

Perspectives from local government leaders in Michigan's rural communities

Presented at the
Rural Prosperity Summit
May 20, 2024

The Michigan Public Policy Survey

- **Census survey** – all 1,856 counties, cities, villages, and townships
- **Respondents** – chief elected and appointed officials
(County Board Chairs & Administrators, Mayors & City Managers, Village Presidents & Managers, Township Supervisors and Clerks)
- **Administered** – online and via hardcopy
- **Topics** – a wide range over more than a decade including: fiscal health, budget priorities, impacts of COVID-19 on Michigan communities, roads, public safety, water infrastructure, intergovernmental cooperation, employee policies, labor unions, local energy policies, Great Lakes, citizen engagement, much more.



MPPS is not a typical opinion poll

- **70%+** response rates
- **Transparency**
 - ~ Questionnaires online
 - ~ Pre-run data tables online
 - ~ Sharing of (anonymized) datasets with other researchers
- **Research partnership with Michigan local government associations and others**
 - ~ MAC, MML, & MTA
 - ~ The Fall 2019, 2021, and 2023 waves were funded in part by EGLE, the current Spring 2024 wave is funded by the Joyce Foundation

MPPS response rates statewide

(Fall 2023)

71% of all statewide – **1,315** governments total

By Population Size

67% of <1500 residents – 492
70% 1500-5000 – 474
74% of 5001-10,000 – 132
79% of 10,001-30,000 – 127
81% of >30,000 residents – 90

By Region

66% in the Upper Peninsula – 135
74% in the Northern LP – 235
72% in the Central West – 257
66% in the Central East – 227
73% in the Southwest – 217
73% in the Southeast – 244



“CLOS-R-UP”: Defining Rural

- Typically measured at **census block** or **county** level
- Common factors considered for measurement:
 - **Population** size & density
 - **Housing** density
 - Economic ties / **commuting**
- Often defined as “**not urban**”

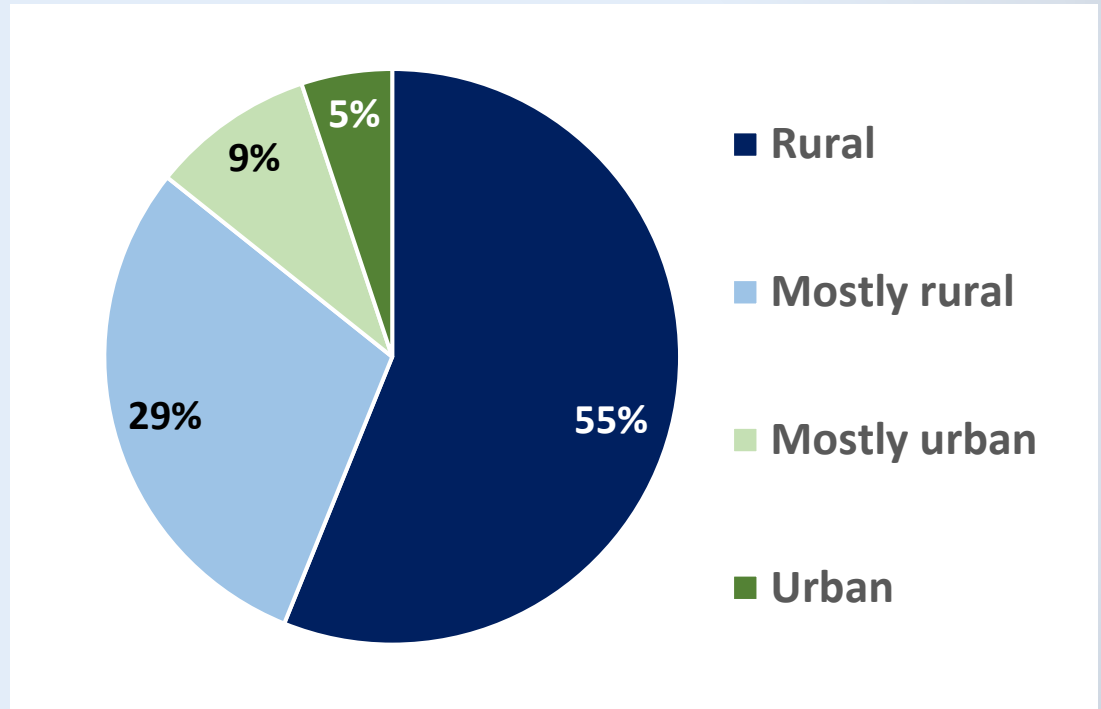
OR

- **Self-Description**
 - Rural / Suburban / Urban
 - Rural / Mostly Rural / Mostly Urban / Urban

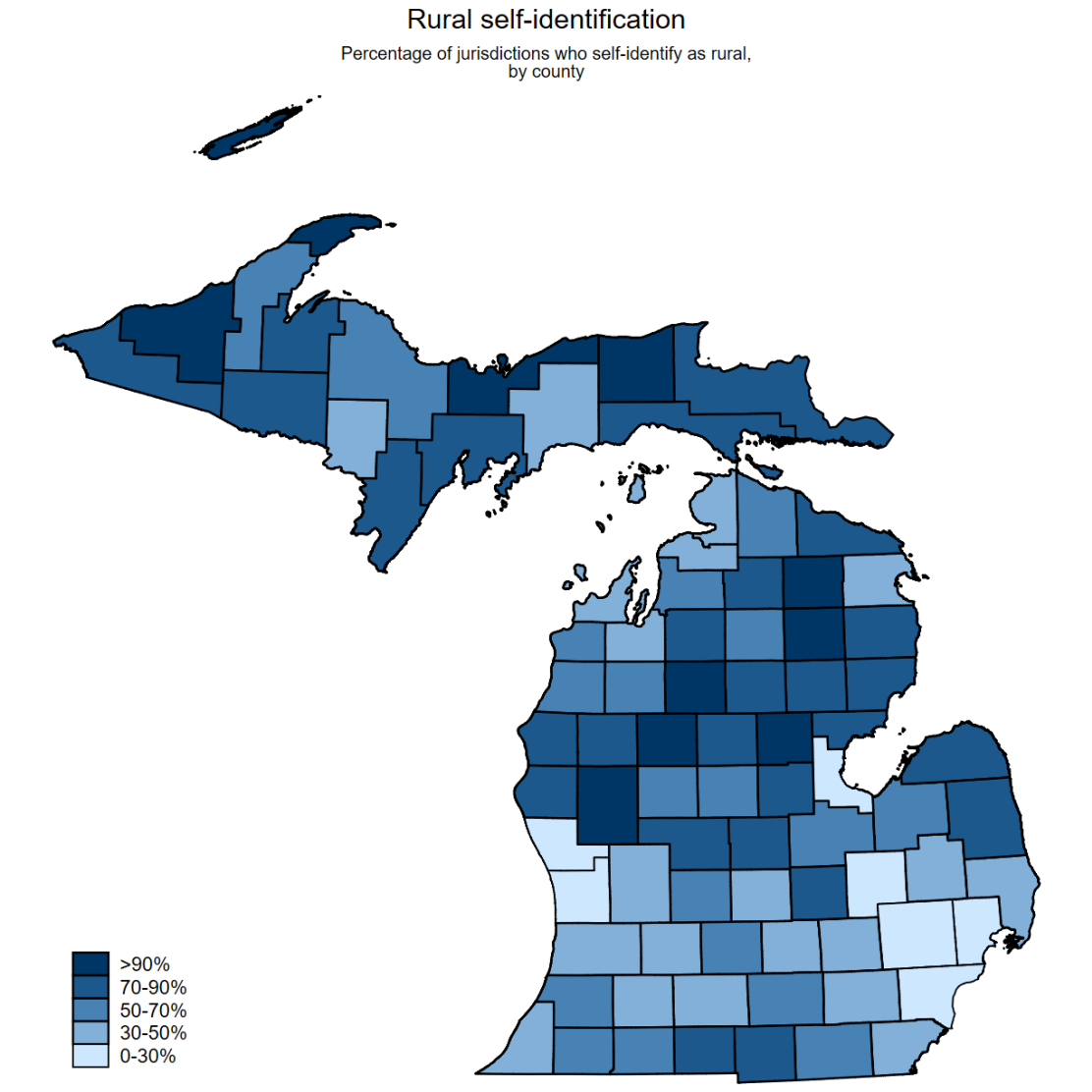


Local officials' rural/urban self-identification

Survey question: “We are interested in learning more about policy issues according to whether communities are rural, urban, or somewhere in between. How would you characterize your jurisdiction?” (2023)



