



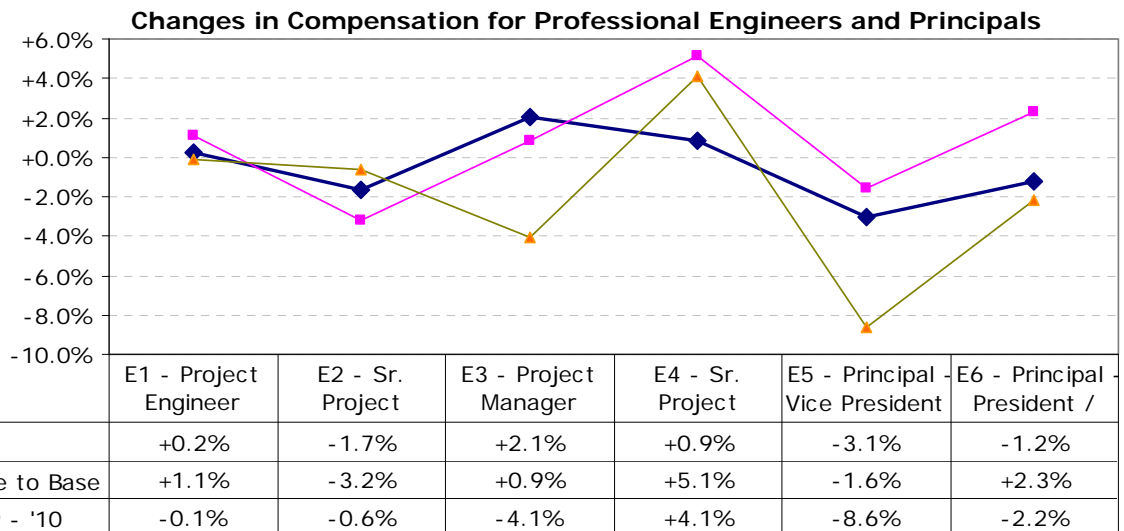
AMERICAN COUNCIL OF ENGINEERING COMPANIES
of Colorado

2010 ACEC-Colorado Salary Survey Highlights

Base Salaries Decline -1.3% from '09 to '10; Rolling 3-Year Average Up +1.3%

Based on comparable data for 50 of the 61 positions surveyed, base salaries declined over a one year period by an average of -1.3 percent. Twenty-six positions' base salaries dropped while 24 positions saw an increase over last year. As a group, Professional Engineers' compensation saw little change. Base salaries rose on average +0.4 percent while overall total compensation declined -0.2 percent. Principals' compensation fell with base salaries down an average of -2.1 percent, total compensation is down -5.4 percent. Over a rolling three-years (2008 – 2010) average base salaries increased +1.3 percent.

Bonuses are reported by 56% (39 of 70) participating firms. Bonuses paid in 2010, typically awarded for achievements the previous year, average 9.3% of base salaries, down from the average bonus reported in 2009 of 10.1 percent. Total compensation (average base salary + bonus) also declined -1.3% from 2009 compensation rates.



Layoffs / Workforce Reductions Increase in Last 12 Months

Thirty firms report layoffs or workforce reductions in the last year, up from 9 firms reporting reductions in staff from August 2008 – August 2009. Of those laid off, 94 were professional engineers. The average percentage of payroll cut is 13.6 percent, compared with 11.8 percent in the previous period surveyed. Most firms (78%) provided severance pay. Severance pay practices for hourly, salaried and executive staff are included in the report.

Turnover rates based on 2009 data also reflect increased job losses. The median turnover rate is 14.6% compared with 7.5% reported last year based on 2008 data. Highest turnover rates are reported by large firms with over 100 employees, 22.8 percent.

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Cautious Optimism For 2011 – Average Projected 2011 Merit Increase+3.2%

One in three firms awarded merit increases to all eligible employees in 2009. Based on 50 firms' responses this year, 74% awarded merit increases to employees. The average merit increase in 2010 is +3.4 percent.

Fewer firms were able to project 2011 merit increases. Based on responses from 36 firms, 2011 projections indicate salaried employees will fare best with an average merit increase of +3.5 percent. Eleven percent of firms anticipate no increase for this group. Hourly employees and executives are projected to receive an average merit increase of +3.1 percent. While eight percent anticipate no increase for hourly employees, twenty-four percent of responding firms do not expect to award increases to executives in 2011.

Double-Digit Health Care Premium Increases Continue

The average health care premium increased +11.6% in 2010. Thirty-nine percent report increasing employees' share of premiums for single coverage. Just over half of responding firms indicate changes made to the health care plan resulted in a decrease in the overall value of benefit coverage.

Majority of Employers Funding Retirement/Savings Plans

Eighty-six percent (46 of 50) firms report funding an average of 4 percent of payroll for the retirement / savings plan, almost equal to 2009 with 4.4 percent reported. Without including a "0%" response, the average funding is 4.6 percent. Fifty-eight percent of firms indicate a matching contribution to their 401(k) plans, sixty-two percent contribute a flat percentage to 401(k) plans.

