It's Still the Economy
County Officials’ Views on the Economy in 2010

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I. Overview of Survey

In May 2010, a Gallup Poll found the public’s concerns focused on the economy; in that poll, Gallup found that 48 percent of the public cited the economy—either the economy in general (26 percent) or unemployment and jobs (22 percent)—in response to an open-ended question, “What do you think is the most important problem facing the country today?”1 About the same time, Gallup found that attitudes about the economy were mostly negative but slowly improving after extremely negative ratings. “Thirteen percent rate current economic conditions as ‘excellent’ or ‘good’ in early May -- also the same as in April -- and the highest percentage of such ratings since September 2008. At the same time, 44% rate the economy as poor -- essentially unchanged from April.”2

In this context, it is not surprising to find that county elected officials are similarly concerned about the economy. Thirty-five percent of county elected officials cite the economy and jobs as the most important problem facing the country, and only seven percent rate the economy as good—no one rating it as excellent. Clearly, the economy was the primary concern for county elected officials as we conducted the 2010 National Survey of County Elected Officials. This survey is the broadest and most consistent measure of county elected officials’ attitudes and views on local and national trends. In addition to questions about the economy, the 2010 survey asked officials about the Recovery Act and the national legislation passed earlier in the year. Interviews were conducted from April 16 to May 19, 2010, and the data are summarized and examined in this report.

The major findings from the 2010 survey include the following:

- Pessimism about the direction of the country, which had turned to positive in 2009, is more negative again in 2010, with 59 percent of county elected officials saying that the country is heading in the wrong direction. This pessimism is in line with general public opinion.

- While county elected officials rate economic conditions in 2010 quite similarly to the 2009 ratings, they are much more likely to say that things are getting better in the economy than they were in 2009.

- County elected officials also rate the fiscal health of their respective counties only slightly lower than in past years, although the difference is statistically significant.

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Twenty-six percent of counties represented by officials in the 2010 survey consolidated services in response to economic conditions, while more than half of the county elected officials surveyed in 2010 said that their county has cooperated regionally to reduce the cost of services. In addition, another 22 percent of those surveyed said that their county was engaged in discussions about consolidating services.

Despite efforts to reduce the cost of service delivery, the impact of county fiscal stress is affecting the county workforce—25 percent have reduced the county’s share of employees’ health benefits, 24 percent have laid off employees, and 20 percent have instituted furloughs for employees.

County elected officials are nearly evenly split on their views about the impact of the economic stimulus on the national economy. Forty-two percent believe that the stimulus has helped the economy, whereas 40 percent believe it has made no difference. Only 17 percent believe that the stimulus has actually hurt or is hurting the economy. Still, 80 percent say that they are “very concerned” with the budget deficit at the national level.

One’s views about the impact of the economic stimulus is largely dependent on one’s party affiliation, with 73 percent of Democrats saying that the stimulus has helped the economy, contrasted with 21 percent of Republicans and 33 percent of Independents. While showing concern for the size of the deficit, Democrats expressed less concern than Republicans and Independents.

County elected officials are more likely to use negative adjectives (65 percent) than positive adjectives (31 percent) to describe their reaction to the national health care legislation that was passed in March 2010. Twenty-nine percent stated a belief that healthcare costs would increase with or without the legislation.
II. Most Important Problems and the Direction of the Nation

As in 2009, the economy was the most frequently mentioned problem facing the nation by county elected officials in the 2010 survey (see Figure 1). Nearly half of these officials (49 percent) cited jobs, unemployment, and a generally poor business climate in response to this open-ended question. Most of the respondents citing the economy were direct and brief, such as the respondent who said, “The economy—trying to recover from the last 18 months.”

More than one in four respondents (27 percent) cited government spending—usually referring to spending by the federal government—and declining revenue for local governments as the most important problem facing the nation. One respondent cited, “the money our politicians are spending, and that problem is trickling down to those who can’t afford to pay.” “Debt,” “spending money we don’t have” and “the deficit” were common responses in this category.