Rural communities across Michigan



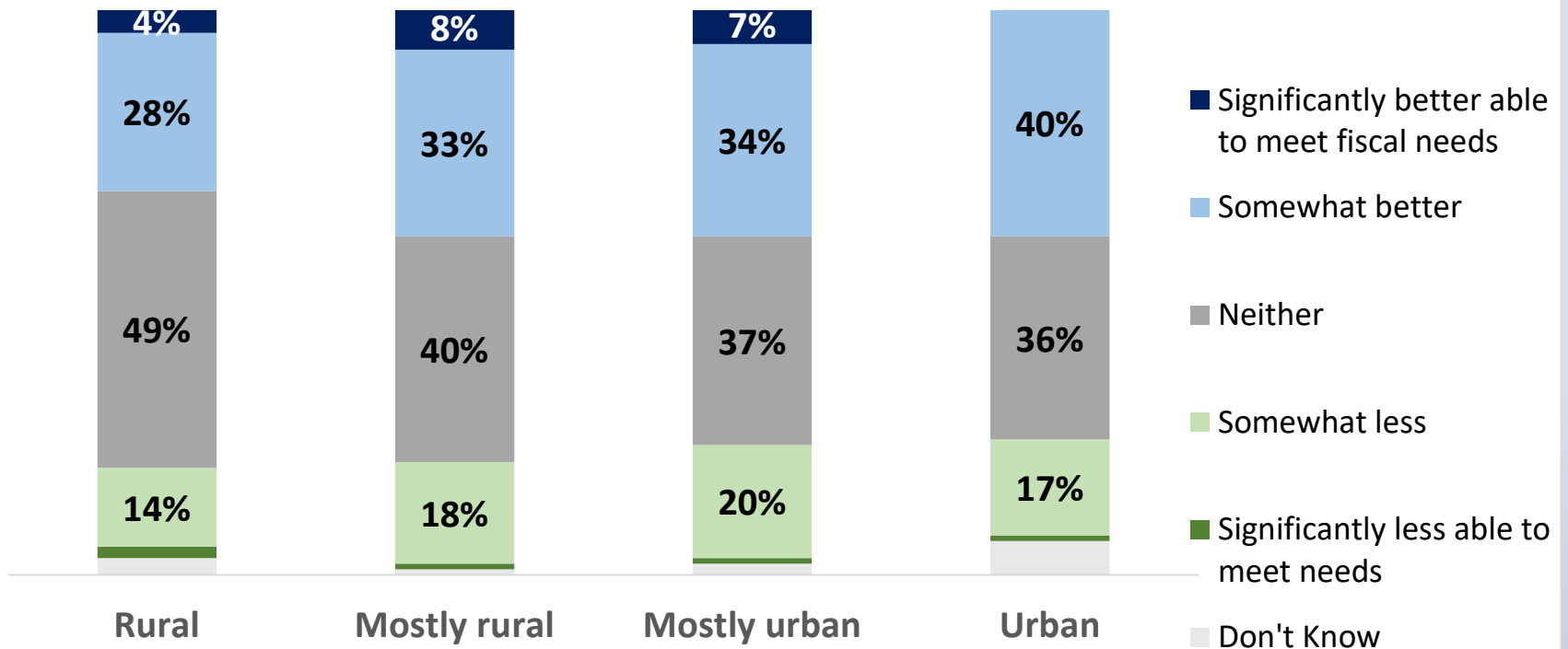


>> Local government finances along the urban-rural spectrum



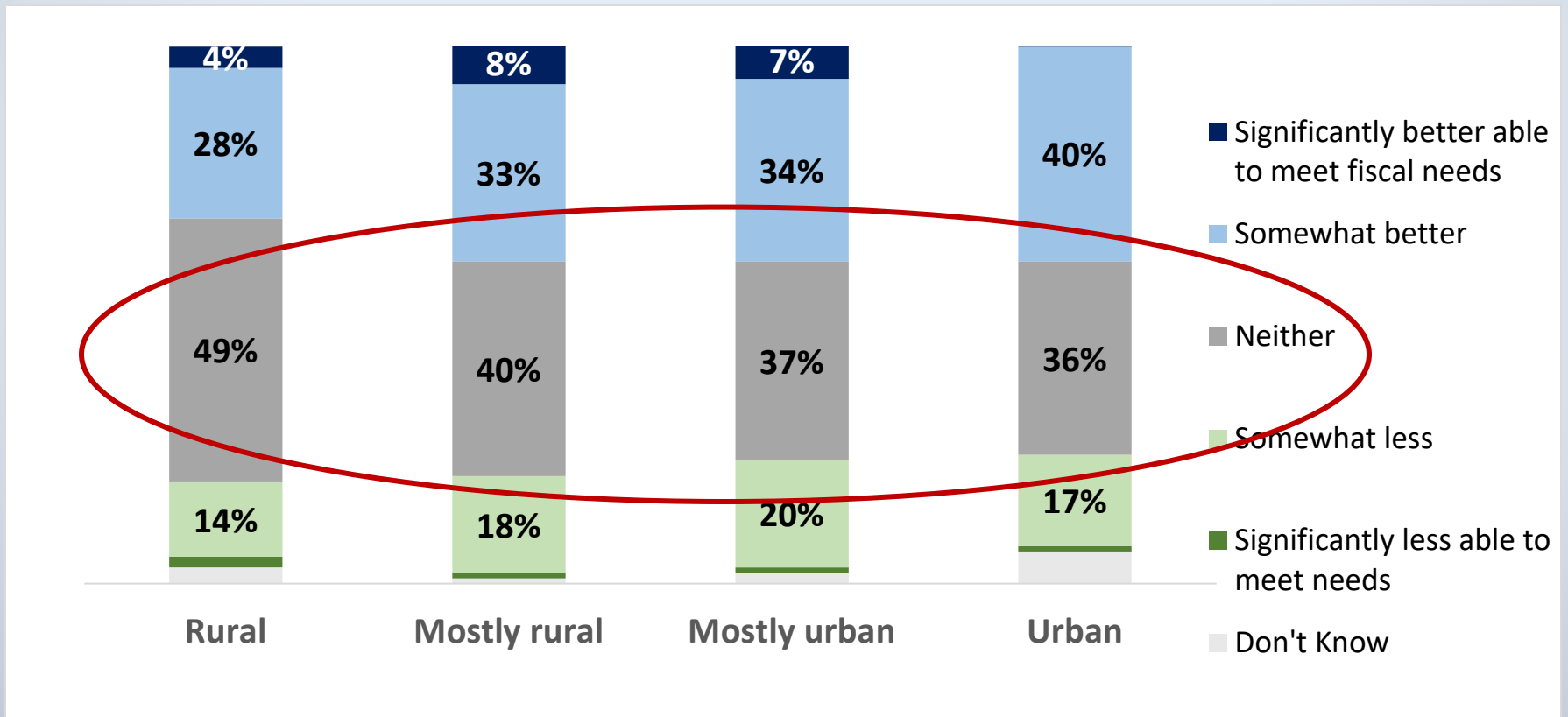
Rural governments' fiscal health less volatile

“Thinking about the financial needs of your jurisdiction, would you say that your unit of government is less able or better able to meet its financial needs in this fiscal year compared to the last fiscal year?” (2023)



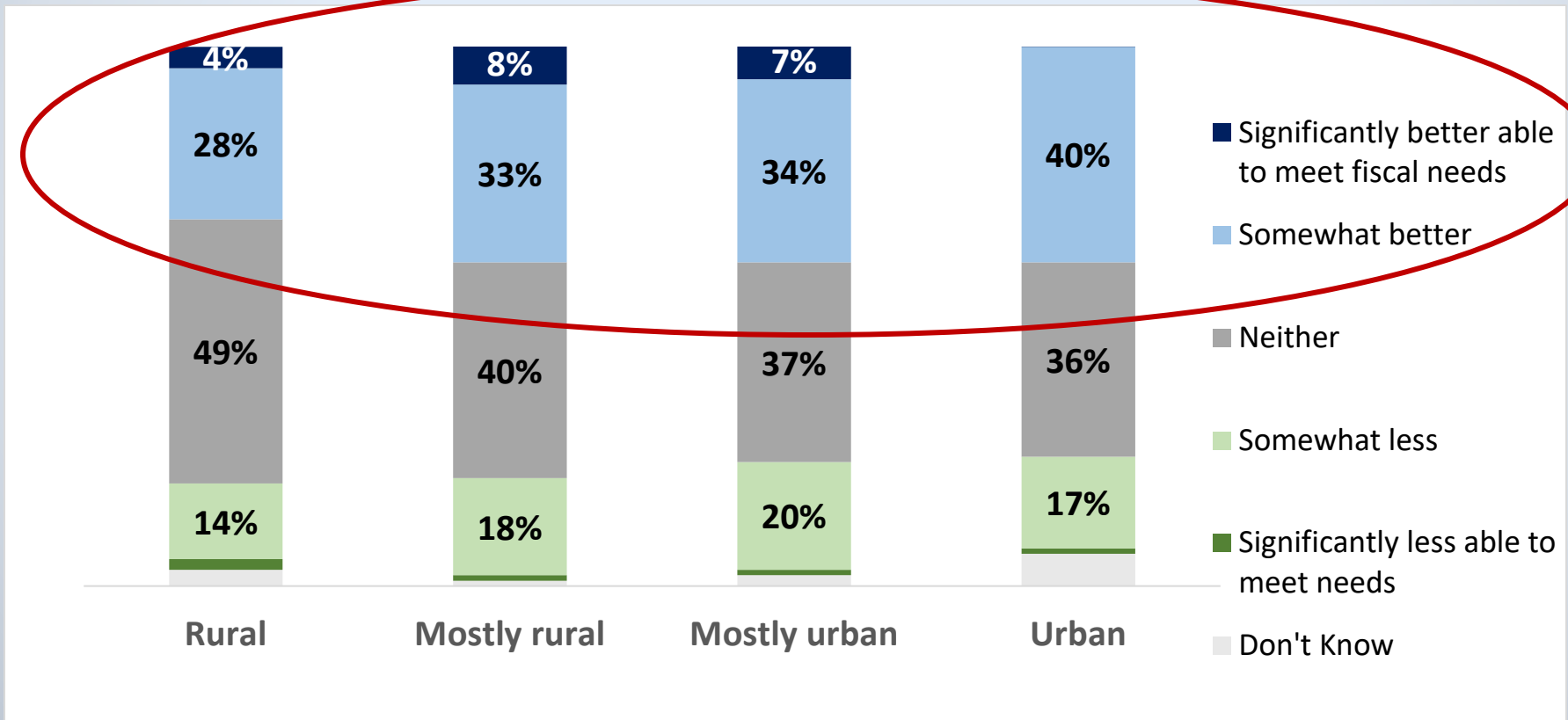
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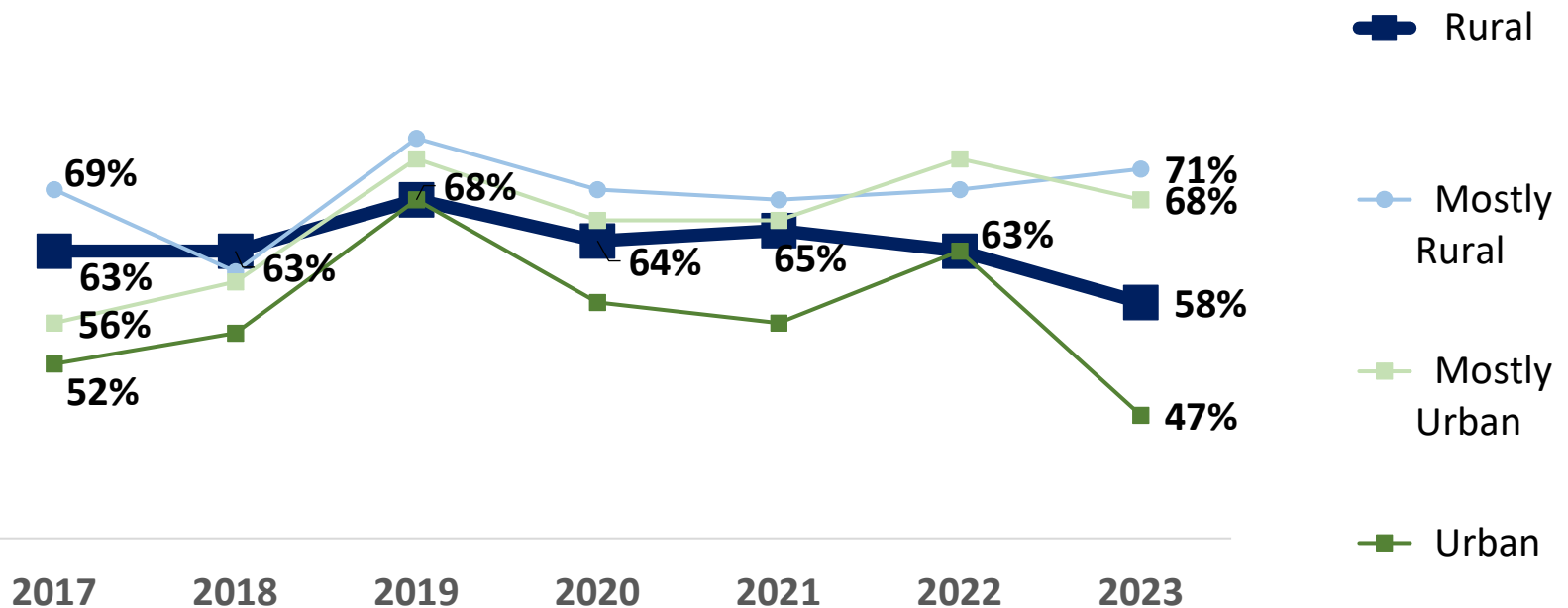
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Rural assessments of fiscal health lowest since 2017

