



### MPPS Policy Brief

# Michigan local government officials' assessments of workforce wages and benefits

By Natalie Fitzpatrick, Debra Horner, and Thomas Ivacko

As of Spring 2022, 92% of Michigan local governments report having some type of paid employees, beyond their elected officials. Half (50%) report having full-time employees, while 75% report having part-time employees and 38% hire seasonal employees. Full-time employees are significantly less common in townships (31%) compared to counties (100%), cities (98%), and villages (75%).

## Local governments report long trend of increasing employee pay, but a third of local leaders say wages still too low

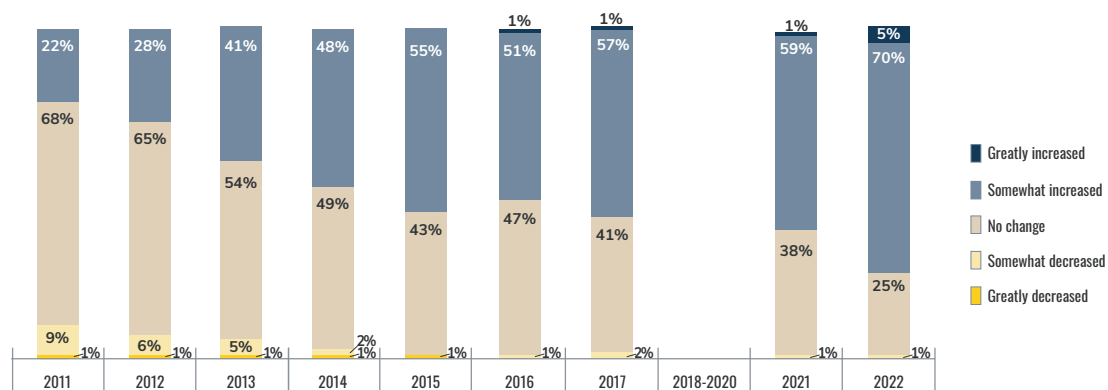
Over the past decade, Michigan local governments have increasingly reported boosting employee wages and salaries. In 2011, early in the wake of the Great Recession, fewer than a quarter (22%) of the Michigan local governments that have employees reported increasing their pay rates compared to the previous fiscal year, while 10% were decreasing the rates (see *Figure 1*). By spring of 2022, 75% reported increasing pay rates, by far the highest since the MPPS started tracking the item. However, as has been the case since tracking began in 2011, the pay increases this year likely continue to be relatively small, with 70% reporting rates increased “somewhat” and just 5% reporting “greatly” increased pay rates.

Among jurisdictions with any employees, counties (92%) and cities (88%) are more likely than villages (74%) or townships (70%) to report increased pay rates this year. Pay increases are also more likely to be reported among jurisdictions with full time employees (87%) compared to those with only a part-time, temporary, or seasonal workforce.

Additionally, 68% of Michigan local governments are planning further increases in wages and salaries in the 2022-23 fiscal year, which is also a record high, eclipsing the previous high of 63% in 2019.

**Figure 1**

Percentage of jurisdictions that have reported an increase or decrease in employee pay rates compared with previous year, 2011-2022



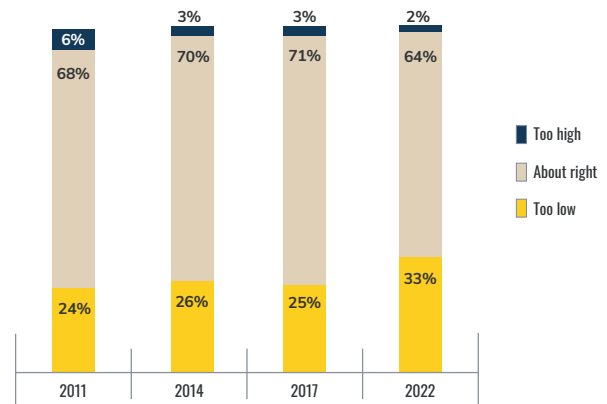
Note: responses for “not applicable” omitted, and those for “don’t know” not shown; question not asked from 2018-2020.

## While most say pay rates for current employees are about right, one-third say too low

Most local government officials (64%) say their government’s pay rates are about right, as has been the case since MPPS tracking began in 2011 (see *Figure 2*). However, despite the decade long trend in pay rate increases, 33% statewide say the rates are currently too low, up from approximately a quarter of jurisdictions in 2011, 2014, and 2017. Just 2% statewide say pay rates are too high.

