act. In the last two recent UUFB supplemental appropriation resolutions (CN-58-16: FY 2017 Budget Amendment; CJA-02-17: Emergency Welfare Assistance), there is no consistency because waiver language is not included in CN-58-16 but there is waiver language in CJA-02-17. The Department of Justice has said that those sections are not subject to waiver. This needs to be clarified.
4. When the legislation was drafted and introduced, there was no balance available in the regular UUFB. Only the 10% Minimum Fund Balance had funds so the funding would come



from the 10% Minimum Fund Balance which required a waiver of 12 NNC 820 J. However, on January 25 the Acting Controller issued a revised report indicating that the UUFB Minimum Fund Balance was now at \$12,226,722 (under the 10% balance by \$5,038,678 which was the emergency welfare assistance appropriation) and the UUFB available for budgeting amount was \$4,145,242. Delegate Damon then sought an amendment to change the fund source from the UUFB Minimum Fund Balance to the regular UUFB. This would have been appropriate and would remove the need for waiver of 12 NNC 820 J. The NN Council considered this but decided to keep the fund source as the Minimum Fund Balance because it was for an emergency. This action further lowers the Minimum Fund Balance to \$11,984,146 which is well below the 10% requirement and, again, may affect the Navajo Nation's credit rating.

5. The budget does not reflect the Chapters 50/50 requirement (12 NNC 820 O: for equal distribution and registered voters) and no language to waive this is included. However, the funding is to go to 33 Chapters only.
6. The Declaration of Emergency due to winter storm impacts by the Emergency Management Commission, CEM-17-01-23, should be appended.
7. Finally, for the above reasons, the Department of Emergency Management should advise on the full emergency impacts and a plan developed to address the situation, and then the necessary budget prepared. The regular UUFB should be the fund source, if necessary. The Division of Community Development should maintain and provide reliable Chapter fund balances.

OMB is available for any further information.



NAVAJO NATION DEPARTMENT OF JUSTICE
OFFICE OF THE ATTORNEY GENERAL

ETHEL B. BRANCH
ATTORNEY GENERAL

RODGERICK T. BEGAY
ACTING DEPUTY ATTORNEY GENERAL

AG-01-17

**OPINION OF THE ATTORNEY GENERAL
OF THE NAVAJO NATION**

February 5, 2017

Proper Amendment of the Minimum Fund Balance

The Attorney General is the Chief Legal Officer of the Navajo Nation (the "Nation") and issues this Opinion pursuant to her authority under 2 N.N.C. § 1965(A). No adverse action may be taken by the Navajo Nation government against any official or employee of the Navajo Nation government who follows the advice contained in this Opinion.¹

I. ISSUE PRESENTED

President Russell Begaye has requested a formal Attorney General Opinion on whether the Navajo Nation Council (the "Council") properly waived the Minimum Fund Balance of the Navajo Nation Undesignated, Unreserved Fund Balance ("UUFB") when it approved the appropriation of \$242,576.08 from the Minimum Fund Balance for disaster relief services for Navajo Nation Chapters. Council approved this expenditure in Resolution No. CJA-04-17: Waiving 12 N.N.C. §§820(E), 820(F) and 820(L) Relating to the Designation of Recurring and Non-Recurring Revenues and Operating Expenses and Use of the Unreserved, Undesignated Fund Balance for Recurring Expenses; Waiving 12 N.N.C. §820(J) Regarding Maintenance of the Minimum Fund Balance; and Approving Supplemental Funding from the Minimum Fund Balance of the Unreserved, Undesignated Fund Balance in the Amount of \$242,576.08 for the Navajo Nation Chapter for Disaster Relief Services.

II. SHORT ANSWER

With respect to the Minimum Fund Balance, Resolution No.

¹ This Opinion relies on the laws of the Navajo Nation on the date this Opinion was issued. If the Navajo Nation Council amends any of the laws relied on or the Navajo Nation Supreme Court issues a relevant opinion, the advice contained in this Opinion will need to be revised accordingly.

Opinion of the Attorney General of the Navajo Nation

No. AG-01-17

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CJA-04-17 (the "Resolution") suffers two legal insufficiencies: (1) it does not properly amend the Minimum Fund Balance of the Nation, and (2) the attempted waiver of 12 N.N.C. § 820(J) was not statutorily authorized.