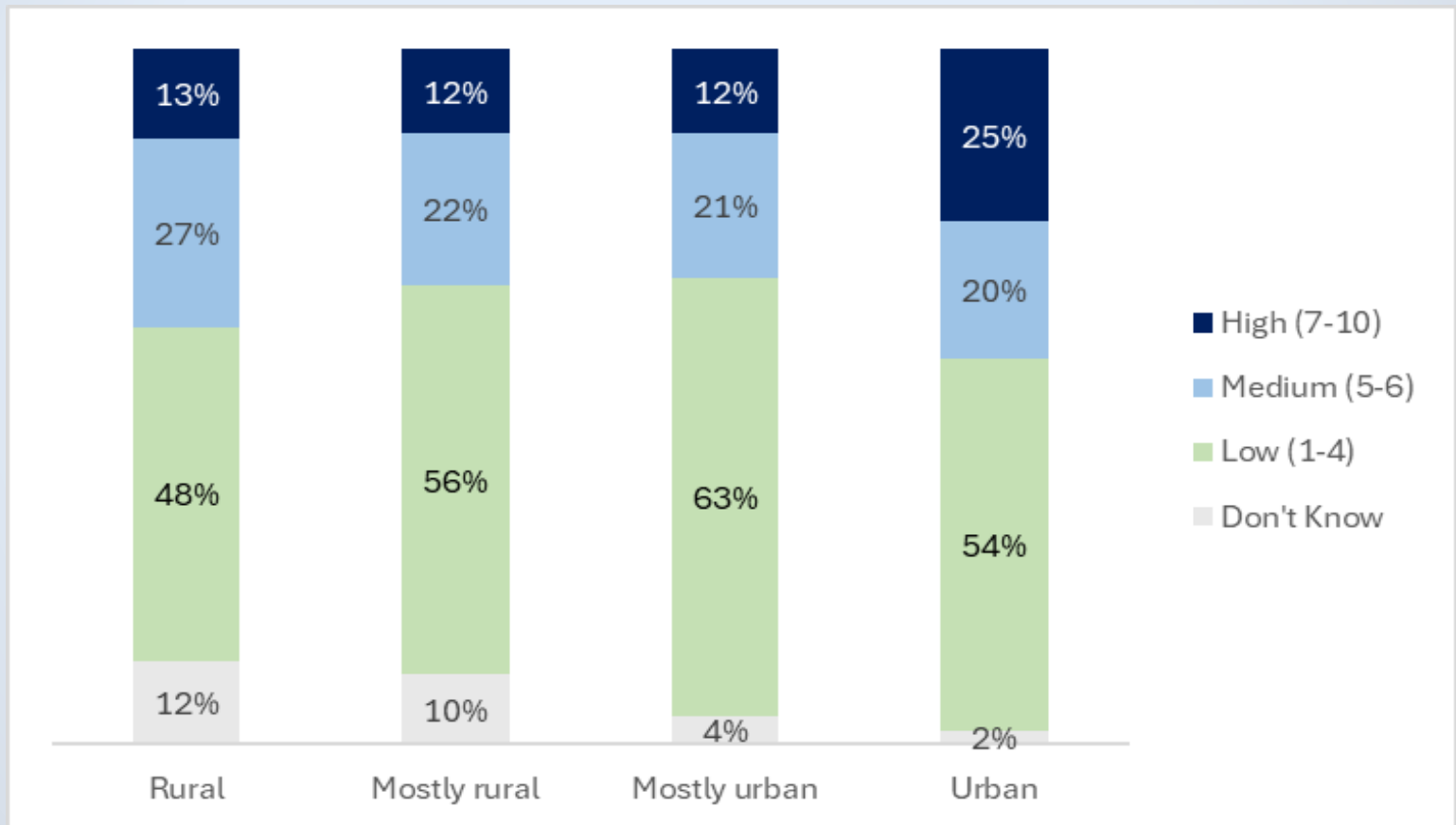
“Thinking about the overall fiscal stress of your jurisdiction today and what you expect it to be down the road, including any future financial obligations it may have ...how would you rate your jurisdiction's overall fiscal stress today?” (2023)

Percentage of jurisdictions in 2023 reporting low fiscal stress (1-4 on 10-point scale)



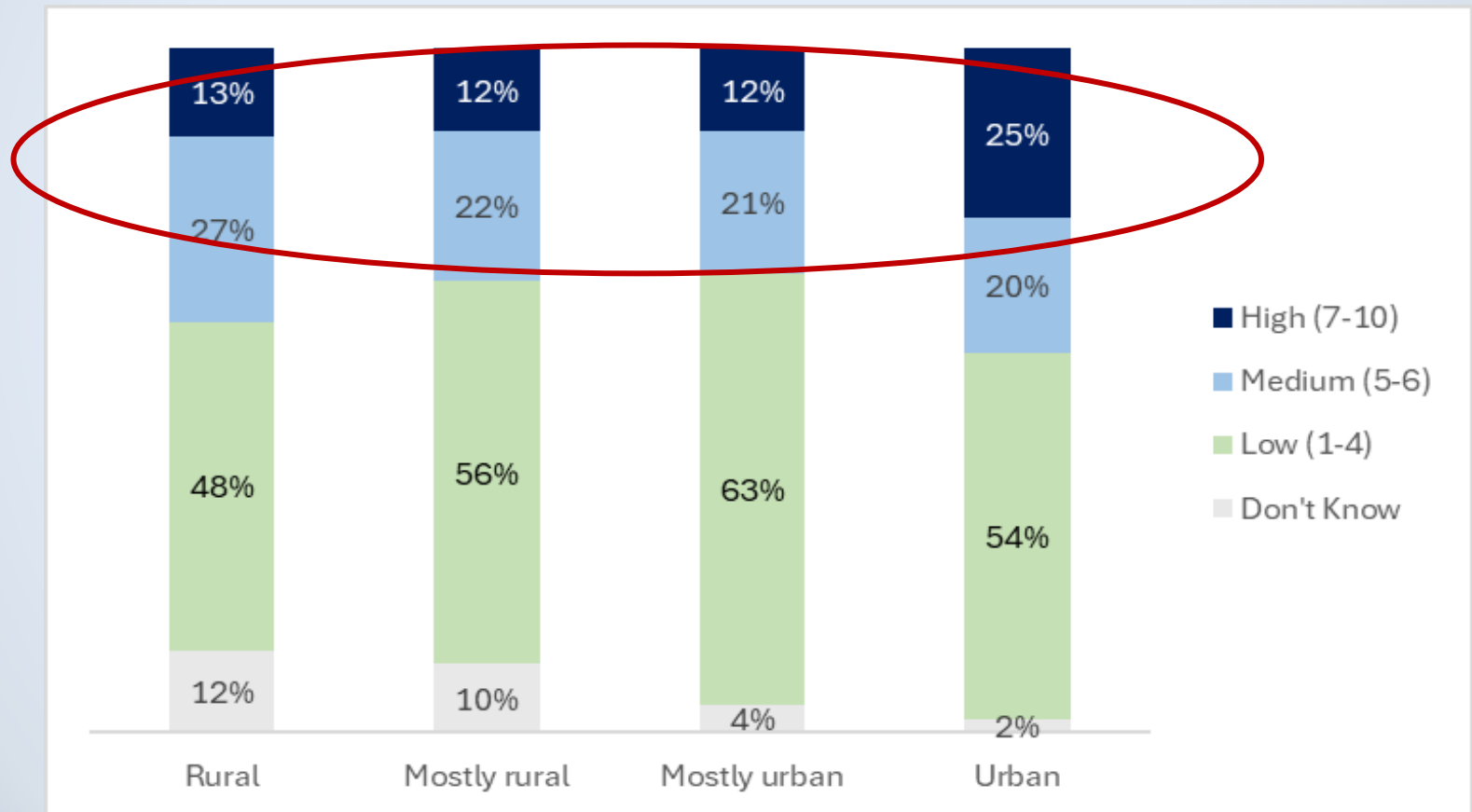
Rural predictions of fiscal health

“Thinking about the overall fiscal stress of your jurisdiction today and what you expect it to be down the road, including any future financial obligations it may have ...how would you rate your jurisdiction's overall fiscal stress stress as you expect it to be five years from now?” (2023)



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Fiscal challenges for rural communities

What is the most important problem facing your jurisdiction? (2019)

~ 600 open-end question responses from rural jurisdictions

~ 120 rural jurisdictions said **Jurisdiction finances and operations** is their most important problem (more than 25% of rural responses),
Examples include:

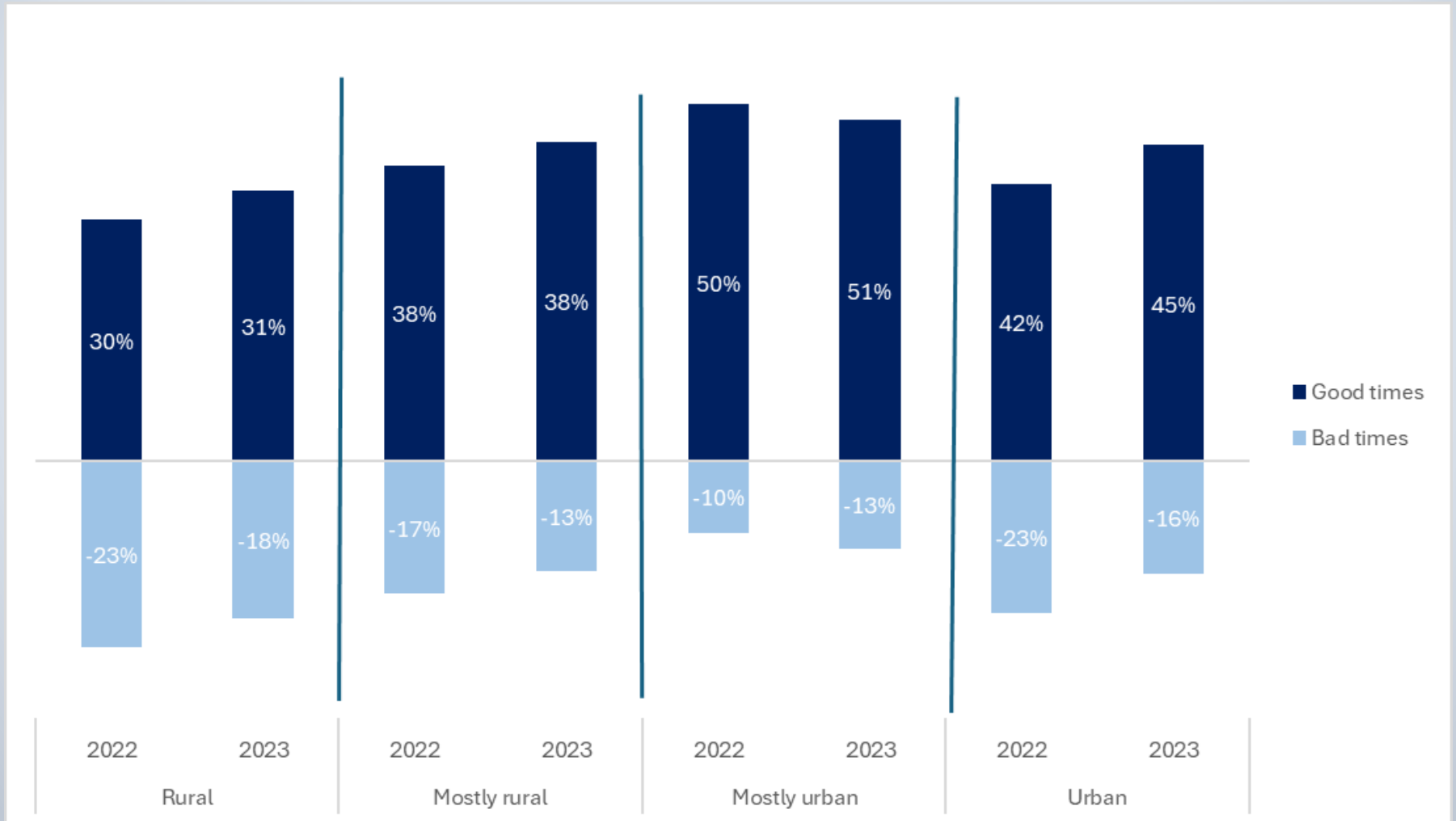
- **Revenues**
 - Property tax base, rates
 - State revenue sharing
- **Expenses for cost of services / infrastructure maintenance**
 - Roads; public safety; water/sewer
- **Expenses for employee costs**
 - Health insurance; OPEB / Pension
- **Expenses for unfunded mandates**
- **Other budget & financial concerns**



