

AGENDA

MEETING OF THE BOARD OF DIRECTORS' FISCAL COMMITTEE AND/OR OF THE BOARD OF DIRECTORS

SAN ANTONIO RIVER AUTHORITY

March 8, 2010, 12:00 noon

**Estimated Presentation Time: 2 Hours*



GENERAL AND CEREMONIAL ITEMS:

Estimated Presentation Time: 5 minutes

1. CALL TO ORDER BY THE CHAIRMAN, MS. TERRY E. BAIAMONTE

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL BY THE SECRETARY, MR. A. D. KOLLODZIEJ, JR.

- Terry E. Baiamonte
- A.D. Kollodziej, Jr.
- Michael W. Lackey, P.E.
- Hector R. Morales
- Gaylon J. Oehlke
- Thomas G. Weaver

4. CERTIFICATION OF A QUORUM BY THE SECRETARY

5. INTRODUCTION OF VISITORS

6. CITIZENS TO BE HEARD

**Represents the time staff anticipate that it will take to make presentations or give briefings; does not include an estimate of the time required if consent items are pulled for individual presentation or for discussions generated by Board members.*

- 7. APPROVAL OF THE MINUTES OF THE FISCAL COMMITTEE MEETING HELD ON FEBRUARY 17, 2010**
- 8. PRESENTATION, DISCUSSION, AND APPROPRIATE ACTION REGARDING THE RESULTS OF A COMPENSATION STUDY OF THE SAN ANTONIO RIVER AUTHORITY'S EMPLOYEE COMPENSATION PROGRAM AND THE MERIT/PERFORMANCE INCENTIVE PROGRAM FISCAL YEAR 2010/11**
- 9. GENERAL MANAGER'S REPORT CONCERNING THE FOLLOWING:**
 - UPCOMING EVENTS CALENDAR,**
 - FUTURE BOARD AND/OR COMMITTEE MEETINGS, AND**
 - MEETINGS INVOLVING THE ATTENDANCE OF ONE OR MORE BOARD MEMBERS**
- 10. ITEMS FOR FUTURE CONSIDERATION**
- 11. NEXT MEETING DATE**
- 12. ADJOURN**

Estimated Presentation Time: 2 Hours

SAN ANTONIO RIVER AUTHORITY
General Statements

This meeting is wheelchair accessible. Accessible parking is located at 100 E. Guenther Street. Requests for an interpreter for the hearing impaired must be received at least 48 hours prior to the meeting, or, to arrange for special assistance to attend this meeting, please call the Operator at 210-227-1373.

The Board of Directors' Fiscal Committee and/or the Board of Directors of the San Antonio River Authority may discuss and/or take action on any item listed in this agenda while convened in open session. The Board of Directors' Fiscal Committee and/or of the Board of Directors of the San Antonio River Authority may also meet in Executive Session, pursuant to Section 551.071 of the Texas Government Code, to receive advice from legal counsel on any item listed in this agenda.

Date: 03/08/2010

Approval of the Minutes

Submitted By: Linda Whitaker, Technical Services

Division: Technical Services

Department:

Information

CAPTION

APPROVAL OF THE MINUTES OF THE FISCAL COMMITTEE MEETING HELD ON FEBRUARY 17, 2010

Presenter

Ms. Baiamonte, Committee Chair

Estimated Presentation Time: 5 minutes

Recommendation

Motion to approve the minutes of the Fiscal Committee meeting held on February 17, 2010, as presented.

Discussion

Vote

Attachments

Link: February 17, 2010, Fiscal Committee Meeting Minutes

MINUTES

MEETING OF THE BOARD OF DIRECTORS' FISCAL COMMITTEE

SAN ANTONIO RIVER AUTHORITY

February 17, 2010, 11:00 a.m.



GENERAL AND CEREMONIAL ITEMS:

1. **CALL TO ORDER WAS MADE BY THE CHAIR, MS. TERRY E. BAIAMONTE, AT 11:09 AM**
2. **PLEDGE OF ALLEGIANCE WAS RECITED**
3. **IN THE ABSENCE OF THE SECRETARY, MR. A. D. KOLLODZIEJ, JR., THE VICE CHAIR, MR. HECTOR R. MORALES, CALLED THE ROLL AND REPORTED THE FOLLOWING BOARD MEMBERS PRESENT:**

- Terry E. Baiamonte
- A.D. Kollodziej, Jr. (absent)
- Michael W. Lackey, P.E. (arrived at 11:12 a.m.)
- Hector R. Morales
- Gaylon J. Oehlke
- Thomas G. Weaver

4. **CERTIFICATION OF A QUORUM WAS ANNOUNCED BY THE VICE CHAIR, MR. MORALES**

5. **INTRODUCTION OF VISITORS**
Ms. Sanchez announced the citizens who were present.

6. **CITIZENS TO BE HEARD**
Ms. Sanchez announced that there were no citizens signed up to speak.

7. **APPROVAL OF THE MINUTES OF THE FISCAL COMMITTEE MEETING HELD ON NOVEMBER 2, 2009**
Staff recommended a motion to approve the minutes of the Fiscal Committee meeting held on November 2, 2009, as presented.

Motion made by Gaylon J. Oehlke
Seconded by Hector R. Morales
Motion passed unanimously

8. PRESENTATION, DISCUSSION, AND APPROPRIATE ACTION REGARDING THE RESULTS OF A COMPENSATION STUDY OF THE SAN ANTONIO RIVER AUTHORITY'S EMPLOYEE COMPENSATION PROGRAM

A 15 minute recess took place during presentation of this item in order for Board and staff to get lunch and return to their seats.

There being no action taken on this item, Ms. Baiamonte called for Agenda Item 9.

9. STATUS REPORT ON THE PREPARATION OF THE FISCAL YEAR 2010/11 BUDGET

There being no action taken on this item, Ms. Baiamonte called for Agenda Item 10.

10. GENERAL MANAGER'S REPORT

- **UPCOMING EVENTS CALENDAR,**
- **FUTURE BOARD AND/OR COMMITTEE MEETINGS, AND**
- **MEETINGS INVOLVING THE ATTENDANCE OF ONE OR MORE BOARD MEMBERS**

Ms. Scott asked to postpone the General Manager's report until the Board meeting scheduled to be held after the Fiscal Committee meeting, and Ms. Baiamonte consented.

11. ITEMS FOR FUTURE CONSIDERATION

Mr. Lackey requested that staff research the possible addition of an internal auditor and prepare for discussions on a future agenda. There being no other items mentioned for future consideration, Ms. Baiamonte called for Agenda Item 12.

12. NEXT MEETING DATE

After brief discussion, it was determined that the next Fiscal Committee meeting will be March 8, at 12 noon.

13. ADJOURN

There being nothing further to report, Ms. Baiamonte called the meeting adjourned at 1:05 p.m.

PREPARED AND RECOMMENDED FOR APPROVAL BY THE MANAGER.

SUZANNE B. SCOTT, General Manager

APPROVED BY THE BOARD OF DIRECTORS' FISCAL COMMITTEE AT THE MEETING HELD ON MARCH 8, 2010.

