

MEMBERSHIP

The Results Are In

GFOA's 2026 Membership
Survey Report Explores
Challenges and Changes



GFOA's fall membership survey shed light on challenges members face and where GFOA can deliver more value. Members pointed to fiscal pressures for their top concerns: inflation, uncompetitive staff pay, and public resistance to tax increases are the three highest-rated challenges. Other survey questions were about AI use, entry-level hiring priorities, and preferred training format.

Challenges Facing Governments

- **Top-tier concerns:** inflation/cost-of-living pressures, affordability, and public resistance to tax increases
- **Mid-tier concerns:** cybersecurity threats, unfunded mandates, and unrealistic community demands for services
- **Low-tier concerns:** AI governance/policy, state preemption, risk from natural disaster, and federal preemption

Fiscal pressures emerged as the primary challenges for local governments (see Exhibit 1). By contrast, political issues—including federal preemption, state preemption, and political polarization—ranked near the bottom of the

list members had to select from. AI governance sits low on the list, reflecting its status as an emerging and loosely defined issue, possibly because AI use cases for local governments remain relatively low stakes.

Five-Year Outlook

When asked about their outlook for the next five years and if current challenges would improve, 76.4 percent of members indicated they expect inflation and cost of living pressures to get worse or much worse. (See Exhibit 2.)

- Cybersecurity threats were one of the top two worries. This didn't rank among the top four challenges currently facing local governments but is expected to worsen significantly in the next five years.
- Approximately 50 to 60 percent of members expect no change with federal preemption, state preemption, and risk from natural disaster.
- AI governance has the highest combined get better/much better share (18.3 percent)—more than 7 percentage points higher than the runner up, generational workforce challenges (11 percent). This may suggest that members anticipate greater clarity around AI in the years ahead.