III. ANALYSIS

The Appropriations Act, 12 N.N.C. § 800 et. seq., provides for the establishment of a Minimum Fund Balance reserve for the Nation at 12 N.N.C. § 820(J), as follows:

J. Establishment of Reserves. For the General Fund, the Minimum Fund balance for Unreserved, Undesignated Fund balance shall be maintained at not less than ten percent (10%) of the Navajo Nation's General Fund Operating Budget for the prior fiscal year, excluding expenditures for Capital Improvement projects as determined by the Controller. The Minimum Fund balance may be amended only by two-thirds (2/3) vote of the full membership of the Navajo Nation Council. . . .

12 N.N.C. § 820(J) (emphasis added).

Council, in enacting the Appropriations Act, established the Minimum Fund Balance to protect the Nation from unforeseen events that might abruptly stop the flow of funds to the Nation and thereby interrupt Navajo Nation governmental operations and the provision of services to the Navajo people by the Navajo Nation government. Originally the Minimum Fund Balance was established and maintained at a level that would cover 6 months of the Nation's operating expenses. A subsequent amendment to 12 N.N.C. § 820(J) reduced the Minimum Fund Balance to 10 percent of the Nation's General Fund operating budget.

Section 5 of the Resolution purports to waive 12 N.N.C. § 820(J) with the following language:

The Navajo Nation Council hereby waives 12 N.N.C. §820(J) with regard to the maintenance of the Minimum Fund Balance in the Unreserved, Undesignated Fund Balance for the Navajo Nation Chapters for disaster relief services.

However, as the plain language of Section 820(J) suggests, Council retained for itself only limited means for making changes to the Minimum Fund Balance. That is, it only authorized an amendment to change the Minimum Fund Balance requirement approved by an affirmative vote of 2/3 of the full Council. Council did not reserve for itself the right to waive the Minimum Fund Balance

Opinion of the Attorney General of the Navajo Nation

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requirement. As our Supreme Court made clear in Nelson v. Initiative Committee, "no waiver may be implied" with respect to Title 12 or any of its provisions. No. SC-CV-03-10, slip op. at 10 (Nav. Sup. Ct. January 4, 2011).

There is also no other provision in the Appropriations Act, of Title 12, or of Navajo Nation law that authorizes the Navajo Nation Council to "waive" the statutory requirement of establishing and maintaining the Minimum Fund Balance, or authorizing general waivers of any aspect of the Appropriations Act. Instead, where waivers are allowed, Council specifically authorized them in the Appropriations Act. "[P]olicies and procedures regarding spending must first be statutorily authorized before they may be deemed valid." Id. at 20. Here there is no such statutory authority to waive the Minimum Fund Balance. Instead there is a strict limitation on how the Minimum Fund Balance can be changed. In the absence of a statutorily authorized waiver of Section 820(J), the attempt by Council to approve such a waiver in Resolution No. CJA-04-17 fails.

The proper means for making the change Council sought would have been an amendment to Section 820(J) approved by a 2/3 vote of the full Council. Insofar as the Minimum Fund Balance is below the required 10 percent minimum, the required minimum must be restored as soon as possible from funds available within the UUFB, as the Minimum Fund Balance is the required minimum reserve that must be maintained within the UUFB.

IV. CONCLUSION

The attempted waiver of the Minimum Fund Balance, set forth in 12 N.N.C. § 820(J) was not proper as it was not authorized by Navajo Nation statute.

NAVAJO NATION DEPARTMENT OF JUSTICE

A handwritten signature in black ink, appearing to read 'Ethel B. Branch', written over a horizontal line.