TERRY E. BAIAMONTE, Committee Chair

ATTEST:

A.D. KOLLODZIEJ, JR., Committee Secretary

DRAFT

Date: 03/08/2010

Compensation Design Plan and Merit/Performance Incentive Fiscal Year 2010-11

Submitted By: Linda Munoz, Internal Resources Division

Division: Internal Resources Division

Submitted For: Linda Munoz

Department: Human Resources

Information

CAPTION

PRESENTATION, DISCUSSION, AND APPROPRIATE ACTION REGARDING THE RESULTS OF A COMPENSATION STUDY OF THE SAN ANTONIO RIVER AUTHORITY'S EMPLOYEE COMPENSATION PROGRAM AND THE MERIT/PERFORMANCE INCENTIVE PROGRAM FISCAL YEAR 2010/11

Presenter

Dr. Steve Werling of Werling & Associates and Janet Pollock, Human Resources Director

Estimated Presentation Time: 1 hour

Each budget year the San Antonio River Authority (River Authority) staff makes a recommendation for employee compensation adjustments to support the Merit/Performance Incentive Program. In addition this year the staff also makes a recommendation for funding for internal equity adjustments based on the results of the compensation study and the application of the updated market-based compensation program.

INTERNAL EQUITY ADJUSTMENTS

Based on the market analysis conducted with the compensation study, pay ranges for 80% of positions were changed. As reported previously to the Fiscal Committee, there are a few employees whose pay is below the recommended minimum of the revised pay grade. The annual adjusted cost to bring these employees to the minimum of the pay grade is minimal.

Through the study, other individual employees have been identified that require adjustment within the pay ranges based on experience, time in position, level of expertise and other job related factors. The study results indicate the need to adjust these employees pay to improve pay consistency, internal equity and effectiveness in the application of the updated compensation program.

To manage the fiscal impact of these adjustments to individual pay within the grades, staff is including an allocation for compensation adjustments as a factor in calculation of the merit/performance percentage allocation.

MERIT RECOMMENDATION

During the annual preparation of the budget, the General Manager recommends to the Fiscal Committee for approval an annual percentage of payroll to allocate for merit/performance adjustments. The recommendation is formulated by using the cost of living and other pertinent factors along with a merit increase factor. The allocation approved by the Fiscal Committee is then used in the preparation of the personnel budget for the upcoming fiscal year, which is then presented to the Board of Directors for approval and adoption in June.

The allocation to individual employees is based on performance ratings. Increases are awarded annually on or around the beginning of the fiscal year. Any individual with a performance rating of “Below Expectations” or “Unsatisfactory” may not receive an annual increase.

The staff recommendation is founded on consideration of a combination of factors which include the Consumer Price Index, Employment Cost Index, Salary and Benefit Surveys, Social Security increase and Federal Employee increase.

COST OF LIVING AND THE EMPLOYMENT COST INDICATOR

The Consumer Price Index (CPI) is the key measure of inflation on the retail level. For most of 2009, the CPI gradually increased from .1% in December 2008 to 2.8% in December 2009. (Attachment 1)

The Employment Cost Index measures the change in the cost of labor, free from the influence of employment shifts among occupations and industries. It includes increases in education, health care services and other areas not included in the Consumer Price Index. The Employment Cost Index increased by a total of 1.6% in 2009 compared to 2.6 in 2008. (Attachment 2)

UNEMPLOYMENT

Unemployment rates remained high through 2009 and are projected to remain high through 2010. Although the national unemployment rate was 9.7% in December 2009, the unemployment rate in Texas was 8.0%. (Attachment 3)

On December 22, 2009, the San Antonio Express News reported hundreds of administrative, research and civilian personnel will transfer to San Antonio military bases in 2010. It is anticipated this will positively affect the recession in our area. (Attachment 4)

Unemployment rates by county as of December 2009:

	2009	2008	
Bexar County -	6.8%	5.4%	
Goliad County -	7.7%	4.6%	
Karnes County -	10.1%	6.5%	
Wilson County	6.6%	5.0%	(Attachment 5)

Unemployment figures obtained from www.bls.gov and Texas Labor Market Information www.tracer2.com.

SOCIAL SECURITY AND FEDERAL EMPLOYEE PAY INCREASES

The Social Security Administration did not adjust for Cost-of-Living in January 1, 2010. (Attachment 6)

President Obama issued an executive order implementing an overall 2.0 percent 2010 federal pay raise for civilian employees and a 3.4% pay increase for service members effective January 1, 2010. (Attachment 7)

Social Security information was obtained from www.ssa.gov. Federal pay information was obtained from www.govcentral.com/benefits.

MARKET SURVEY OF MERIT INCREASES-OTHER ENTITIES & LOCAL AND NATIONAL SURVEY INFORMATION

Survey results of other governmental entities and river authorities show that five of our participants plan a 2.5 % average increase for COLA and Merit. (Attachment 8)

Preliminary results of the San Antonio Wage and Benefit Survey indicate local employers anticipate an average increase of 2.92%.

National survey information from Towers Watson reports the average salary increase for 2010 to be 3.0 %. The Conference Board reports a 2.8 % salary increase for 2010. (Attachments 9a & 9b)

SUMMARY OF 2009/2010 COMPENSATION INCREASE DATA

- Consumer Price Index increased 2.8% in 2009.
- Hourly wages increased 1.6% in 2009 with 0.5% in the last quarter of 2009 based on the Employment Cost Index.
- Social Security did not provide a cost of living adjustment in 2010.
- Salaries for federal employees were increased by 2% and service members by 3.4% for 2010.
- National survey reports salary increases average 3.0% by Towers Watson and 2.8% by the Conference Board.
- The average base annual increase from our local San Antonio survey is 2.92%.

- Three river authorities and two water districts in Texas report an average increase of 2.5% is expected for 2010.

HISTORY OF SARA ADJUSTMENTS (FOR PAST 5 YEARS)

FY 2005-2006	4.5%
FY 2006-2007	4.5%
FY 2007-2008	4.5%
FY 2008-2009	5.0%
FY 2009-2010	3.5%

CONCLUSION

Factoring in economic and survey data as well as the pay adjustments from the compensation study, staff is recommending the following:

Cost of Living:	1.0%
Merit:	1.5%
Compensation Adjustment:	1.0%
Total:	3.5%

The fiscal impact to the FY 2011 budget for this percentage increase to the combined personnel budget will be approximately \$469,000. Based on this recommendation, merit/performance pool would be 2.5% with an additional 1.0% allocated for the compensation adjustments. The merit allocations will be solely based on the performance of each individual employee. The compensation adjustments will be based on an individual pay model completed for each employee factoring in data from the compensation study and the individual employee's experience, time in position, expertise and other factors. Management will ensure fairness and equity in the allocation of both the merit allocation and the compensation adjustments and will establish guidelines for managers to manage the amount any one employee receives.

Recommendation

Motion indicating Fiscal Committee support to include in the draft FY 2011 budget \$10,000 to bring identified employees to the minimum of the revised pay grades and an allocation of 3.5% of total salaries for the merit/performance pay adjustments and compensation adjustments associated with the revised compensation program.