>> other rural community concerns

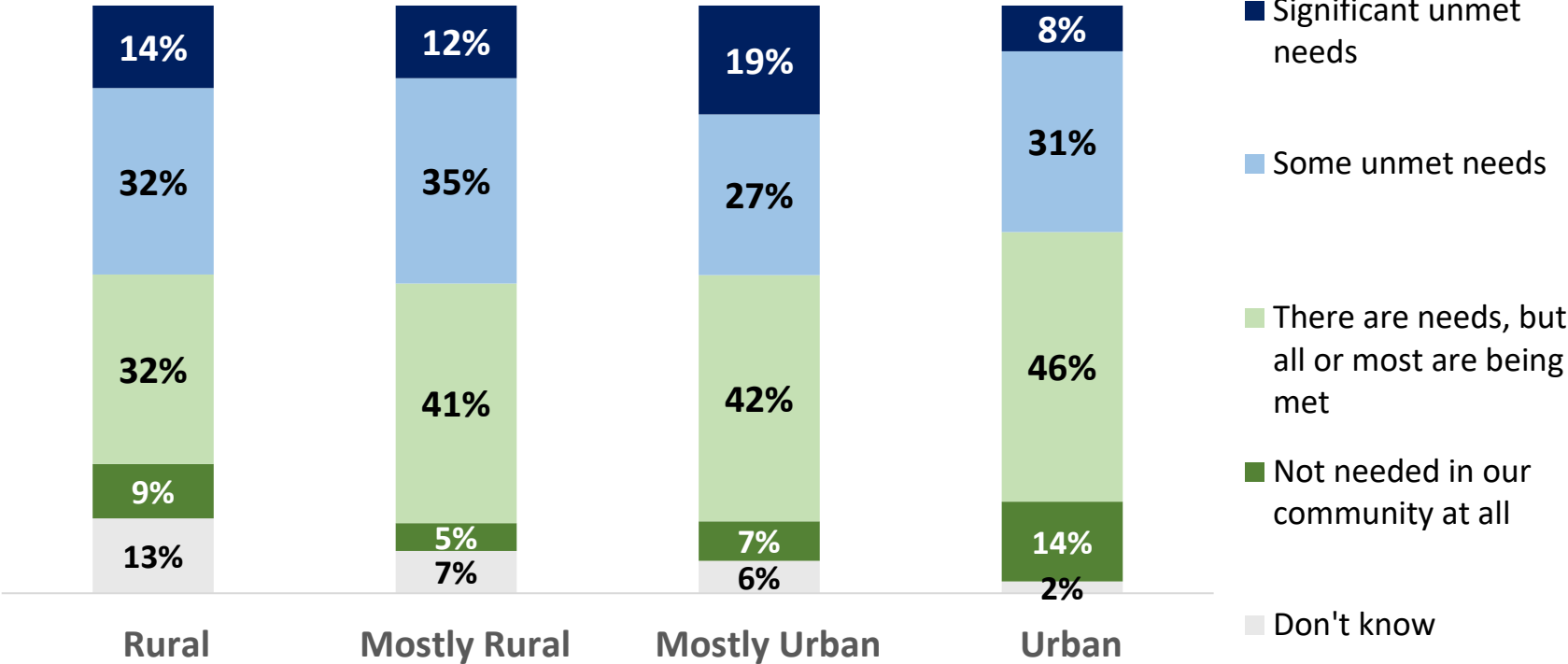
Concerns about economic conditions

“During the next twelve months, do you expect good times or bad times for local economic conditions in your community?” (2022-2023)



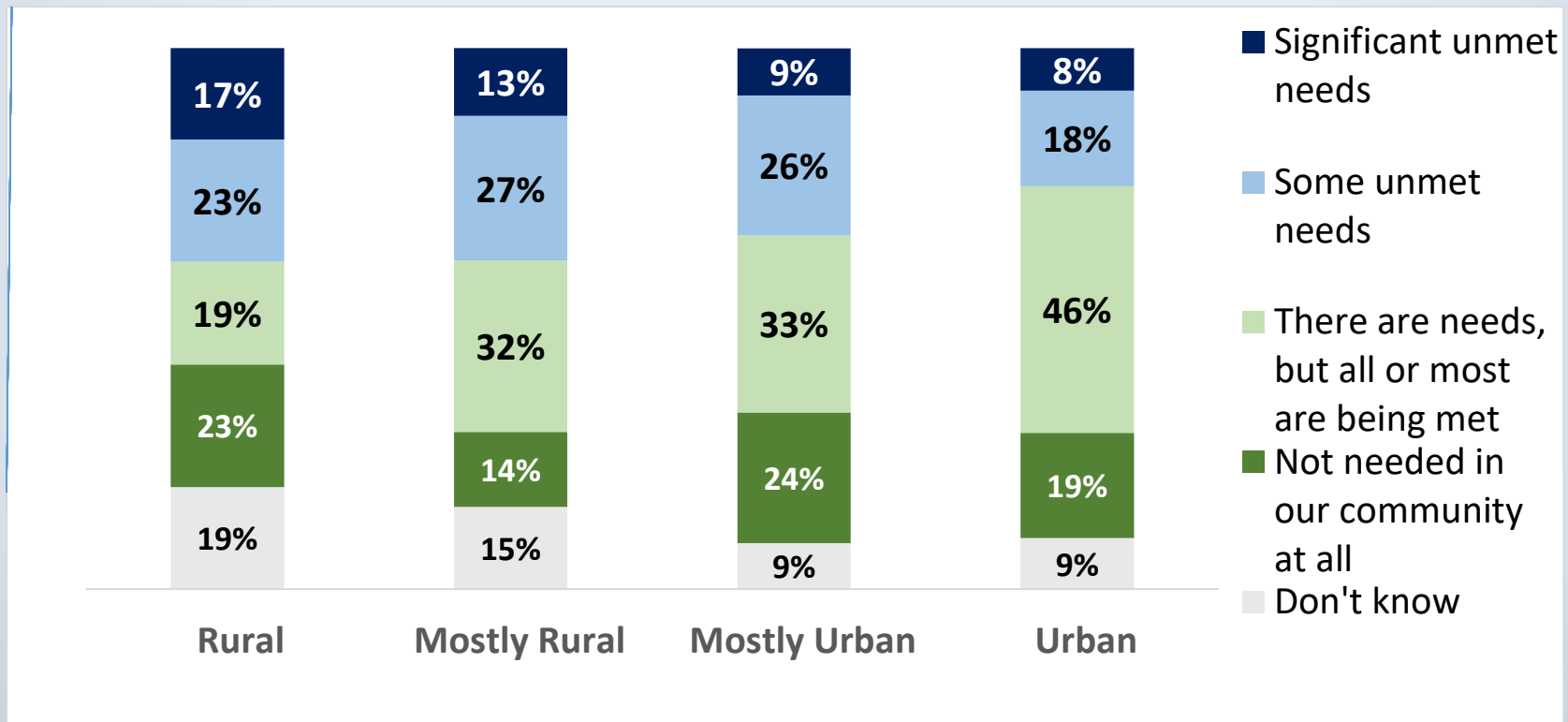
Concerns about rural affordable housing

“To the best of your knowledge, please indicate if affordable housing is needed by residents in your community to help make ends meet and — if so — whether those needs are being met.” (2018)



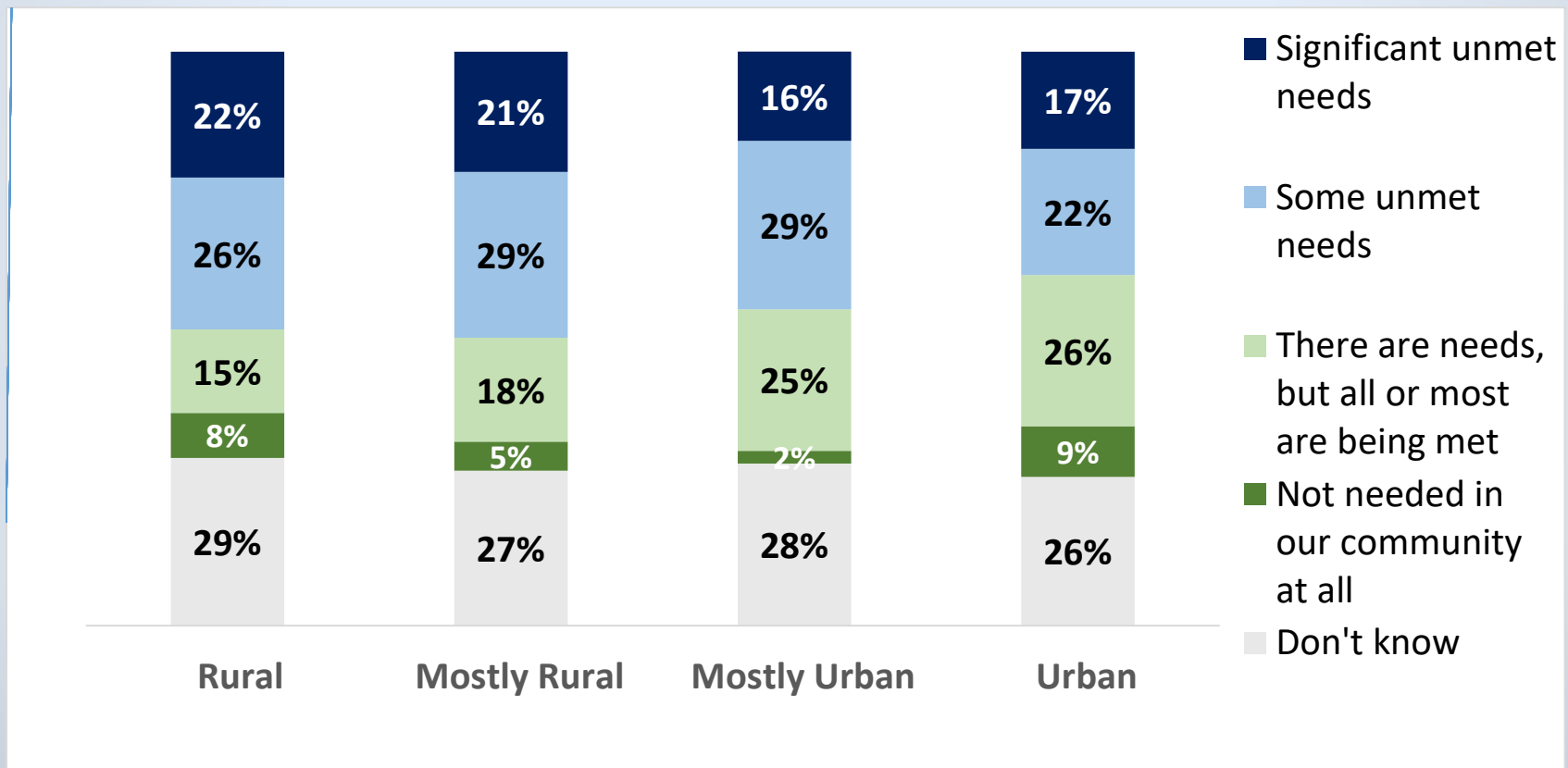
Concerns about rural emergency housing

“To the best of your knowledge, please indicate if emergency housing (homeless shelters, domestic violence shelters, warming centers, etc.) is needed by residents in your community...” (2018)



