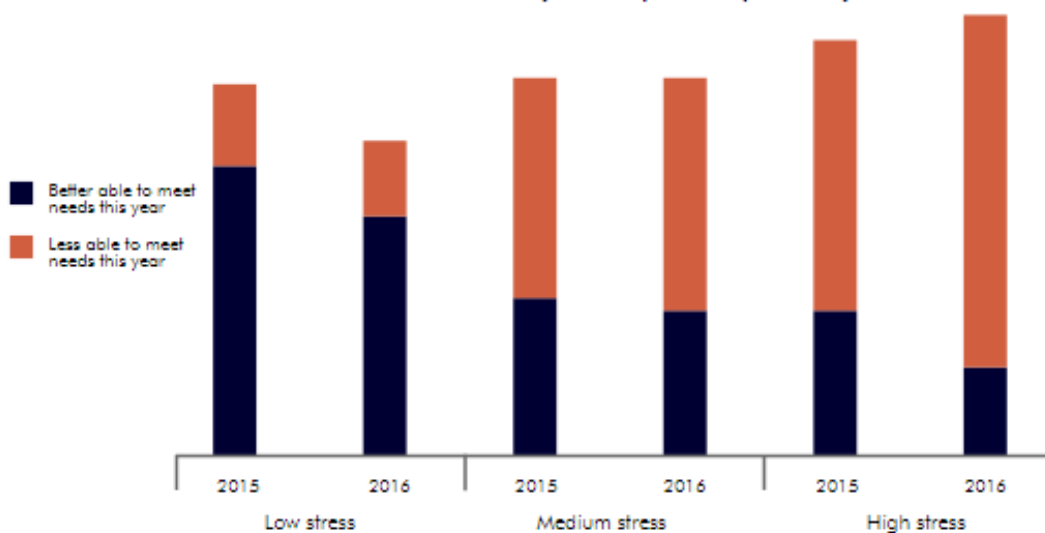


# Fiscal health trends reversing in some Michigan communities

August 29 2016, by Greta Guest

**Although most local governments report low fiscal stress, counties in particular report substantially higher stress than last year**

Percentage of jurisdictions overall reporting they are better or less able to meet their fiscal needs in current year compared to previous year



Note: responses for "neither better nor less able" and "don't know" not shown

Source: Michigan Public Policy Survey Fiscal Stress Index score



Credit: University of Michigan

After five years of steady statewide improvement, fewer Michigan communities report that they are better able to meet their fiscal needs

this year.

A University of Michigan survey polled top elected and appointed [officials](#) in the state's 1,856 units of local government and found that 2016 marked a change in earlier trends with 31 percent better able to meet financial needs and 22 percent less able to do so. That compares to 38 percent in 2015 saying they were better able to meet fiscal needs and 20 percent less able to do so.

"For the first time since the end of the Great Recession, the trend of more and more local officials reporting gradual improvements in fiscal health overall has reversed," said Thomas Ivacko, administrator and program manager of the Ford School's Center for Local, State, and Urban Policy. "The reversal includes jurisdictions of every size and type."

Overall, 45 percent of jurisdictions [report](#) no significant change in their fiscal health from last year. Particularly concerning is that among county governments, 19 percent rate their fiscal stress as high, up from 3 percent in 2015, Ivacko said.

The poll, part of the Michigan Public Policy Survey series at CLOSUP reports:

- Fewer [local](#) governments report property tax revenues are increasing and more report state aid is decreasing.
- Nearly half of officials predict their community will have good times financially in the coming year, but just 28 percent believe their jurisdiction will be better able to meet its fiscal needs next year, down from 36 percent in 2015.

The study, conducted April 4-June 6, 2016, involved surveys sent via hardcopy and the internet to top elected and appointed officials in all

counties, cities, villages and townships in Michigan. A total of 1,378 jurisdictions returned valid surveys, resulting in a 74-percent response rate. The survey had a margin of error of 1.3 percentage points.

**More information:** Survey: Michigan local governments report first declines in fiscal health trend since 2010: [closup.umich.edu/michigan-publ...th-trend-since-2010/](https://closup.umich.edu/michigan-publ...th-trend-since-2010/)

Provided by University of Michigan

Citation: Fiscal health trends reversing in some Michigan communities (2016, August 29)  
retrieved 26 April 2024 from  
<https://medicalxpress.com/news/2016-08-fiscal-health-trends-reversing-michigan.html>

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