Seven percent of the county elected officials in this survey reference a problem with leadership that results in low confidence in our government to respond to the challenges of the day. One response of this sort referenced partisanship in government and society, stating that “we are drifting into two different countries the left and the right.” More than a few respondents noted the problem with partisanship and gridlock, and others cited either a specific party or a branch of government as problematic.

As for the most important problem facing their counties specifically, the most frequent response was the lack of revenue to meet county needs (47 percent), followed by more references to the generally poor economy (35 percent). Typical of the responses about revenue shortfalls was one that referred to “the mandate of services that we have to supply and the continual reduction of funds that come into the county from the state.” This same respondent then went on to cite recent changes in state regulations that increased his county’s burden for jails and court costs.

What is remarkable about the 2010 responses to the question, “What is the most important problem facing your county, specifically” is the near uniformity of responses around economic issues, either
referring to the impact on county revenue and service delivery or the economy in general. As Figure 2 illustrates, 82 percent of the responses were coded into one of these categories.

Figure 2. Responses to the most important problem facing one’s specific county

While 2009—in the wake of the inauguration of President Obama—saw a brief moment of optimism about the direction of the country, this optimism has dissipated in 2010 amid worries about the economy. The mood of county elected officials in 2010 looks much more like 2007—before the extreme pessimism of 2008—than 2009 (see Figure 3). Nearly three in five (59 percent) county elected officials in 2010 said that the country was on the wrong track; whereas just under a third of those surveyed (32 percent) said that the country was heading in the right direction.

The mood of county elected officials, as measured by this question, is right on par with the views of the general public at the same time. Figure 4 shows the comparison of the general public, as measured by a CBS News poll, with the 2010 sample of county elected officials, and the slight differences are statistically meaningless.

Republicans were far more likely than Democrats to say that the country is on the wrong track; this is in keeping with a pattern where the party out of power has shown less support for the direction of the country. Republicans in the Midwest, however, are less likely than those from other regions to say that the country is on the wrong track, and Republicans from the West are the most pessimistic. Democrats from the South are less supportive of the direction of the country than Democrats from any other region.

Table 1. County elected officials’ views about the direction of the country by party within region

<table>
<thead>
<tr>
<th>Census Region</th>
<th>Northeast</th>
<th>South</th>
<th>Midwest</th>
<th>West</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rep</td>
<td>Ind</td>
<td>Dem</td>
<td>Rep</td>
</tr>
<tr>
<td>Right direction</td>
<td>5%</td>
<td>0%</td>
<td>70%</td>
<td>7%</td>
</tr>
<tr>
<td>Wrong track</td>
<td>90%</td>
<td>50%</td>
<td>10%</td>
<td>85%</td>
</tr>
<tr>
<td>Not sure</td>
<td>5%</td>
<td>50%</td>
<td>20%</td>
<td>7%</td>
</tr>
</tbody>
</table>
Figure 3. County elected official’s views about the direction of the country since 2004

Figure 4. Comparison of county elected officials with the general public on direction of the country


http://www.ropercenter.uconn.edu/data_access/ipoll/ipoll.html
III. Economy and Budgets

While the political mood among county elected officials, like that of the general public, is less optimistic in 2010 than in 2009, their assessment of the economy has not changed very much. Respondents in 2010 versus 2009, however, were much more likely to say that the economy is getting better (42 percent compared with 29 percent). Younger officials (those under 45) and those officials from the Northeast are the most likely to believe that the economy is getting worse.

Figure 5. County elected officials’ rating of national economic conditions since 2004

As Figure 6 illustrates, county elected officials rated the economy very similarly to the general public, based on a Pew poll, although the county elected are slightly more likely to say that the economy is fair rather than good. Where the county elected officials differ from the general public, however, is where they see the economy heading. In similar, though not identical questions, 29 percent of county elected officials said that the economy is getting worse, as compared with only 15 percent of the general public in a CBS News / New York Times Poll. The same percentage of general population respondents and county elected officials expressed the view that the economy is getting better (41 percent), and general population respondents in the CBS/NYT poll were more likely to say that the economy is holding steady than were elected officials (43 percent compared with 28 percent).

