



Smaller and more rural Michigan local governments are struggling with increased fiscal stress

By Natalie Fitzpatrick, Debra Horner, and Stephanie Leiser

This report presents Michigan local government leaders' assessments of their jurisdictions' fiscal conditions and the actions they plan to take in the coming year, given their financial situations. These findings are based on statewide surveys of local government leaders in the spring 2025 wave of the Michigan Public Policy Survey (MPPS) with comparisons to survey waves from 2009–2023.

The Michigan Public Policy Survey (MPPS) is an ongoing census survey of all 1,856 general purpose local governments in Michigan conducted since 2009 by the Center for Local, State, and Urban Policy (CLOSUP).

Respondents for the Spring 2025 wave of the MPPS include county administrators, board chairs, and clerks; city mayors, managers, and clerks; village presidents, managers, and clerks; and township supervisors, managers, and clerks from 1,328 local jurisdictions across the state.

Key Findings

- **Overall fiscal health slipping:** This year, 56% of Michigan local governments statewide report relatively good fiscal health (a score of 4 or lower on the MPPS 10-point Fiscal Stress Index), down from 63% in 2023. This is the lowest percentage since the MPPS began tracking this measure in 2014.
 - » The 8% of jurisdictions statewide reporting high levels of fiscal stress represent approximately 148 Michigan local governments.
 - » Fewer than half (48%) of the smallest communities (fewer than 1,500 residents) report relatively good fiscal health. Only 39% of villages report good health, down sharply from 61% in 2023.
- **Concerns for small and rural communities:** Assessments of several individual indicators of fiscal conditions (such as concerns about general fund balance and changes in revenues from property taxes) also signal concerns from smaller and more rural jurisdictions.
- **Easing service demands:** Compared to prior years, a smaller percentage of local governments report increasing service demands in public safety and infrastructure, and more report planning to increase spending to meet needs in the coming fiscal year, with the exception of spending on human services.
- **Mixed expectations for next year:** Looking ahead to next year, just one-quarter (24%) statewide predict their jurisdiction will be better able to meet its fiscal needs in 2026. This is down from 33% in 2022 and 30% in 2023. Meanwhile, 25% of local leaders predict their jurisdictions will be less able to meet fiscal needs in 2026, and 46% expect no change.
- **Pessimism about the future:** In the longer term, just under half (49%) of jurisdictions expect relatively good fiscal health five years from now (compared to 56% who have good health today), while 14% predict high fiscal stress (compared to 8% who have high stress today). Concerns about long-term fiscal stress have consistently increased since 2021, despite the infusion of state and federal funding during that period.
 - » These concerns are found across jurisdictions of all sizes. However, the largest jurisdictions seem to be especially worried about the future. In communities with over 30,000 residents, 73% of local leaders say they currently have good fiscal health, but only 54% predict good health five years from now.



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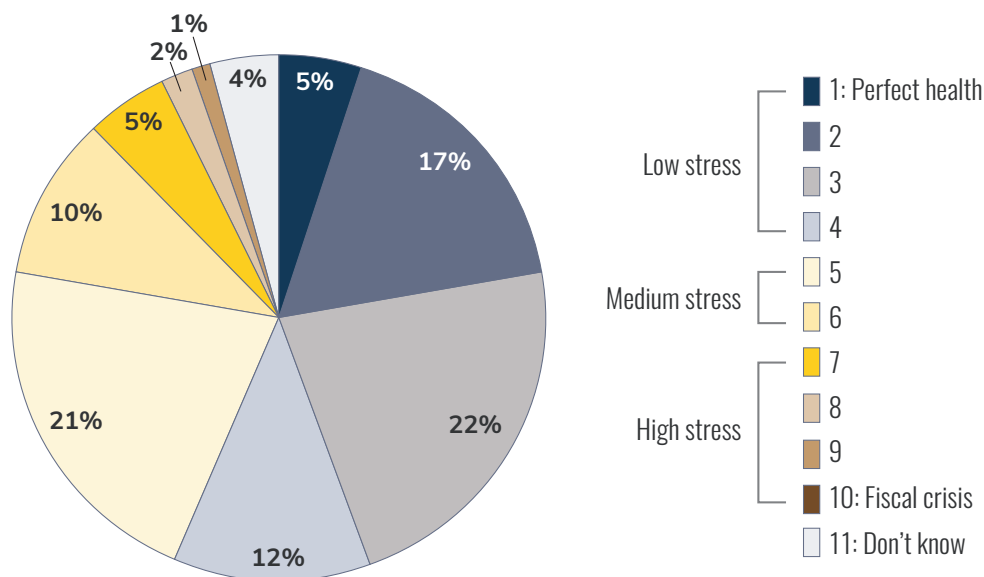
Overall local government fiscal health sinks to lowest point in over a decade

Since its launch in 2009, the Michigan Public Policy Survey (MPPS) has reported on trends in fiscal health among Michigan local governments by asking local officials about a variety of measures, from general assessments of overall fiscal health to changes in specific types of revenues and expenditures. Research suggests that local leaders' subjective assessments contribute “forward-looking, context-specific, and difficult-to-quantify insights about local economic and political conditions” that might otherwise be missed by standard financial audits and economic measures.¹

One of the key measures the MPPS started tracking in 2014 is the Fiscal Stress Index (FSI). This measure captures a snapshot of local government fiscal condition by asking local leaders to rate their jurisdiction's overall fiscal condition on a scale of 1–10, where 1 is perfect fiscal health and 10 is fiscal crisis. Reports of 1–4 on the scale are considered “low fiscal stress” or “good fiscal health”, while ratings of 5–6 are considered “medium fiscal stress”, and ratings of 7–10 are considered “high fiscal stress.”

Figure 1a

Officials' assessments of their jurisdiction's current fiscal health, via the MPPS Fiscal Stress Index, 2025

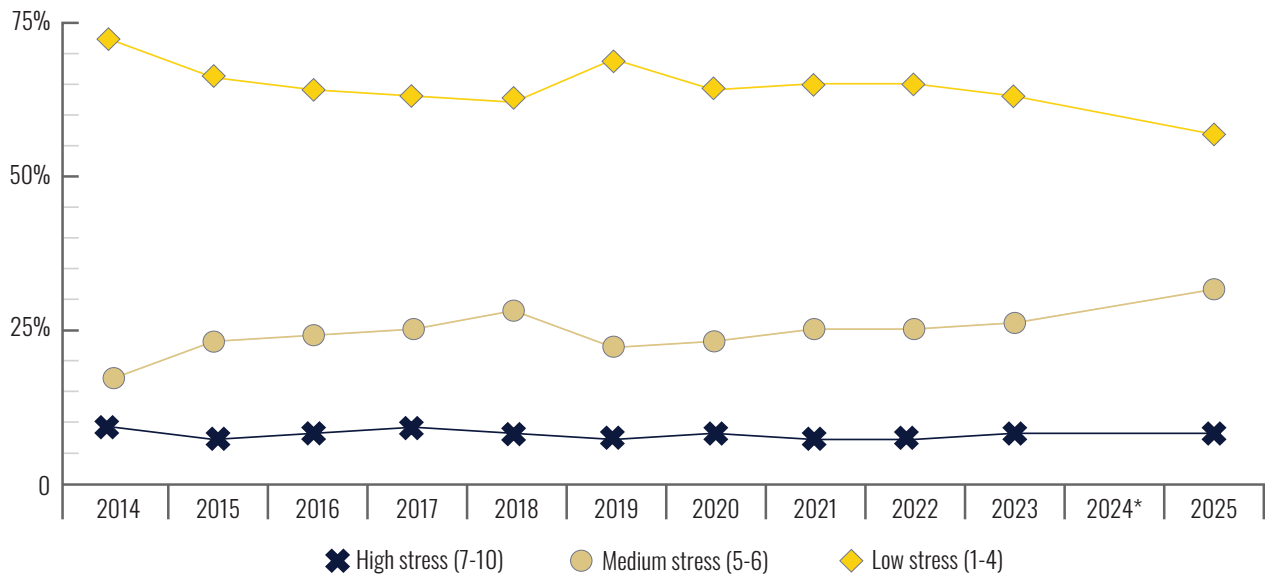


As shown in *Figure 1a*, just over half (56%) of Michigan's local leaders rate their jurisdiction's fiscal condition on the FSI as relatively good (i.e., low fiscal stress) in 2025. This is down sharply from 2020–2023, when 63–65% reported a relatively good fiscal condition (see *Figure 1b*). Currently, 5% of jurisdictions statewide report having “perfect fiscal health” (1 on the 10–point scale), down from 10% in recent years.

Meanwhile, 31% of the state's local governments currently report medium levels of fiscal stress (scores of 5 or 6 on the 10–point scale), up significantly, and 8% report high levels of stress (scores of 7 or higher), holding steady from past years. In other words, while there is a relatively small but consistent percentage of communities that report high stress, it appears that many local governments that were doing fairly well in prior years may be experiencing a decline in self-reported fiscal health.



Figure 1b
Percentage of jurisdictions reporting low, medium, and high fiscal stress, 2014-2025



*Note: 2024 data excluded due to concerns with validity and comparability, “don’t know” responses not shown.

Between 2014 and 2018, the FSI showed a clear trend of declining fiscal health across jurisdictions statewide. And although this trend was briefly reversed in 2019, the arrival of the COVID-19 pandemic in 2020 coincided with only slight changes in overall fiscal stress scores. However, this year represents an alarming drop in ratings of low stress compared with the more stable era from 2020–2023.

Small and rural jurisdictions, particularly villages, report steep declines in fiscal health

Looking beyond this overall increase in fiscal stress, there is considerable variation across jurisdictions with different characteristics, including population size, government type, and urbanicity. *Figure 1c* shows the percentage of jurisdictions reporting good fiscal health each year by jurisdiction type. The most worrisome trend in this figure is the steep decline in the proportion of villages reporting good fiscal health between 2023 (61%) and 2025 (39%). Even compared to the previous low of 50% of villages reporting good fiscal health in 2022, the drop to just 39% of villages reporting good fiscal health today is stark.

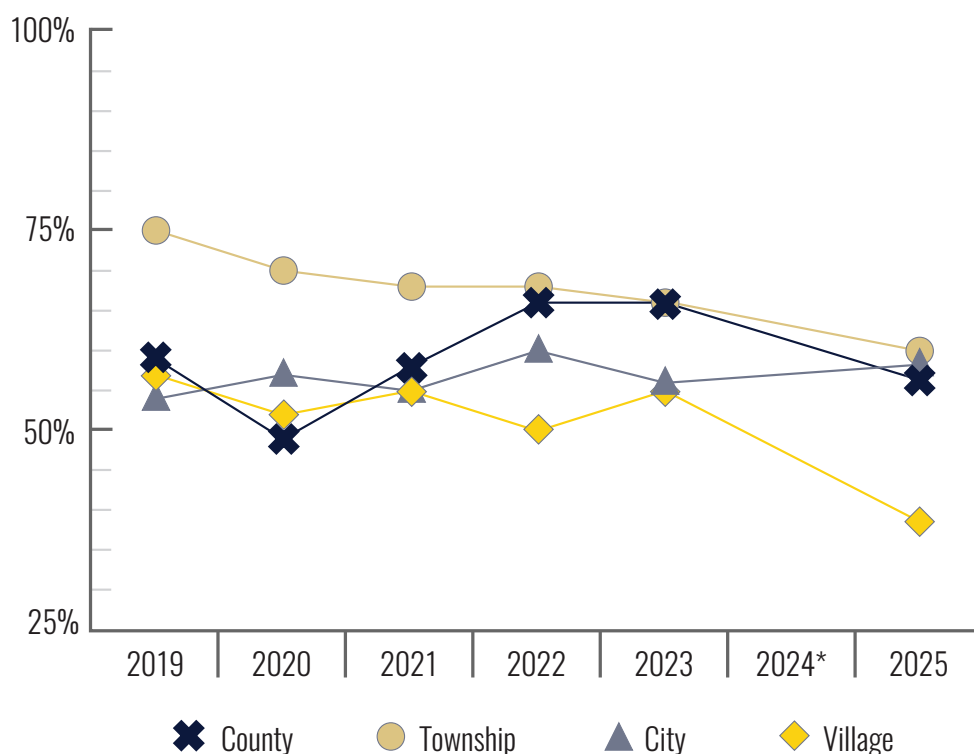
Township fiscal condition presents another area of concern. Historically, a greater proportion of townships have reported good fiscal health compared to other jurisdiction types, but that proportion has been consistently declining since 2019. That year, three-quarters (75%) of townships reported low fiscal stress, while today that percentage has dropped to 60%, comparable to counties and cities. Where once townships were significantly more likely to report low fiscal stress than other jurisdiction types, that advantage has largely been erased in 2025.