EXHIBIT 1 | Money problems dominate list of challenges

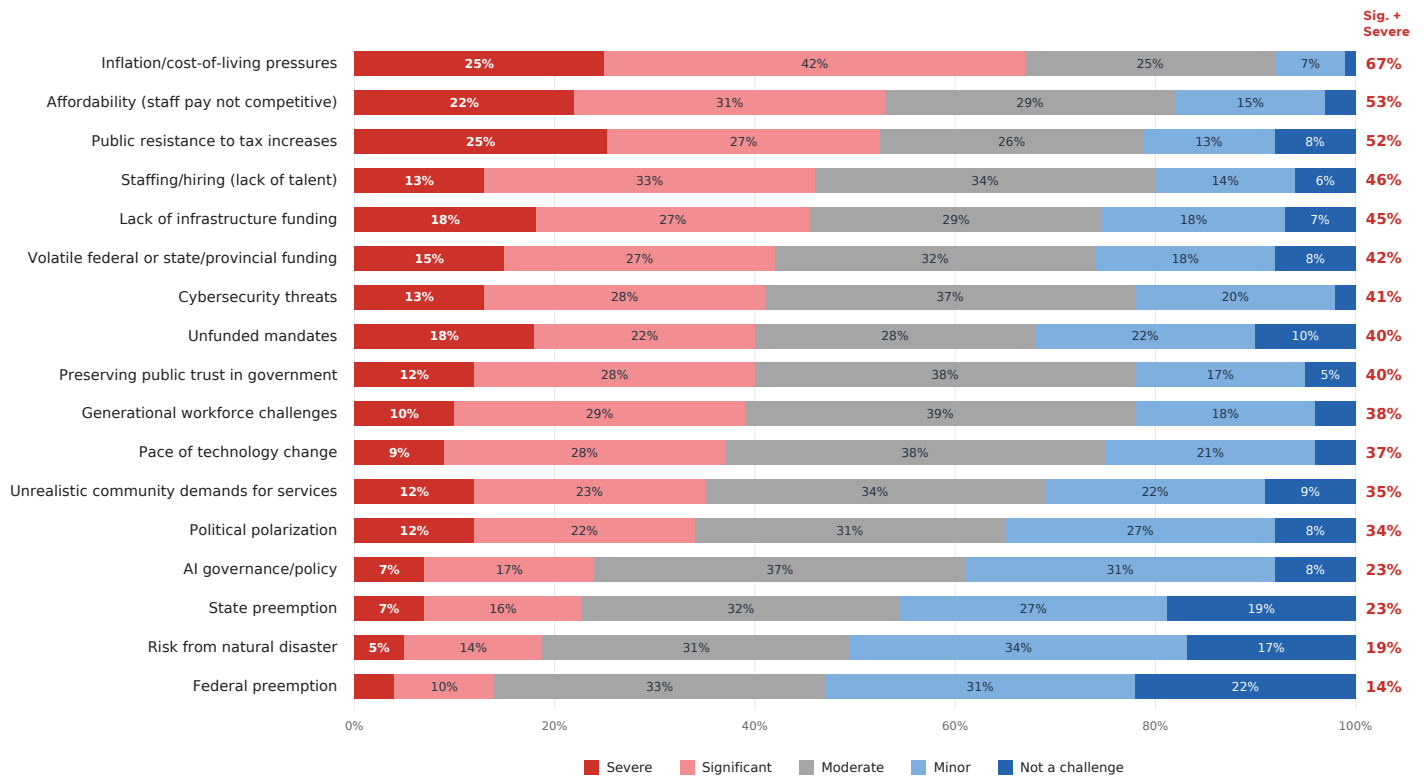


EXHIBIT 2 | Challenges expected