Discussion

Vote

Attachments

Link: [Attachment 1](#)

Link: [Attachment 2](#)

Link: [Attachment 3](#)

Link: [Attachment 4](#)

Link: [Attachment 5](#)

Link: [Attachment 6](#)

Link: [Attachment 7](#)

Link: [Attachment 8](#)

Link: [Attachment 9a](#)

Link: [Attachment 9b](#)

Databases

FONT SIZE:

Change Output Options: From: 2008 To: 2010

include graphs

[More Formatting Options](#)

Data extracted on: March 2, 2010 (7:38:34 PM)

Consumer Price Index - All Urban Consumers

1-Month Percent Change

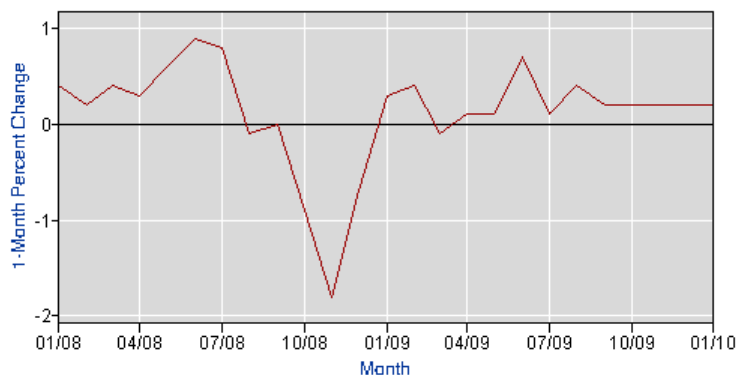
Series Id: CUSR000SA0

Seasonally Adjusted

Area: U.S. city average

Item: All items

Base Period: 1982-84=100



Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2008	0.4	0.2	0.4	0.3	0.6	0.9	0.8	-0.1	0.0	-0.9	-1.8	-0.7	.1		
2009	0.3	0.4	-0.1	0.1	0.1	0.7	0.1	0.4	0.2	0.2	0.2	0.2	2.8		
2010	0.2														

Quick Links

Tools

- At a Glance Tables
- Economic News Releases
- Databases & Tables
- Maps

Calculators

- Inflation
- Location Quotient
- Injury And Illness

Help

- Help & Tutorials
- A to Z Index
- FAQs
- Glossary
- About BLS
- Contact Us

Info

- What's New
- Careers @ BLS
- Find It! DOL
- Join our Mailing Lists
- Privacy & Security
- Linking & Copyright Information

Databases

FONT SIZE:

Change Output Options: From: 2008 To: 2009

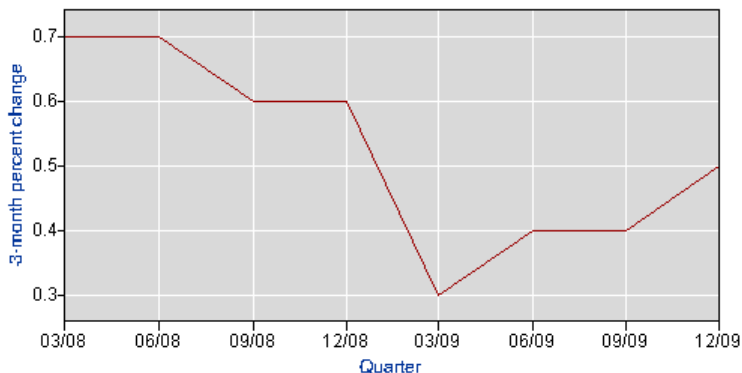
include graphs

[More Formatting Options](#)

Data extracted on: March 2, 2010 (7:35:39 PM)

Employment Cost Index

Series Id: CIS1010000000000Q (B,C)
 Seasonally Adjusted
compensation: Total compensation
sector: All Civilian
periodicity: 3-month percent change
Industryocc: All workers



Year	Qtr1	Qtr2	Qtr3	Qtr4	Annual
2008	0.7	0.7	0.6	0.6	2.6
2009	0.3	0.4	0.4	0.5	1.6

B : Includes wages, salaries, and employer costs for employee benefits.
 C : See Footnote C on www.bls.gov/ect/cimapnote.htm.

Quick Links

Tools

- At a Glance Tables
- Economic News Releases
- Databases & Tables
- Maps

Calculators

- Inflation
- Location Quotient
- Injury And Illness

Help

- Help & Tutorials
- A to Z Index
- FAQs
- Glossary
- About BLS
- Contact Us

Info

- What's New
- Careers @ BLS
- Find It! DOL
- Join our Mailing Lists
- Privacy & Security
- Linking & Copyright Information

Highlights of the Texas Labor Force (Not Seasonally Adjusted)

The Texas unemployment rate for December 2009 increased one-tenth of a percentage point to 8.0 percent. This was the second time this year and the fifth time in this time series the rate was at this level. The ten-year-average change for December was a decrease of one-tenth of a percentage point. Since the beginning of this year, the unemployment rate moved up 1.2 percentage points. The national unemployment rate for December 2009 increased three-tenths of a percentage point to 9.7 percent. This makes 30 consecutive months that the Texas unemployment rate remained below the national unemployment rate.

The Civilian Labor Force declined 22,500 for a December estimate of 12,078,700 Texans. The level of participants in the Civilian Labor Force this month recorded its third over-the-month decline for this year and was the third highest level in the time series. The historical five-year over-the-month change was a loss of 14,100 persons. Since January 2009, 304,600 persons were added to the Civilian Labor Force.

The number of jobholders declined 33,200 for a December estimate of 11,115,700 persons. Since the beginning of this year, Texas added 138,100 persons into the ranks of the employed population. Over the last ten years, Texas has averaged an increase of 214,200 persons to the ranks of the employed at the end of the year. The unemployed population increased by 10,700 for this month's estimate of 963,000 Texans. Since January 2009, 166,500 Texans entered into the ranks of the unemployed population.

The number of jobseekers continuing to file unemployment insurance benefits declined 1,100 for a total of 209,800 Texans. In the Metropolitan Statistical Areas (MSAs), 14 areas increased and 11 MSAs declined in the number of continued claimants. The Odessa, the Midland, and the San Angelo MSAs posted the sharpest declines over the month at -12.9, -12.1, and -4.7, respectively.

The Texas MSA unemployment rates for December showed 14 increasing, eight remaining the same, and three declining from month-ago levels. The Midland MSA, the Odessa MSA, and the San Angelo MSA tied for the largest decline among all Texas MSAs at one-tenth of a percentage point. The Amarillo MSA recorded the lowest unemployment rate among the MSAs at 5.3 percent.

MSAs Ranked by Unemployment Rate December 2009 (Not Seasonally Adjusted)

1	Amarillo	5.3
2 (tie)	Lubbock	5.4
	Midland	5.4
4	College Station-Bryan	5.9
5	Abilene	6.0
6	San Angelo	6.3
7	Texarkana	6.5
8	San Antonio	6.8
9 (tie)	Austin-Round Rock	6.9
	Waco	6.9
11	Killeen-Temple-Fort Hood	7.0
12	Wichita Falls	7.5
13	Victoria	7.7
14 (tie)	Corpus Christi	7.8
	Longview	7.8
	Texas	8.0
16 (tie)	Dallas-Fort Worth-Arlington	8.0
	Tyler	8.0
18 (tie)	Houston-Sugar Land-Baytown	8.3
	Odessa	8.3
	Sherman-Denison	8.3
21	Laredo	8.6
22	El Paso	9.2
	United States	9.7
23	Beaumont-Port Arthur	10.7
24	Brownsville-Harlingen	11.1
25	McAllen-Edinburg-Mission	11.7

Civilian Labor Force Estimates for Texas Metropolitan Statistical Areas Not Seasonally Adjusted (In Thousands)