From 2020 to 2023, the proportion of Michigan counties reporting good fiscal health increased from a low of 49% in 2020 to 66% in 2023. However, in 2025, reports of low stress have dropped back to 59%.

Meanwhile, reports of good fiscal health among Michigan cities have been the most stable over the past six years, and remain essentially unchanged from 2023 (56%) to 2025 (57%).

Figure 1c

Percentage of jurisdictions reporting low fiscal stress (1-4 on 10-point scale), 2019-2025, by jurisdiction type

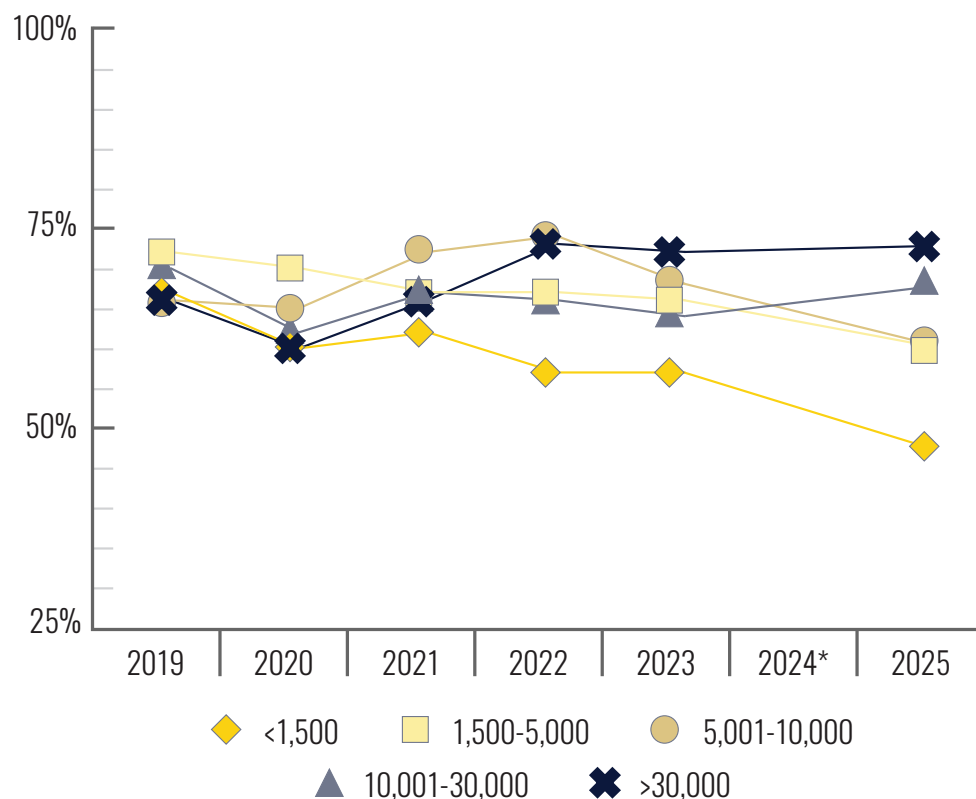


*Note: 2024 data excluded due to concerns with validity and comparability

Breaking out the data by jurisdiction size illustrates just how much of the 2025 decline in fiscal health is particularly concentrated among smaller communities. This year, fewer than half (48%) of the smallest local governments (those with fewer than 1,500 residents) report relatively good fiscal health (1–4 on a 10-point scale), down from 57% in 2023 (see *Figure 1d*). Although this decline was steep from 2023 to 2025, it is part of a longer-term, gradual decline since 2019. The next smallest communities with between 1,500 and 10,000 residents follow a similar pattern, although the proportion reporting good fiscal health (61% in 2025) has always been higher for this group than for the smallest communities.

By contrast, large and mid-sized communities have continued their post-pandemic recovery. Mid-sized jurisdictions with 10,001–30,000 residents improved with 64% reporting good fiscal health in 2023 and 67% this year. The state’s largest jurisdictions, those with over 30,000 residents, are currently the most likely to report good fiscal health, with nearly three-quarters (73%) reporting low fiscal stress, a reversal of the pre-pandemic pattern in which larger cities were least likely to report good fiscal health.

Figure 1d
Percentage of jurisdictions reporting low fiscal stress, 2019–2025, by population size

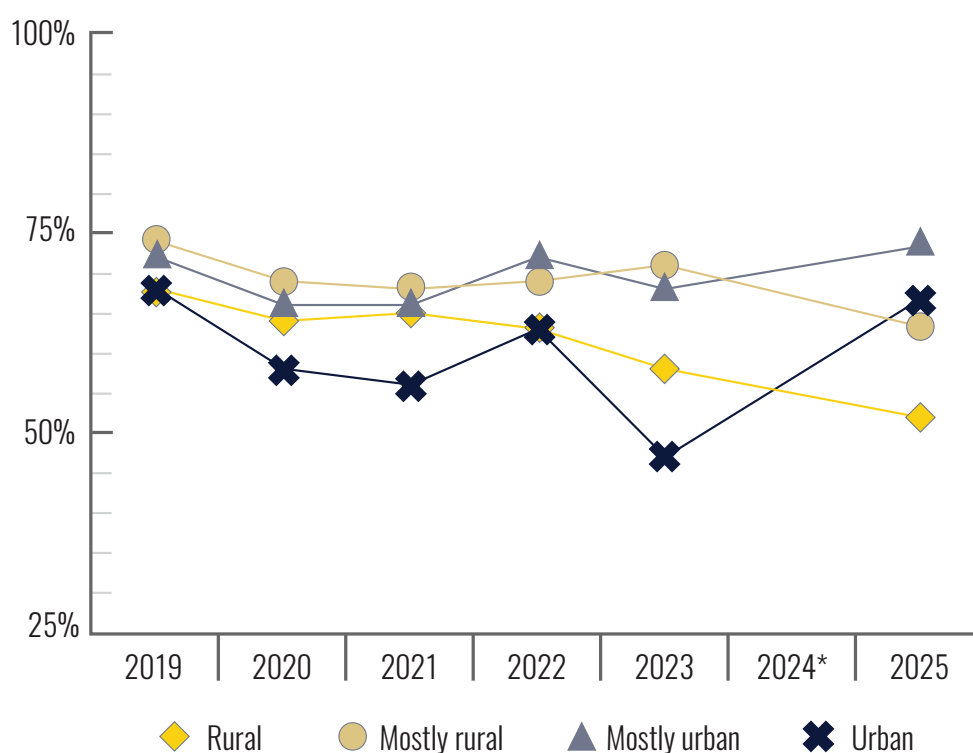


*Note: 2024 data excluded due to concerns with validity and comparability

The MPPS also asks local officials to characterize their jurisdiction on an urban-rural spectrum: rural, mostly rural, mostly urban, or urban. As shown in *Figure 1e*, among jurisdictions that self-describe as “rural” or “mostly rural,” the percentage reporting good fiscal health decreased significantly from 2023 to 2025. In contrast, jurisdictions that self-describe as “mostly urban” have experienced a slight improvement. Finally, among fully “urban” jurisdictions, after a sharp decline between 2022 and 2023, the proportion reporting good fiscal health rebounded in 2025, with two-thirds (66%) of urban jurisdictions now reporting relatively good fiscal health.

Figure 1e

Percentage of jurisdictions reporting low fiscal stress 2019-2025, by urban-rural self-identification



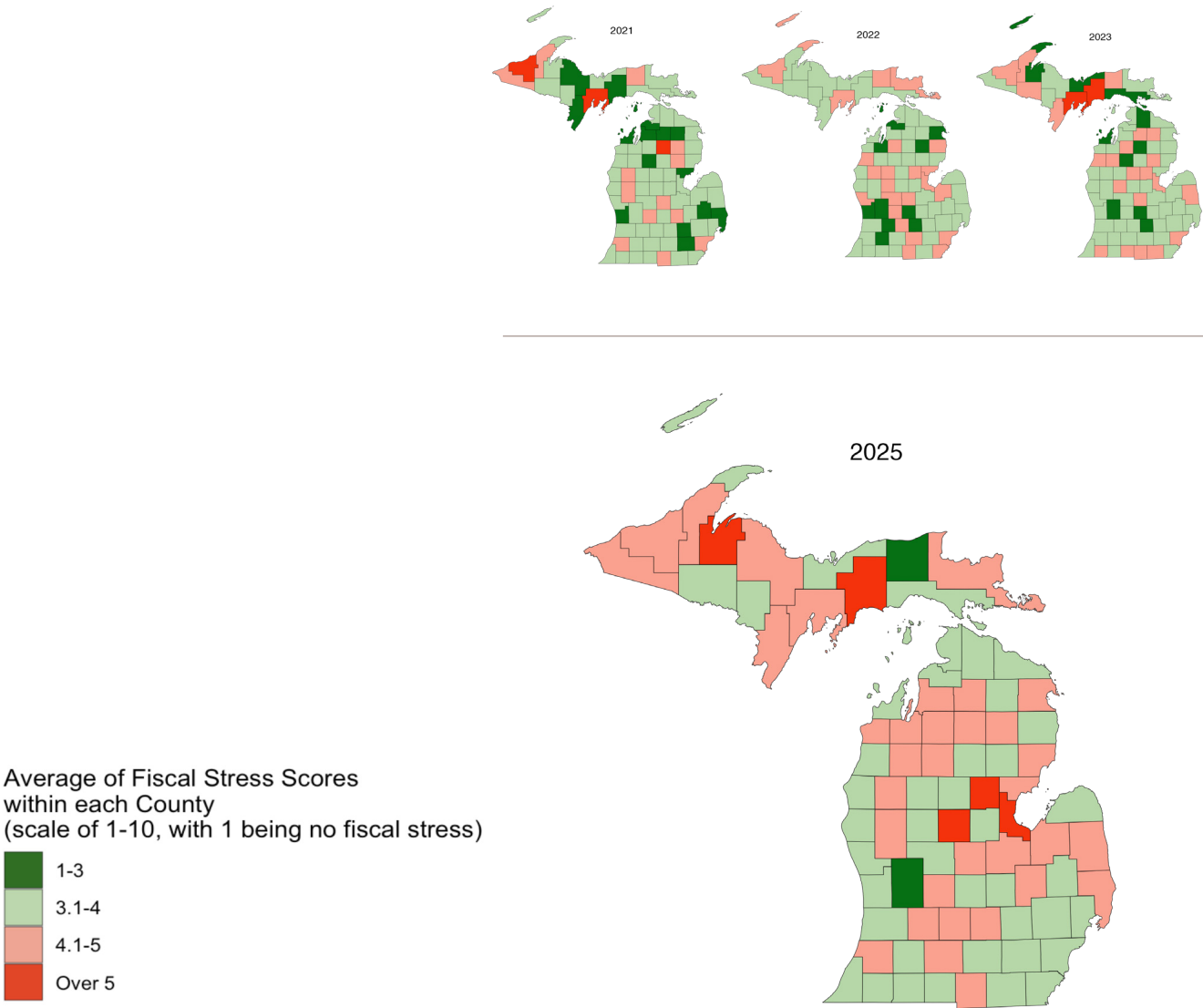
*Note: 2024 data excluded due to concerns with validity and comparability



Fiscal Stress Index scores can also be used to explore geographic variation in fiscal condition. *Figure 1f* displays the change in average fiscal health score on the 1–10 scale among jurisdictions within each county from 2021–2025. Counties where the average fiscal stress score is three or less are shaded in dark green and suggests relatively good fiscal health within the county. At the other end of the scale, the darkest red shade indicates counties where the average score is above five and suggest poorer fiscal conditions. The declines in fiscal health reported in 2025 are particularly pronounced in counties in mid-Michigan, the Thumb, and the Upper Peninsula.

