



## Trends to Watch in State and Local Government – 2017

<http://slge.org/newsletter/trends-to-watch-in-state-and-local-government-2017>

The Center for State and Local Government Excellence (SLGE) recently released the following trends that state and local governments should keep an eye on in the upcoming year:

**Younger Employees Will Dominate the Workforce.** In just four years, people born in 1978 or later will make up 56 percent of the workforce. Baby boomers will decline from 27 percent in 2016 to 17 percent in 2020. These demographic shifts may accelerate the movement to offer flexible work practices as younger workers expect to be able to work anytime from anywhere. Read more [here](#) and in SLGE's [Workforce of Tomorrow](#) report.

**Recruiting and Retaining Employees Will Be a Top Concern.** In 2016, 92 percent of human resources managers ranked recruiting and retaining qualified employees as their top concern, followed by succession planning (80 percent) and staff development (79 percent), making these issues the top three concerns for the second year in a row. Read more [here](#).

**Governments Need a Succession Plan.** While state and local governments realize they need formalized succession plans, only 11 percent of those surveyed currently have one in place. It is time for government leadership to make these plans a priority and involve the range of stakeholders, across the enterprise. Read more [here](#).

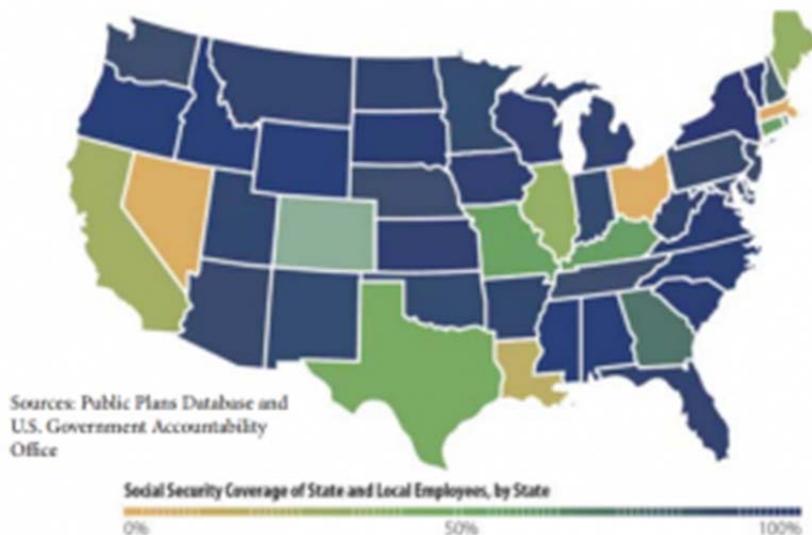
**More Governments Are Hiring.** The percentage of governments reporting increases in hiring increased to 77 percent in 2016, the highest level reported since the financial crisis. A majority of respondents reported more retirements in 2015 compared to previous years. Read more [here](#).

**Most Pension Plans Are Making Modest Progress to Improve Funding.** On average, governments paid 91 percent of their actuarially determined employer contribution in 2015 compared with 86 percent in 2014. Overall, the funded ratio of public plans was 73.6 percent. The story varies from plan to plan and state to state. While 38 percent of the plans in [Public Plans Data](#) were over 80 percent funded in 2015, 20 percent of plans were under 60 percent funded. Learn [more here](#).

**How Confident are State and Local Workers about Retirement?** While 55 percent of workers surveyed are somewhat confident they are saving and investing appropriately for retirement, most don't know how much they will need to save for a comfortable retirement. Learn more [here](#).

**About 25 Percent of State and Local Employees are Not Covered by Social Security.** Check out this [interactive chart](#) to see which states' retirement plan participants are not covered by Social Security:

**Interactive Chart: Social Security Coverage of State and Local Employees, by State**



To see the latest national and state trends in pension funding, employer contributions, asset allocations, and other quick facts, go to <http://publicplansdata.org/>

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