Ethel B. Branch, Attorney General

As of September 30, 2016 - 110 Chapters
Emergency Funds

emergency legis
+ 243.K
@ 10K
for chapters
No. 78-110

Chapter Name	Ending Fund Balance	Chapter Name	Ending Fund Balance
1 Aneth	113,162.50	56 Sawmill	24,129.82
2 Navajo Mountain	101,216.64	57 Rough Rock	23,904.99
3 Jeddito	100,828.97	58 Hardrock	23,113.15
4 Crownpoint	98,230.84	59 Littlewater	23,004.97
5 Counselor	97,078.54	60 Teec Nos Pos	22,826.10
6 Kinlichee	89,055.11	61 Tsayatoh	22,230.88
7 Many Farms	87,453.81	62 LeChee	21,045.07
8 Houck	86,541.50	63 Bodaway/Gap	19,564.88
9 St. Michaels	81,821.77	64 Sweetwater	18,327.72
10 Steamboat	80,109.55	65 Shiprock	17,635.56
11 Upper Fruitland	79,677.73	66 Ramah	17,594.19
12 Forest Lake	71,883.92	67 Greasewood Springs	17,173.68
13 Thoreau	71,668.97	68 Gadihi/Tokoi	16,593.14
14 Nahodishgish	70,941.51	69 Coppermine	15,458.52
15 Nazlini	67,218.32	70 Chilchinbeto	13,105.89
16 Beclabito	66,064.63	71 Chinle	12,754.15
17 Low Mountain	62,544.50	72 Nageezi	12,547.98
18 Oljato	61,299.64	73 Smith Lake	12,444.35
19 Wide Ruins	60,753.27	74 Iyanbito	12,307.40
20 Tsai/Wheatfields	60,114.38	75 Shonto	12,178.61
21 Red Lake #18	58,163.71	76 Torreon/Star Lake	11,994.86
22 Fort Defiance	56,148.77	77 Dennehotso	10,843.88
23 Tonalea	55,856.67	78 Nenahnezad	9,530.46
24 Whippoorwill	52,684.81	79 Standing Rock	9,394.47
25 Round Rock	52,208.23	80 Rock Point	8,577.00
26 Coyote Canyon	51,482.51	81 Kaibeto	7,839.82
27 Red Rock	51,448.18	82 Pinedale	7,492.93
28 Lukachukai	49,787.74	83 Casamero Lake	6,058.94
29 Alamo	49,126.20	84 Tolani Lake	5,521.43
30 Twin Lakes	47,310.50	85 Pinon	3,938.07
31 Ojo Encino	45,648.22	86 Tohatchi	3,656.30
32 Becenti	45,564.85	87 Mariano Lake	3,587.78
33 Oak Springs	44,588.43	88 Cove	3,005.53
34 Newcomb	44,418.38	89 Klagnetoh	2,672.88
35 Ganado	40,803.84	90 Burnham	2,525.02
36 Red Valley	40,153.84	91 Teesto	2,386.29
37 Chichiltah	36,729.13	92 Red Mesa	1,984.86
38 Huerfano	33,300.81	93 Tohajiilee	1,843.83
39 Breadsprings	32,342.25	94 Whitecone	1,413.92
40 Black Mesa	30,468.47	95 Tachee/Blue Gap	1,338.90
41 Leupp	30,344.22	96 Manuelito	1,242.46
42 Sanostee	30,211.21	97 Naschitti	1,166.89
43 Toadlena/Two Grey Hills	29,512.33	98 Baca/Prewitt	1,073.00
44 San Juan	28,622.97	99 Mexican Springs	446.37
45 Inscription House	28,585.59	100 Pueblo Pintado	332.24
46 Cameron	28,087.17	101 Sheep Springs	285.25
47 Tselani/Cottonwood	27,138.27	102 Hogback	88.57
48 Coalmine Canyon	27,097.10	103 Whitehorse Lake	20.70
49 Indian Wells	26,742.21	104 Nahata Dziil	0.01
50 Lupton	25,836.97	105 Birdsprings	0.00
51 Cornfields	25,765.26	106 Tuba City	0.00
52 Kayenta	25,286.75	107 Crystal	0.00
53 Rock Springs	24,796.07	108 Churchrock	0.00
54 Lake Valley	24,554.44	109 Mexican Water	0.00
55 White Rock	24,149.82	110 Oilkon	0.00

↓
> \$10,000

Total Emergency

3,400,835.73

RESOLUTION OF THE
NAVAJO NATION COUNCIL

23rd NAVAJO NATION COUNCIL - Third Year, 2017

AN ACTION

RELATING TO DISASTER RELIEF SERVICES; WAIVING 12 N.N.C. §§820 (E), 820(F) AND 820(L) RELATING TO THE DESIGNATION OF RECURRING AND NON-RECURRING REVENUES AND OPERATING EXPENSES AND USE OF THE UNRESERVED, UNDESIGNATED FUND BALANCE FOR RECURRING EXPENSES; WAIVING 12 N.N.C. §820(J) REGARDING MAINTENANCE OF THE MINIMUM FUND BALANCE; AND, APPROVING SUPPLEMENTAL FUNDING FROM THE MINIMUM FUND BALANCE OF THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$242,576.08 FOR THE NAVAJO NATION CHAPTER FOR DISASTER RELIEF SERVICES

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Navajo Nation Council is the governing 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 service 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. Pursuant to 12 N.N.C. §820(L), "[t]he Navajo Nation Council may adopt and approve supplemental appropriations to the Annual Comprehensive Budget 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 projections are projected and which are also in excess of the reserve amount set forth at §820(J)."