Appendix A at the end of this report displays the average FSI score reported for each of Michigan’s 83 counties from 2021–2025.

Figure 1f
Average fiscal stress score on 1-10 scale among all jurisdictions within an individual county, 2021-2025

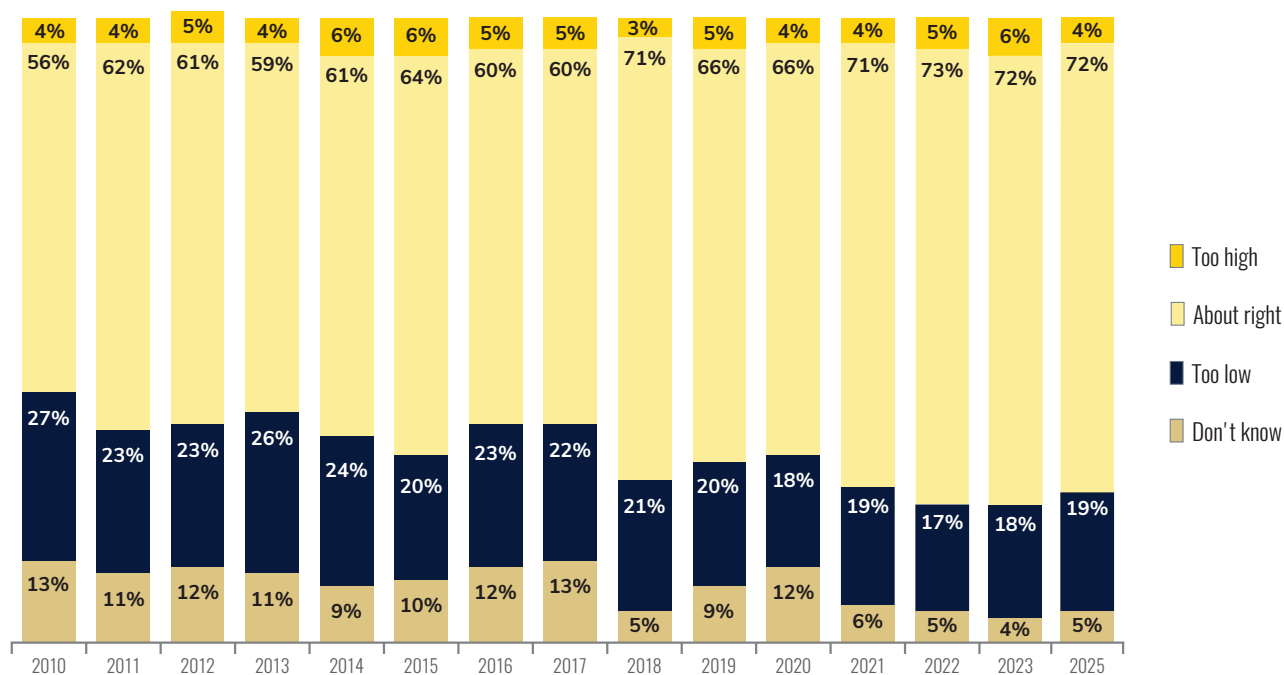


A third of villages are concerned about low general fund balance

One key aspect of fiscal health is a jurisdiction's general fund balance. Each year, the MPPS asks local leaders whether the fund balance is too high, about right, or too low to meet their jurisdiction's fiscal needs. As of spring 2025, 72% of local officials say their general fund balance is about right, while 19% say their balance is too low and 4% say the balance is too high (see *Figure 2a*). Statewide, these proportions are essentially unchanged in recent years.

Figure 2a

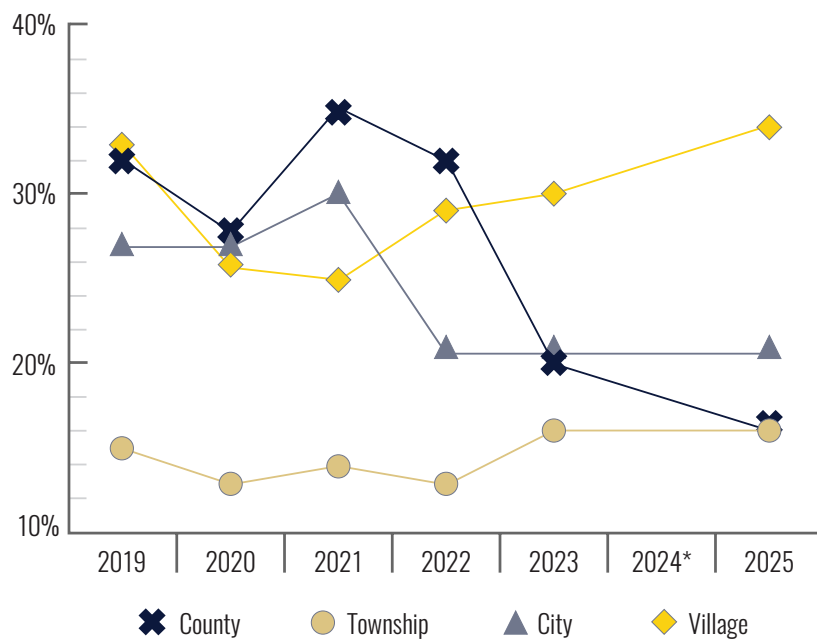
Percentage of officials saying their general fund balance is too high, too low, or about right, 2010-2025



However, while townships' assessments of fund balance have remained steady since 2017, counties, cities, and villages have seen more change (see *Figure 2b*). In 2025, the percentage of villages reporting that their general fund balance is too low rose from 30% to 34%, the highest proportion of any jurisdiction type. By contrast, half as many counties and townships (16%) say their general fund balances are too low. Township and city assessments of this measure have remained stable over the past few years, while county assessments improved slightly this year.

Figure 2b

Percentage of officials saying their general fund balance is "too low," 2019-2025, by jurisdiction type

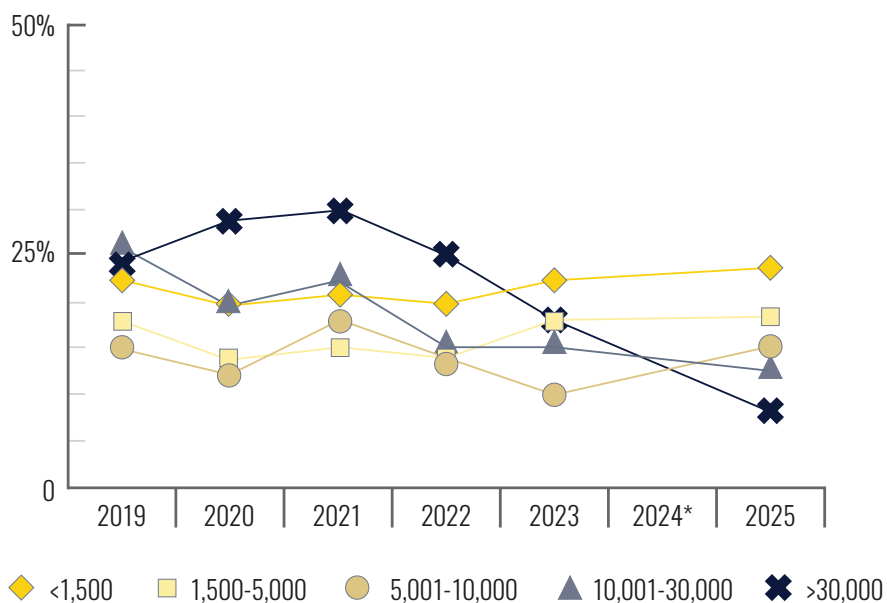


*Note: 2024 data excluded due to concerns with validity and comparability

Consistent with patterns in overall fiscal condition, the smallest Michigan jurisdictions are the most concerned about low general fund balances, with nearly a quarter (24%) of communities with fewer than 1,500 residents expressing concern (see *Figure 2c*). In contrast, the largest communities are currently least worried about fund balance, after being the most worried category in the years immediately following the pandemic.² Meanwhile, there is very little difference between concerns of rural and urban jurisdictions (not shown).

Figure 2c

Percentage of officials saying their general fund balance is "too low," 2019-2025, by population size

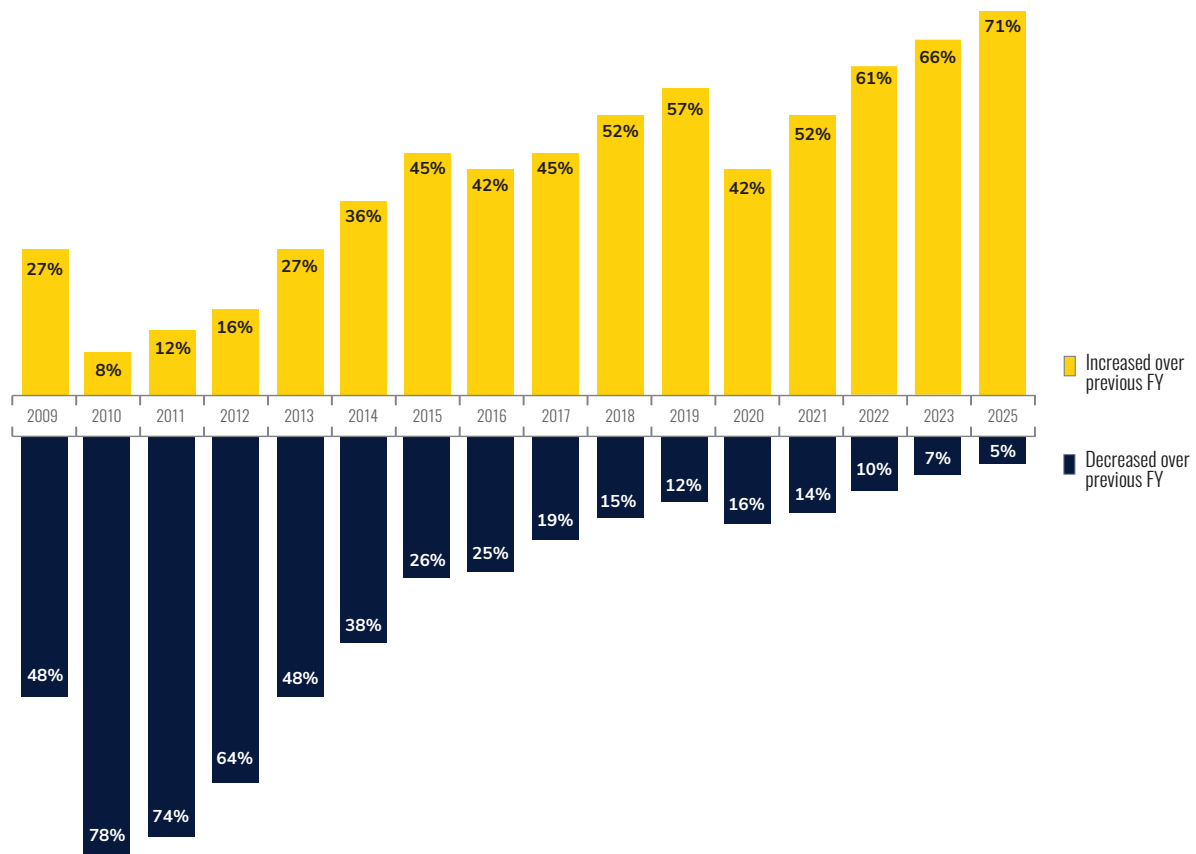


*Note: 2024 data excluded due to concerns with validity and comparability

Local revenues from property taxes continue to increase, particularly among larger communities

The MPPS asks local leaders about changes in revenues from four different sources: property taxes, fees for services, state aid, and federal aid. For example, as shown in *Figure 3a*, 71% of Michigan local governments report increased property tax revenues in 2025 compared to the previous year, the highest percentage since the MPPS began its tracking. However, most of these reported increases are small, with only 2% statewide reporting that property tax revenues increased “significantly” this year.