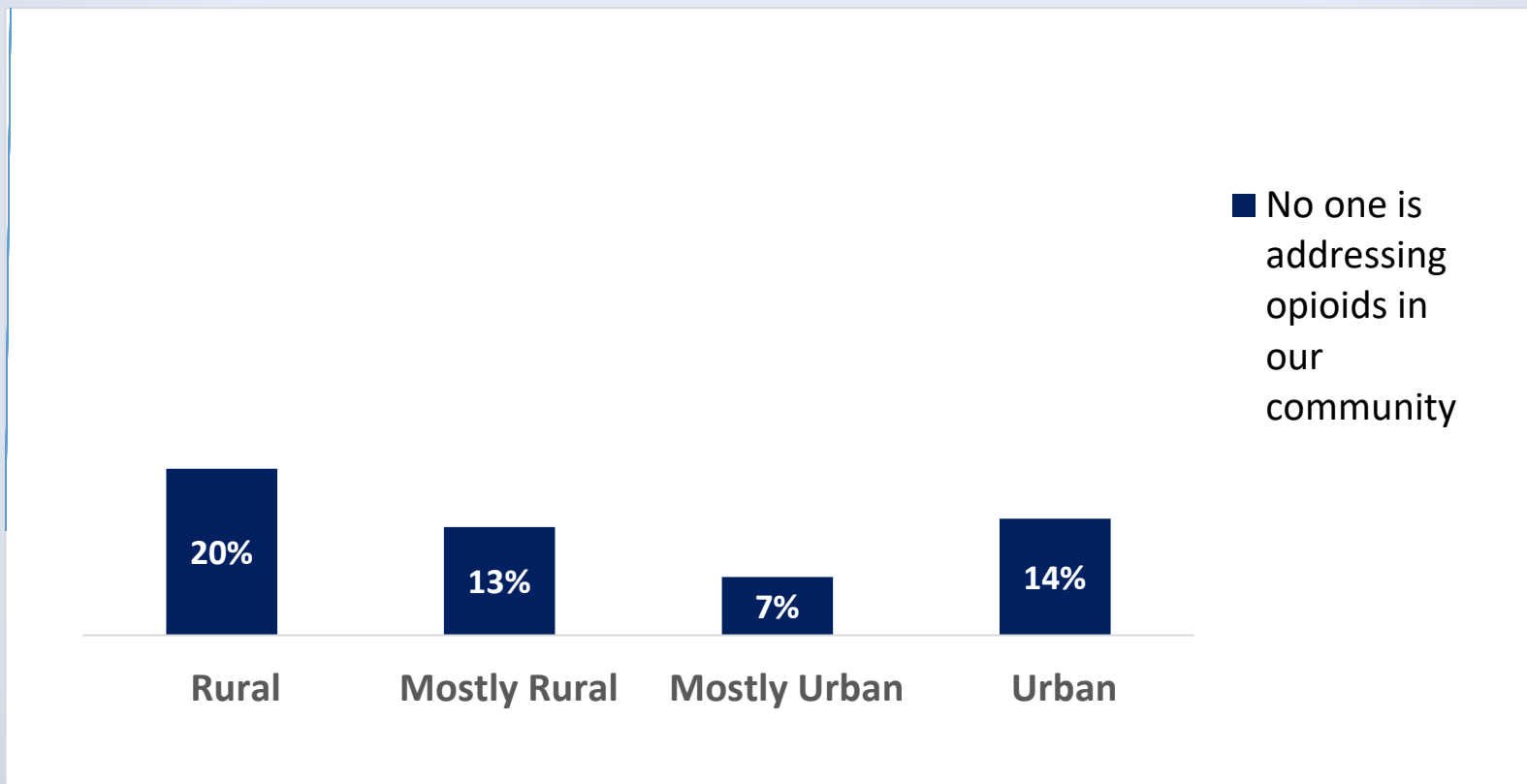
Concerns about rural public health

“To the best of your knowledge, please indicate if drug treatment programs are needed by residents in your community...” (2018)



Concerns about rural public health

“Whether or not there are currently any problems with opioids in your area, to the best of your knowledge, are any of the following actively addressing opioid issues in your jurisdiction?” (2019)



Most important problem in rural communities

What is the most important problem facing your jurisdiction? (2019)

~ 600 open-end question responses from rural jurisdictions

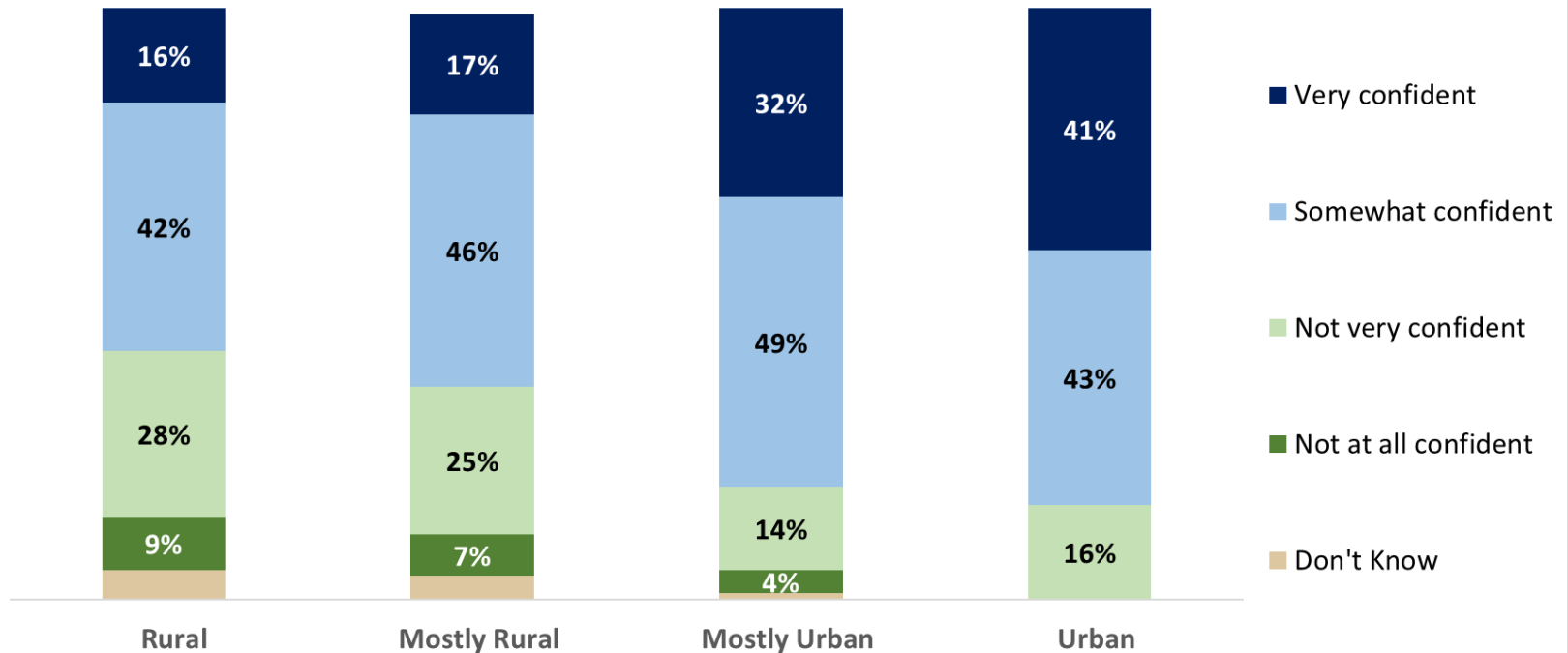
- **Infrastructure – ~ 250 jurisdictions**
 - Roads ; Water / sewer ; (high speed) internet
- **Jurisdiction finances and operations – ~ 120 jurisdictions**
 - Revenues; Cost of services / infrastructure maintenance; Unfunded mandates; OPEB / Pension
- **Economic conditions & development – ~ 80 jurisdictions**
 - Not enough jobs / loss of jobs / low paying jobs
 - Declining population
 - Economic development / Not enough local businesses
- **Others**
 - Housing; Public safety (fire, EMS, police); Public health & drugs; Land use & zoning (including wind development); Civic engagement & relationships; & more



>> rural leaders more likely to have concerns with capacity

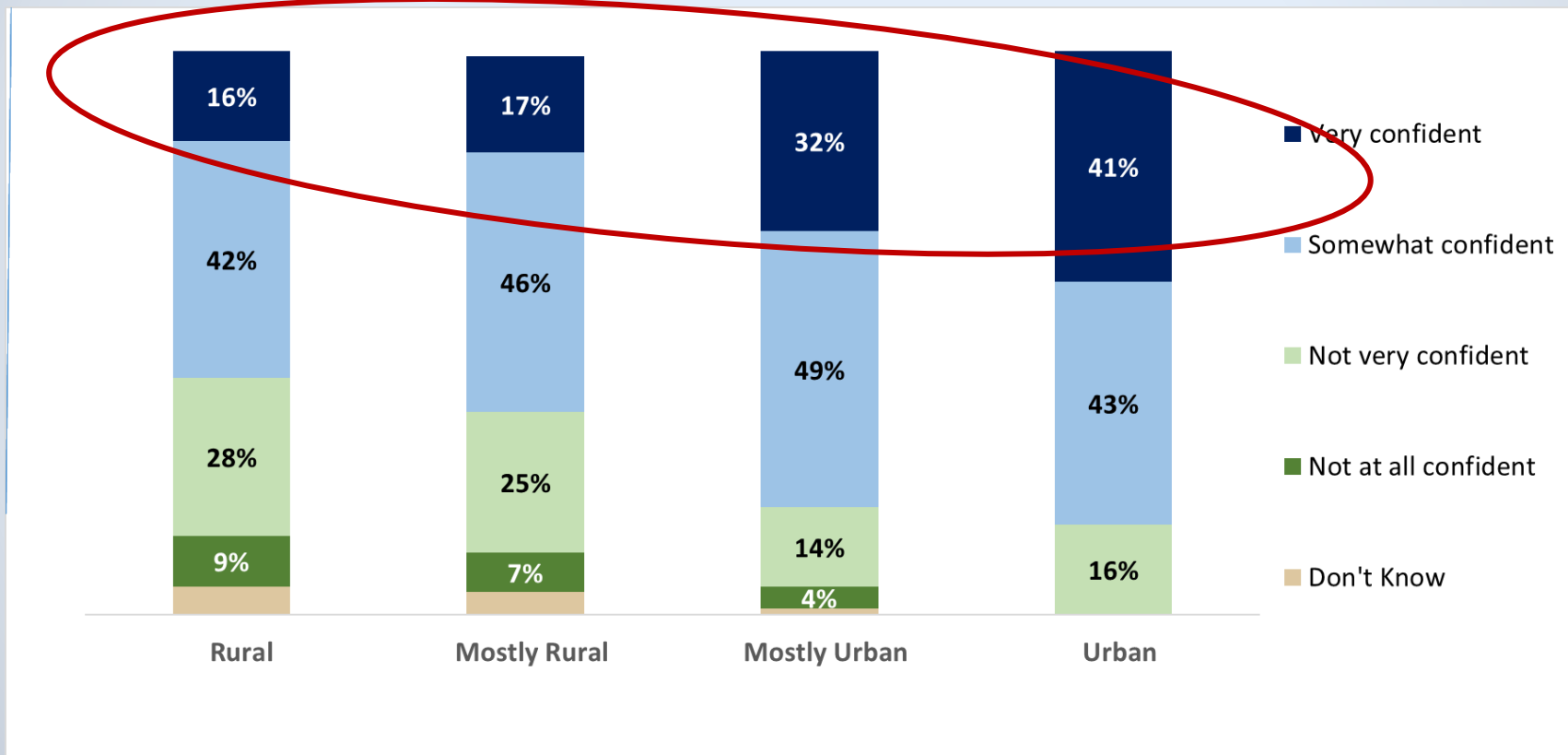
Rural officials struggle to pursue grant funding

“How confident are you that your jurisdiction can successfully apply for future state and/or federal funds or grants that may become available?” (2023)