	December 2009				November 2009				December 2008			
	C.L.F.	Emp.	Unemp.	Rate	C.L.F.	Emp.	Unemp.	Rate	C.L.F.	Emp.	Unemp.	Rate
United States	152,693.0	137,953.0	14,740.0	9.7	153,539.0	139,132.0	14,407.0	9.4	154,349.0	143,350.0	10,999.0	7.1
State of Texas	12,078.7	11,115.7	963.0	8.0	12,101.2	11,148.9	952.3	7.9	11,788.7	11,120.8	667.9	5.7
Abilene	83.4	78.4	5.0	6.0	83.8	78.8	5.0	5.9	82.3	78.9	3.4	4.2
Amarillo	130.8	123.9	6.9	5.3	131.7	124.7	7.0	5.3	128.7	123.9	4.8	3.7
Austin-Round Rock	903.2	840.7	62.5	6.9	906.8	844.4	62.4	6.9	873.1	827.6	45.5	5.2
Beaumont-Port Arthur	183.2	163.6	19.6	10.7	183.4	164.4	19.0	10.4	181.3	166.9	14.4	7.9
Brownsville-Harlingen	151.5	134.7	16.8	11.1	151.2	135.3	15.9	10.5	146.6	134.6	12.0	8.2
College Station-Bryan	109.6	103.2	6.4	5.9	110.5	104.0	6.5	5.9	109.7	105.2	4.5	4.1
Corpus Christi	207.6	191.4	16.2	7.8	207.8	192.2	15.6	7.5	205.2	194.4	10.8	5.3
Dallas-Fort Worth-Arlington	3,233.9	2,976.1	257.8	8.0	3,235.0	2,978.1	256.9	7.9	3,155.3	2,970.0	185.3	5.9
Dallas-Plano-Irving MD	2,153.7	1,982.2	171.5	8.0	2,153.5	1,982.6	170.9	7.9	2,109.3	1,983.2	126.1	6.0
Fort Worth-Arlington MD	1,080.2	993.9	86.3	8.0	1,081.6	995.6	86.0	7.9	1,046.0	986.8	59.2	5.7
El Paso	309.6	281.0	28.6	9.2	310.7	282.0	28.7	9.2	301.6	280.1	21.5	7.1
Houston-Sugar Land-Baytown	2,841.5	2,604.3	237.2	8.3	2,843.9	2,610.3	233.6	8.2	2,805.0	2,649.3	155.7	5.6
Killeen-Temple-Fort Hood	162.7	151.3	11.4	7.0	163.2	151.8	11.4	7.0	159.8	151.0	8.8	5.5
Laredo	97.0	88.7	8.3	8.6	97.4	89.0	8.4	8.6	93.5	88.0	5.5	5.9
Longview	111.1	102.4	8.7	7.8	111.5	103.0	8.5	7.6	108.1	103.3	4.8	4.5
Lubbock	144.5	136.7	7.8	5.4	145.2	137.5	7.7	5.3	140.8	135.5	5.3	3.8
McAllen-Edinburg-Mission	306.0	270.1	35.9	11.7	304.4	270.3	34.1	11.2	290.2	264.1	26.1	9.0
Midland	77.3	73.1	4.2	5.4	77.7	73.4	4.3	5.5	76.1	73.9	2.2	2.9
Odessa	75.3	69.0	6.3	8.3	75.7	69.3	6.4	8.4	72.2	69.5	2.7	3.8
San Angelo	53.5	50.2	3.3	6.3	53.8	50.4	3.4	6.4	52.8	50.4	2.4	4.5
San Antonio	971.2	904.7	66.5	6.8	974.5	908.6	65.9	6.8	948.6	898.2	50.4	5.3
Sherman-Denison	57.6	52.8	4.8	8.3	57.7	53.0	4.7	8.2	56.2	52.7	3.5	6.1
Texarkana	64.7	60.5	4.2	6.5	65.2	61.1	4.1	6.3	64.3	61.1	3.2	5.0
Tyler	102.3	94.1	8.2	8.0	102.6	94.5	8.1	7.9	99.8	94.3	5.5	5.5
Victoria	59.2	54.6	4.6	7.7	59.3	54.8	4.5	7.6	58.5	55.7	2.8	4.7
Waco	113.4	105.6	7.8	6.9	113.9	106.1	7.8	6.9	111.5	106.0	5.5	4.9
Wichita Falls	73.8	68.3	5.5	7.5	74.2	68.7	5.5	7.4	72.7	68.6	4.1	5.7

All estimates are subject to revision. Estimates reflect actual (not seasonally adjusted) data. Civilian Labor Force (C.L.F.) includes wage and salary workers, self-employed, unpaid family, domestics in private households, agricultural workers, workers involved in labor disputes and the unemployed, all by place of residence. Employment and Unemployment data are first rounded then added together to derive the rounded CLF total. Because of this rounding technique, this rounded total of the CLF may not agree with a rounding of the CLF total itself. Percent Unemployed is based upon unrounded Labor Force, Employment and Unemployment numbers. Estimates of the TWC are in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor. Beginning with January 2005 estimates, definitions of the MSAs were updated to reflect the 2000 Census-based configurations. Please see www.tracer2.com for details on these changes. The Dallas-Fort Worth-Arlington MSA is comprised of the Dallas-Plano-Irving Metropolitan Division (MD) and the Fort Worth-Arlington MD.

Web Posted: 12/22/2009 7:06 CST

New year will bring new jobs to S.A. bases

By [Jason Buch](#) - Express-News

Military construction accounted for the majority of commercial projects in San Antonio this year. But as construction winds down, new job opportunities will be available at the city's bases.

Hundreds of administrative, research and civilian personnel will be coming to San Antonio's military bases in 2010. Not all of the military's civilian contractors will want to relocate, and experts say that means the military will be looking to hire locally.

The military will transfer about 5,500 jobs to Fort Sam Houston from other installations by 2011 as a result of consolidation by the Defense Base Realignment and Closure Commission, commonly known as BRAC, said Clarence "CEM" Maxwell, deputy director of the San Antonio Joint Program Office. More than 60 percent of the people who currently hold those positions are civilians who the military cannot order to relocate to San Antonio, Maxwell said.

"History has told us less than a third of them will move for their jobs," he said. "That's a good thing for San Antonio in many ways, because that will help our unemployment."

Officials could not provide the exact number of jobs that will come to San Antonio next year as a result of BRAC, or what their wages would be, but more than a dozen BRAC projects will be completed in 2010 making room for new personnel.

Construction on dorms and instructional facilities for the Medical Education Training Campus on Fort Sam will finish in 2010. More than 4,000 medical trainees will attend classes there on a daily basis, but most will live on the post. Buildings like the Joint Center of Excellence for Battlefield Health and Trauma Research and the Installation Management Command campus on Fort Sam, as well as command missions at the city's Air Force bases will finish construction next year and will bring in hundreds of new positions. Those jobs will have a greater economic impact because they will be filled by researchers and administrators who will buy houses off-base and bring their families to San Antonio.

The Battlefield Health and Trauma Research center will be staffed by 230 personnel, about 30 of whom already are in San Antonio. The remainder will come from military installations in Illinois and Maryland, and most of those will be civilians, said Mike Feeley, BRAC program manager for the Army's Institute of Surgical Research on Fort Sam.

