

Bridging Infrastructure Deficits

A Playbook for Sustainable Financial Strategy

BY CHARLES D. FRANCIS

In recent years, the conversation surrounding infrastructure deficits has amplified, heralding a critical examination of existing financial strategies within local government and utility sectors. Addressing these deficits while ensuring sustainability, intergenerational equity, and affordability is a mammoth task. The National Strategy Council (NSC) recently published a comprehensive Financial Strategy Playbook that provides a roadmap for tackling these challenges head-on.

The playbook, borne out of collaborative efforts by finance professionals

across the United States, sheds light on systematic approaches toward sustainable infrastructure investments balanced against community priorities. It emphasizes the importance of engaging decision makers efficiently, employing modern technology for continuous rate management, and ensuring a keen focus on affordability and equity in rate adjustments. A downloadable version is available on the NSC website.

One of the highlighted strategies is the innovative concept of continuous utility rate management. This approach advocates for a low-effort, frequent-engagement technique to adjust rates.


By maintaining an updated model linking revenue requirements to rates, it assists in assuaging the concerns of elected officials, averting sudden rate shocks, and protecting affordability, all while ensuring the long-term interests of the community.

Moreover, the playbook recommends the use of visual aids and interactive scenario exploration to engage decision makers. Replacing static reports with visual, interactive models encourages a more engaged and productive discussion. This method fosters an enriched understanding of financial data, ensuring well-informed decisions that resonate with stakeholder interests and community needs.

Notably, the playbook underscores the necessity of modernizing with technology. The implementation of predictive analytics tools, for instance, facilitates long-term financial planning and seamless continuous utility rate management. Such technological adoption helps monitor the impacts of operating expenses and capital budget outlays on rates, providing data-driven evidence crucial for rate setting.

A testament to the efficacy of these strategies comes from Wes Smith, finance director at Virgin Valley Water District, who shares the district's success in implementing a predictive analytics tool for long-term financial planning. This initiative has significantly enhanced communication with stakeholders.

The playbook also identifies key metrics like liquidity, Reddit, and operating ratio as pivotal tools to garner public trust and to guide financial decision making. These metrics serve as linchpins to ensure stakeholder alignment and a shared understanding of financial priorities, which is vital for successful strategy implementation.

For a deeper dive and to explore the full Financial Strategy Playbook, visit nationalstrategycouncil.org. 

Charles D. Francis is the founder and chief executive officer of *TheVirtualGov CFO*.

3 Ways to Maximize Your GFOA

BY NATALIE LAUDADIO

GFOA supports public finance professionals in building thriving communities. Are you fully leveraging your GFOA membership? Here are three key ways to get the most out of your involvement:

1. Join GFOA's affinity groups.

Our affinity groups offer specialized networks that provide unique opportunities to connect with peers who share similar interests and backgrounds. Our members find invaluable resources like webinars, networking events, book clubs, mentorship programs, and online discussion forums through the groups including the Black Caucus, Women's Public Finance Network (WPNF), and Young Professionals Network.



"As vice chair of GFOA's Black Caucus, I've experienced numerous benefits from membership in this group.

Engaging in networking and educational opportunities like our lunch and learns, newsletters, book recommendations, webinars, and the annual conference has been invaluable. Our Recruitment and Advancement initiative at historically black colleges and universities excites me the most—providing mentorship and outreach to students, especially those from similar ethnic backgrounds, which was something I longed for as a young woman and person of color."

—**Sarah E. Brown**, treasurer, Office of Financial Services, City of Saint Paul, Minnesota

2. Post in GFOA's online communities.

The online communities are discussion forums where members can share experiences, seek advice, post resources, and connect with peers on topics ranging from budgeting strategies to navigating new accounting standards.



"I participate in multiple GFOA online communities and not only are they great ways to tap into the collective brain power and

experience of GFOA members, but the communities truly remind me that I am part of a group of finance professionals who share many of the same triumphs and tribulations. It's also an easy way for me to give back to the profession by being able to share my own knowledge and experience. From RFP and policy examples to insight into complying with new accounting standards to strategies for addressing budgetary challenges, the communities have been a great tool. I also appreciate how the GFOA staff also participates and shares relevant GFOA resources and uses the platform to communicate about GFOA initiatives."

—**John Ruggini**, finance director, City of Wauwatosa, Wisconsin

3. Participate in GFOA training and the annual conference.

We offer a range of professional development opportunities, from webinars, on-demand, and in-person training to the highly anticipated annual conference. These programs are designed to keep members ahead of the curve in public finance practices while fostering lasting professional connections.



"GFOA has been part of our annual professional development plan for many years. In today's complex and fast-paced working environment,

I rely on GFOA to help my team and me enhance our skills and competencies by staying relevant and up-to-date primarily in governmental budgeting, fiscal policy, accounting, and financial reporting. Moreover, the ethics promoted by GFOA reminds me to stay true to financial stewardship. My role as the assistant superintendent for finance, business services, and accountability in a public school district is very challenging and I often remind myself to 'put principle ahead of my own ego, and to do the right thing, even when it is hard.'"

—**Flor Ayala**, CPA, assistant superintendent for finance and business services, Laredo Independent School District, Texas



"I was able to join the 117th Annual GFOA Conference in Portland, Oregon, and I can confidently say that it was

an exciting and informative experience. Between the inspiring keynote speakers and concurrent sessions, I learned an abundance of new ideas and concepts that have been of great value to me during my career in public finance. I look forward to participating in more conferences and connecting with other fellow GFOA members in the future!"

—**Evan Zacharia**, investment finance coordinator, Broward County, Florida

Natalie Laudadio is GFOA's senior manager of member programs.

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➔ For more information on GFOA membership, go to gfoa.org/membership