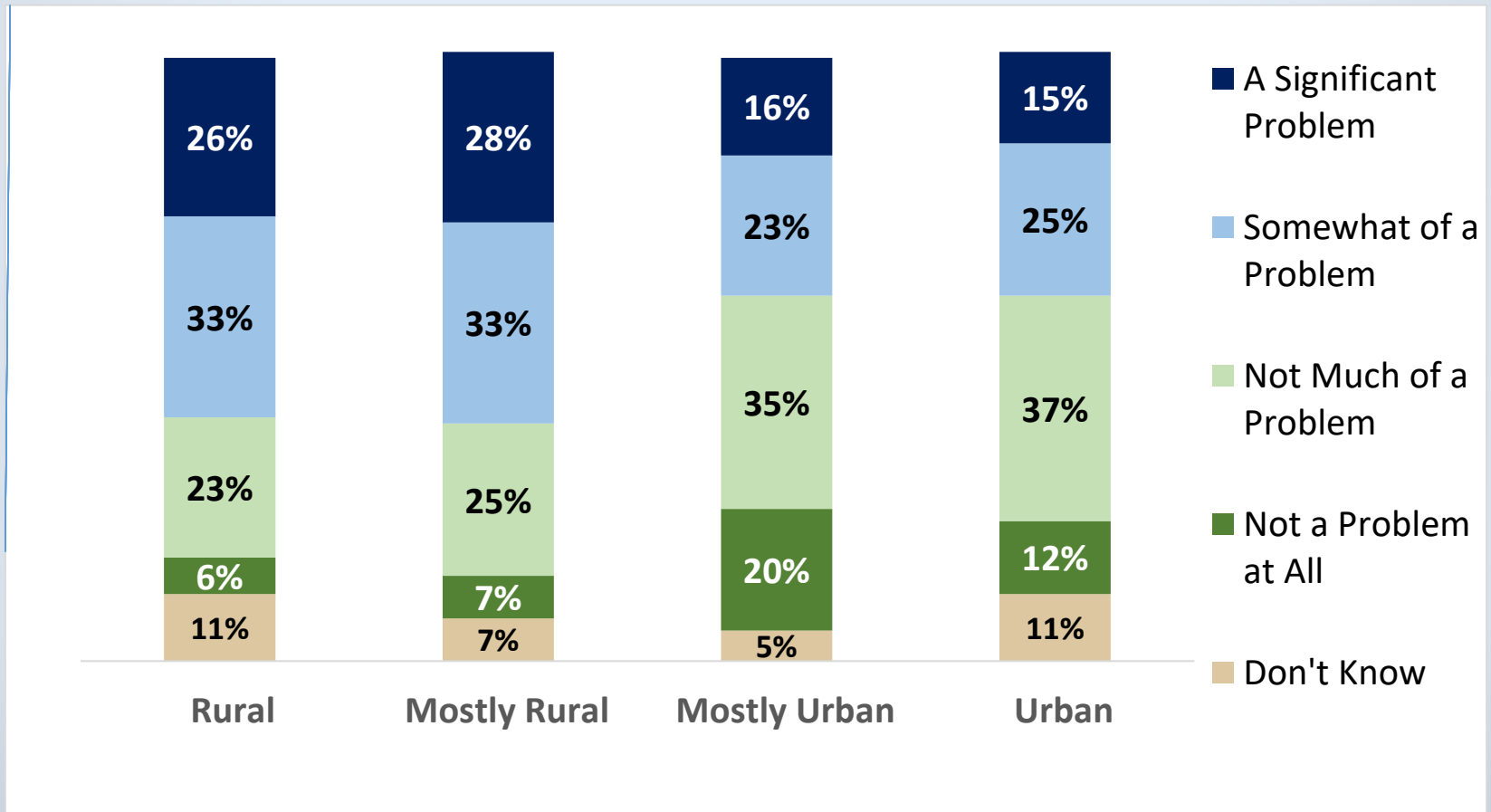
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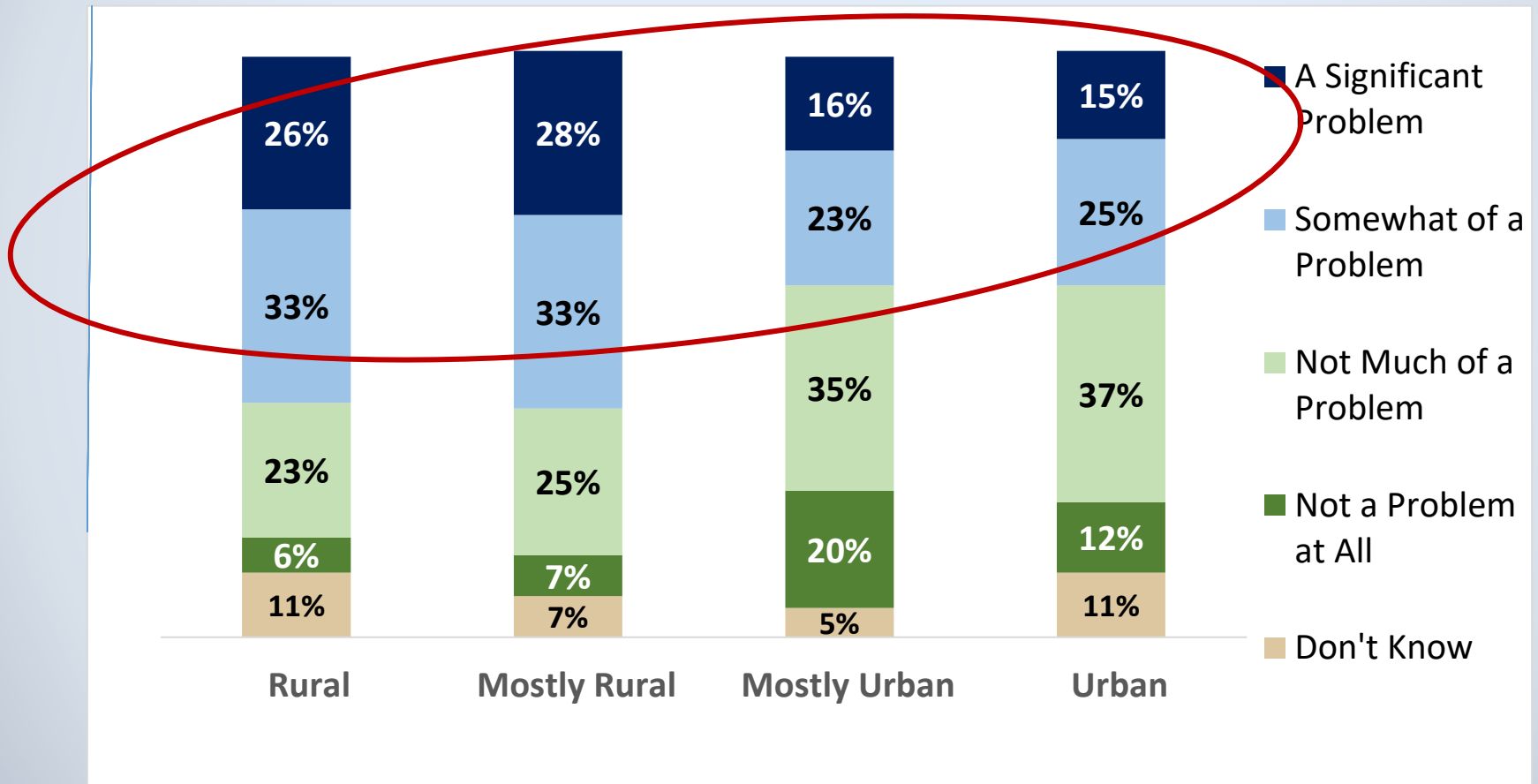
Rural officials struggle to make use of ARPA funds

“Is navigating state and federal bureaucracies a problem your jurisdiction is facing regarding the management and/or allocation of any ARPA funds?” (2023)



Rural officials struggle to make use of ARPA funds

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Voices across rural Michigan

Please briefly describe any additional resources or assistance that would help your jurisdiction find, apply for, and/or administer state and federal grants.

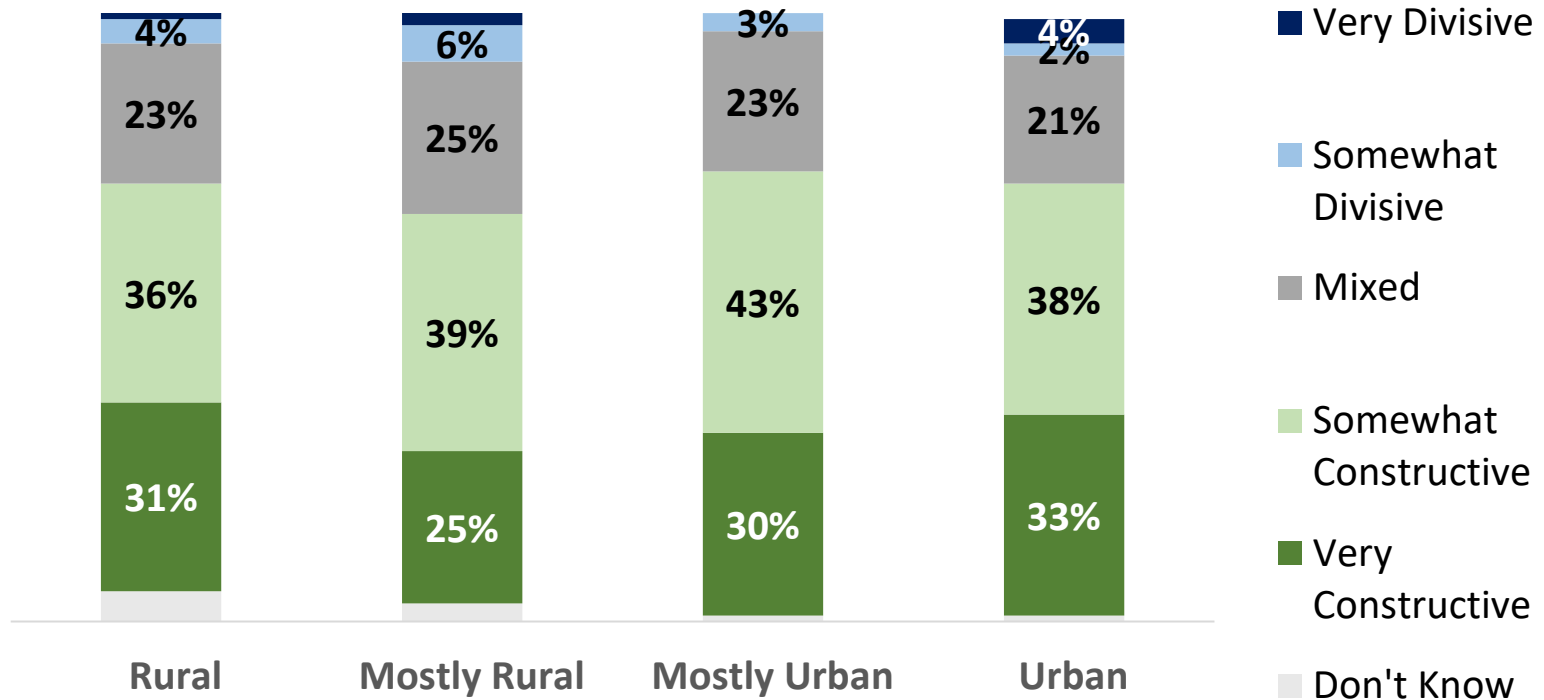
- “**Classes** on how to apply for and track and record the grants. Many people do not have a degree in accounting, and it is not second nature to know how to account for the grant in the financial books properly.”
- “We would need guidance - **assistance** (not done for us but assistance) with grant writing. IF we learn where to look and how to do it, we can help ourselves in the future.”
- “We are a **part time office**. We do not have enough money to pay our board or employees to spend the time looking for and applying for these grants. We run a bare bones operation to be able to serve our residents.”
- “Grant funding is often out of reach due to **required matching funds** or the need to fund a project and wait for reimbursement.”
- “Rural communities (like ours) require tens of thousands of dollars of investment just to gather all of the **information** that is needed for the application. And the **timelines** -- from application to finding out if we will get funding -- are so extended that we are not sure if we can continue putting off the necessary repairs.”