Not all the available jobs will go to San Antonio residents, said Steve Nivin, a St. Mary's University professor who oversees an economic think tank for the university and the San Antonio Hispanic Chamber of Commerce. But because so many of the jobs are health care-related and because the health care industry is so strong in San Antonio, many people here will be qualified for the open positions, Nivin said.

BRAC already has had significant impact on the San Antonio economy. When construction for the program peaked in the fall, more than 2,200 construction workers were swarming over San Antonio's military bases on a daily basis. BRAC work accounted for about \$1.2 billion in fiscal year 2008 and more than \$700 million in construction contracts in fiscal year 2009. Another \$300 million will be awarded in fiscal year 2010.

Even after construction is completed, BRAC will continue to bring billions of dollars to San Antonio each year from the new personnel and their families buying homes and spending money here and from the eventual military retirees who will call San Antonio home, Nivin said.

“It's a huge impact,” he said. “I think it's easily the largest economic development project probably in the history of the city.”

Renovation already has been completed on four historic buildings on Fort Sam, and by the end of this month, the Joint Project Management Office, the tri-service military organization that's overseeing BRAC design and construction, will hand over the keys to an 80,000-square-foot dining facility at Fort Sam.

The program is still on track for its 2011 completion, said Randy Holman, program manager for the Army Corps of Engineers and spokesman for the Joint Program Management Office.

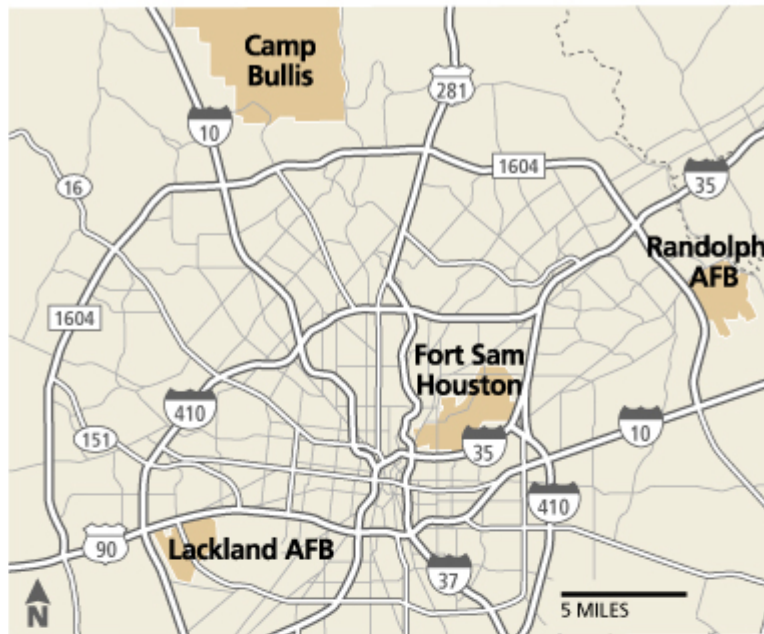
“It was a tall order,” Holman said. “It was a lot to do. There were a lot of obstacles we overcame, but we got it done.”

Across the country and in San Antonio, lending for private construction has ground to a halt because of the economy. This has raised concern about what will happen to San Antonio's construction industry as BRAC winds down if lending markets haven't opened yet.

Commercial projects like the \$900 million to be spent on construction at the University Health System are expected to keep the construction market afloat the next year, said Doug McMurry, executive vice president of the San Antonio chapter of the Associated General Contractors of America. By the end of 2010 or the beginning of 2011, McMurry said, he expects private construction to start coming back.

San Antonio BRAC construction

At the end of San Antonio's biggest year of BRAC construction a handful of projects have been finished and others are nearing completion.



Fort Sam Houston	Cost	Scheduled completion
Renovation of historic buildings	\$25.4 mil.	Completed
Renovation of Building 2265	\$32 mil.	Fall 2010
Medical Education Training Campus dining facility	\$28.7 mil.	End of December
Medical Education Training Campus Dorm 1	\$140.4 mil. for both 1 and 2	Spring 2010
Medical Education Training Campus Medical Instructional Facilities 1 and 2	\$89.9 mil.	Spring 2010
Joint Center of Excellence for Battlefield Health and Trauma Research	\$92 mil.	Spring 2010
Primary Health Clinic	\$33.4 mil.	Spring 2010
Medical Education Training Campus Dorm 2	\$140.4 mil. for both 1 and 2	Late summer 2010
Medical Education Training Campus Medical Instructional	\$116.9 mil. for both 3 and 4	Late summer 2010
Medical Education Training Campus Medical Instructional Facility 5	\$14.9 mil.	Fall 2010
Lackland AFB		
Airfield maintenance technical training complex for Inter-American Air Forces Academy	\$18.5 mil.	Fall 2010
Equipment warehouse for Tops in	\$2.6 mil.	Spring 2010

Find this article at:

http://www.mysanantonio.com/business/First_wave_of_BRAC_construction_finishes.html

Check the box to include the list of links referenced in the article.