to worsen over the next five years

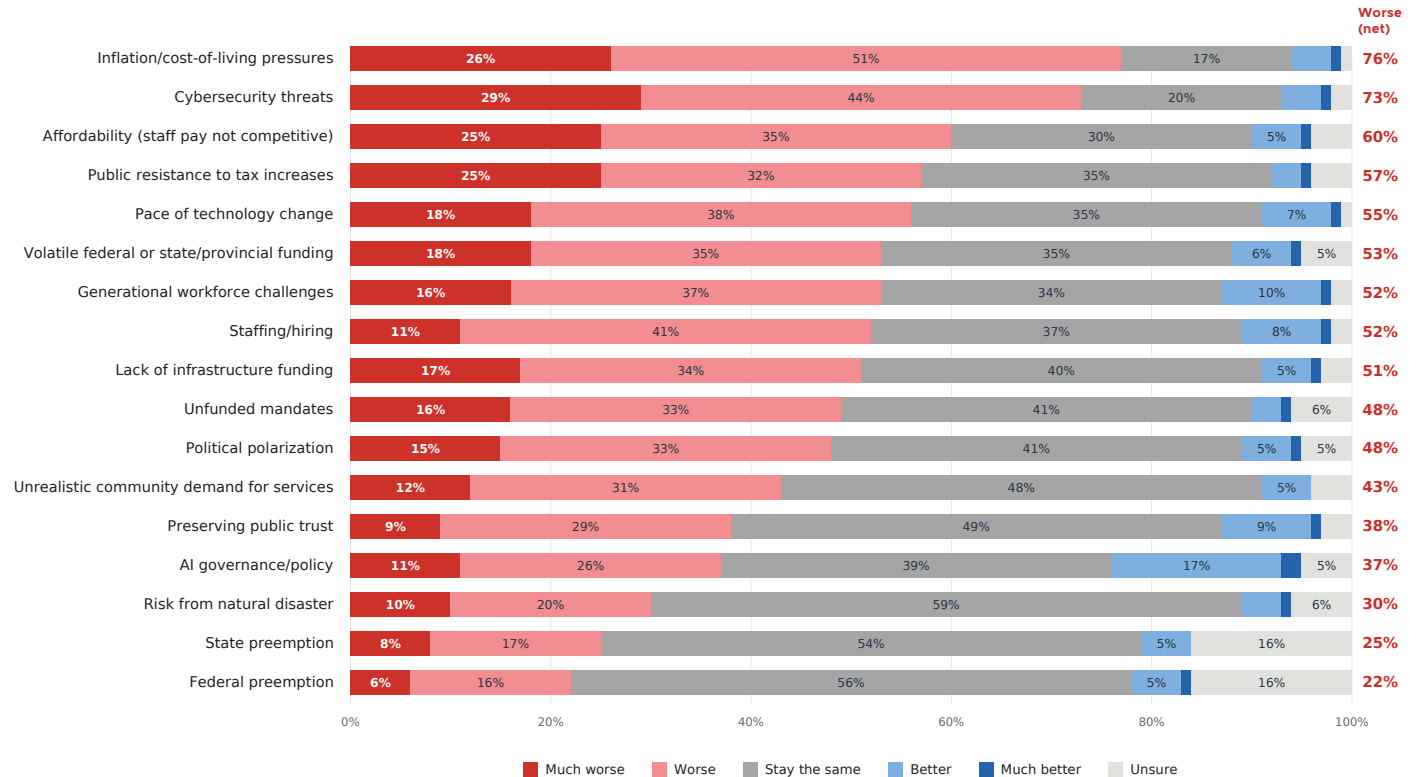


EXHIBIT 3 | The profession's top challenges