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Only five percent of the county elected officials rate the economy as either excellent or good and believe that it is getting better; on the other hand, 28 percent rate the economy as either fair or poor and believe that it is getting even worse. A plurality of respondents (38 percent) have a mixed view, most of whom rate the economy poorly but hold the belief that it is getting better.

County elected officials from the poorest counties, based on median household income, were the least likely to say that the economy is getting better, as illustrated in Figure 8.

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County elected officials do not rate the economic conditions in their own counties as poorly as they rate the national economy, but as Figure 9 illustrates, they rate economic conditions lower in 2010 than they have any other year since the National Survey of County Elected Officials began.

County officials were asked to rate the fiscal health of their respective counties on a scale from 1 to 10, with 10 being extremely healthy and 1 being extremely unhealthy. The rating given in 2010, although deceivingly similar to ratings in past years, is statistically significantly lower than the average mean over time ($t = -3.213, p < 0.001$). Table 2 shows the mean ratings over time.
Table 2. Mean ratings of county fiscal health

<table>
<thead>
<tr>
<th>Year of survey</th>
<th>Mean</th>
<th>N</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>6.53</td>
<td>499</td>
<td>1.917</td>
</tr>
<tr>
<td>2005</td>
<td>6.50</td>
<td>500</td>
<td>1.893</td>
</tr>
<tr>
<td>2006</td>
<td>6.86</td>
<td>499</td>
<td>1.915</td>
</tr>
<tr>
<td>2007</td>
<td>6.64</td>
<td>500</td>
<td>1.735</td>
</tr>
<tr>
<td>2008</td>
<td>6.29</td>
<td>500</td>
<td>2.098</td>
</tr>
<tr>
<td>2009</td>
<td>6.40</td>
<td>500</td>
<td>1.911</td>
</tr>
<tr>
<td>2010</td>
<td>6.19</td>
<td>500</td>
<td>2.102</td>
</tr>
</tbody>
</table>

When asked what the single greatest threat to fiscal health is, the most frequently cited threat was the current economy. Nearly 30 percent of the county officials surveyed cited the economic environment in some way, whether referencing unemployment or simply the bad economy. Just less than a quarter of respondents (23 percent) specifically referenced unfunded mandates, either from the state or from the federal government, and another 21 percent cited insufficient revenue as the greatest threat. Although revenue generation is clearly tied to the economy, some respondents also spoke about limits placed upon them that restricted their ability to raise revenue. One respondent put it thusly: “Tax money from state and federal levels (is) not being returned to us; because of dereliction at state and federal levels, we are unable to maintain infrastructure such as road repair.” Figure 10 illustrates the frequency of areas that elected officials see as the greatest threats to fiscal health.

Figure 10. County elected officials’ perception of the threats to fiscal health

<table>
<thead>
<tr>
<th>Threat</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economy and jobs</td>
<td>29%</td>
</tr>
<tr>
<td>Unfunded mandates</td>
<td>23%</td>
</tr>
<tr>
<td>Insufficient revenue</td>
<td>21%</td>
</tr>
<tr>
<td>Healthcare costs</td>
<td>5%</td>
</tr>
<tr>
<td>Increased public demand for services</td>
<td>4%</td>
</tr>
<tr>
<td>Citizens’ unwillingness to pay more taxes</td>
<td>4%</td>
</tr>
<tr>
<td>Infrastructure maintenance</td>
<td>4%</td>
</tr>
<tr>
<td>Other</td>
<td>3%</td>
</tr>
</tbody>
</table>

One third of the respondents from the Northeast and only 19 percent from the South cited unfunded mandates as the single greatest threat. Officials from larger counties—those with populations larger than 50,000—tended to phrase their responses in terms of insufficient revenue with greater frequency (27 percent) than those from smaller counties (17 percent); it is possible that the larger counties with greater service demands are more sensitive to declining revenue.
Not surprisingly, the economic climate made passing the most recent budget more difficult than usual. A large majority (64 percent) said that balancing the most recent budget was more difficult than in other years, and only five percent said it was easier (see Figure 11). The challenge was greatest in the Northeast and in the Midwest where 70 percent and 71 percent, respectively, said that balancing the most recent budget was more difficult.