Figure 3a
Percentage of jurisdictions reporting changes in property tax revenue compared with previous fiscal year, 2009-2025

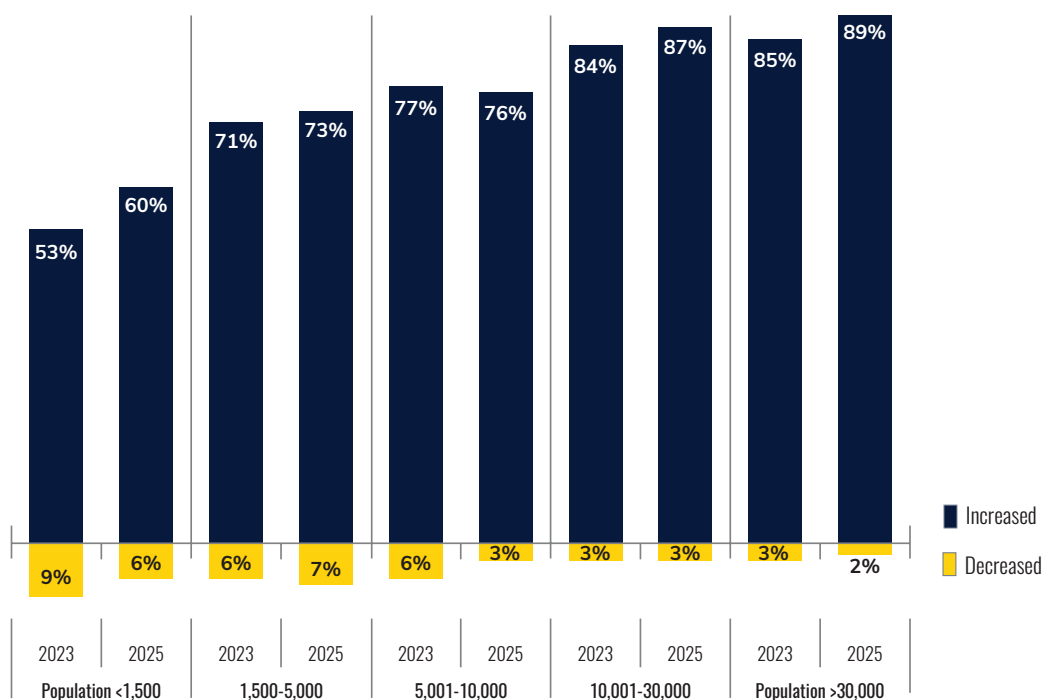


Note: Responses for “no change,” “not applicable,” and “don’t know” not shown.

Every population category except for 5,001-10,000 reports year-over-year increases in property tax revenues between 2023 and 2025 (see *Figure 3b*). However, these gains are not evenly distributed. Smaller jurisdictions are less likely to report increasing property tax revenues in both 2023 and 2025, as are villages (not shown) and rural jurisdictions (not shown).³ This weak revenue growth may help explain why smaller communities are lagging behind on their assessment of overall fiscal condition, as measured by the Fiscal Stress Index.

Figure 3b

Percentage of jurisdictions reporting changes in property tax revenue compared with previous fiscal year, 2023-2025, by population size



Note: Responses for “no change,” “not applicable,” and “don’t know” not shown.

Beyond revenues from property taxes, 27% of jurisdictions statewide report an increase in revenues from fees for services, licenses, transfers, etc., compared with the previous fiscal year, while 6% had a decrease. Larger and more urban jurisdictions are more likely to report increased revenue from these sources. Looking ahead to the next fiscal year, 32% expect to increase these fees, including almost half of cities (46%) and urban jurisdictions (49%).

While more than one-third of jurisdictions reported receiving increased state aid in 2022 and 2023, this year that percentage is down to 22%, and 17% of jurisdictions report a decrease in state aid this fiscal year. When it comes to federal aid, while funding sources such as the American Rescue Plan Act (ARPA), Infrastructure Investment and Jobs Act (IIJA), and Inflation Reduction Act (IRA) of 2022 are winding down, 26% of governments still report increases in federal aid, while 22% report a decrease.⁴

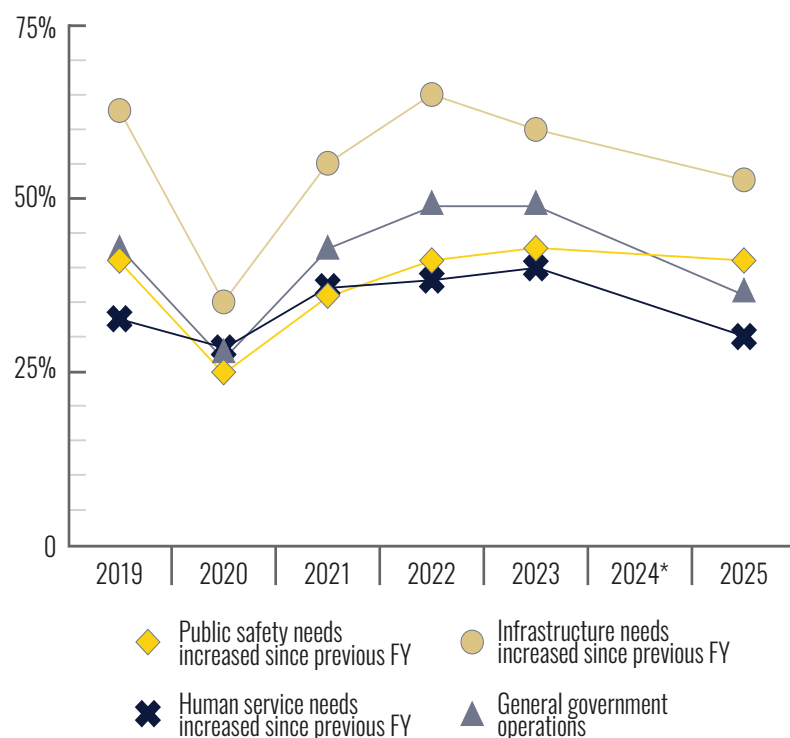
Data from 2015-2025 on changes in local government finances and operations this year compared to the last year are available in Appendix B. All data from these questions are available in the online MPPS tables.

Local government service needs still rising, but more slowly

While many local governments continue to report increasing demands on expenditures, demand growth appears to have somewhat eased for four key spending areas. In recent years, the most rapidly growing local need has been for infrastructure, with the majority of jurisdictions reporting increased infrastructure needs compared to the prior year (except in 2020, due to the COVID-19 pandemic shutdown). In 2025, 53% of jurisdictions statewide report that their infrastructure needs have increased compared to the previous year, down somewhat from 60% in 2023, possibly reflecting infrastructure investments made through ARPA funding (see *Figure 4*).⁵ Meanwhile, 41% statewide report increasing public safety needs, 36% report increasing government operations needs, and 30% report increasing human service needs, all down from 2023.

Figure 4

Percentage of jurisdictions reporting increases in infrastructure, public safety, human service, and government operations needs compared with previous fiscal year, 2019-2025



*Note: Question not asked in 2024.

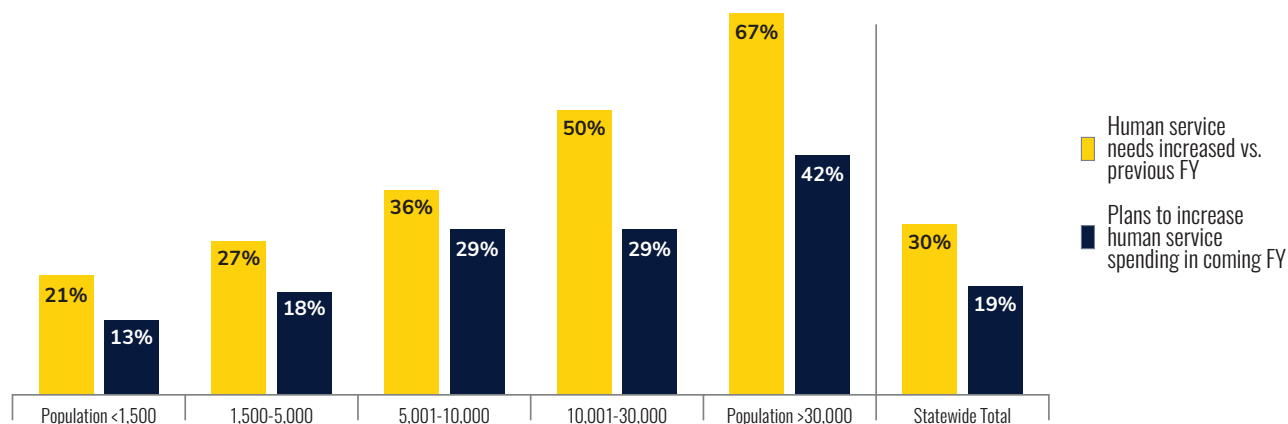
Spending for next year generally predicted to meet needs, except for human services

Looking ahead to the next fiscal year, the MPPS asks whether local jurisdictions are planning to increase or decrease spending in key service areas. For many years, local government spending appeared to fall short of reported needs, but now there appears to be a greater ability for local governments to increase spending to meet rising demands in some, but not all, service areas, particularly among larger jurisdictions.

When it comes to human services, despite 30% reporting increased needs, relatively few jurisdictions statewide (19%) plan to increase human services spending in the coming year (see *Figure 5*). This funding gap is particularly stark among larger jurisdictions: 67% of local officials in communities with more than 30,000 residents report increased human service needs, yet only 42% predict spending increases in this area.

Figure 5

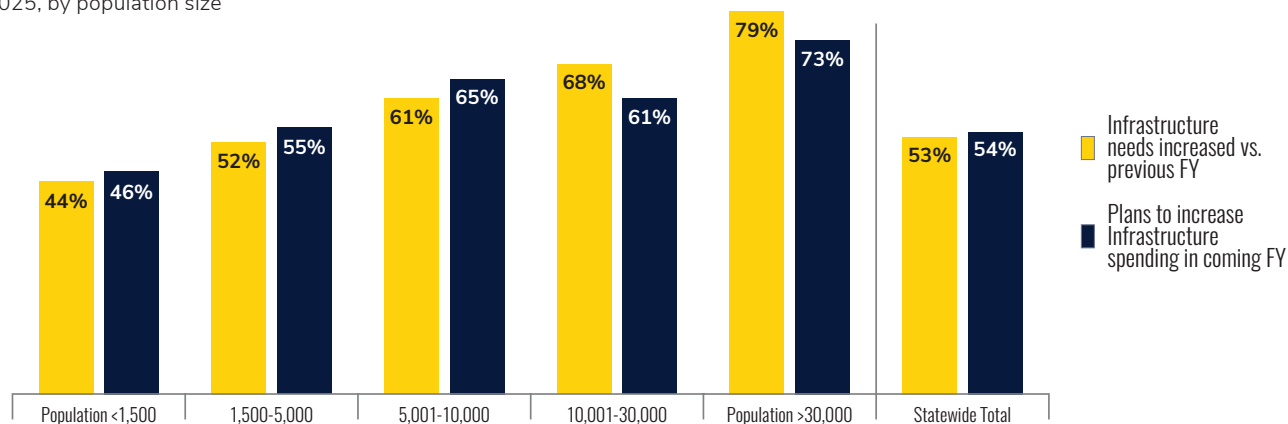
Percentage of jurisdictions reporting increases in human services needs and planned increases in actual human services spending in the coming year, 2025, by population size



In contrast, while 53% of jurisdictions statewide report increased infrastructure needs in 2025, 54% plan to increase infrastructure spending in the next fiscal year (see *Figure 6*). However, looking at differences by jurisdiction size, funding gaps appear to be more common in larger jurisdictions. Among the state's largest jurisdictions (those with over 30,000 residents), 79% predict increasing needs (79%), but only 73% predict increasing their infrastructure spending in the coming year.