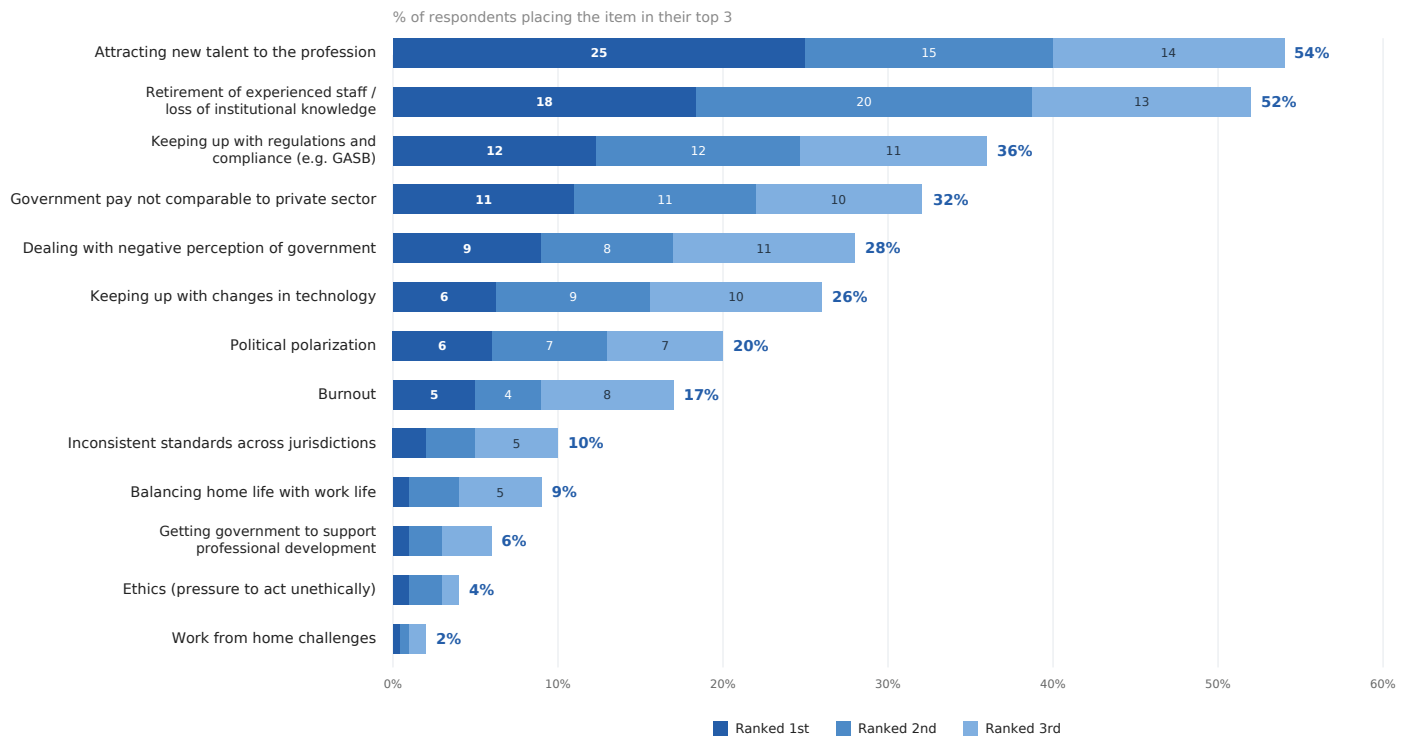
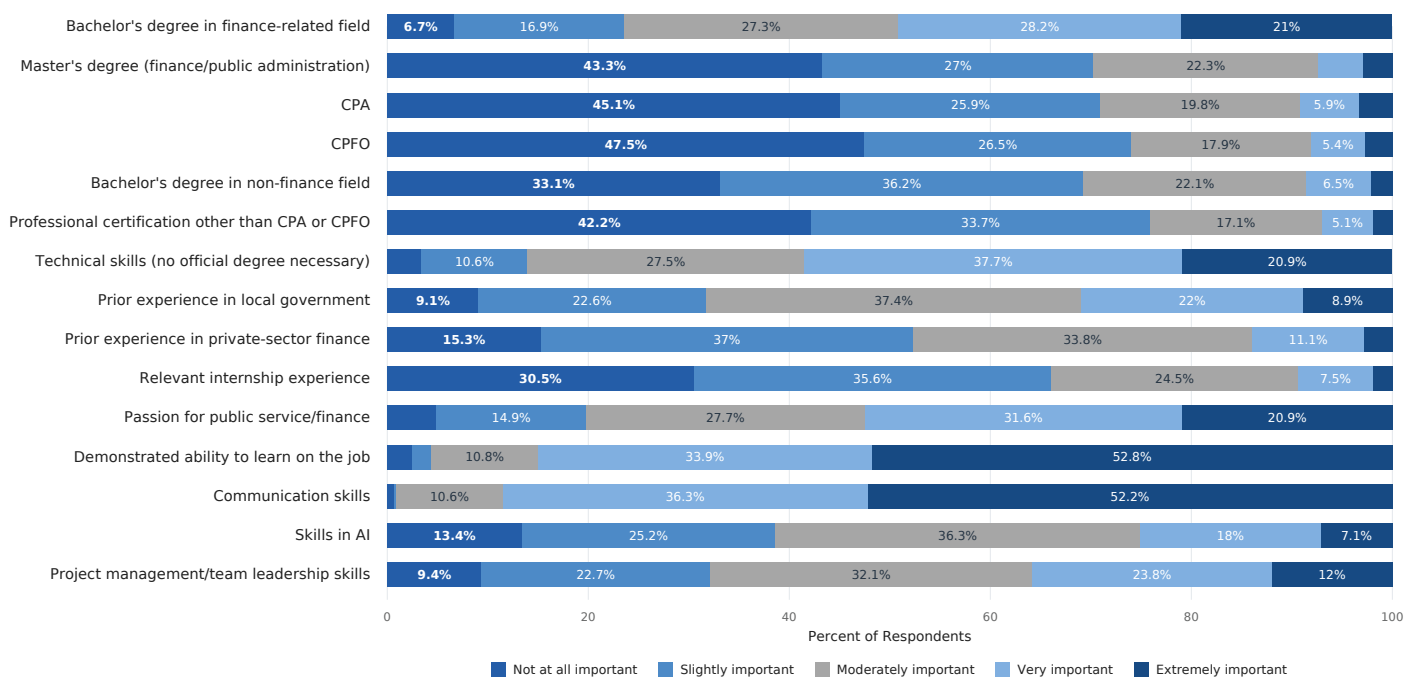
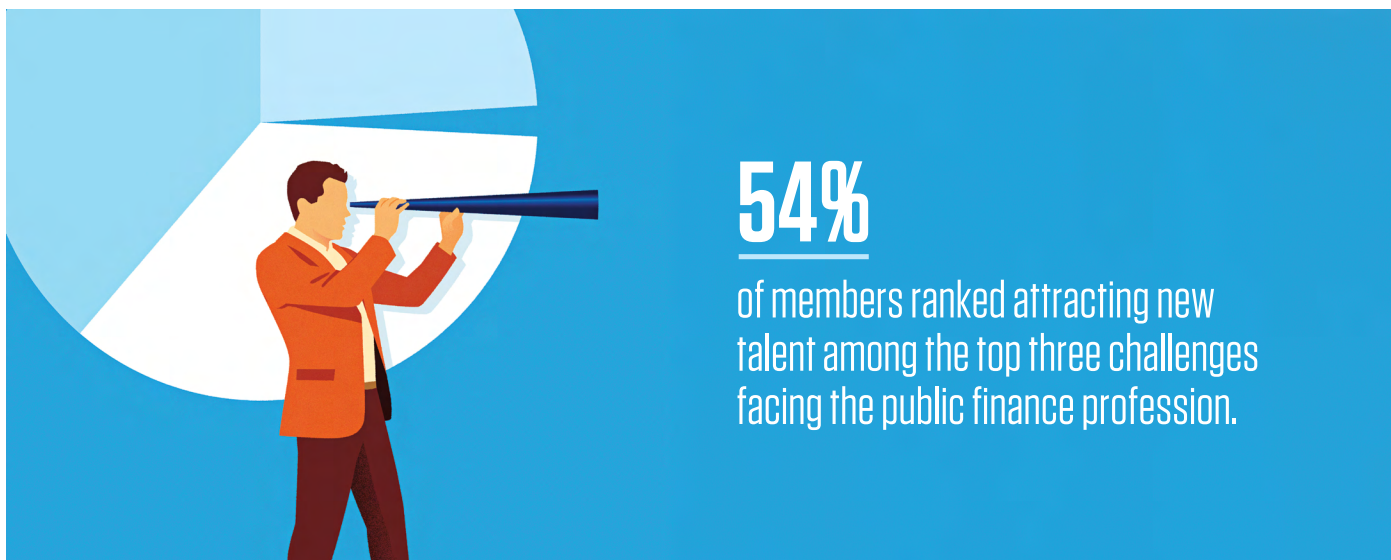