Employment and Unemployment Estimates for Texas Counties - December 2009

County	CLF	Emp.	Unemp.	Rate	County	CLF	Emp.	Unemp.	Rate	County	CLF	Emp.	Unemp.	Rate
Anderson	21,796	19,749	2,047	9.4	Gillespie	13,540	12,915	625	4.6	Moore	11,786	11,210	576	4.9
Andrews	7,189	6,750	439	6.1	Glasscock	621	588	33	5.3	Morris	6,627	5,673	954	14.4
Angelina	41,311	37,821	3,490	8.4	Goliad	3,560	3,286	274	7.7	Motley	795	757	38	4.8
Aransas	11,581	10,675	906	7.8	Gonzales	9,760	9,161	599	6.1	Nacogdoches	31,649	29,645	2,004	6.3
Archer	5,109	4,810	299	5.9	Gray	12,408	11,452	956	7.7	Navarro	21,941	20,134	1,807	8.2
Armstrong	1,081	1,032	49	4.5	Grayson	57,568	52,806	4,762	8.3	Newton	6,367	5,595	772	12.1
Atascosa	19,899	18,349	1,550	7.8	Gregg	65,971	60,972	4,999	7.6	Nolan	8,057	7,499	558	6.9
Austin	13,452	12,368	1,084	8.1	Grimes	11,589	10,482	1,107	9.6	Nueces	164,799	152,730	12,069	7.3
Bailey	3,416	3,209	207	6.1	Guadalupe	58,337	54,529	3,808	6.5	Ochiltree	6,097	5,779	318	5.2
Bandera	10,107	9,421	686	6.8	Hale	17,434	16,358	1,076	6.2	Oldham	956	907	49	5.1
Bastrop	35,900	33,076	2,824	7.9	Hall	1,449	1,327	122	8.4	Orange	41,764	37,253	4,511	10.8
Baylor	2,218	2,101	117	5.3	Hamilton	4,687	4,424	263	5.6	Palo Pinto	14,492	13,271	1,221	8.4
Bee	11,842	10,750	1,092	9.2	Hansford	2,737	2,610	127	4.6	Panola	14,645	13,541	1,104	7.5
Bell	127,031	118,262	8,769	6.9	Hardeman	2,542	2,373	169	6.6	Parker	55,124	50,888	4,236	7.7
Bexar	772,218	718,854	53,364	6.9	Hardin	26,369	23,753	2,616	9.9	Parmer	4,416	4,214	202	4.6
Blanco	4,622	4,622	265	5.4	Harris	1,986,549	1,821,832	164,717	8.3	Pecos	6,940	6,229	711	10.2
Borden	390	370	20	5.1	Harrison	35,830	32,615	3,215	9.0	Polk	17,074	15,259	1,815	10.6
Bosque	8,835	8,085	750	8.5	Hartley	2,633	2,530	103	3.9	Potter	58,165	54,575	3,590	6.2
Bowie	44,834	41,586	3,248	7.2	Haskell	3,311	3,153	158	4.8	Presidio	3,785	3,063	722	19.1
Brazoria	145,198	132,171	13,027	9.0	Hays	78,097	72,918	5,179	6.6	Rains	5,186	4,724	462	8.9
Brazos	93,782	88,568	5,214	5.6	Hemphill	3,348	3,259	89	2.7	Randall	68,129	65,070	3,059	4.5
Brewster	5,414	5,166	248	4.6	Henderson	36,614	33,498	3,116	8.5	Reagan	2,809	2,679	130	4.6
Briscoe	740	697	43	5.8	Hidalgo	305,906	270,050	35,856	11.7	Real	1,631	1,549	82	5.0
Brooks	3,651	3,324	327	9.0	Hill	16,952	15,608	1,344	7.9	Red River	6,135	5,506	629	10.3
Brown	19,222	17,930	1,292	6.7	Hockley	12,654	11,891	763	6.0	Reeves	4,605	3,978	627	13.6
Burleson	8,348	7,753	595	7.1	Hood	27,903	25,808	2,095	7.5	Refugio	4,397	4,086	311	7.1
Burnet	22,859	21,523	1,336	5.8	Hopkins	17,993	16,792	1,201	6.7	Roberts	610	582	28	4.6
Caldwell	16,573	15,224	1,349	8.1	Houston	8,404	7,522	882	10.5	Robertson	7,457	6,842	615	8.2
Calhoun	9,624	8,770	854	8.9	Howard	14,966	13,972	994	6.6	Rockwall	38,584	35,644	2,940	7.6
Callahan	7,214	6,798	416	5.8	Hudspeth	1,575	1,465	110	7.0	Runnels	4,674	4,286	388	8.3
Cameron	151,545	134,746	16,799	11.1	Hunt	39,358	36,048	3,310	8.4	Rusk	24,943	22,797	2,146	8.6
Camp	6,045	5,553	492	8.1	Hutchinson	12,134	11,293	841	6.9	Sabine	3,688	3,043	645	17.5
Carson	3,452	3,248	204	5.9	Irion	928	887	41	4.4	San Augustine	3,624	3,204	420	11.6
Cass	13,733	12,177	1,556	11.3	Jack	5,941	5,594	347	5.8	San Jacinto	10,636	9,479	1,157	10.9
Castro	3,690	3,497	193	5.2	Jackson	7,244	6,750	494	6.8	San Patricio	31,210	27,984	3,226	10.3
Chambers	14,727	13,207	1,520	10.3	Jasper	16,413	14,501	1,912	11.6	San Saba	2,498	2,317	181	7.2
Cherokee	20,876	18,852	2,024	9.7	Jeff Davis	1,260	1,206	54	4.3	Schleicher	1,509	1,364	145	9.6
Childress	3,068	2,866	202	6.6	Jefferson	115,111	102,611	12,500	10.9	Scurry	8,266	7,754	512	6.2
Clay	6,340	5,840	500	7.9	Jim Hogg	2,874	2,619	255	8.9	Shackelford	2,254	2,155	99	4.4
Cochran	1,608	1,504	104	6.5	Jim Wells	22,876	20,772	2,104	9.2	Shelby	12,876	11,851	1,025	8.0
Coke	1,344	1,239	105	7.8	Johnson	76,506	69,985	6,521	8.5	Sherman	1,412	1,345	67	4.7
Coleman	4,632	4,326	306	6.6	Jones	7,965	7,383	582	7.3	Smith	102,246	94,054	8,192	8.0
Collin	412,148	382,433	29,715	7.2	Karnes	5,379	4,836	543	10.1	Somervell	4,484	4,206	278	6.2
Collingsworth	1,454	1,387	67	4.6	Kaufman	47,513	43,298	4,215	8.9	Starr	25,219	20,048	5,171	20.5
Colorado	11,427	10,698	729	6.4	Kendall	16,031	15,166	865	5.4	Stephens	5,163	4,827	336	6.5
Comal	55,106	51,600	3,506	6.4	Kenedy	253	234	19	7.5	Sterling	864	823	41	4.7
Comanche	7,063	6,645	418	5.9	Kennedy	426	403	23	5.4	Stonewall	802	767	35	4.4
Concho	1,293	1,198	95	7.3	Kerr	23,950	22,602	1,348	5.6	Sutton	4,214	3,929	285	6.8
Cooke	24,557	23,061	1,496	6.1	Kimble	2,155	2,045	110	5.1	Swisher	3,589	3,375	214	6.0
Coryell	24,905	22,843	2,062	8.3	King	173	165	8	4.6	Tarrant	919,394	846,421	72,973	7.9
Cottle	865	821	44	5.1	Kinney	1,476	1,348	128	8.7	Taylor	68,176	64,198	3,978	5.8
Crane	1,839	1,684	155	8.4	Kleberg	16,812	15,648	1,164	6.9	Terrell	387	356	31	8.0
Crockett	2,425	2,231	194	8.0	Knox	1,841	1,736	105	5.7	Terry	5,891	5,473	418	7.1
Crosby	2,757	2,571	186	6.7	Lamar	25,164	23,185	1,979	7.9	Throckmorton	988	934	54	5.5
Culberson	1,759	1,688	71	4.0	Lamb	6,790	6,790	0	6.5	Titus	14,780	13,699	1,081	7.3
Dallam	3,798	3,595	203	5.3	Lampasas	10,774	10,164	610	5.7	Tom Green	52,576	49,269	3,307	6.3
Dallas	1,189,688	1,090,071	99,617	8.4	La Salle	3,002	2,726	276	9.2	Travis	564,698	527,234	37,464	6.6
Dawson	5,405	4,999	406	7.5	Lavaca	10,110	9,477	633	6.3	Trinity	6,083	5,535	548	9.0
Deaf Smith	9,335	8,843	492	5.3	Lee	9,385	8,775	610	6.5	Tyler	8,756	7,859	897	10.2
Delta	2,419	2,202	217	9.0	Leon	8,156	7,509	647	7.9	Upshur	20,207	18,671	1,536	7.6
Denton	351,583	325,993	25,590	7.3	Liberty	32,735	29,094	3,641	11.1	Upton	1,950	1,845	105	5.4
DeWitt	9,386	8,616	770	8.2	Limestone	11,278	10,511	767	6.8	Uvalde	11,456	10,462	994	8.7
Dickens	1,237	1,163	74	6.0	Lipscomb	2,114	2,004	110	5.2	Val Verde	21,473	19,413	2,060	9.6
Dimmit	4,315	3,879	436	10.1	Live Oak	5,350	4,978	372	7.0	Van Zandt	27,364	25,418	1,946	7.1
Donley	2,053	1,939	114	5.6	Llano	8,708	8,055	653	7.5	Victoria	46,014	42,591	3,423	7.4
Duval	5,667	5,007	660	11.6	Loving	56	51	5	8.9	Walker	26,820	24,920	1,900	7.1
Eastland	8,867	8,164	703	7.9	Lubbock	141,714	134,128	7,586	5.4	Waller	16,839	15,344	1,495	8.9
Ector	75,217	68,957	6,260	8.3	Lynn	2,849	2,668	181	6.4	Ward	5,742	5,296	446	7.8
Edwards	1,143	1,059	84	7.3	McCulloch	4,344	4,064	280	6.4	Washington	16,822	15,718	1,104	6.6
Ellis	72,363	66,466	5,897	8.1	McLennan	113,456	105,639	7,817	6.9	Webb	96,977	88,660	8,317	8.6
El Paso	309,551	280,972	28,579	9.2	McMullen	352	326	26	7.4	Wharton	21,625	19,868	1,757	8.1
Erath	19,410	18,192	1,218	6.3	Madison	4,992	4,564	428	8.6	Wheeler	3,957	3,771	186	4.7
Falls	6,875	6,225	650	9.5	Marion	5,483	4,851	632	11.5	Whitita	62,344	57,620	4,724	7.6
Fannin	14,152	12,907	1,245	8.8	Martin	2,349	2,249	100	4.3	Wilbarger	7,862	7,452	410	5.2
Fayette	12,929	12,220	709	5.5	Mason	2,452	2,329	123	5.0	Willacy	8,343	7,204	1,139	13.7
Fisher	2,100	1,973	127	6.0	Matagorda	18,000	15,871	2,129	11.8	Williamson	207,944	192,254	15,690	7.5
Floyd	3,383	3,167	216	6.4	Maverick	23,242	19,637	3,605	15.5	Wilson	19,047	17,797	1,250	6.6
Foard	776	738	38	4.9	Medina	20,433	18,998	1,435	7.0	Winkler	3,730	3,416	314	8.4
Fort Bend	264,818	243,361	21,457	8.1	Menard	1,036	962	74	7.1	Wise	29,196	26,653	2,543	8.7
Franklin	5,706	5,290	416	7.3	Midland	77,249	73,075	4,174	5.4	Wood	18,968	17,405	1,563	8.2
Freestone	10,851	10,165	686	6.3	Milam	12,542	11,244	1,298	10.3	Yoakum	4,410	4,137	273	6.2
Frio	7,132	6,576	556	7.8	Mills	2,281	2,156	125	5.5	Young	10,293	9,658	635	6.2
Gaines	7,342	6,908	434	5.9	Mitchell	3,501	3,226	275	7.9	Zapata	5,683	5,022	661	11.6
Galveston	144,950	132,026	12,924	8.9	Montague	11,562	10,741	821	7.1	Zavala	3,919	3,286	633	16.2
Garza	2,502	2,384	118	4.7	Montgomery	211,570	195,391	16,179	7.6	Texas (Actual)	12,078,674	11,115,658	963,016	8.0