Figure 6

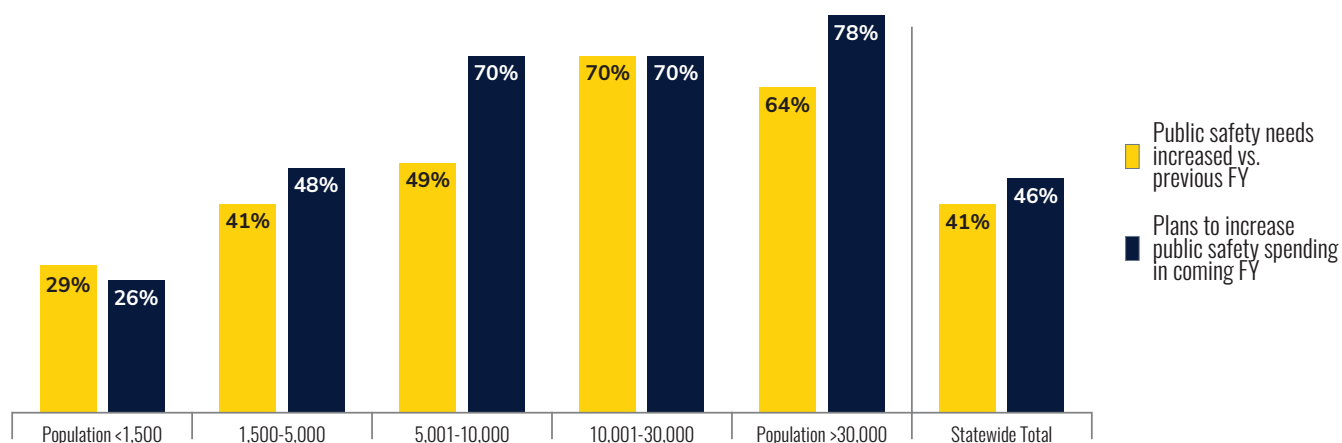
Percentage of jurisdictions reporting increases in infrastructure needs and planned increases in actual infrastructure spending in the coming year, 2025, by population size



Meanwhile, predicted increases in public safety spending are expected to exceed rising needs for jurisdictions of all sizes. Statewide, 41% of Michigan jurisdictions report increased public safety needs in 2025 compared to the previous year, and nearly half (46%) plan to increase spending in the coming year (see *Figure 7*).

Figure 7

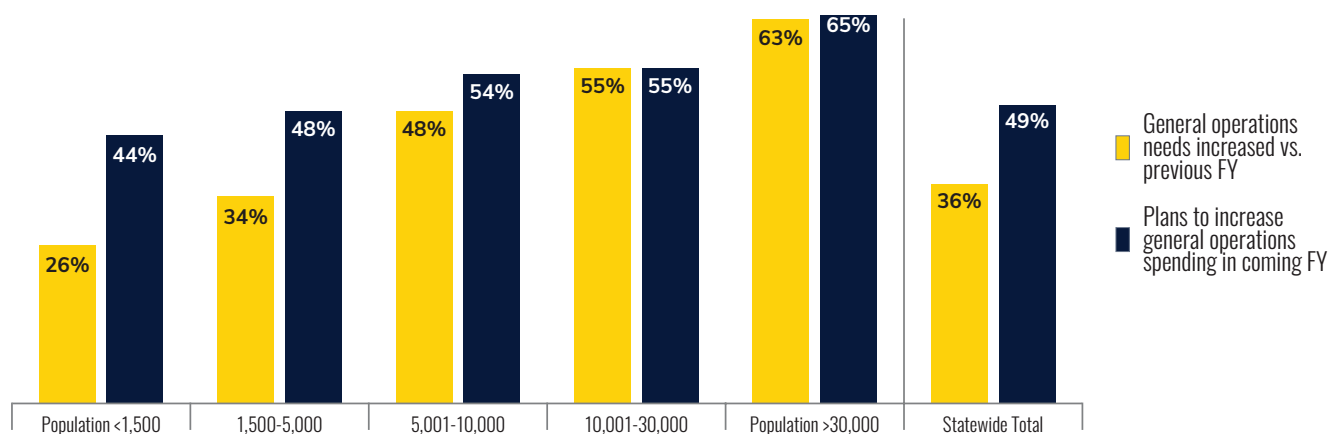
Percentage of jurisdictions reporting increases in public safety needs and planned increases in actual public safety spending in the coming year, 2025, by population size



Finally, when it comes to spending on general governmental operations, statewide, 36% have experienced an increase in needs, while 49% expect an increase in spending. Larger jurisdictions are significantly more likely to report both increasing need and increasing planned spending in the coming fiscal year than smaller jurisdictions (see *Figure 8*).

Figure 8

Percentage of jurisdictions reporting increases in governmental operations needs and planned increases in governmental operations spending in the coming year, 2025, by population size



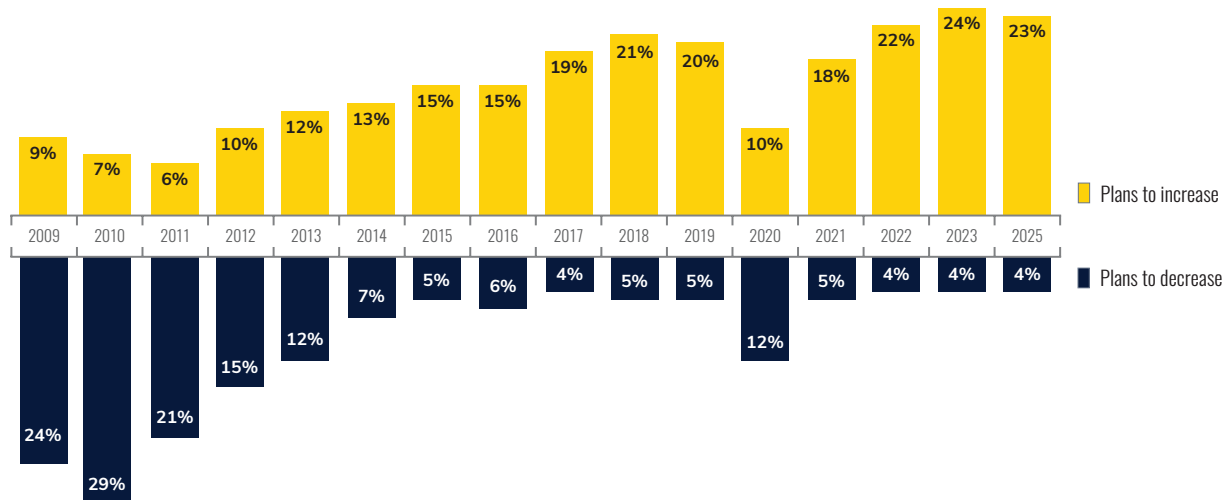
Data from 2015–2025 on expected changes in local government finances and operations next year compared to this year are available in Appendix C. All data from these questions are available in the online MPPS tables.

Just under a quarter planning to expand overall services in the coming year

Despite increases in both needs and predicted spending, looking ahead at overall service provision, only 23% of local governments expect to increase the amount of services they provide in the next fiscal year, relatively unchanged from previous years, except in 2020 (see *Figure 9a*).

Figure 9a

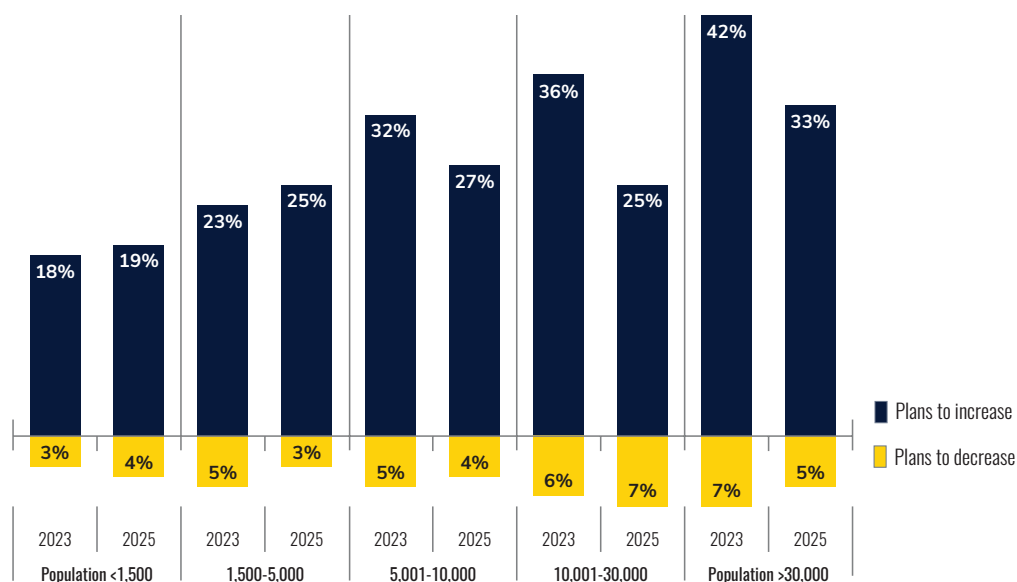
Percentage of jurisdictions reporting planned changes in amount of services provided in the coming year, 2009-2025



Michigan's smaller jurisdictions offer relatively fewer services to begin with, so they may see less variation year-over-year. However, in 2025, among jurisdictions with over 10,000 residents, a smaller percentage are looking to expand services compared with 2023, with a third (33%) of those with over 30,000 residents saying they're planning increases in services provided in the coming year, down from 42% who said the same in 2023 (see *Figure 9b*).

Figure 9b

Percentage of jurisdictions reporting planned changes in amount of services provided in the coming year, 2023-2025, by population size

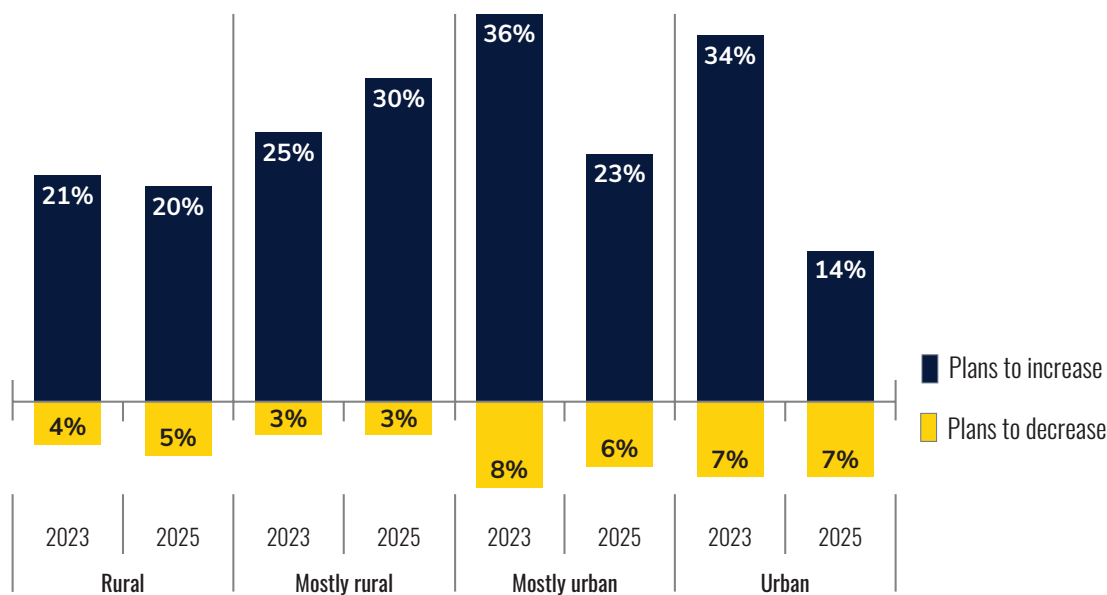


Note: Responses for "no change," "not applicable," and "don't know" not shown.