>> civic relationships in rural communities

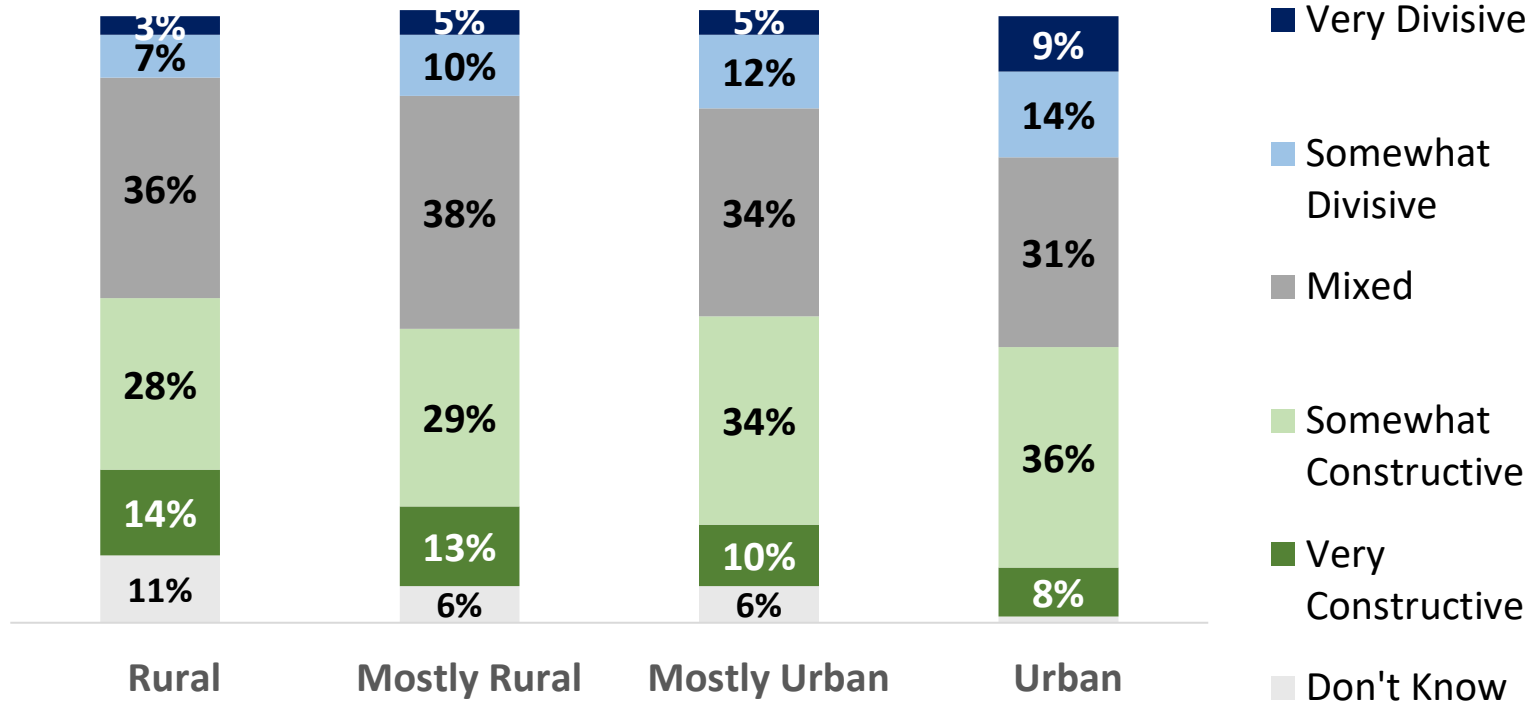
Civic discourse between leaders and residents similar across communities

“Thinking generally about the tone of discussion and communication that takes place around local policy issues, how would you describe the general state of public discourse between elected officials and residents within your jurisdiction?” (2022)



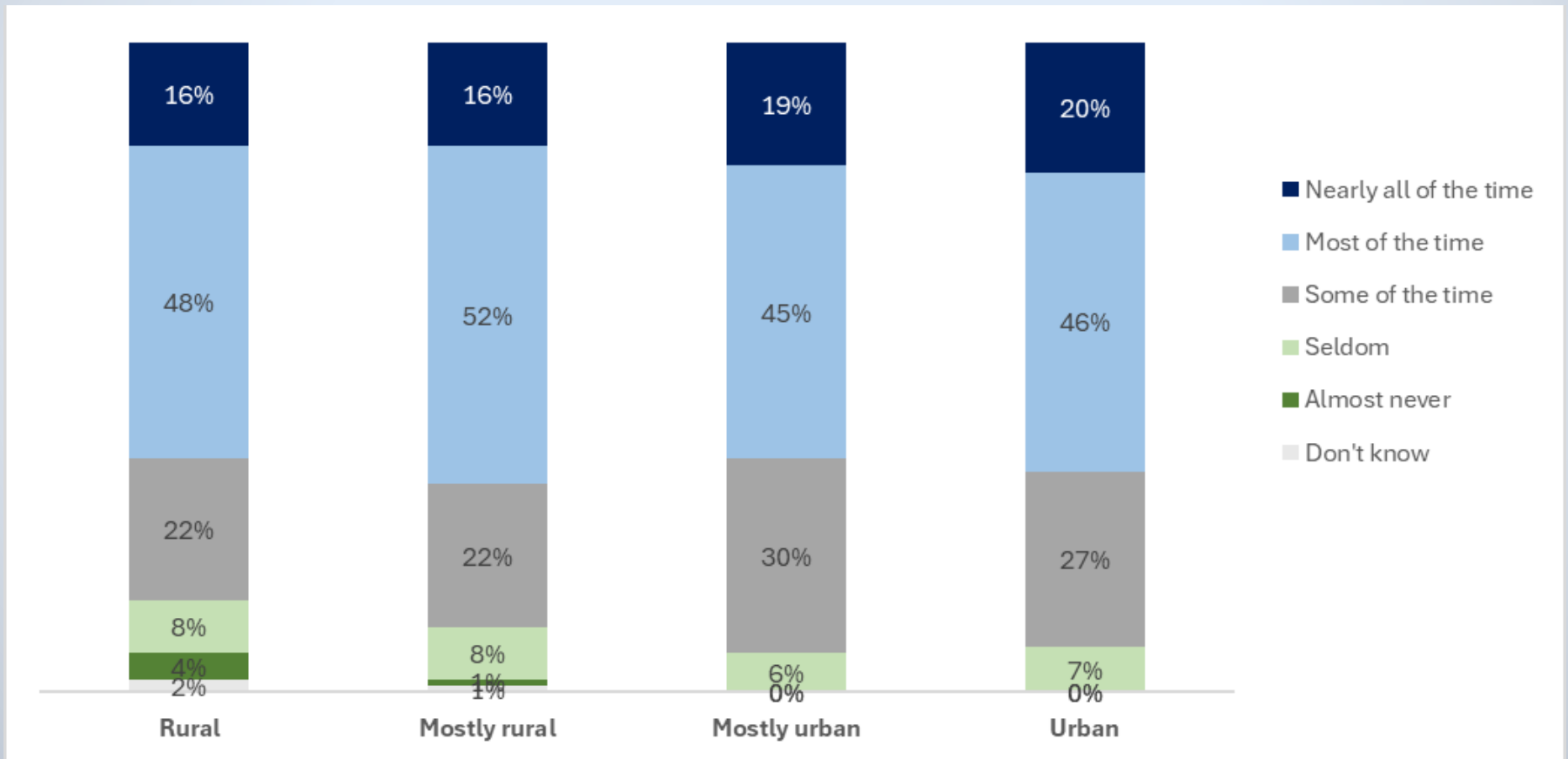
Discourse among residents in rural communities slightly more constructive

“Thinking generally about the tone of discussion and communication that takes place around local policy issues, how would you describe the general state of public discourse among residents themselves within your jurisdiction?” (2022)



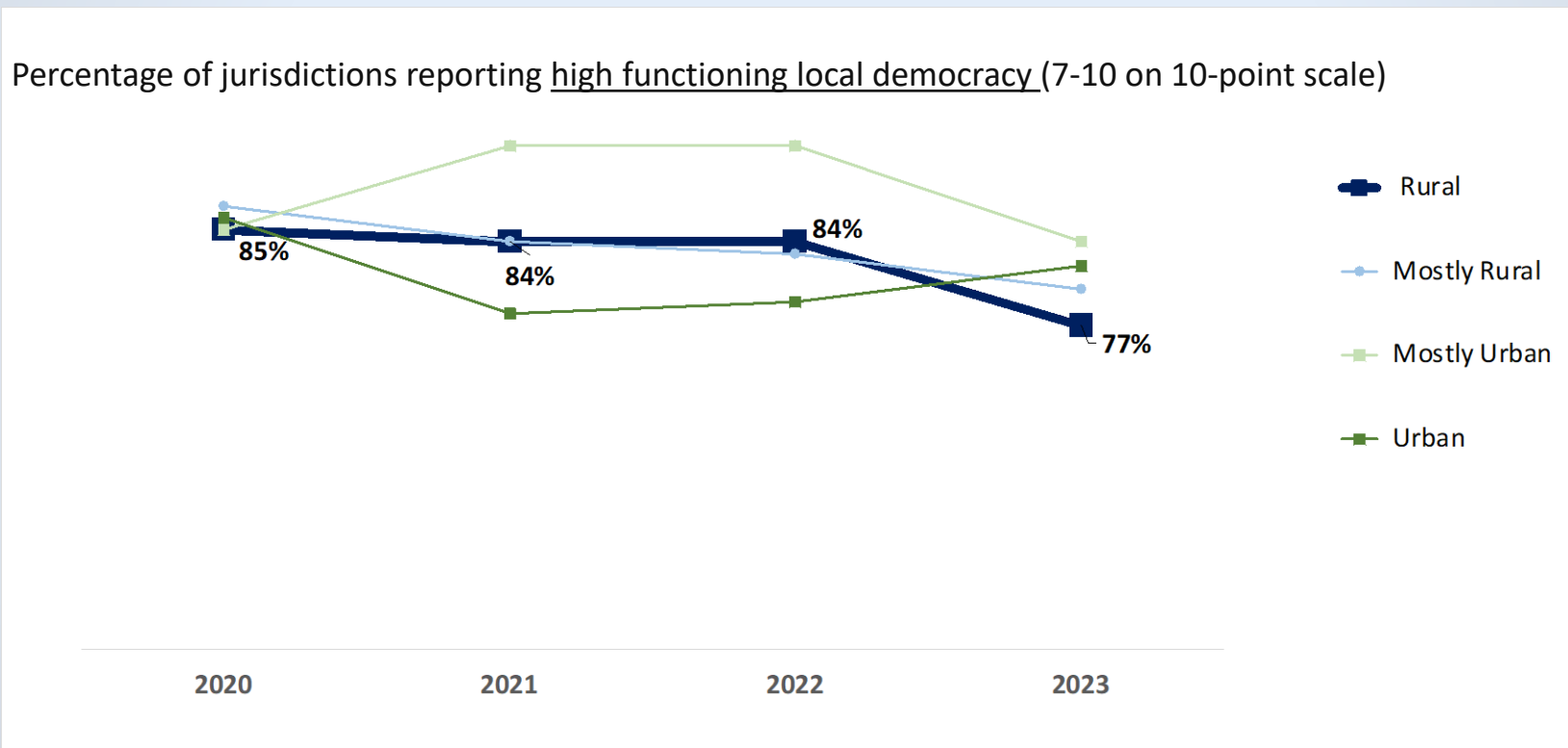
Trust in residents slightly lower in rural communities

In terms of their engagement in your jurisdiction's policymaking and/or operations, how much of the time do you think you can trust the citizens in your community to be responsible participants? (2020)



