

## FINANCE STRATEGIES for SMALL CITIES and TOWNS.

### THE IDEA OF A FINANCIAL STRATEGY.

In business, this idea would be about the business model for the enterprise, a strategy for expanding short-term income and long-term wealth. But this terminology is tough for public agencies even though the vision is the same; hence, a financial strategy is the euphemism of choice. But the questions are the same – what are the city’s long-term sources and uses of funds? How can the uses be efficiently managed to meet community needs and expectations? How can the sources of funds be preserved, enlarged and expanded? A municipal finance strategy is the means for securing the city’s future.

### COMPREHENSIVE, LONG-RANGE THINKING.

The essential attitude is to contemplate over the long run for the full range of the city’s uses of funds [obligations and responsibilities] and what are the sources - where will the money come from on a sustainable expanding basis?

- **Long range** is 25 years. That is the standard period of a generation of families, the timeframe for financing capital equipment and the life expectancy of that equipment.
- **Comprehensive** thought encompasses the full range of services and products provided by the city from public safety to wastewater collection and disposal to the arts to education to high-speed broadband internet service. The list is long and growing.

### CONCEPTUAL APPROACH.

**The city’s basic financial strategy** is to build a prosperous city by blending the economic development activities of the city’s private sector with the effective management of the city’s financial resources for the betterment of both parties. In this moment, go all in to obtain federal funds for “qualified” projects.

### The city’s strategic objectives are:

- To constantly scrutinize expenses while maintaining appropriate levels of service. The citizenry must have full confidence that public monies are being openly and responsibly managed.
- To call upon the private sector to fairly compensate workers, to fund extraordinary infrastructure necessary to support their activities, to be active corporate citizens and to support local institutions and charities.
- To support economic development that increases local taxes and grows well-paying private jobs.
- To leverage public funds to support local businesses and NGOs by providing necessary and usual infrastructure, participating in vision-consistent private-public partnerships and maintaining reasonable tax, fee and regulatory systems to protect private and public interests.
- To grow traditional and non-traditional revenue sources, especially state and federal grants.
- To take advantage of current federal largess: learn the system, actively qualify for state and federal funds, have “shovel ready” projects that meet federal guidelines, use local matching funds and in-kind services to move up “the list”. Be proactive, everyone else will be.