SECTION TWO. TITLE 12 FINANCE ACT SUPPLEMENTAL APPROPRIATION
PROCESS

The Title 12 Finance Act Supplemental Appropriation requirements include:

- A. Pursuant to 12 N.N.C. §820 (E), the Nation shall budget all recurring operating expenses, including maintenance of capital facilities, from recurring revenues. Long-term debt shall not be used to finance recurring operating expenses.
- B. Pursuant to 12 N.N.C. § 820 (F), "The Nation shall restrict non-recurring revenues to budget non-recurring expenditures. In addition, non-recurring revenues will be budgeted only after an examination by the Controller to determine whether or not the revenues are subsidizing an imbalance between recurring revenues and expenditures, and expenditures may be authorized only if a long-term (three-to-five year) forecast shows that the operating deficit will not continue. Otherwise, non-recurring revenues will be added to the Unreserved, Undesignated Fund balance. This provision may be amended or waived only by a two-third (2/3) vote of the full Council."
- C. Pursuant to 12 N.N.C. §820 (L), when the Controller identifies additional sources of revenues above and beyond the initial or current revenue projections, supplemental appropriations may be allocated by the Navajo Nation Council.
- D. Pursuant to 12 N.N.C. § 820 (L), "Supplemental appropriations made from non-recurring revenues shall only be made for non-recurring operations or purposes, as set forth at §820(F). The Controller of the Navajo Nation shall be responsible for designating recurring and non-recurring revenues and purposes."
- E. Pursuant to 12 N.N.C. §820 (M), all requests for annual operating funds and supplemental funds shall be submitted to the Office of Management and Budget ("OMB") for budget impact analysis.
- F. Pursuant to 12 N.N.C. §820 (J), "For the General Fund, the Minimum Fund balance for Unreserved, Undesignated Fund balance shall be maintained at not less than ten percent (10%) of the Navajo Nation's General Fund Operating Budget for the prior fiscal year, excluding expenditures for Capital Improvement projects as determined by the Controller. The Minimum Fund balance may be amended only by two-thirds (2/3) vote of the full membership of the Navajo Nation Council."

SECTION THREE. FINDINGS

- A. The Navajo Nation Chapters, in this winter session, are faced with the need for additional funds to cover disaster relief services.
- B. The Navajo Nation budget forms describe the expenditure per Navajo Nation Chapter and are attached hereto as **Exhibit A**.
- C. Due to the pressing nature of this legislation, a memorandum from the Office of Management and Budget was not obtained; however, the Director from the Office of Management and Budget will be called, when this legislation is presented to the Navajo Nation Council, to answer questions regarding this proposed appropriation.
- D. Due to the pressing nature of this legislation, a memorandum from the Controller regarding the current balance of the Unreserved, Undesignated Fund Balance (UUFB) and the Minimum Fund Balance of the UUFB were not obtained; however, the staff from the Controller's Office could be asked to make this determination when the issue comes before the Navajo Nation Council.
- E. Due to the pressing nature of this legislation, a memorandum from the Controller regarding whether this request for supplemental appropriation is from recurring or non-recurring revenues and whether it is for recurring or non-recurring purposes. The staff from the Controller's Office could be asked to make this determination when the issue comes before the Navajo Nation Council.
- F. The Navajo Nation hereby finds that a need for disaster relief services exists due to the lack of sufficient funds at the Navajo Nation Chapters to fund disaster relief services during this winter season.
- G. The Navajo Nation hereby finds it is in the best interest of the Navajo People to waiving the provision set forth in 12 N.N.C. §820 (J) and to approve a Supplemental Appropriation from the Minimum Fund Balance in the amount of \$242,576.08 for the Navajo Nation Chapters for disaster relief services.

