



25TH NAVAJO NATION COUNCIL

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Budget and Finance Committee holds public hearings addressing the Fiscal Year 2027 Comprehensive Budget



Budget and Finance Committee continued its Fiscal Year 2027 Comprehensive Budget public hearing.

WINDOW ROCK, Ariz. – The Budget and Finance Committee (BFC) continued its Fiscal Year 2027 (FY27) Comprehensive Budget public hearing process by meeting with community members in Casamero Lake on June 22 and St. Michaels on June 24.

The hearings provided an opportunity for the public to learn about the Navajo Nation’s comprehensive budget process, receive a financial overview from the Office of the Controller, and share recommendations that will help shape the FY27 Comprehensive Budget.

“These public hearings are one of the most important parts of the budget process because they give our communities a direct voice in how the Navajo Nation sets its priorities,” said BFC Vice Chair Carl R. Slater. “When people understand how the budget works and share their concerns, it allows us to make more informed decisions that reflect the needs of our chapters and strengthen accountability throughout the budgeting process.”

During both hearings, Navajo Nation Controller Sean McCabe emphasized that the budget discussions focus on the General Fund, which represents 25 to 30 percent of the Navajo Nation’s total funding. The remaining 70 to 75 percent comes from federal and state grants that are restricted to specific programs and services.

McCabe explained that General Fund revenues are generated through seven primary sources: oil and gas, coal, taxes, investment income, land rentals and rights-of-way, court fines and

fees, and miscellaneous revenue.

He noted that while investment income, taxes, and land-related revenues remain the largest contributors to the General Fund, overall revenue growth has slowed and is currently at its lowest level since 2022. At the same time, Navajo Nation spending continues to increase, creating additional challenges as leaders prepare the FY2027 budget.

McCabe also explained how projected revenues determine available funding for government operations. Based on current estimates, the Navajo Nation projects approximately \$301.5 million in General Fund revenue. After required statutory set-asides, approximately \$213 million remains available, with about \$197 million designated as the base planning amount for the Executive, Judicial, and Legislative branches.

An estimated \$16 million remains available for chapter distributions and other funding priorities. He also clarified that unspent personnel funds are not lost but are transferred into the Unreserved, Undesignated Fund Balance, where they may later be invested or used for future priorities identified by the Navajo Nation Council.

During the Casamero Lake hearing, residents advocated for increased funding for chapter infrastructure projects, solid waste programs, rising travel costs, additional chapter personnel, and regional project management support for New Mexico chapters.

The BFC explained that public testimony is collected and analyzed to identify recurring priorities across the Navajo Nation. Committee members also discussed opportunities for New Mexico chapters to pursue projects through intergovernmental agreements when certification requirements are met and encouraged community members to remain engaged throughout the budget process.

During the St. Michaels hearing, public testimony focused on improving public safety, expanding summer youth employment opportunities, increasing support for economic development, strengthening substance abuse recovery services, addressing housing needs, and providing additional administrative support for local chapters.

Committee members responded by committing to follow up on several issues raised during the hearing, including additional chapter personnel, housing assistance delays, sanitation costs, law enforcement funding, water infrastructure, and economic development initiatives.

The BFC also encouraged chapters to continue submitting resolutions and written testimony to strengthen future budget recommendations. Committee members explained that recurring concerns raised across multiple communities help identify priorities that may be considered during budget deliberations.

The Budget and Finance Committee will continue its public hearing at Tonalea, Arizona, and collect recommendations for the Fiscal Year 2027 Comprehensive Budget. Community feedback, financial projections, and program needs will all play an important role in shaping funding decisions before the proposed budget advances through the legislative process.

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