Estimates reflect actual (not seasonally adjusted) data. All estimates are subject to revision. Estimates of the TWC are in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor.



News Release

SOCIAL SECURITY

Prompt Passage of Economic Recovery Act Payment for 2010 Needed

Law Does Not Provide for a Social Security Cost-of-Living Adjustment for 2010

With consumer prices down over the past year, monthly Social Security and Supplemental Security Income benefits for more than 57 million Americans will not automatically increase in 2010. This will be the first year without an automatic Cost-of-Living Adjustment (COLA) since they went into effect in 1975.

“Social Security is doing its job helping Americans maintain their standard of living,” Michael J. Astrue, Commissioner of Social Security said. “Last year when consumer prices spiked, largely as a result of higher gas prices, beneficiaries received a 5.8 percent COLA, the largest increase since 1982. This year, in light of the human need, we need to support President Obama’s call for us to make another \$250 recovery payment for 57 million Americans.”

The Social Security Act provides that Social Security and Supplemental Security Income benefits increase automatically each year if there is an increase in the Bureau of Labor Statistics' *Consumer Price Index for Urban Wage Earners and Clerical Workers* (CPI-W) from the third quarter of the last year to the third quarter of the current year. This year there was no increase in the CPI-W from the third quarter of 2008 to the third quarter of 2009. In addition, because there was no increase in the CPI-W this year, under the law the starting point for determinations regarding a possible 2011 COLA will remain the third quarter of 2008.

Some other changes that would normally take effect in January 2010 based on the increase in average wages also will not take effect, even though average wages did increase. Since there is no COLA, the statute prohibits an increase in the maximum amount of earnings subject to the Social Security tax as well as the retirement earnings test exempt amounts. These amounts will remain unchanged in 2010. The attached [fact sheet](#) provides more information on 2010 Social Security changes.

Information about Medicare changes for 2010, when available, will be found at www.Medicare.gov. The Department of Health and Human Services has not yet announced if there will be any Medicare premium changes for 2010. Should there be an increase in the Medicare Part B premium, the law contains a “hold harmless” provision that protects about 93 percent of Social Security beneficiaries from paying a higher Part B premium, in order to avoid reducing their net Social Security benefit. Those not protected include higher income beneficiaries subject to an income-adjusted Part B premium and beneficiaries newly entitled to Part B in 2010. On September 24th, the House passed legislation by 406-18 that would, on a fully paid-for basis, prevent abnormally large

premium increases. The President is calling on the Senate to enact this legislation before it becomes too late for the Social Security Administration to update its computer systems to implement this needed change.

For additional information about the 2010 COLA, go to www.socialsecurity.gov/cola.

#

What they need to keep it all secure.

*Access information instantly and safely with SSL encryption.
Only on the Now Network.™*

Palm® Pre™



Get it now →

Sprint 

Obama issues order implementing 2010 pay raise

By Kellie Lunney klunney@govexec.com December 23, 2009

President Obama on Wednesday evening issued an [executive order](#) implementing a 2.0 pay raise for federal employees and a 3.4 percent pay raise for service members in 2010.

The executive order reflects the pay rates included in the fiscal 2010 omnibus spending package and Defense Appropriations Act [approved this month](#) by Congress and [signed into law](#) by the president. Congressional appropriators honored Obama's request for a 2.0 percent increase in pay for civilian employees in the omnibus. Obama proposed in November that the entire raise go to base pay. But lawmakers instead devoted 1.5 percent of the raise to base pay and 0.5 percent of it to locality pay, a move federal employee advocates had recommended.

The military pay raise, included in the fiscal 2010 Defense Appropriations Act (H.R. 3326), was 0.5 percent higher than the 2.9 percent raise Obama requested in his initial budget proposal.

For General Schedule employees, base pay will range from \$17,803 for employees in Grade 1, Step 1, to \$129,517 for employees in Grade 15, Step 10. For employees in the Senior Executive Service, pay will range from \$119,554 to \$179,700 for executives in agencies with certified SES performance appraisal systems, and from \$119,554 to \$165,300 in agencies without such systems.

The locality pay rates for 2010 are listed by region in [Schedule 9](#) of an attachment to the executive order. Employees located in the Washington-Baltimore-Northern Virginia-West Virginia-Pennsylvania region will receive a 1.12 percent bump from 2009, from 23.10 percent to 24.22 percent in 2010.