SECTION FOUR. WAIVING 12 N.N.C. §§820 (E), 820 (F), AND 820 (L) REGARDING THE DESIGNATION OF RECURRING AND NON-RECURRING REVENUES AND OPERATING EXPENSES APPROPRIATION OF THE UUFB FOR RECURRING EXPENSES

The Navajo Nation Council hereby waives 12 N.N.C. §§820 (E), 820 (F) and 820 (L) with regard to the designation of recurring and non-recurring revenues and operating expenses and use of the UUFB for recurring expenses for the Navajo Nation Chapters for disaster relief services.

SECTION FIVE. WAIVING 12 N.N.C. §820 (J) REGARDING MAINTENANCE OF THE MINIMUM FUND BALANCE IN THE UUFB

The Navajo Nation Council hereby waives 12 N.N.C. §820(J) with regard to the maintenance of the Minimum Fund Balance in the Unreserved, Undesignated Fund Balance for the Navajo Nation Chapters for disaster relief services.

SECTION SIX. APPROVING SUPPLEMENTAL FUNDING FROM THE MINIMUM FUND BALANCE OF UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$242,576.08 FOR THE NAVAJO NATION CHAPTERS FOR DISASTER RELIEF SERVICES DURING THE WINTER SEASON

This supplemental appropriation of \$242,576.08, for Navajo Nation Chapters for disaster relief services as shown in **Exhibit A**, shall be from the Minimum Fund Balance of the Unreserved, Undesignated Fund Balance and no part of this appropriation shall be used for any other purpose than what is stated in or part of this legislation.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the Navajo Nation Council at a duly called meeting in Window Rock, Navajo Nation (Arizona) at which a quorum was present and that the same was passed by a vote of 18 in favor and 03 opposed, this 25th day of January 2017.



LoRenzo C. Bates, Speaker
Navajo Nation Council

1-26-17

Date

Motion: Honorable Lee Jack, Sr.
Second: Honorable Otto Tso

ACTION BY THE NAVAJO NATION PRESIDENT

1. I hereby sign into law the foregoing legislation, pursuant to 2 N.N.C. §1005 (C) (10), on this _____ day of _____ 2017.

Russell Begaye, President
Navajo Nation

2. I hereby veto the foregoing legislation, pursuant to 2 N.N.C. §1005 (C) (10), on this _____ day of _____ 2017 for the reason(s) expressed in the attached letter to the Speaker.

Russell Begaye, President
Navajo Nation

3. I hereby exercise line item veto pursuant to the 2010, certified Initiative, over the supplemental appropriations approved herein by the Navajo Nation Council; on this 5th day of February 2017.


Russell Begaye, President
Navajo Nation

THE NAVAJO NATION PROGRAM BUDGET SUMMARY



PART I. Business Unit No.: <u>NEW</u>		Program Title: <u>33 Navajo Nation Chapters</u>		Division/Branch: <u>Div. of Comm. Development</u>	
Prepared By: <u>Linda Youvella</u>		Phone No.: <u>(928) 871-6380</u>		Email Address: <u>lindayouvella@navajo-nsn.gov</u>	

PART II. FUNDING SOURCE(S)		Fiscal Year Term	Amount	% of Total	PART III. BUDGET SUMMARY			Difference (Column B - A)
		1/24/17-9/30/17	\$ 242,576.08	100%	Fund Type Code	NNC Approved Original Budget	Proposed Budget	
					2001 Personnel Expenses			0
					3000 Travel Expenses			0
					3500 Meeting Expenses			0
					4000 Supplies			0
					5000 Lease and Rental			0
					5500 Communications and Utilities			0
					6000 Repairs and Maintenance			0
					6500 Contractual Services			0
					7000 Special Transactions			0
					8000 Public Assistance	1	\$ 242,576.08	\$ 242,576.08
					9000 Capital Outlay			0
					9500 Matching Funds			0
					9500 Indirect Cost			0
TOTAL:							\$ 242,576.08	\$ 242,576.08

PART IV. POSITIONS AND VEHICLES		(D)	(E)
Total # of Positions Budgeted:		0	0
Total # of Permanently Assigned Vehicles:		0	0

TOTAL: \$ 242,576.08		100%
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PART V. I HEREBY ACKNOWLEDGE THAT THE INFORMATION CONTAINED IN THIS BUDGET PACKAGE IS COMPLETE AND ACCURATE.

