



25TH NAVAJO NATION COUNCIL

25TH NAVAJO NATION COUNCIL OFFICE OF THE SPEAKER

MEDIA CONTACT:

nnlb.communications@gmail.com

FOR IMMEDIATE RELEASE

May 30, 2025

Budget and Finance Committee makes major changes to the ad hoc cost of living adjustment for Navajo Nation retirees



Budget and Finance Committee voted five in favor with zero opposed to change the Cost-of-Living Adjustment.

WINDOW ROCK, Ariz. - On Tuesday, the Budget and Finance Committee (BFC) voted five in favor with zero opposed to change the Cost-of-Living Adjustment (COLA) to three percent for the Navajo Nation Retirement Plan.

During the meeting, legislation sponsor BFC Chair Shanndiin Parrish expressed her concerns with the status of the COLA. "The cost-of-living adjustment rate has not been changed since Oct. 1, 2014," she said. "Since then, the Retirement Plan Administration Committee (RPAC) made the request to modify the COLA based on the updated information for the Nation's retirement plan."

Chair Parrish's agent, Andrea Holmes, Retirement Plan Administrator gave a detailed report about the request to increase the COLA. Holmes stated that since the Covid-19 Pandemic, the COLA was modified in response to the increase in prices due to the rise in inflation and is based on the Consumer Price Index (CPI), which measures the cost of living. The increase in inflation has caused the need for the Navajo Nation to adjust the COLA to provide much-needed relief for retirees who rely on Social Security as their main source of income.

The report detailed that the increase in the COLA will affect monthly Social Security benefits and could increase an individual's taxable income. This will cause the total income to exceed certain thresholds which may put an individual into a higher tax bracket.

Council Delegate Amber Kanazbah Crotty asked what the steps were to inform the community about the change in the COLA. Since there were no public comments made on the adjustment, Crotty worried that LGA certified chapters were not made aware of these changes.

Council Delegate Cherilyn Yazzie echoed the same question but asked for information about the data portion of these changes as her chapters had the same concerns about impacts.

Chair Parrish informed the committee that the three percent increase will utilize money that is already funded to the retirement plan because for the retirement plan is funded at 102 percent each year to ensure that Navajo retirees are paid out properly.

The goal of this legislation is to assist retirees who are living on a fixed income and are struggling with the high inflation rates that caused a rise in food prices, rent and utilities.

Holmes also informed the committee that under the Trump Administration, the retirement is plan is safe and will not be affected by any executive order issued. The BFC was informed that the retirement plan is paid by the Navajo Nation Government as an employer to their retirees through the fringe benefit rate.

"The BFC is dedicated to protecting our employees and making sure their needs are being addressed," said Vice Chair Carl R. Slater. "The increase in prices and cost of living is putting a lot of our people in tough situation and we as the BFC do not want them to struggle to put food on the table or provide housing for their families while working for the Navajo Nation."

Members of the BFC expressed that the increase in cost of living is impacting many Diné people and that they supported the change to the COLA.

###