

INTERVIEW

Rethinking Municipal Finance

A Conversation with Michel Durand-Wood

BY TALLULAH BURR AND TOCHI MADUEKE



GFOA's **Tallulah Burr** and **Tochi Madueke** talk to **Michel Durand-Wood**, better known online as “Elmwood Guy,” a writer based in Canada, community advocate, and author of *You’ll Pay for This: How We Can Afford a Great City for Everyone Forever* (Great Plains Press: May 2025). They chatted about shaping cities one step at a time, every day.

Think of your city. As you step into the street, every inch of pavement has been paid for, in part, with your dollars. The trees were grown and watered with taxpayer money. The bus stops and local transportation routes are maintained with city funding. Even shopfronts benefit from services and utilities that are paid for from the public's wallet. You pay for the smallest details that you may not notice, but nonetheless make your life better.

Cities are the most valuable assets that many of us will ever co-own, yet we seldom ask if our cities can afford to pay for themselves in the long run. This question compels us to look beneath the hood of city finances and consider the long-term sustainability of our cities' financial trajectory.

When Michel Durand-Wood, a “demy-stifier” of all things municipal finance, asked himself that question, he kick-started a vocation of fighting for better municipal financial practices, which he shares with family, friends, and any layperson interested in reading about it. This vocation brought him to the sobering conclusion that many North American cities are heading down a path bound for insolvency, or are already there. Cities overextend by taking on large capital projects without fully reckoning with the long-term costs of maintenance and renewal. When the money is there, the impulse is often to “just build new” rather

than strengthen what already exists. But as budgets tighten, many find themselves unable to keep up, and the result is a slow, steady decline in the condition of public infrastructure.

“One day, I started noticing the general decline of things, such as community centers being closed,” Durand-Wood said. “I started wondering, why? Why is there no money for this? If we built something, why have we not planned to maintain it?” Closed community centers, crumbling roads, and underfunded facilities are easy to see, yet the financial story behind them is often out of reach. He doesn't think the problem is simply that lay people fail to grasp the numbers. The problem is that they are not given the tools to make sense of them, making it difficult to even begin questioning these issues.

“I find that people are very interested in the financial health of their cities, but oftentimes they don't know where to look for information that is easily digestible,” Michel noted. He describes a frequent phenomenon in which the availability of financial information is confused with usability and accessibility for the general public. “In our quest to be transparent as municipalities, we have taken an approach of just ‘turning on the fire hose of information.’” Take, for example, the 700-page budget document.

“A 700-page financial document is transparent in the sense that all the information is there, but it is not in the

sense that it is not useful to anybody other than the people who already know how to interpret its content,” he said. Creating better-suited documents for the consumption of lay persons, with less information but more understandability, can strengthen public trust and collaboration with the city. In turn, the city will benefit from better long-term decisions that engage public input and are attuned to the community’s needs.

As Durand-Wood insists, living in a city is about more than being a consumer of the services and comforts it offers us. Living in a city is about being co-owners of our shared space, a responsibility made possible when regular people understand their city’s finances. Understanding city finances thus becomes the bedrock upon which we can build a new approach to public finances.

GFOA’s Financial Foundations Framework reiterates this stance—the second pillar for establishing a solid financial foundation is to build trust and open communication, creating the conditions for cooperation. There needs to be a two-way channel between elected officials and their staff and the public. Trust is everything for a successful city financial management, which comes from true transparency. Moreover, GFOA advocates for collective decision making. Leaders must let the public voice their concerns, ask for feedback, and adjust their plans as needed. Even small projects stand to improve enormously if citizens have a seat at the table.

“We have to meet people where they are. We can’t start with balance sheets and capital budgets. We have to work our way up from where people are, rather than from the top down.” Michel shared the example of the City of Calgary, Alberta, whose bike lane project involved more than 100 minor adjustments throughout an 18-month trial period, integrating continuous public feedback. Only once everyone was satisfied did they make their project a permanent design, where all stakeholders, from business owners to drivers, cyclists, and pedestrians, were happy.