SUBMITTED BY: Seth Denson

Program Manager's Printed Name and Signature / Date

APPROVED BY: [Signature]

Division Director/Branch Chief's Printed Name and Signature / Date

THE NAVAJO NATION PROGRAM PERFORMANCE CRITERIA

FY 2017

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PART I. PROGRAM INFORMATION: Business Unit No.: <u>NEW</u>		Program Name/Title: <u>33 Navajo Nation Chapters</u>									
PART II. PLAN OF OPERATION REFERENCE/LEGISLATED PROGRAM PURPOSE: CAP-34-98: To direct the chapter administration and management control system, by promoting efficiency and accountability to the chapter membership, and to effectuate plans of action to improve standard of living for chapter membership.											
PART III. PROGRAM PERFORMANCE CRITERIA:		1st QTR		2nd QTR		3rd QTR		4th QTR			
		Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual
1. Program Performance Area: To provide the chapter membership with a safe quality of life. Goal Statement: Purchase wood, coal, food, etc. for chapter membership in need due to harsh weather.					33						
2. Program Performance Area: To provide emergency assistance to the elderly, special needs, young children, etc. Goal Statement: Funds will be used for emergency assistance during adverse weather, etc.					33						
3. Program Performance Area: Goal Statement:											
4. Program Performance Area: Goal Statement:											
5. Program Performance Area: Goal Statement:											

PART IV. I HEREBY ACKNOWLEDGE THAT THE ABOVE INFORMATION HAS BEEN THOROUGHLY REVIEWED.


 Program Manager's Printed Name and Signature/Date
Seth Deaton


 Division Director/Branch Chief's Printed Name and Signature / Date
[Signature]

NAVAJO NATION CHAPTERS EMERGENCY FUNDS REQUEST:

Chapter:	Business Unit:	Current Balance:	Need:
Nenahnezad	108094	\$ 9,530.46	\$ 469.54
Standing Rock	108053	\$ 9,394.47	\$ 605.53
Rock Point	108098	\$ 8,577.00	\$ 1,423.00
Kaibeto	108114	\$ 7,839.82	\$ 2,160.18
Pinedale	108047	\$ 7,492.93	\$ 2,507.07
Casamero Lake	108033	\$ 6,058.94	\$ 3,941.06
Tolani Lake	108122	\$ 5,521.43	\$ 4,478.57
Pinon	108021	\$ 3,938.07	\$ 6,061.93
Tohatchi	108081	\$ 3,656.30	\$ 6,343.70
Mariano Lake	108043	\$ 3,587.78	\$ 6,412.22
Cove	108089	\$ 3,005.53	\$ 6,994.47
Klagetoh	108069	\$ 2,672.88	\$ 7,327.12
Burnham	108088	\$ 2,525.02	\$ 7,474.98
Teesto	108080	\$ 2,386.29	\$ 7,613.71
Red Mesa	108096	\$ 1,984.86	\$ 8,015.14
Tohajilee	108032	\$ 1,843.83	\$ 8,156.17
Whitecone	108083	\$ 1,413.92	\$ 8,586.08
Tachee/Blue Gap	108024	\$ 1,338.90	\$ 8,661.10
Manuelito	108042	\$ 1,242.46	\$ 8,757.54
Naschitti	108074	\$ 1,166.89	\$ 8,833.11
Baca/Prewitt	108029	\$ 1,073.00	\$ 8,927.00
Mexican Springs	108073	\$ 446.37	\$ 9,553.63
Pueblo Pintado	108048	\$ 332.24	\$ 9,667.76
Sheep Springs	108101	\$ 285.25	\$ 9,714.75
Hogback	108092	\$ 88.57	\$ 9,911.43
Whitehorse Lake	108057	\$ 20.70	\$ 9,979.30
Nahata Dzil	108085	\$ 0.01	\$ 9,999.99
Birdsprings	108106	\$ -	\$ 10,000.00
Tuba City	108123	\$ -	\$ 10,000.00
Crystal	108061	\$ -	\$ 10,000.00
Churchrock	108035	\$ -	\$ 10,000.00
Mexican Water	108093	\$ -	\$ 10,000.00
Dilkon	108062	\$ -	\$ 10,000.00
TOTAL		\$	\$ 242,576.08