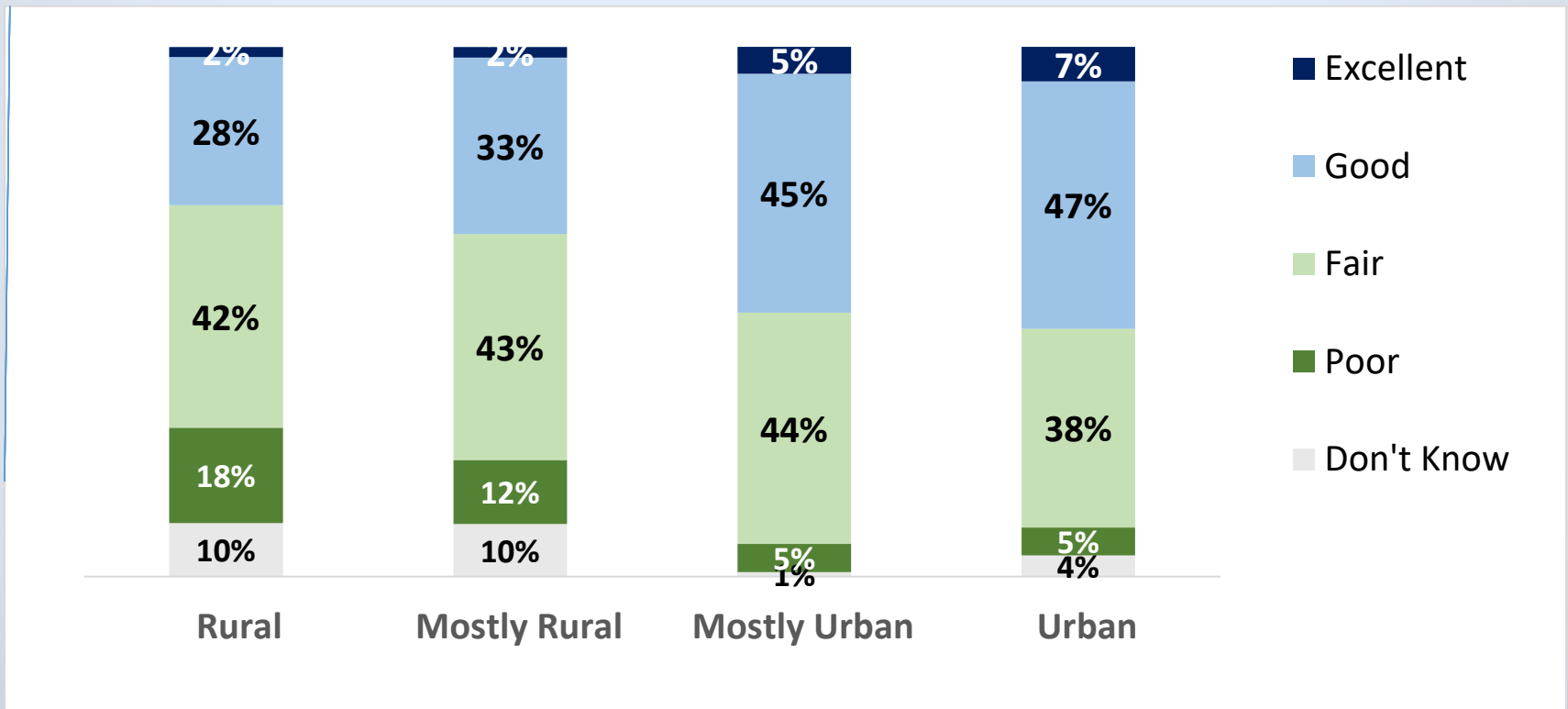
Health of local democracy saw first ratings decline

“On a scale from 1 to 10, where 1 is a total breakdown of democracy and 10 is perfectly functioning democracy, how would you rate the functioning of democracy today in your jurisdiction?” (2000-2023)



Concerns about local relationships with Lansing

“How would you describe the overall relationship between the state government and your jurisdiction in particular?” (2023)

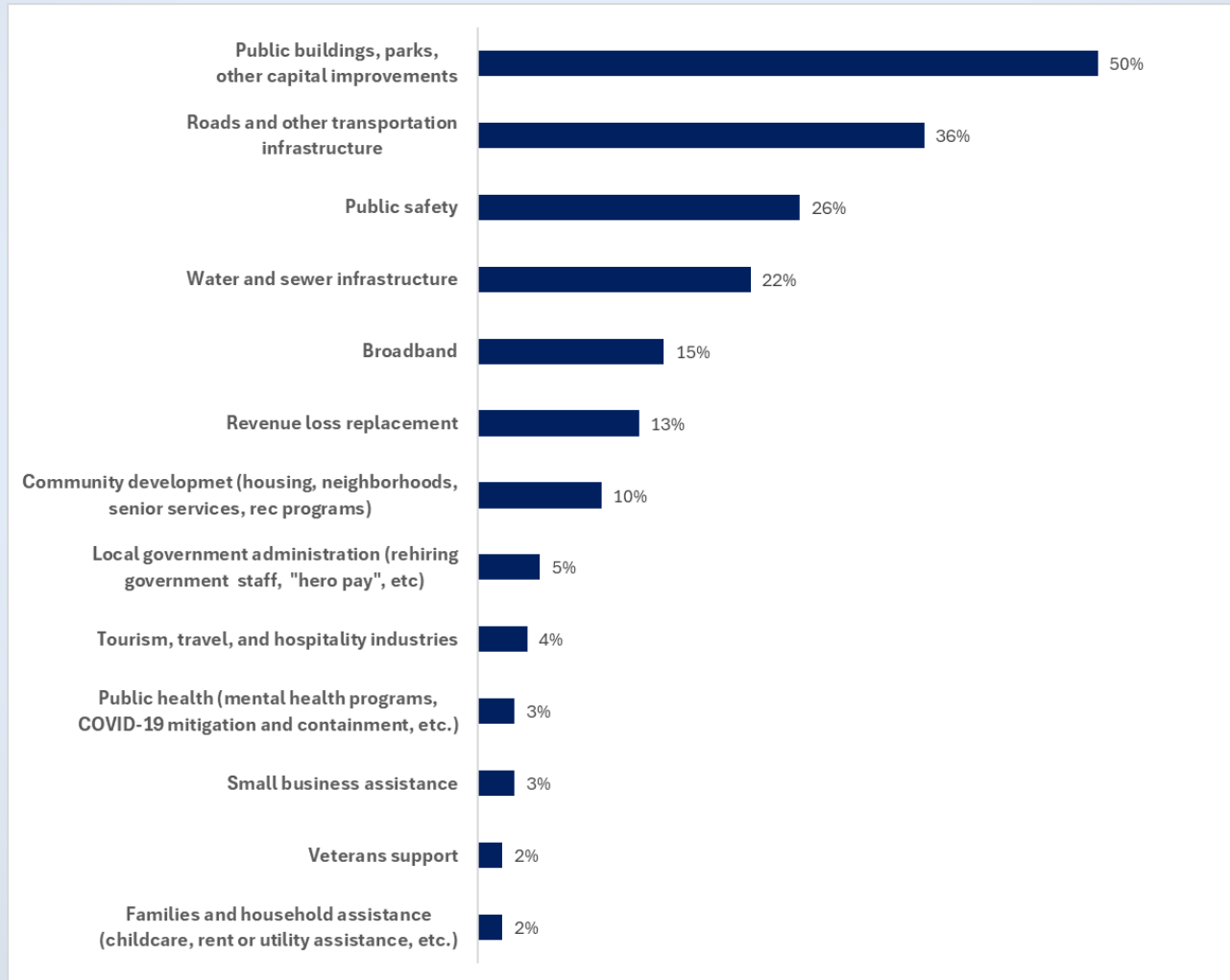




>> Resources and opportunities for rural governments

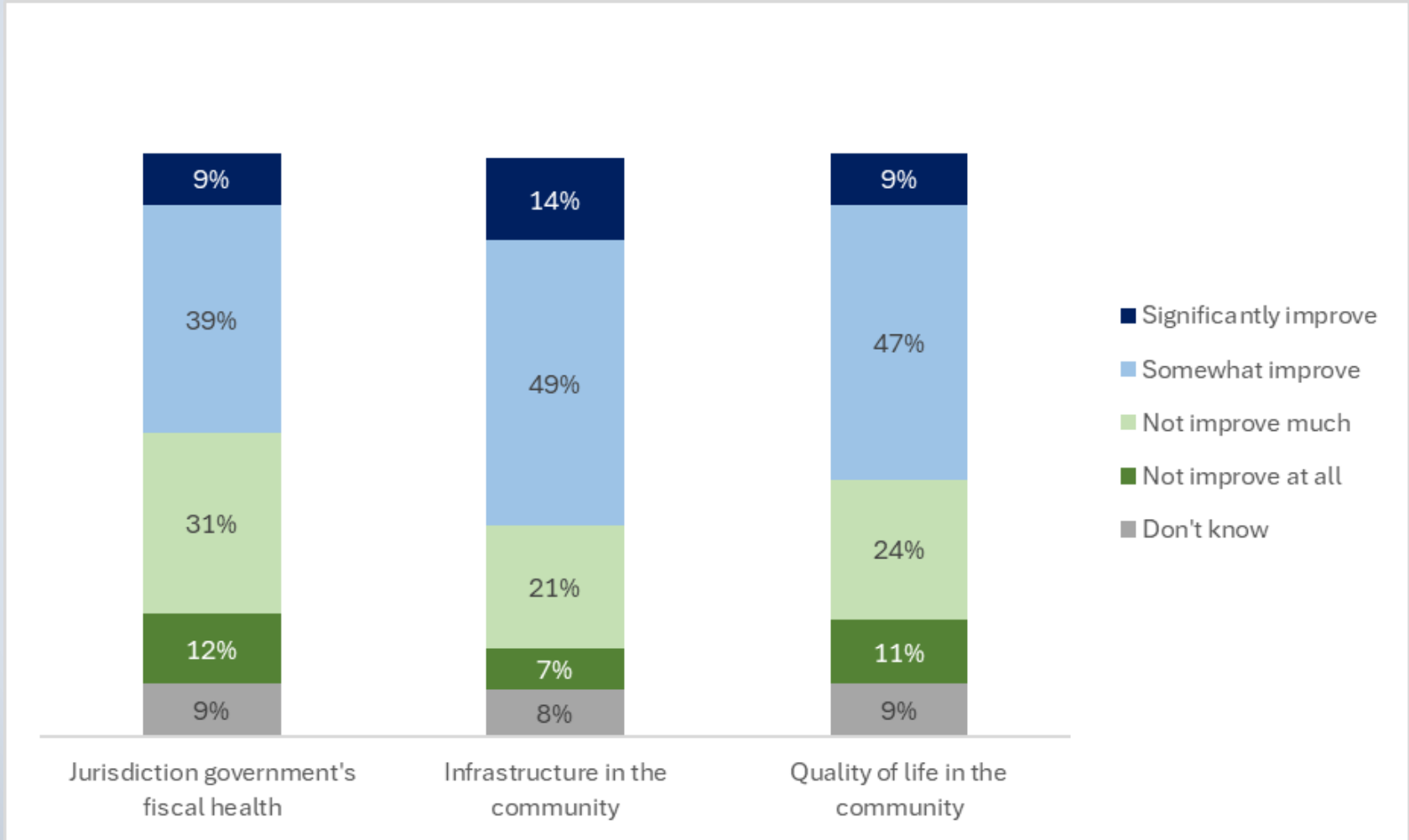
Uses of ARPA funding by rural governments

Which of the following types of projects or priorities, if any, is your jurisdiction supporting or planning to support with American Rescue Plan Act (ARPA) funds? (2023)



Impacts of federal funding on rural communities

Overall, do you think this new federal funding will help improve (2022)



Voices across rural Michigan

Types of funding local officials need (2023)

- “We need the **grants to be available to use by small townships.**”
- “Grants for **water/sewer** that can realistically help improve a high water cost situation --not for impoverished, not for lead. **Just for the average small community with few users and expensive infrastructure.**”
- “We have no businesses in our township. However, **road improvement** would be a huge help if there were any grants for that. Because we are so small, we are on the backburner so to speak.”
- “**Fixing up** an old campground , community park.”
- “I firmly believe that **broadband access** by our residents should be burdened by the federal or the state government entities....not at the township level. Just as rails, roads, and phone systems were necessary in the 20th century, so it is with the internet in the 21st century. residents need the internet for school, for employment opportunity, for shopping, for entertainment and for social activity.”

Takeaways

- Greater overall stability in rural communities may be masking reasons for concern
- Rural leaders' concerns about local government capacity and resources
- Rural leaders' concerns about a wide variety of metrics of community health
- Recent signs of rural decline: fiscal health assessments, functioning of democracy
- Federal and state funding create new opportunities for rural governments

And for additional information on MPPS data

Web: www.closup.umich.edu

Email: closup-mpps@umich.edu

Phone: 734-647-4091