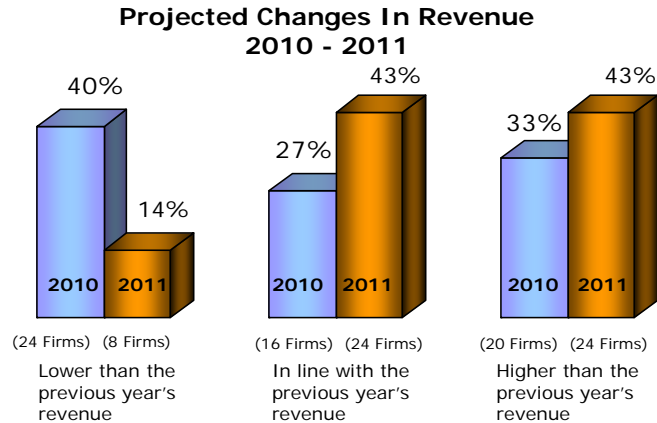
For Some Firms It Is Time To Start Hiring Again

Just over half, 52% of firms expect a nominal increase to staff, 10% anticipate a significant increase, adding more than 5 percent to their staff. The average starting salary for new engineering graduates with a Bachelor's degree dropped -1.7% from last year to \$50,144. Those with advanced degrees can expect \$54,171 on average, a decrease of -3.4% from 2009. Only 3 of 29 firms report offering a hiring bonus.

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Revenue Projections - Where's the Money?

Firms were asked to identify the percentage of revenue generated by engineering discipline. The top five engineering areas reported are Civil, Structural, Transportation, Construction and Surveying. See the report for estimated revenue generated in 2009.



Forty percent (24 firms) report a decrease this year in revenue compared with 2009. Next year looks somewhat more promising. Forty-three percent (24 firms) anticipate higher revenues in 2011. An equal number of firms expect no change in revenue next year from current levels.

Firms also identified current and projected revenue changes based on funds generated from public and private sector clients. Sixty-one percent (20 firms) report an increase this year in revenue from Federal Government. Forty-one percent (22 firms) report increased revenue this year from state or local public sectors. Only twelve percent (7 firms) saw an increase in revenue from private sector clients. Anticipated changes in revenue by sector in 2011 is included in the survey report.

Top Challenges Firms Anticipate In 2011 In Working Toward Achieving Financial And Business Objectives

Increased competition to secure projects is the number one challenge for all firms responding to the Colorado, Arizona and Utah surveys. Results are provided below.

	Colorado	Arizona	Utah
Facing increased competition to secure projects	59%	73%	89%
Increasing costs associated with offering health care	54%	56%	56%
Marketing the firm's services to new sectors/clients	41%	52%	67%
Maintaining productivity and service levels with existing staff	40%	33%	44%
Reduced private sector spending on engineering projects	33%	44%	56%
Reduced government spending on engineering projects	29%	48%	56%

What's Included In The 2010 ACEC-Colorado Salary Survey Report

A total of 70 Colorado firms participated in this year's ACEC-Colorado salary survey, up from 53 firms last year. Salary information was collected for 2,525 employees. Prevailing base salaries, bonuses and total compensation are reported for 60 positions in the following job groups:

- Entry-Level Engineers, (4 positions)
- Engineering Professionals, (4 positions)
- Engineering Principals, (2 positions)
- Planners, (3 positions)
- Drafters and Designers, (9 positions)
- Construction, Field Testing, Surveyors and Technicians, (13 positions)
- Laboratory, Scientist and Environmental Staff, (7 positions)
- Professional/ Administrative Staff, (19 positions)

Three new positions are included in this year's survey: Laboratory Assistant, Project Coordinator, Records/Documentation Specialist and Payroll Administrator.

Salaries are reported by region, employment size and firm revenue levels. Summary salary survey results by state and region are also provided from firms participating in the ACEC-Arizona (53 firms) and ACEC-Utah (14 firms) surveys.

Section III of the report includes current practices and projected plans in select areas to guide employers in making compensation, benefits and staffing decisions. Current and projected changes in revenue levels based on work in public and private sectors is also included in this section. An expanded version of this portion of the survey detailing benefits and business practices is scheduled for next year. Results from the last expanded survey conducted in 2008 are available by contacting ACEC-Colorado or completing the order form on the next page.

Complete and return the order form on the next page to obtain your copy of the full Compensation and Business Practices Report from ACEC of Colorado.



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2010 Compensation Survey

SURVEY REPORT ORDER FORM

Results of the salary survey are available in a PDF format. ACEC-CO member and non-member firms who participate in the survey may purchase the report at discounted rates as noted below. To order the survey results, please mark your membership and participant status below (X) and provide forwarding instructions.

ACEC-CO Members - Participants

- Participant price **(\$100.00)**
- Add the 2008 Benefits and Business Practices Report (extract from 2008's survey) **(free)**, if ordered with the 2010 Salary Survey Report

ACEC-CO Members: Non-Participants

- Non-Participant price **(\$300.00)**
- Add the 2008 Benefits and Business Practices Report (extract from 2008's survey) **(\$25.00)**, if ordered with the 2010 Salary Survey Report

Non-Member Participants

- Participant price **(\$350.00)**
- Add the 2008 Benefits and Business Practices Report (extract from 2008's survey) **(\$50.00)**, if ordered with the 2010 Salary Survey Report

Non-Member Purchase Price

- 2010 Salary Survey Report **(\$500.00)**
- 2008 Benefits and Business Practices Report (extract from 2008's survey) **(\$100.00)**

E-mail purchased reports to:

Name:

Title:

FIRM:

E-mail Address:

Form of Payment (check one):

- We are mailing a check to ACEC-CO
800 Grant Street, Suite 100, Denver, Colorado 80203
- Please bill our account (Members Only)