Townships (29%) are less likely than counties (40%), cities (41%), or villages (41%) to say current pay rates are too low (see *Figure 3*). Meanwhile, low pay is a concern in jurisdictions of all sizes, including in 35% of the state’s smallest jurisdictions (those with fewer than 1,500 residents) as well as in 36% of the largest jurisdictions (those with over 30,000 residents). In addition, local governments with full time employees are more likely to say their employee pay is too low compared to those with only a part-time, temporary, or seasonal workforce.

**Figure 2**  
Local officials’ assessments of current employee pay rates, 2011-2022 (among jurisdictions with employees)



Note: responses for “don’t know” not shown

**Figure 3**

Percent of jurisdictions rating current employee pay rates as “too low” (among jurisdictions with employees), 2022, by jurisdiction type and population size



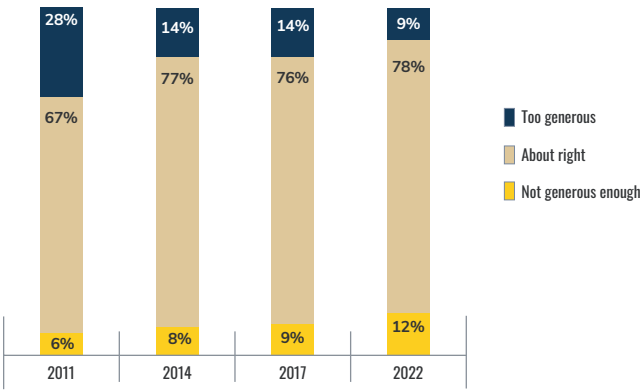
Note: responses for “too high,” “about right,” and “don’t know” not shown

# Compared with wages, fewer local leaders are concerned about employee fringe benefit packages

Back in 2011, more than a quarter (28%) of officials from jurisdictions that offer employee benefits thought those packages were too generous, while just 6% said they were not generous enough (see *Figure 4*). By 2014, the percent saying benefits were too generous declined by half, while those saying they were not generous enough increased slightly. Since 2014 there has been only marginal change, with slightly fewer saying benefits are too generous, slightly more saying they are not generous enough, and most (78%) continuing to say benefits are about right.

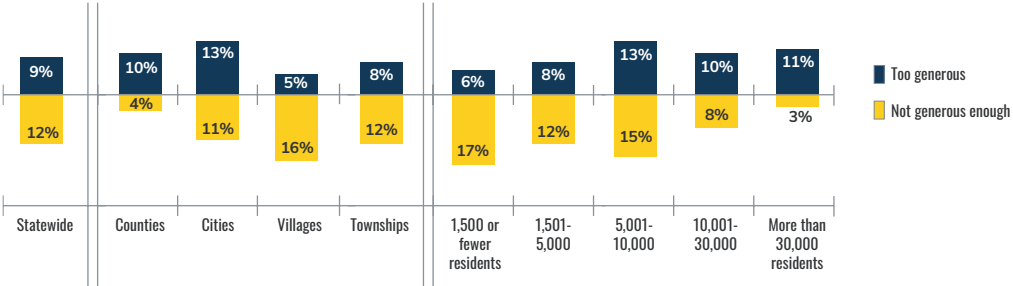
As shown in *Figure 5*, in 2022, village officials (16%) and those from jurisdictions with fewer than 1,500 residents (17%) that offer fringe benefits to employees are the most likely to say their benefit packages are not generous enough. Meanwhile, only 4% of county officials and 3% from jurisdictions with over 30,000 residents say their fringe benefits are not generous enough. By contrast, 13% of city officials and officials from jurisdictions with between 5,001-10,000 residents say their current benefits packages are too generous.

**Figure 4**  
Local officials' assessments of current employee fringe benefit packages (among jurisdictions that offer benefits), 2011-2022



Note: responses for "don't know" not shown

**Figure 5**  
Percent of jurisdictions rating current employee fringe benefit packages as either "too generous" or "not generous enough" (among jurisdictions that offer benefits), 2022, by jurisdiction type and population size



Note: responses for "about right" and "don't know" not shown

## Survey Background and Methodology

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) at the University of Michigan's Gerald R Ford School of Public Policy. The program is a partnership with Michigan's local government associations. The Spring 2022 wave was conducted April 4 – June 6, 2022. Respondents include county administrators, board chairs, and clerks; city mayors, managers, and clerks; village presidents, managers, and clerks; and township supervisors, managers, and clerks from 1,327 jurisdictions across the state, resulting in a 71% response rate by unit. More information is available at <https://closup.umich.edu/michigan-public-policy-survey/mpps-2022-spring>

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 community characteristics, are available at <http://mpps.umich.edu>.

*The survey responses presented here are those of local Michigan officials and residents, while further analysis represents the views of the authors. Neither necessarily reflects the views of the University of Michigan, or of other partners in the MPPS.*



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