Fifteen percent of the county elected officials representing counties with median household incomes at or below $33,554—about one standard deviation below the sample mean—cited health care costs as the greatest threat to fiscal health, whereas only five percent generally cited health care.

Nearly four out of five county elected officials say that the state either significantly hinders their ability to raise revenue (36 percent) or somewhat hinders their ability (43 percent); 15 percent said that the state hinders their county in raising revenue only very little, and five percent said that the state does not hinder them at all. Nevertheless, a majority characterize their relationship with state government as cooperative (55 percent) rather than as contentious (35 percent).

The county officials surveyed in 2010 were much more likely to characterize their relationships with municipal governments and school boards as cooperative. Eighty-one percent of all respondents said that their relations with municipal governments were cooperative, and 85 percent said that their relationships with local school boards were cooperative. Figure 12 illustrates these responses.
While a majority (56 percent) of respondents said that their county government had formal agreements with other local governments for service delivery, only 28 percent said that their government was taking advantage of national purchasing arrangements.

As Table 3 demonstrates, larger counties are more likely to take advantage of cooperative arrangements with other governments than are smaller counties. The average size of counties taking advantage of purchasing arrangements with other local governments is more than twice that of those not using these arrangements.
Table 3. Average population size of counties based on cooperative arrangements

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchasing arrangements with other local governments</td>
<td>126,143</td>
<td>57,222</td>
</tr>
<tr>
<td>Formal agreements for delivery of services with other local government</td>
<td>121,028</td>
<td>47,290</td>
</tr>
<tr>
<td>Take advantage of any national purchasing arrangements</td>
<td>114,724</td>
<td>69,006</td>
</tr>
</tbody>
</table>

A slim majority of county elected officials (51 percent) said that their government entered into cooperative arrangements in order to reduce the cost of services; this was the most frequent response to budget stress due to current economic conditions. Figure 14 illustrates the percent of counties taking specific actions due to the economy.

Twenty-three percent of those surveyed said that their county did not take any of the listed actions in response to budget stress or the economy. On average, respondents’ counties took about two of the actions, with 13 percent taking four or more of the actions in the list. Counties in the Northeast took the most actions, on average, while counties in the South took the least. Larger counties took a wider range of actions than smaller counties, and counties with a high median household income took a wider range than did counties with a low median income.

Figure 14. County actions taken as a response to current economic conditions

Cooperated regionally to reduce the cost of services? 51%
Decreased county’s portion of employee health benefits? 25%
Layed off county employees? 24%
Privatized any services once supplied by county government? 23%
Has your county provided incentives for early retirement to eligible county employees? 22%
Instituted furloughs for some or all county employees? 20%
Changed to a 4 day work week? 15%
Decreased county’s contribution level to employee retirement plans? 12%
As Figure 15 illustrates, counties were more likely in 2010 to take all of the actions than they were in 2009.

**Figure 15. County actions taken as a response to current economic conditions, comparing 2009 to 2010**

<table>
<thead>
<tr>
<th>Action</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decreased county’s portion of employee health benefits?</td>
<td>17%</td>
<td>21%</td>
</tr>
<tr>
<td>Laid off county employees?</td>
<td>10%</td>
<td>17%</td>
</tr>
<tr>
<td>Instituted furloughs for some or all county employees?</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Changed to a 4 day work week?</td>
<td>10%</td>
<td>15%</td>
</tr>
<tr>
<td>Decreased county’s contribution level to employee retirement plans?</td>
<td>7%</td>
<td>12%</td>
</tr>
</tbody>
</table>
IV. Assessment of Recovery Act

While about half of the county elected officials surveyed said that they applied and received funds, another 27 percent said that their county applied but did not receive funds, and 20 percent said that their county never even applied.