While not all projects can be like Calgary’s bike lanes, the core premise remains important. When the public



The City of Calgary, Alberta’s bike lane project exemplifies the result of ongoing community input and city planning.

becomes an active stakeholder in projects, when they understand cost-benefit tradeoffs of government decisions, and when they see how their voice transforms into action, the city can evolve in a direction that benefits the maximum number of its citizens.

Too often, resident voices get drowned out because they feel powerless to effect change, and change becomes the product of the few, not the many.

Further, beyond public engagement in municipal finances, Michel’s vision for making our cities more fiscally responsible calls for long-term thinking and planning. Cities have tended to take on big, new capital projects as opposed to working within the bounds of what already exists, he explains. They expect one-time investments to be a permanent

improvement. In doing so, they leave no room for minor adjustments; even regular maintenance goes unthought of in initial plans, leaving miles of pipes and roads without a long-term plan to pay for maintaining them.

“We have to realize that infrastructure projects and related spending have long-term consequences that compound over time,” Durand-Wood said. In the face of revenue constraints and ever-present budget cuts, the question becomes “how do we minimize expense but build capacity with what we already have?”

The answer, for Michel, is “a small, incremental approach, working within existing budgets.” Away with the grand mega-projects—city improvements come step by step. “It is the approach of a city that has no money, but it is an approach

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—MICHEL DURAND-WOOD

for a city that is making a little progress all the time, as opposed to nothing for 70 years and then something all at once.” In other words, cities need to see their major investments more incrementally and act on them every day, not every decade.

This approach implies that we change our mindset to see that cities, like humanity, are constantly evolving, and that we budget as such. “Cities exist forever. We are never going to be done. That is not how humans are. Our needs evolve as we grow, our lives change, new technologies come in,” Durand-Wood said.

This attitude calls for collaboration and shared vision. GFOA’s Financial Foundations Framework emphasizes this facet of municipal financial management. Collaboration and a shared long-term vision between a city’s officials and its residents is essential to achieving a strong financial foundation. As GFOA recommends in the first pillar of the Financial Foundations Framework, turn stakeholders into co-creators as you define the long-term vision. Seek a balance between day-to-day needs and the big picture goals to maintain momentum.

Moreover, as Michel pointed out, incrementally making improvements is not much different from completing a major project, over the long term. “There is no grand solution to city improvements. We must look at what the next smallest thing we can do is, and just do it, and then start over.”

In practice, this suggestion calls for creativity to maximize ‘low-hanging fruit’ and make use of low-risk, smaller-scale investments that also yield positive returns. Durand-Wood provided

the example of another city’s light rail line, a costly investment and major infrastructure overhaul. However, they don’t have the ridership to cover even some of the costs of that investment and future maintenance with fare-box revenue. In fact, such a big investment may be unnecessary if it does not drum up a maximum of clientele, he points out.

In light of this reality, transit planners are looking to invest more in bus service, developing lines and making them more reliable. They are working with other city officials to guarantee that the entire commute, not just the bus ride, becomes safer and more comfortable, thereby accumulating ridership over time by offering a better alternative than driving. In doing so, transit planners hope to develop the land values around their more regular bus lanes, which can help finance a larger light-rail investment once ridership has increased enough to merit one. This is one example of many illustrating how to take an incremental approach to infrastructure development, in line with the city’s needs and ecosystem changes.

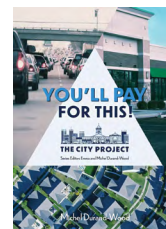
Ultimately, “a successful city is built by many hands,” Michel noted. The path forward is not paved with grand, one-time fixes, but countless deliberate steps that reflect the needs and values of the people who live there. When residents and city leaders work side by side, committing to steady, incremental improvements, we can shape cities that not only work today but will thrive for generations. ■



Tallulah Burr is a former public finance intern in GFOA’s Research and Consulting Center.



Tochi Madueke is a public finance intern in GFOA’s Research and Consulting Center.



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In You'll Pay for This: How We Can Afford a Great City for Everyone Forever, Durand-Wood challenges readers to rethink the long-term financial health of their cities, advocating for transparency, incremental

improvements, and the role of residents as true co-owners of urban infrastructure.