The pay raise takes effect on Jan. 1, 2010, or on the first day of the first applicable pay period beginning on or after Jan. 1.

Sprint 

What they need to keep it all secure.

*Access information instantly and safely with SSL encryption.
Only on the Now Network.™*

Get it now →



Palm® Pre™

EXCELLENCE
in
GOVERNMENT

WWW.EXCELGOV.COM

CLICK HERE

2010 SARA Salary Survey
Executive Summary

Agency	# of Employees	2009		2010		Annual Operating Budget
		Merit	COLA	Merit	COLA	
Alamo Area Council of Government	225	0.00%		UNKNOWN		35,095,390.00
Bexar County		0.00%		UNKNOWN		1,636,000,000.00
Bexar Metropolitan Water District	357	0.00%		UNKNOWN		61,000,000.00
Brazos River Authority	271	*minimal		2%		56,646,099.00
Cibolo Creek Municipal Authority		2% - 4%		UNKNOWN		
City of San Antonio	6301	0.00%		UNKNOWN		1,543,338,680.00
Gulf Coast Waste Disposal	151	2%		2%		69,863,800.00
High Plains Water District		4% - 5%		UNKNOWN		
Lower Colorado River Authority	2229	3.1%		4.50%		1,057,494,000.00
Sabine River Authority	106	*minimal		2%		18,930,248.00
San Antonio River Authority	212	3.50%		TBD		111,176,306.00
San Antonio Water Systems	1591	0.0%		UNKNOWN		419,400,000.00
San Jacinto River Authority	70	3%		UNKNOWN		23,200,000.00
Tarrant Regional Water District	213	2%		2%		83,829,085.00

	2009	2010
Average Merit/COLA	3.01%	2.50%



SEARCH OUR SITE

advanced search
powered by Google

GO

U.S. Salary Increase Budgets for 2010—Winter Update

MEMBER LOGIN

ABOUT US
MEMBERSHIP

HOME

WORLDWIDE

PROGRAMS

EVENTS/FORUMS

PRODUCTS

- ▶ Publications
- ▶ Executive Action
- ▶ **Research Reports**
- ▶ Key Findings
- ▶ Conference KeyNotes
- ▶ Council Perspectives
- ▶ PowerPresentations
- ▶ Working Papers
- ▶ Periodicals
- ▶ Annual Essays
- ▶ Books
- ▶ Sponsored Research
- ▶ Our Magazine
- ▶ Organization Charts
- ▶ Ask The Library
- ▶ Podcasts

OUR WEBSITE

- Contact Us
- Press
- Help
- Site Map

Authors: [Linda Barrington](#), [Judith Torok](#)

Publication Date: January 2010

Report Number: R-1463-10-RR

The global recession continues to take its toll on American companies and workers. Revised projections for U.S. Salary increase budgets in 2010 have dipped below 3 percent for the first time in more than two decades, barely staying ahead of The Conference Board's forecasted inflation rate. The revised median forecast for salary increase budgets for 2010 now stands at 2.80 percent for all employee groups except executives (2.75 percent). Responses from 285 organizations are included in the winter update.

PURCHASE REPORT

Research Report (14 pgs)
Price: \$195.00
(\$0.00 Associates)

Format

Hard Copy PDF

Note:

[Login](#) to download this report as part of your Conference Board membership.

Report size: 636KB



Add to Cart



View Cart

[↑ back to top](#)

Small Increases Seen in Pay, Benefit Budgets

Most employers continuing to focus on controlling costs, managing risks

2/1/2010

By Stephen Miller

The global recession and sluggish recovery took a toll on employees in terms of pay and benefit cuts, according to a new survey report by consultancy Towers Watson, *From Recession to Recovery: How Far, How Fast, How Well Prepared*. The survey responses show that companies' sharp focus on controlling benefit costs and managing financial risk will not abate, although most respondents remain committed to ensuring an adequate benefit safety net for employees.

Conducted in early January 2010, the U.S. portion of the survey drew responses from 118 mostly large employers. Among the findings:

- More than half (52 percent) said the percentage of their employees working past their desired retirement age is higher than it was before the financial crisis, and 31 percent expect it will continue trending higher.
- 32 percent said their employees' share of health care costs is higher now than it was before the financial crisis, and 38 percent think cost-shifting will be even greater in 2011.

Many employers are acknowledging their employees' concerns: 28 percent expect that they will put more emphasis on ensuring benefits to provide a desired level of security for employees. But much larger numbers expect to increase their focus on controlling and reducing benefit costs (53 percent) and managing the risk and volatility of those costs (49 percent).

"While employers are clearly hopeful that 2010 will bring healthier balance sheets and bottom lines for their businesses, they also seem mindful their employees might not share that optimism," says Ravin Jesuthasan, global talent management practice leader at Towers Watson. "With unemployment numbers still high and health care costs continuing to rise, many employees will not be able to shake off their concern for the future. How a strengthening global economy will affect these trends remains to be seen."

Base Pay, Bonuses Start to Recover

Regarding compensation budgets, the survey found:

- The median bonus plan funding level (as a percentage of target) for U.S. respondents is forecast to rebound to 100 percent in 2010, compared with a funding level of 60 percent in 2009 and 80 percent funding in 2008.
- 11 percent of U.S. respondents have a pay freeze in effect for 2010, vs. 42 percent in 2009 and just 6 percent in 2008.
- The merit increase budget for U.S. respondents forecast for 2010 is 2.8 percent at the median, or 3 percent excluding respondents that have frozen pay for the year, up from 1.7 percent overall (2.5 percent excluding those that froze pay) in 2009, and 3.4 percent (3.5 percent for those that froze pay) in 2008.

U.S. Merit Increase Budgets Show a Small Uptick for 2010		
	Including 0% increases	Excluding 0% increases
2010	2.8%	3.0%
2009	1.7%	2.5%
2008	3.4%	3.5%

Source: Towers Watson

Stephen Miller is an online editor/manager for SHRM.

Date: 03/08/2010

GM's Report / Items for Future Consideration / Next Meeting Date

Submitted By: Lupe Moreno, Executive
Offices

Division: Executive Offices

Submitted For: Suzanne B. Scott

Department:

9.

Information

CAPTION

GENERAL MANAGER'S REPORT CONCERNING THE FOLLOWING:

- **UPCOMING EVENTS CALENDAR,**
- **FUTURE BOARD AND/OR COMMITTEE MEETINGS, AND**
- **MEETINGS INVOLVING THE ATTENDANCE OF ONE OR MORE BOARD MEMBERS**

Presenter

Suzanne B. Scott

Estimated Presentation Time: 10 minutes

Discussion

10.

Information

CAPTION

ITEMS FOR FUTURE CONSIDERATION

Presenter

Suzanne B. Scott

Estimated Presentation Time: 5 minutes

Discussion

11.

Information

CAPTION

NEXT MEETING DATE

Presenter

Ms. Baiamonte, Committee Chair

Estimated Presentation Time: 5 minutes

Unless otherwise determined by the Committee, the next Fiscal Committee meeting will be April 12, 2010, at noon.

Discussion

Fiscal Committee

12.

Date: 03/08/2010

Adjourn

Submitted By: Linda Whitaker, Technical
Services

Division: Technical Services

Department:

Information

CAPTION

ADJOURN

Presenter

Ms. Baiamonte, Committee Chair