Figure 16. Percent of county elected officials who said that their county applied for and did or did not receive stimulus funds

Overall, a slight plurality of respondents (42 percent) said that the economic stimulus package has helped or is helping the economy recover, while nearly as many (40 percent) said that the package has made no difference. Seventeen percent of the county elected officials surveyed said that the stimulus package has hurt or is hurting the economy. As Figure 17 illustrates, one’s view on the effect of the stimulus is highly correlated with one’s partisan identity. While nearly three in four Democrats said that the stimulus was helping the economy, a majority of Republicans (53 percent) and a plurality of Independents (44 percent) believe that it is making no difference.
Elected officials are closely divided in their satisfaction about three aspects of the stimulus funding; they are slightly more satisfied than unsatisfied with the process for qualifying for stimulus funding, but slightly unsatisfied with the results of the stimulus and the distribution of funds (see Figure 18). Again, one’s partisan identity is related to one’s satisfaction level—with Democrats showing higher levels of satisfaction than Republicans and Independents. Satisfaction levels did not, however, differ significantly by region.

While county officials were more likely to say that the stimulus was good for the economy than they were to say that it made little to no difference, they do not see much impact in their counties in
reducing job loss or patching gaps in their county budget, as can be seen in Figure 19. Officials from Northeast counties are more likely than their counterparts in the rest of the nation to say that the stimulus helped patch budget gaps, but even there, the majority felt that the stimulus did not do much in this area.

Figure 19. County elected officials’ opinions on the impact of the federal stimulus in their respective counties

![Figure 19](image)

In your opinion, to what degree did the stimulus reduce the level of job loss in your county, if at all? To what extent did the stimulus help patch gaps in your county’s budget, if at all?

- A great deal
- Some
- Very little
- Not at all

Like those that they represent, county elected officials said that they are very concerned about increasing budget deficits at the federal level; as Figure 20 shows, only five percent said that they are not too concerned, and almost no one said that they are not at all concerned.

Figure 20. County elected officials’ concern about increasing national budget deficits

![Figure 20](image)

- Very concerned: 79%
- Not too concerned: 5%
- Not at all concerned: 1%
- Somewhat concerned: 15%
V. Views on Health Care Legislation

County elected officials were asked what they thought would happen to the cost of healthcare given the federal healthcare legislation passed in March 2010 and what the costs would be if the legislation had not passed. Nearly half of those surveyed (48 percent) stated a belief that the cost of healthcare would increase even with the new legislation, but 57 percent stated their belief that the costs would have increased without the legislation. Only two percent said that they thought the costs of healthcare would decrease with the new legislation but would increase had the legislation not passed.

More than a third of all respondents (37 percent) expressed the sentiment that it was too early to make any judgments about the costs of healthcare due to the new legislation.

As Figure 21 illustrates, the majority of county elected officials characterize their feelings about the federal healthcare legislation in negative terms; 40 percent said that they were disappointed in the new legislation, and 25 percent said that they were angry. By contrast, 23 percent characterized their response as pleased and only eight percent said that they were enthusiastic about the new legislation.

![Figure 21. County elected officials' reactions to the March 2010 healthcare legislation](image)

Sixty-one percent of the respondents expressed the view that the healthcare legislation went too far, and another 12 percent said that it did not go far enough. There were some dramatic regional differences on this point: while 73 percent of elected officials from the West thought that the legislation went too far, only 55 percent of those from the Midwest held that view—with 17 percent of Midwestern county elected officials saying that it did not go far enough. In addition, there were even more dramatic partisan differences, as illustrated in Figure 22. While Democrats are divided on the scope of the legislation, Republicans are almost uniformly of the opinion that the legislation went too far.
Slightly less than a third of the respondents believe that their constituents understand the healthcare legislation passed in March 2010 either very well (5 percent) or somewhat well (26 percent).

A large majority (58 percent) believe that it is too early to tell what impact the new legislation will have on the ability of their constituents to access healthcare. Among those who have an opinion on the matter of access, 18 percent said that the legislation will make it easier and 18 percent said that it will make it more difficult. Representatives from large counties and those in the Northeast were more likely to say that the healthcare legislation will make it easier for their constituents to get access to healthcare.
While about a third of county elected officials believe that the legislation will increase the costs that the county pays for employees’ healthcare, nearly half said that it is still too early to tell, as illustrated in Figure 24.