We see a similar pattern of maintaining but not expanding services among mostly urban and urban jurisdictions. In 2023, 36% of local officials from mostly urban communities said they were planning to expand service provision, while this year that percentage is down to 23% (see *Figure 9c*). Among urban jurisdictions, 34% were planning to expand services in 2023, and in 2025, that has declined to just 14%.

Figure 9c

Percentage of jurisdictions reporting planned changes in amount of services provided in the coming year, 2025, by urban-rural self-identification



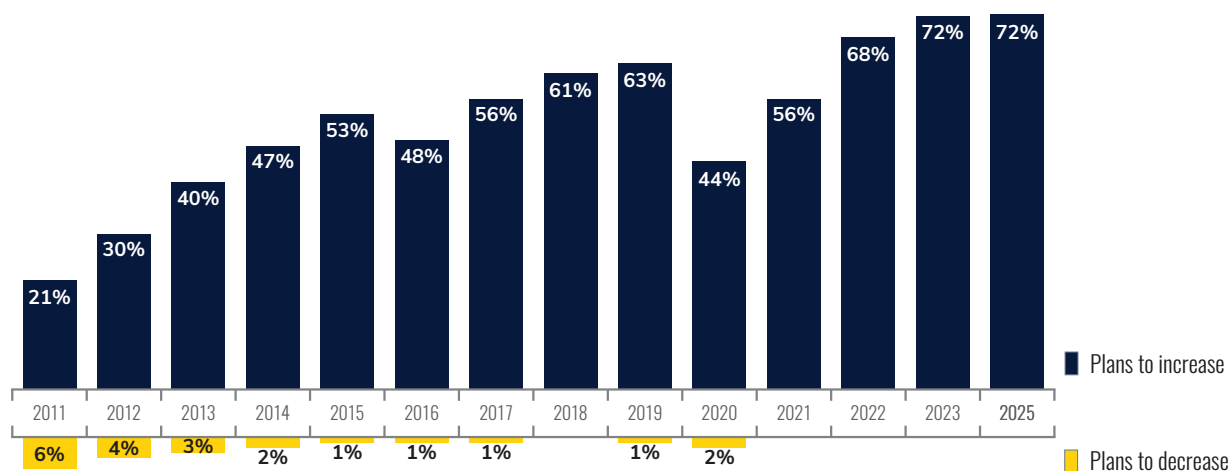
Note: Responses for “no change,” “not applicable,” and “don’t know” not shown.

Continuing fiscal pressures from personnel costs

Fiscal pressure and concerns around expanding services may be exacerbated by continuing increases in the cost of employee pay and benefits. When local officials look ahead to actions they are likely to take in the coming year, almost three-quarters (72%) statewide report plans to increase employee pay rates (see *Figure 10*), including 69% who predict they will “somewhat” increase and 3% who predict they will “greatly” increase employee pay. Just under a quarter (23%) plan no change to their employee pay rates, and only a handful of jurisdictions statewide plan to reduce employee pay rates in the coming year.

Figure 10

Percentage of jurisdictions reporting planned changes in employee wages in the coming year, 2009-2025



Note: Responses for “no change,” “not applicable,” and “don’t know” not shown.

Although such increases are most common in larger jurisdictions, 60% of jurisdictions with fewer than 1,500 residents also expect to increase wages (not shown).

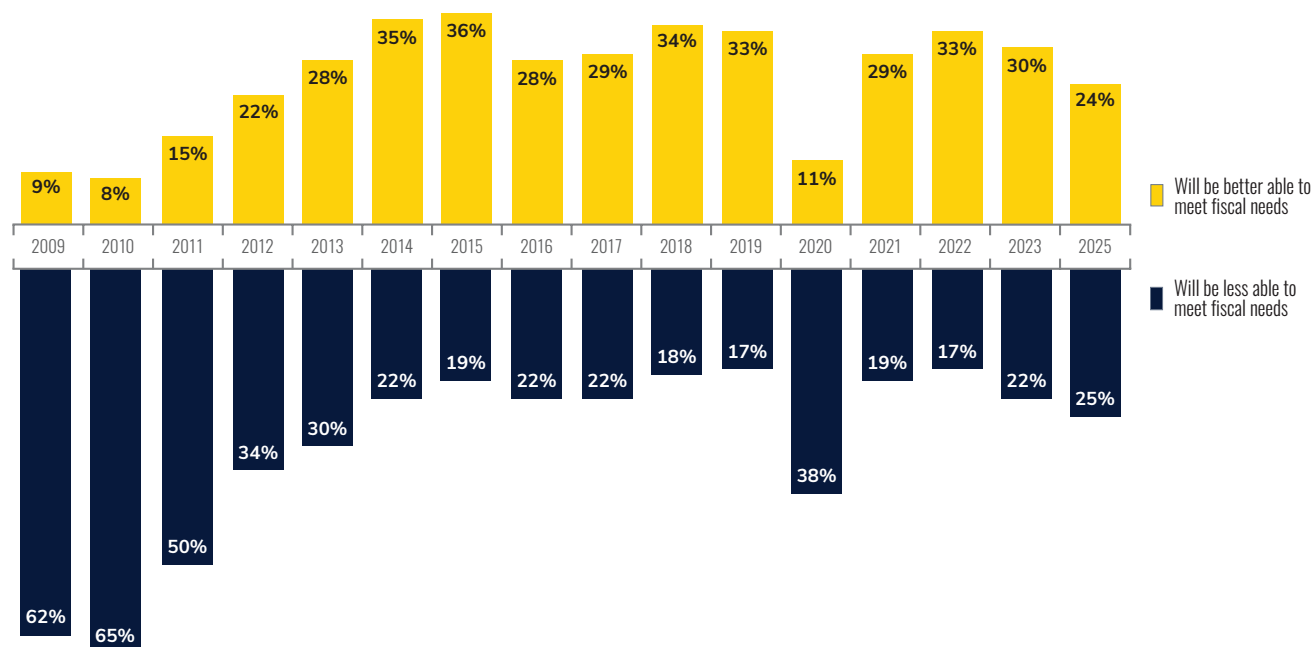
Meanwhile, fringe benefits also add to cost pressures. Statewide, 41% report increases in the cost of current employee benefits, including 92% of jurisdictions with over 30,000 residents (see *Appendix B*). Plus, many jurisdictions continue to struggle with pension and retiree health care costs even after many years of reducing former employee benefits and paying down unfunded liabilities.⁶ For example, statewide, a third (33%) report increases in the cost of employee pensions, including 60% of jurisdictions with over 30,000 residents.

Declining optimism for fiscal improvement in the year ahead

When asked to predict their overall fiscal status in the coming year, Michigan local officials' optimism is declining. As of 2025, fewer than one-quarter (24%) statewide predict their jurisdiction will be better able to meet its fiscal needs in 2026 (see *Figure 11a*). By comparison, 33% said the same in 2022 and 30% in 2023 when asked to look a year ahead. Meanwhile, 25% of local leaders believe their jurisdictions will be less able to meet fiscal needs in 2026, compared with 22% who felt this way two years ago. Most predict no change over the coming year, with 46% statewide expecting to be neither better nor less able to meet financial needs in 2026, while 6% are uncertain.

Figure 11a

Percentage of jurisdictions predicting they will be better or less able to meet their fiscal needs in next year compared to current year, 2009-2025

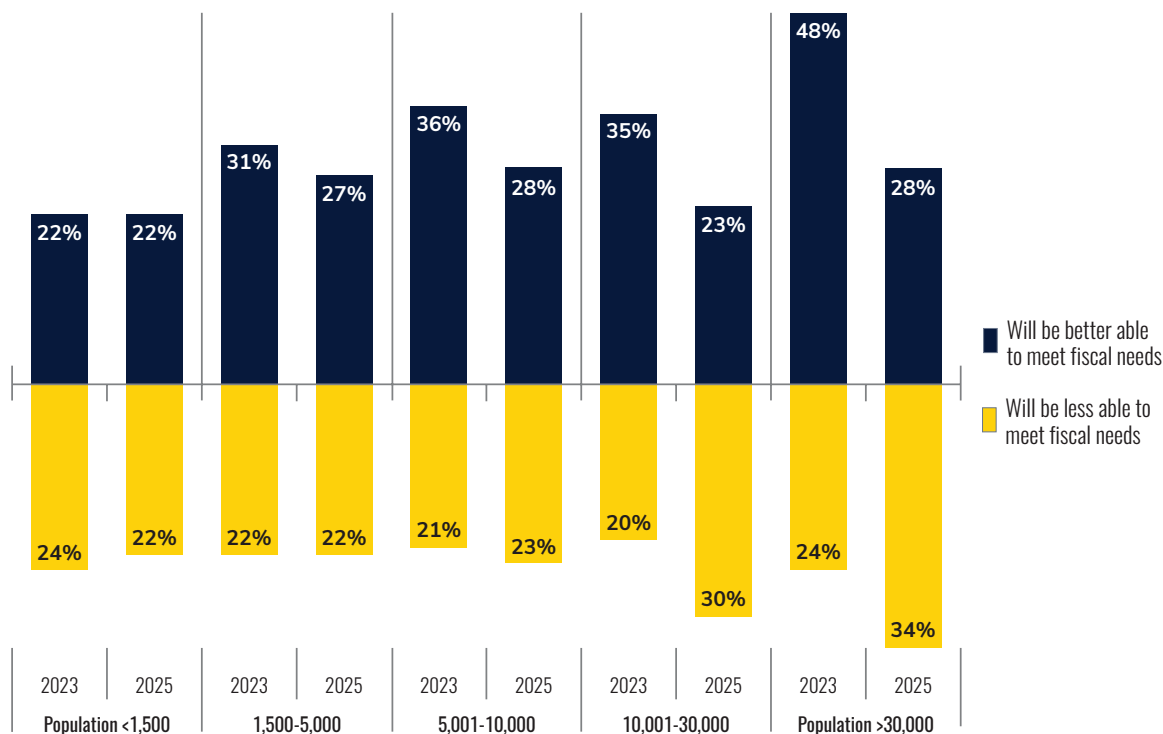


Note: Responses for "no change" and "don't know" not shown.

Officials from larger jurisdictions have retreated from their high levels of optimism in 2023 and are now significantly more likely than officials from smaller jurisdictions to predict a decline in financial capacity next year. In 2023, 48% of the largest jurisdictions with over 30,000 residents predicted they would be better able to meet their fiscal needs in the coming year. This year, just 28% say the same, in line with the expectations of other smaller jurisdictions.