EXHIBIT 4 | Soft skills and adaptability trump credentials





Challenges Facing the Profession

The survey also asked members to rank the top three challenges facing the public finance profession, out of a list of 13 (see Exhibit 3). For more than 50 percent of survey respondents, the workforce pipeline is a dominant issue. Attracting new talent to the profession becomes a more pressing issue for more tenured (older) members, while the competitiveness of government pay moves in the other direction, becoming less of a priority as tenure increases.

AI Tone and Use

Fifty-two percent of respondents described their organization's view of AI as somewhat optimistic or very optimistic, while 30 percent reported a neutral or mixed outlook. Only 16 percent described their organization's attitude as pessimistic or resistant, suggesting that member governments are generally open to AI even if adoption remains in early stages.

Members were asked to rate the extent to which AI is used within their organizations across 12 functional areas. AI use is concentrated in writing and communications tasks, while more technical finance functions remain largely unexplored.

Proofreading and editing written documents was the most common AI use case, at 36 percent, followed closely by drafting and brainstorming written content (29.3 percent) and summarizing documents or meeting notes (29 percent). Creating presentation slides (18.9 percent) and data analysis and forecasting (12.4 percent) ranked next in considerable or extensive use.

Conversely, 40 to 52 percent of respondents don't use AI for more technical tasks like budget preparation and modeling, fraud detection, and risk monitoring, customer

service chatbots, grant writing, and AI capabilities embedded in ERP software. AI use seems to be gaining traction in lower-risk, day-to-day productivity tasks that are largely initiated by individuals, but remains largely absent from the core technical work of public finance or coordinated across the entire organization.

Entry-Level Hiring Priorities

Members were asked to rate the importance of 15 attributes they look for in a new hire when filling an entry-level public finance position. Communication skills and demonstrated ability to learn on the job ranked highest, rated by 89 and 87 percent of respondents, respectively, as very or extremely important, reflecting a prioritization of soft skills and adaptability in hiring decisions for entry-level roles. Passion for public service (53 percent) and technical skills (59 percent) also ranked highly. While formal credentials were rated the least important across the board, there was an exception; 49 percent of respondents rated a bachelor's degree in a finance-related field very or extremely important, suggesting that a relevant undergraduate degree still holds some weight in hiring decisions.

The open-ended responses to this question reinforced these findings, with respondents frequently citing attitude, disposition, and interpersonal qualities as important attributes. Qualities such as eagerness to learn, positive attitude, willingness to take on feedback, emotional intelligence, and strong ethics emerged repeatedly. (See Exhibit 4.)

One response offered a noteworthy perspective on credentials: "CPAs are very helpful for accounting, reporting, and auditing, and almost irrelevant for budgeting, forecasting, project management, decision making, and the like. The CPFO designation is far more balanced, and the relevant skills far more important." ■