



# The Big Shift and Cash Management - 5 Takeaways

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Thank you for having us!



## Who is three+one?

We provide unbiased, objective, and actionable data that allows **you to maximize the value of all of your unique financial resources and enhance liquidity management processes.**

three+one is not a bank, a brokerage firm, or investment manager. We do not take deposits nor do we offer investments.

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To comply with expanded federal mandates and maintain essential services, counties may need to generate additional revenue, potentially shifting **billions of dollars in federal costs to local taxpayers.**

-National Association of Counties- in reference to the “Big Shift”

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# The Big Shift: What It Is and Why It Matters

Federal policy changes are shifting costs and administrative burdens to states and counties. NACo estimates a downstream effect approaching **\$1 trillion over ten years**. [National Association of Counties](#)

Counties may need to generate new local revenue to maintain essential services, moving federal costs to local taxpayers. [National Association of Counties](#)

Three big challenges for counties today: **increased costs, diminished intergovernmental support, reduced local autonomy**. [National Association of Counties](#)

**Takeaway:** The ground is moving under county budgets, so visibility, timing, and flexibility with cash are more important than ever. [National Association of Counties](#)

# The Big Shift: Now What?

What can we do as public finance officials to prepare our Counties and our balance sheets for The Big Shift?

1. Take an interest in and get involved in the discussions.
2. Determine the impact and exposure on the County's finances.
3. Assess our total cash position.
4. Update our liquidity and investment policies and strategies
5. Review Debt Capacity



# The Big Shift: Take an interest and get involved in the discussions.

As a leader in your community and organization find out the facts and rumors about the “Big Shift”.

- Attend NACO's bi-monthly “Update from Washington” briefings.
- What is your local County Association telling you?
- Read up on information from GFOA and anything published by your State's Budget Office or Controller's Department.
- Take a role in helping educate the municipalities in your County as to the cascading effect of the Big Shift
- Use your platform as a leader to talk with local community and civic organizations about the potential impacts.

# The Big Shift: What is the financial impact on our County?

Get a seat at the table in your County to understand the financial implications of the Big Shift locally.

There are three pillars of public financial management and the impact of the Big Shift needs to be understood from different perspectives:

- Budget
- Financial Reporting
- Treasury/Cash



# The Big Shift: How much cash do we have?

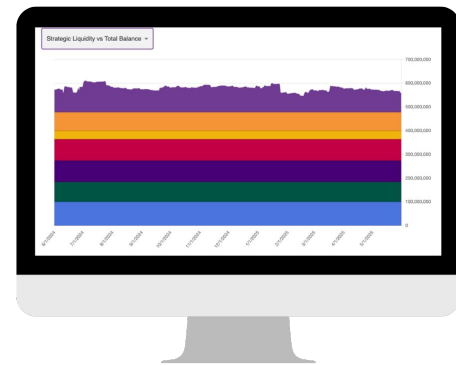
The impact of federal policy changes will trickle down to our cash position.

Assess our total cash position.

- How much?
- Where is it?
- Is it invested to its full potential?

What is the impact of the federal policies on our budget?

- What level of cash do we need to set aside in addition to our ongoing working capital and short term investments to make sure we can sustain our operations through this period of uncertainty.



## The Big Shift: What about our liquidity and investment policies and strategies?

Update our investment policy:

Do we have guidelines that need to be updated?

- Are there products and services we should be using that we are not?
- Is every dollar working as hard as it can for us?
- When is the last time the investment policy was updated to include more or different options for investment.
- Do we have allocation ranges that need to be updated?

# The Big Shift: Financing Options?

Review Debt Capacity:

- How much debt do we have?
- How much can we afford?
- How have we chosen to use debt in the past?
- What are rating agencies saying about this issue and topic?

# The Big Shift: Now What?

To recap.....

What can we do as public finance officials to prepare our Counties and our balance sheets for The Big Shift?

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**THANK YOU**  
**Do you have any questions?**

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