Figure 11b

Percentage of jurisdictions predicting they will be better or less able to meet their fiscal needs in next year compared to current year, 2023-2025, by population size



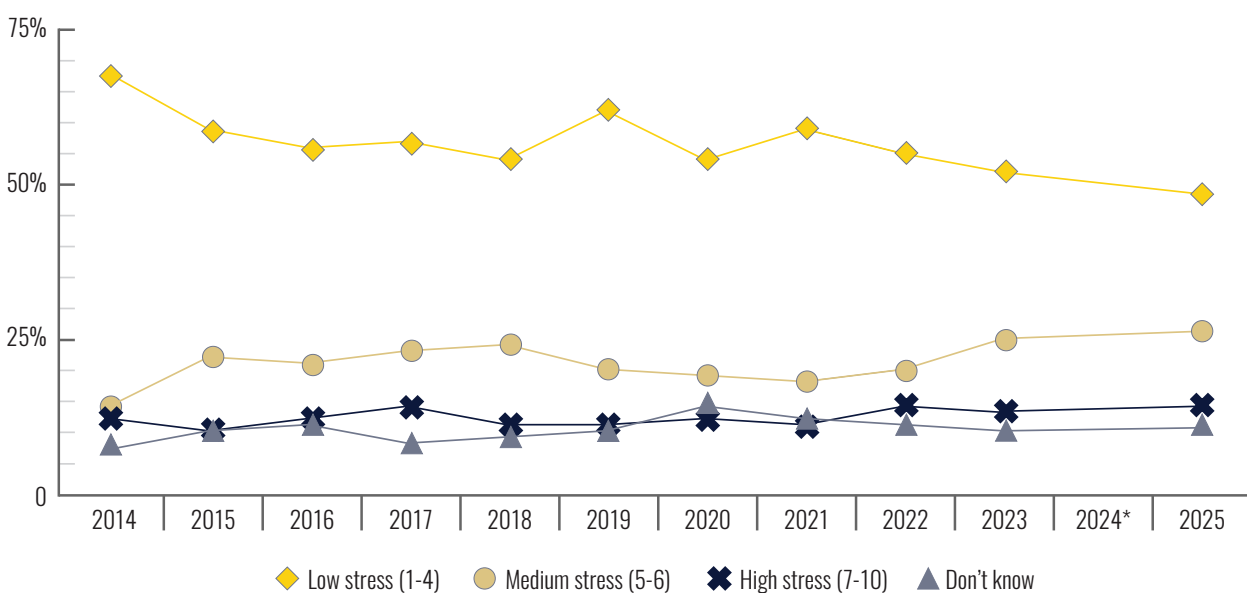
Note: Responses for “no change” and “don’t know” not shown.

While jurisdictions currently reporting good fiscal health are more likely to expect improvements in their ability to meet their fiscal needs in the next year, jurisdictions experiencing medium or high levels of fiscal stress are more likely to say their fiscal condition will deteriorate in the next year (not shown). This suggests stress is chronic rather than temporary.

Increased anxiety about fiscal health in the long term

Looking further down the road reveals even greater concerns. As shown in *Figure 12a*, when asked about expected fiscal conditions five years from now, just under half of Michigan local officials (49%) expect their jurisdictions will have relatively good fiscal health (a score of 4 or below on the Fiscal Stress Index), compared to 56% who report good health today. This is the lowest level since this question was first asked in 2014. Meanwhile, 40% predict either medium (26%) or high (14%) levels of fiscal stress, a record high.

Figure 12a
Officials' predictions of their jurisdiction's fiscal stress in five years, 2014-2025

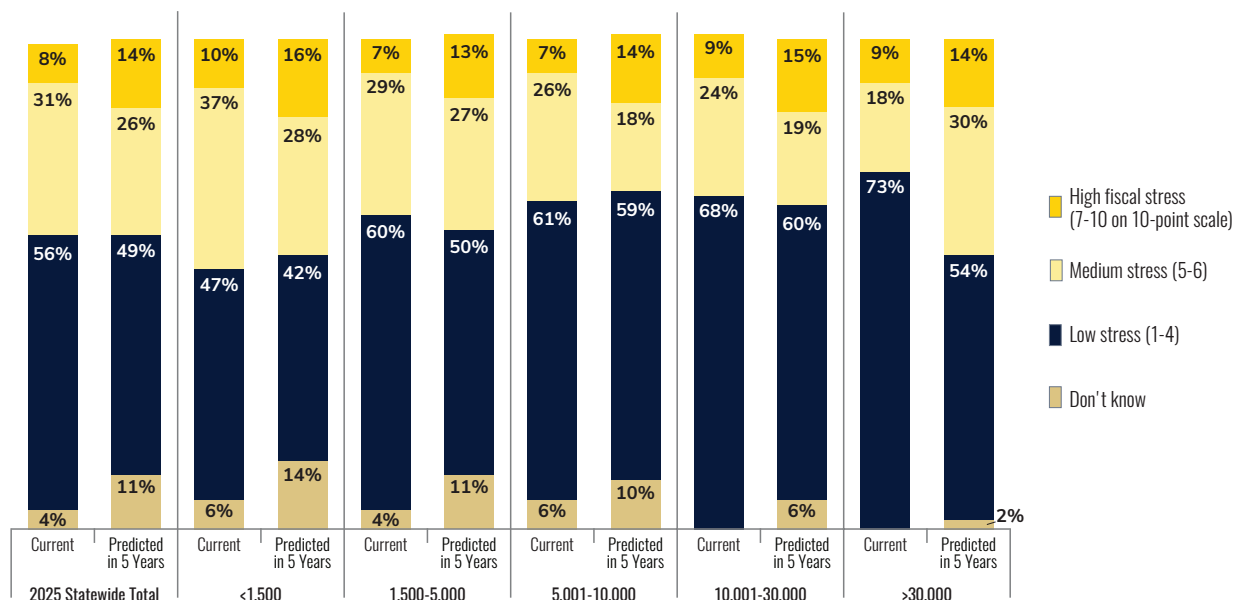


*Note: 2024 data excluded due to concerns with validity and comparability

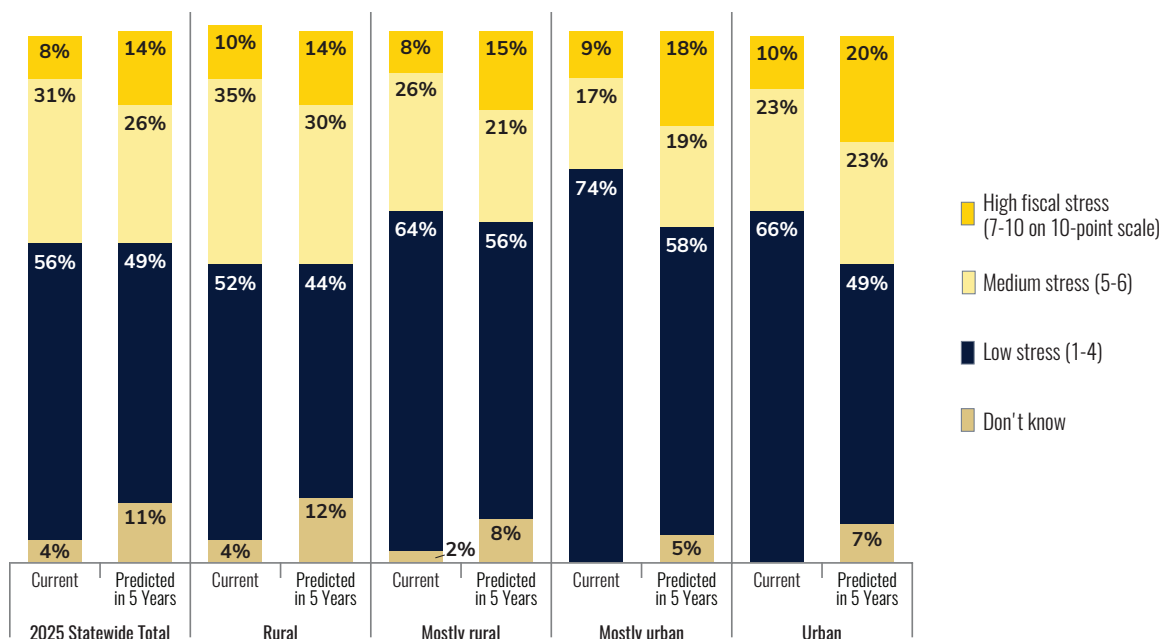
These concerns are found across jurisdictions of all sizes. However, the gap between current and predicted fiscal condition among the largest jurisdictions is particularly worrisome. In communities with over 30,000 residents, 73% of local leaders say they currently have good fiscal health, but only 54% predict they will have good health five years from now (see *Figure 12b*). Similarly, in urban communities, only 49% predict they will have good fiscal health in five years, compared to 66% who have good fiscal health today (see *Figure 12c*). These concerns about longer-term fiscal health may reflect Michigan local leaders' skepticism that the state's system of funding local government is adequate to keep up with demands.⁷

Figure 12b

Officials' predictions of their jurisdiction's fiscal stress in five years, 2025, by population size

**Figure 12c**

Officials' predictions of their jurisdiction's fiscal stress in five years, 2025, by urban-rural self-identification



Conclusion

The Spring 2025 Michigan Public Policy Survey findings highlight some increasing concerns about the fiscal health of local governments across the state. While relatively good fiscal health remains the most commonly reported status, the proportion of jurisdictions experiencing it has declined to the lowest level since tracking began, and the decline is particularly pronounced among smaller and more rural communities and among villages. These shifts reflect rising concerns about revenue adequacy, general fund balance size, and the challenge of keeping up with increased service demands, particularly in human services.

At the same time, some indicators offer cause for measured optimism. Property tax revenues continue to rise, especially in larger jurisdictions, and local governments appear increasingly able to plan for spending that keeps pace with identified needs in key service areas such as public safety and infrastructure. Personnel costs remain a significant source of pressure, with many jurisdictions planning continued wage increases.

Looking ahead, Michigan's local government leaders express increasing trepidation about both short- and long-term fiscal health. With fewer officials anticipating improvement in their fiscal outlook than in recent years and long-term stress expected to mount, policymakers and stakeholders may need to consider ongoing reforms to the system that funds Michigan's local governments.

Notes

1. Leiser, S., & Mills, S. (2019). Local government fiscal health: Comparing self-assessments to conventional measures. *Public Budgeting and Finance*, 39(3), 75–96. <https://doi.org/10.1111/pbaf.12226>
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Survey Background and Methodology

The MPPS is an ongoing survey program that interviews the leaders of Michigan’s 1,856 units of general-purpose local government, conducted by the Center for Local, State, and Urban Policy (CLOSUP) at the University of Michigan in partnership with the Michigan Municipal League, Michigan Townships Association, and Michigan Association of Counties. Surveys are conducted each spring (and, prior to 2018, each fall). The program has covered a wide range of policy topics and includes longitudinal tracking data on “core” fiscal, budgetary, and operational policy questions, and is designed to build up a multi-year time series.

In the Spring 2025 iteration, surveys were sent by the Center for Local, State, and Urban Policy (CLOSUP) via email and hardcopy to top elected and appointed officials (including county administrators and board chairs; city mayors and managers; village presidents, clerks, and managers; and township supervisors, clerks, and managers) from all 83 counties, 280 cities, 253 villages, and 1,240 townships in the state of Michigan. More information is available at <https://closup.umich.edu/michigan-public-policy-survey/mpps-2025-spring>.

The Spring 2025 wave was conducted from April 7 – June 12, 2025. A total of 1,328 local jurisdictions returned valid surveys (72 counties, 208 cities, 162 villages, and 886 townships), resulting in a 72% response rate by unit. Quantitative data are weighted to account for non-response. Missing responses are not included in the tabulations unless otherwise specified. Some report figures may not add to 100% due to rounding within response categories. “Voices Across Michigan” verbatim responses, when included, may have been edited for grammar and brevity.

See CLOSUP’s website for the full question text on the survey questionnaire. Detailed tables of the data in this report, including breakdowns by various jurisdiction characteristics such as community population size, region, and jurisdiction type, will be available soon at <http://mpps.umich.edu>.

The survey responses presented here are those of local Michigan officials, while further analysis represents the views of the authors. Neither necessarily reflects the views of the University of Michigan, nor of other partners in the MPPS.