**Figure 24. Assessment of how the 2010 healthcare legislation will affect the counties’ costs for employee healthcare**

Increase the cost | 32%
---|---
Decrease the cost | 6%
Have no affect | 12%
Too early to tell | 48%

County elected officials were circumspect in their views about the impact the 2010 healthcare legislation on local business, with only eight percent saying that it was too early to tell what impact the new legislation might have on local small businesses.

**Figure 25. Views on the effect of the 2010 healthcare legislation on local small businesses**

Greatly increase the cost of doing business | 39%
Slightly increase the cost of doing business | 33%
Slightly decrease the cost of doing business | 11%
Greatly decrease the cost of doing business | 2%
Too early to tell the effect | 8%

A majority of those county elected officials with an opinion on the matter said that providing indigent care is either a great burden (22 percent) or a modest burden (33 percent) on their county’s budget. Forty-eight percent of those from the Northeast region said that providing indigent care is a great burden, and 19 percent of those from the South region said that it is no burden at all.
VI. Demographics of County Elected Officials

Since 2004, the National Survey of County Elected Officials has collected information on the demographics of those individuals surveyed. To this point, the demographics from this survey provide the best available picture of those elected to run the nation’s counties. As the following figures illustrate, the individuals representing Americans in county government are mostly white, male, and above 50 years of age.
Figure 28. County elected officials by gender

- Male: 86%
- Female: 14%

Figure 29. County elected officials by party affiliation, by survey year

- Democrat: 36.7% (2004), 44.1% (2010)
- Republican: 30.0% (2004), 35.0% (2010)
- Independent: 15.0% (2004), 15.0% (2010)
Figure 30. County elected officials self reported ideology

- Very conservative: 23.0%
- Somewhat conservative: 38.7%
- Middle of the Road: 27.1%
- Somewhat Liberal: 8.8%
- Very Liberal: 2.2%

Figure 31. County elected officials by years in office

- Less than 5 years: 27.7%
- 5 to 10 years: 26.1%
- 11 to 15 years: 16.0%
- More than 15 years: 30.1%

Figure 32. County elected officials by age

- Age 45 and under: 9.8%
- Age 46 to 55: 20.0%
- Age 56 to 65: 34.1%
- Age 66 to 75: 28.3%
- Older than 75: 7.4%
Figure 33. County elected officials by educational attainment

- Less than High School: 0.8%
- High School diploma: 21.8%
- Some college: 29.5%
- College degree: 26.7%
- Some post graduate work: 3.4%
- Post-graduate degree: 17.6%

Figure 34. Percent for whom their position as a county elected official is considered full-time versus part-time

- Full-time: 25%
- Part-time: 74%
- Other: 1%
VII. Methodology

The sampling procedure for the 2010 poll is identical to the procedures used since 2004. NACo provided a nearly complete list of county elected officials from which two separate sampling strata were created: one of elected officials from counties with a population less than 50,000 and another of elected officials from counties with a population of 50,000 or greater. Because 63 percent of all county elected officials in the nation are from counties of less than 50,000, 63 percent of the sample was drawn from that strata; the other 37 percent came from the strata of elected officials from larger counties. Thus, every commissioner in the sample frame (the list provided by NACo) had an equal probability of being selected into the sample, and the final sample was certain to have balance in respect to county size. Sampling elected officials from each stratum was completely randomized within the framework described above.

The 2010 sample was drawn from a database of 18,752 records, each representing a distinct county commissioner. Given the size of the population of commissioners, researchers are 95 percent confident that any frequency figure reported for the entire sample is within four percent of the figure for the true population. Of course, sampling error is only one potential source of survey error, but all reasonable precautions have been taken throughout the study to minimize all error sources.
The new National Center for the Study of Counties in partnership with NACo is a focal point for the study of practical issues important to county government. It brings together research and outreach activities relating to counties, their governance, and public policy issues of significance to county governments not only in Georgia but nationwide.

The University of Georgia’s Carl Vinson Institute of Government is addressing the changing needs of counties through the National Center for the Study of Counties. This new initiative is the nation’s first university-based center of its kind in the United States.