

# President's Report—Dallas L. Salisbury

December 2010

I begin my report with a thank you for your support of EBRI's work. Without the insights, data, time, and funding that you and your associates provide, EBRI could not pursue its "just the facts" research and education that has been the basis for its worldwide acceptance as an objective and reliable source.

Over the past year, the results of unique models and databases developed by EBRI have been featured in all media, including national print and television outlets, at congressional hearings and at conferences, and in multiple-sector planning efforts. These activities are covered in detail in the reports that follow, and will be discussed in detail at the Research Committee meeting the morning of December 8.

Over the past year, we have also expanded our Internet and social media outreach to raise awareness of our work and our findings. We have reviewed our level of media placements, EBRI Website hits, and unique visitors, use of our work in blogs and new media outlets, and consistently find that we do very well with these platforms.

Acceptance of the results of the Retirement Confidence Survey, the Health Confidence Survey, and the Consumerism in Health Care Survey continued to be high in 2010, with growing citations and usage as representative of baselines against which the findings reported in other surveys should be compared. This is undoubtedly the result of having done these surveys consistently for many years—21 years for the RCS. Joining with the Financial Services Roundtable, we also fielded a version of the Value of Benefits Survey this fall. Once again, respondents reported that employee benefits were very important to them, were important to their job choice, and contributed to their decision to remain with an employer or to seek a new one.

Surveys have helped us better understand worker, retiree, and citizen plans, views, and values, as well as their actual level of knowledge versus their perceptions. Our earliest RCS underlined that a gap exists, underlining the need for financial and health education to improve decision capabilities. The American Savings Education Council and the Choose to Save education program, including choosetosave.org and the *Ballpark E\$timate* worksheet and calculator, have been our contribution to helping individuals and organizations gain knowledge and find answers. While we won no new Emmy Award in 2010, our video and audio public service announcements and educational videos and publications continued to be used around the world. The version of *Ballpark* developed for federal workers is on the websites of the Office of Personnel Management and the Federal Thrift Savings Plan, and was completed by over 250,000 people this year.

EBRI operated for less than three months in 1978, but an audit was done nonetheless. We ran a small surplus that year, and have done so in all but three of our 32 years. 2009 and 2010 have both required use of excess operating reserve funds to balance the budget, and the 2011 budget does so as well. Membership and revenue have remained strong, but not sufficient. We have never had to draw down our long-term reserves, however, and do not foresee doing so in 2011. We expect to end the year with operating reserves of \$3 million and long-term reserves of \$8 million. Total budgeted expenses for 2011 are \$4.5 million, with revenue of \$3.9 million and a net drawdown of operating reserves of \$0.6 million.

2011 will bring added "first ever" research results that will assist everyone in better understanding individual prospects for health, financial, and retirement security. The EBRI DC/IRA Database is being completed this month, allowing research to begin to flow early in the new year. The Center for Research on Health Benefits Innovation will soon have medical claims data, allowing research on innovation in providing health benefits that may prove critical in sponsor planning choices in the years ahead.

The recent election platforms of candidates, Fiscal Commission recommendations, tax and retirement reform proposals, and proposals still being formed all create the need for program evaluation and analysis. EBRI models and databases put us in a stronger position to respond with research and insights than ever before. Publications and briefings will carry these results to members, policymakers, and the media.

These models and databases also provide us first-time opportunities to evaluate the effects of plan design changes over time, total retirement assets for those with multiple accounts, rollover flows, and retirement asset spend down post-employment by source, including the sequence of asset class sales. This will be valuable planning information for individuals, plan sponsors, service providers, and policymakers, and will provide insights for educators and researchers in developing curricula and study priorities.

I believe that financial support of EBRI will increase in the years ahead as more organizations embrace the wisdom of our current members in understanding the value we deliver. That could allow us to run a surplus again by 2012.

I end where I began, with a thank-you on behalf of the team at EBRI for your insights, participation, data, and funding. I add a request for your assistance in bringing new members into EBRI and for your support of our surveys, databases, Research Centers, and the Choose to Save initiative—and, most importantly, to use the results of our research in your own planning, publications, education, and decision making.



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