



GOVERNMENT FINANCE OFFICERS ASSOCIATION
NEWS RELEASE

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**GFOA Teams with Aon to Help Local U.S. Governments
Mitigate Natural Disaster Risk**

CHICAGO, March 7, 2023—[Government Finance Officers Association](https://www.gfoa.org/) (GFOA) announced today that it is teaming with [Aon plc](https://www.aon.com/) (NYSE: AON), a leading global professional services firm, on a first-of-its-kind initiative to provide local U.S. governments with state-of-the art tools to help them better analyze and plan their rainy day funds.

Local government rainy day funds are critical for managing exposure to risks like economic downturns and natural disasters. According to a recent report from the National Oceanic and Atmospheric Administration (NOAA), the United States experienced 18 billion-dollar disasters in 2022, totaling more than \$165 billion in damage. The frequency of these costly disasters has been increasing in recent years, and the trend is likely to continue into the foreseeable future.

When planning for potential disasters, local governments perennially ask themselves “how much is enough” to keep in the rainy day fund. To help answer this question, GFOA is teaming with Aon to grant GFOA access to data on natural disaster exposure in local communities, enabling GFOA to build risk models with comparable analytical techniques that insurance companies use to develop coverages. The data is stored by GFOA in a unique open standard, developed by [ProbabilityManagement.org](https://www.probabilitymanagement.org/), a partner of GFOA. This allows the data to be easily integrated into Microsoft Excel, providing users with full access to the range of insights provided by Aon.

In fact, Aon and GFOA have already completed a successful pilot of this project in which Aon’s data was used to build a risk model. “The City of Providence had a Rainy Day Fund Ordinance that had become antiquated and in need of update. As part of the [Results for America’s City Budgeting for Equity and Recovery program](#), we worked with GFOA to [analyze what our reserve levels should be](#), create a comprehensive fund balance policy, and update the Rainy Day Ordinance. The team at GFOA was incredibly helpful and the data provided by Aon was critical in building the risk model we used for analysis. Using the model, we were able to create a fund balance policy that will protect our taxpayers against future economic shocks and protect its most vulnerable residents,” said Krystle Lindberg, Deputy Finance Director & Budget Officer for the City of Providence.

(more)

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“Teaming with risk strategy leader Aon will help us to accelerate our support of finance officers as they develop stronger rainy-day funds to protect their communities,” said Chris Morrill, Executive Director/CEO of GFOA.

Liz Henderson, global head of climate for Aon’s Reinsurance Solutions, said: “Our data and analytics will enable state and local governments to navigate the volatility from natural disasters and climate change while providing the insights needed to shape better, more-informed decisions. This initiative adds to Aon’s growing suite of climate analytics through a series of collaborations with leading academic institutions.”

“We’re honored to work with GFOA on this project in support of their efforts to advance excellence in public finance and help state and local governments build strong financial foundations in their communities,” said Katie Sabo, State and Local Leader within Aon’s Public Sector Partnership.

For more information on this unique initiative, please contact Natalie Laudadio at nlaudadio@gfoa.org or 312.578.2298.

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About Government Finance Officers Association

[Government Finance Officers Association](http://www.gfoa.org) (GFOA) represents over 22,000 public finance officers throughout the United States and Canada. With a mission to advance excellence in government finance, GFOA views its role as a resource, educator, facilitator, and advocate for both its members and the governments they serve. The organization provides best practice guidance, leadership, professional development, resources and tools, networking opportunities, award programs, and advisory services.

About Aon

[Aon plc](http://www.aon.com) (NYSE: AON) exists to shape decisions for the better — to protect and enrich the lives of people around the world. Our colleagues provide our clients in over 120 countries and sovereignties with advice and solutions that give them the clarity and confidence to make better decisions to protect and grow their business.

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