Appendix A

Average fiscal stress score on 1-10 scale among all jurisdictions within an individual county, 2021-2025*

* Note: 2024 data excluded due to concerns with validity and comparability

County Name	2021	2022	2023	2025
ALCONA	3.91	4.08	3.89	3.9
ALGER	3.12	3.8	2.57	3.78
ALLEGAN	3.79	3.88	3.38	3.75
ALPENA	4	3	3.2	4.75
ANTRIM	2.94	3.75	3.73	4.07
ARENAC	2.91	4.3	3.11	4.5
BARAGA	3.67	3.4	2.71	5.17
BARRY	3.23	2.83	3.38	4.14
BAY	3.86	4.75	4.43	5.2
BENZIE	3.77	4	3.42	4.2
BERRIEN	3.2	3.7	3.38	3.97
BRANCH	3.67	3.2	4.78	3.67
CALHOUN	3.27	3.29	3.79	4.16
CASS	3.15	3.83	4.13	3.91
CHARLEVOIX	2.82	2.77	3.27	3.31
CHEBOYGAN	3.12	3.35	2.94	3.76
CHIPPEWA	4	4.57	3.67	4.6
CLARE	3.77	3.2	4.33	3.6
CLINTON	3.12	3	2.93	3.43
CRAWFORD	6	3.14	2.75	4.2
DELTA	5.1	4.27	5.11	4.15
DICKINSON	3.29	3.62	3.57	3.8
EATON	3.12	4.06	3.71	4.88
EMMET	3.25	3.67	3.92	3.19
GENESEE	3.73	3.21	3.95	4.63
GLADWIN	3.4	4.24	4.5	5.42

GOGEBIC	4.22	3.86	3.29	4.33
GRAND TRAVERSE	3.7	2.62	3.73	4.47
GRATIOT	4.38	4.08	4.73	4.18
HILLSDALE	4.38	4.38	4.46	4.12
HOUGHTON	4.11	3.91	4.25	4.67
HURON	3.21	3.38	3.62	3.8
INGHAM	3.76	2.69	2.93	4.06
IONIA	4.08	4.25	3.82	4.22
IOSCO	3.69	3.92	4	4.44
IRON	4	3.86	4.57	3.43
ISABELLA	3.09	3.5	3.67	5.23
JACKSON	3.82	4.08	3.68	3.82
KALAMAZOO	3.56	3	3.88	3.62
KALKASKA	3.22	4.14	4.12	4.44
KENT	3.05	2.9	2.65	2.53
KEWEENAW	4	4.33	3	3.6
LAKE	4.7	4.27	3.58	4.27
LAPEER	3	3.17	3.42	3.43
LEELANAU	2.25	3.36	2.92	3.17
LENAWEE	3.52	4	4.33	3.78
LIVINGSTON	2.85	3.56	3.31	3.5
LUCE	4.4	4.4	5	2.8
MACKINAC	4	3.67	3	3.78
MACOMB	3.78	3.53	3.38	3.73
MANISTEE	3.92	4.54	4.17	3.47
MARQUETTE	2.87	3.31	3.87	4.1
MASON	3.45	3.14	3.67	3.86
MECOSTA	3.36	4.17	4.18	3.38
MENOMINEE	2.71	3.79	4.08	4.1

MIDLAND	3.38	3.36	3.75	3.93
MISSAUKEE	3	3.46	2.67	4.33
MONROE	3.61	4.07	3.47	4
MONTCALM	3.85	4.22	3.89	3.36
MONTMORENCY	2.29	3.75	4.29	3.43
MUSKEGON	3.36	4.17	3.65	3.47
NEWAYGO	4.39	3.67	3.67	4.61
OAKLAND	3.32	3.36	3.08	3.57
OCEANA	3.79	3.53	4	3.88
OGEMAW	4.1	3.36	4.29	4
ONTONAGON	5.22	4.17	4.25	4.75
OSCEOLA	3.38	4.07	3.38	3.92
OSCODA	5	3	3.5	4.2
OTSEGO	2.44	3.5	4.17	4.43
OTTAWA	3	2.94	3.42	3.62
PRESQUE ISLE	3.12	3.08	3.42	3.54
ROSCOMMON	3.73	3.11	3.8	3.7
SAGINAW	4	3.89	4	4.04
SANILAC	3.76	3.42	4.64	4.35
SCHOOLCRAFT	2.8	3.43	5.2	5.2
SHIAWASSEE	4.54	3.58	3.69	3.94
ST CLAIR	2.44	3.05	3.52	4.14
ST JOSEPH	4	4	3.43	3.62
TUSCOLA	3.6	4.5	3.4	4.21
VAN BUREN	4.11	3.77	3.62	4.2
WASHTENAW	3	3.14	3.36	3.29
WAYNE	4.93	4.31	4.5	3.73
WEXFORD	4	3.69	4.09	4.15

Appendix B

Conditions in the current fiscal year compared to the previous fiscal year, 2015-2025

Note: Question not asked in 2024.

		2015	2016	2017	2018	2019	2020	2021	2022	2023	2025
Revenue from property tax	Increased	45%	42%	45%	52%	57%	42%	52%	61%	66%	71%
	Decreased	26%	25%	19%	15%	12%	16%	14%	10%	7%	5%
Revenue from fees for services, licenses, transfers, etc.	Increased	18%	19%	21%			15%	18%	26%	26%	27%
	Decreased	13%	12%	10%			25%	23%	11%	9%	6%
Amount of debt	Increased	15%	14%	16%		17%		13%	15%		
	Decreased	20%	21%	19%		18%		16%	17%		
Ability of jurisdiction to repay its debt	Increased	18%	13%	14%	14%	18%	8%	11%	17%	15%	15%
	Decreased	4%	6%	3%	2%	3%	8%	3%	2%	2%	3%
Amount of federal aid to jurisdiction	Increased	6%	4%	6%				31%	54%	27%	8%
	Decreased	11%	13%	14%				9%	7%	14%	22%
Amount of state aid to jurisdiction	Increased	28%	18%	17%	30%	32%	15%	23%	37%	35%	22%
	Decreased	14%	20%	19%	15%	16%	30%	19%	13%	11%	17%
Number of tax delinquencies	Increased	20%	19%	16%	15%	16%		25%	18%		
	Decreased	16%	17%	15%	15%	14%		6%	7%		
Number of home foreclosures	Increased	15%	13%	10%						11%	
	Decreased	33%	29%	26%						8%	
Public safety needs	Increased	29%	33%	35%	32%	41%	25%	36%	41%	43%	41%
	Decreased	1%	2%	2%	5%	4%	7%	2%	2%	2%	4%
Infrastructure needs	Increased	52%	56%	56%	48%	63%	35%	55%	65%	60%	53%
	Decreased	2%	2%	4%	7%	4%	10%	3%	2%	2%	6%
Human service needs	Increased	28%	27%	28%	23%	33%	28%	37%	38%	40%	30%
	Decreased	1%	1%	1%	2%	2%	8%	2%	1%	2%	2%
General government operations needs	Increased	34%	34%	36%	37%	42%	28%	42%	49%	49%	36%
	Decreased	1%	2%	3%	3%	2%	9%	2%	1%	2%	2%
Number of employees	Increased	10%	10%	13%	14%	14%		10%	15%		
	Decreased	7%	6%	5%	5%	5%		7%	7%		

Pay rates for employee wages and salaries	Increased	53%	51%	57%				59%	72%		
	Decreased	1%	1%	2%				1%	1%		
Cost of employee pensions	Increased	26%	28%	30%	25%	26%	25%	28%	32%	32%	33%
	Decreased	2%	2%	2%	2%	2%	1%	1%	2%	3%	1%
Cost of current employee health benefits	Increased	34%	33%	36%	35%	34%	31%	32%	36%	39%	41%
	Decreased	5%	4%	2%	2%	3%	2%	2%	1%	1%	0%
Cost of retired employee health benefits	Increased	15%	16%	18%	15%	16%	15%	16%	19%	20%	20%
	Decreased	3%	2%	1%	2%	1%	3%	1%	1%	2%	1%

Appendix C

Predicted actions for the coming fiscal year compared to the current fiscal year, 2015-2025

Note: Question not asked in 2024

		2015	2016	2017	2018	2019	2020	2021	2022	2023	2025
Property tax rates	Increase	27%	22%	26%	25%	28%	18%	31%	38%	41%	40%
	Decrease	5%	6%	5%	4%	4%	8%	4%	4%	3%	4%
Charges for fees for services, licenses, etc.	Increase	18%	18%	23%			16%	23%	29%	30%	32%
	Decrease	1%	1%	1%			5%	2%	1%	1%	1%
Reliance on general fund balance	Increase	26%	30%	28%	30%	32%	36%	32%	32%	33%	36%
	Decrease	6%	5%	5%	4%	5%	4%	3%	3%	3%	2%
Reliance on "rainy day" funds	Increase	17%	17%	17%							
	Decrease	5%	5%	6%							
Amount of services provided	Increase	15%	15%	19%	21%	20%	10%	18%	22%	24%	23%
	Decrease	5%	6%	4%	5%	5%	12%	5%	4%	4%	4%
Actual public safety spending	Increase	34%	34%	33%	35%	39%	26%	40%	48%	48%	46%
	Decrease	3%	4%	4%	3%	4%	7%	2%	1%	2%	3%
Actual infrastructure spending	Increase	43%	42%	45%	49%	51%	32%	54%	66%	62%	54%
	Decrease	5%	6%	5%	5%	5%	14%	3%	2%	4%	5%
Actual human services spending	Increase	9%	8%	10%	11%	11%	11%	17%	18%	21%	19%
	Decrease	1%	2%	2%	2%	1%	5%	1%	1%	1%	2%
Actual general government operations spending	Increase	40%	39%	38%	39%	39%	27%	39%	55%	60%	49%
	Decrease	6%	5%	5%	5%	3%	14%	3%	1%	2%	3%
Funding for economic development programs	Increase	13%	12%	14%				17%	22%		
	Decrease	5%	4%	4%				3%	1%		
Amount of debt	Increase	15%	15%	17%		17%	17%	19%	19%	20%	18%
	Decrease	17%	15%	16%		13%	9%	12%	13%	11%	11%

Sale of public assets (i.e., parks, buildings, etc.)	Increase	7%	7%	9%							
	Decrease	1%	1%	1%							
Privatizing or contracting out of services	Increase	10%	10%	11%	13%	14%	11%				
	Decrease	1%	1%	1%	2%	2%	3%				
Number and/or scope of interlocal agreements or cost-sharing plans	Increase	22%	18%	18%	17%	21%	13%			20%	22%
	Decrease	1%	1%	1%	1%	0%	2%			1%	1%
Jurisdiction's workforce hiring	Increase	8%									
	Decrease	3%									
Jurisdiction not filling vacant positions	Increase	5%									
	Decrease	1%									
Number of employees	Increase		9%	11%	11%	12%	6%	12%	14%	18%	16%
	Decrease		4%	5%	4%	3%	8%	4%	4%	3%	3%
Employee pay rates	Increase	53%	48%	56%	61%	63%	44%	56%	68%	72%	72%
	Decrease	1%	1%	1%	0%	1%	2%	0%	0%	0%	0%
Employees' share of premiums, deductibles, and/or co-pays on health insurance	Increase	22%	17%	17%	17%	15%		12%	14%		
	Decrease	1%	0%	0%	0%	0%		0%	1%		
Employees' share of contributions to retirement funds	Increase	11%	11%	12%	10%	11%		9%	11%		
	Decrease	1%	1%	0%	0%	0%		0%	1%		
Retirees' share of premiums, deductibles, and/or co-pays on health insurance	Increase	13%	11%	10%	8%	8%					
	Decrease	0%	0%	0%	0%	0%					

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The Center for Local, State, and Urban Policy (CLOSUP), housed at the University of Michigan's Gerald R. Ford School of Public Policy, conducts and supports applied policy research designed to inform state, local, and urban policy issues. Through integrated research, teaching, and outreach involving academic researchers, students, policymakers and practitioners, CLOSUP seeks to foster understanding of today's state and local policy problems, and to find effective solutions to those problems.

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