



Fort Hood Region Veterans Inventory Initiative

Quarterly Report, July - September 2017

An assessment of the intentions, educational level, skills, employment desires, and suggestions to improve the Central Texas region's "Quality of Place" for Soldiers leaving military service at Fort Hood, Texas.





Quarterly Report: 4th Quarter, FY 2017
(July – September 2017)

A. BACKGROUND: Operation Economic Transformation is the Greater Killeen Chamber of Commerce (GKCC) plan to identify, measure, and capitalize on new and emerging economic development opportunities present in the Central Texas region. In April 2006, the Greater Killeen Chamber of Commerce (GKCC) employed TIP Strategies, Inc. to conduct a study to identify, measure, and capitalize on the new and emerging economic development opportunities present in the Central Texas region. The results of their study were published in 2007.

One key recommendation from the study was to regularly administer a survey for veterans separating from military service at Fort Hood to capture insightful information regarding their skills and desired career fields post separation for all Soldiers and Spouses. In July 2006, the following parties entered into a Memorandum of Understanding (MOU) to routinely inventory the intentions, educational level, skills, and employment desires of separating Soldiers in order to improve the Fort Hood regional “Quality of Place”:

- Fort Hood Soldier for Life-Transition Assistance Program (SFL-TAP)
- Workforce Solutions of Central Texas - Board
- Workforce Solutions of Central Texas - Service Centers
- Greater Killeen Chamber of Commerce
- Heart of Texas Defense Alliance
- Texas Veterans Commission

Data is collected via a voluntary ten-question survey administered during either the Soldier for Life - Transition Assistance Program (SFL-TAP) workshop or installation final clearance¹. The purpose for the collection and analysis of this data is threefold:

1. Develop and retain the region’s skilled and motivated military Veteran workforce;
2. Foster innovation and entrepreneurship; retain existing businesses, and attract new business to the region; and
3. Align the efforts of the participating agencies to enhance options for current and future/potential residents.

B. DEMOGRAPHICS

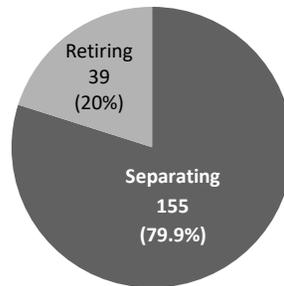
1. For the 4th Quarter FY 2017 (July - September 2017), 194 Soldiers completing their military service responded to the survey with the demographics graphed below. This is a much

¹ Retiring Soldiers may participate in TAP up to two years prior to their retirement date, while non-retiring Soldiers may participate up to one year in advance. Effective November 2012, all Soldiers separating from the military are required to attend the TAP seminar and will provide the opportunity for more Soldiers to participate in the optional Veterans Inventory Initiative survey.



smaller amount than normal, and we will continue to monitor and work with the Fort Hood Soldier for Life - Transition Assistance Program and the Workforce Solutions of Central Texas to monitor this in future quarters. Even though there were significantly smaller numbers of raw data, the percent in each area was calculated the same as in past quarters for equal comparisons.

DEMOGRAPHIC DISTRIBUTION

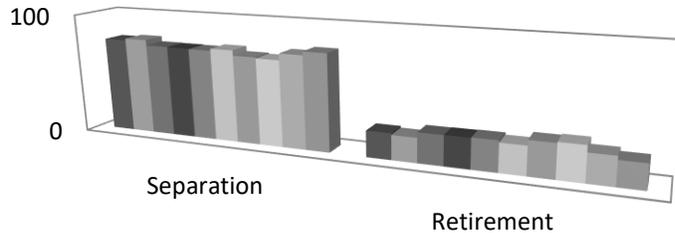


4th Qtr 2017

2. The Veterans Inventory Initiative has collected data on Soldiers separating from the service at Fort Hood since FY 2007 and reports have been based on responses from a total of 41,966 separating and retiring Soldiers. For ease of viewing, the graph below charts the results of those who responded to a survey implemented during the TAP seminar in the 2nd Quarter 2014. During this timeframe (April 2015 to September 2017), the amount of those separating from the service has fluctuated between 71-80%, while the amount retiring has fluctuated between 20-29%. This quarter, there was a slight increase in those separating even though it still fell within the historical range, but we will continue to monitor this to see if there is an overall trend developing.



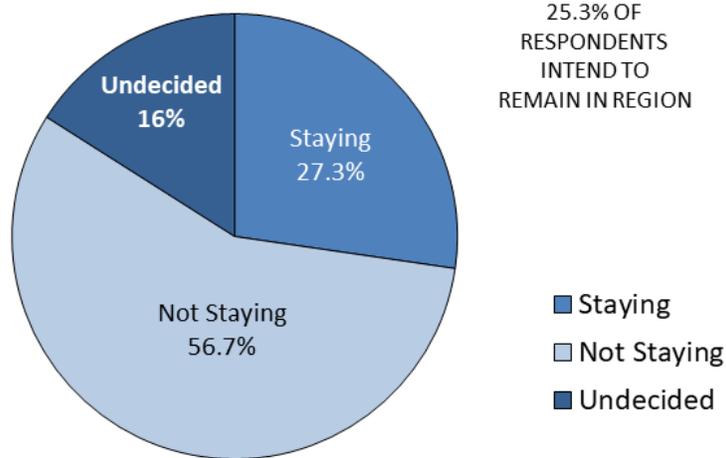
Percentage of Separations by Type



	Separation	Retirement
■ 3rd Qtr 15	78.4	21.6
■ 4th Qtr 15	79.8	20.2
■ 1st Qtr 16	75.4	24.6
■ 2nd Qtr 16	75.2	24.8
■ 3rd Qtr 16	74.9	25.1
■ 4th Qtr 16	76.6	23.4
■ 1st Qtr 17	72.3	27.7
■ 2nd Qtr 17	71.5	28.5
■ 3rd Qtr 17	76.9	23.1
■ 4th Qtr 17	79.9	20.1

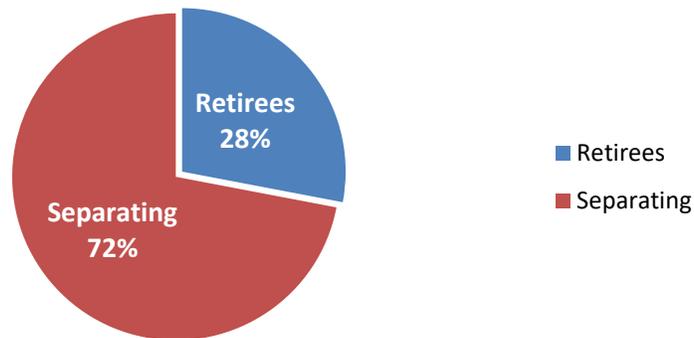
C. INTENTIONS ON STAYING IN THE REGION: The respondents were surveyed regarding their intentions on remaining in the region (within 30 miles of Fort Hood – generally equating to the Killeen-Temple-Fort Hood Metropolitan Statistical Area (MSA)) when their service ended. Of the 194 respondents, 31 are listed as undecided since they did not know at the time of the survey.

1. 53 respondents (representing 27.3% of all respondents) indicated they intended to stay in the region. The inventory survey also asks respondents that if they do not intend to remain in the MSA upon leaving the service, would a job available in the area change their response. An additional 49 out of 127 responding to the question (38.6%) indicated they would stay in the area if desirable employment were available.

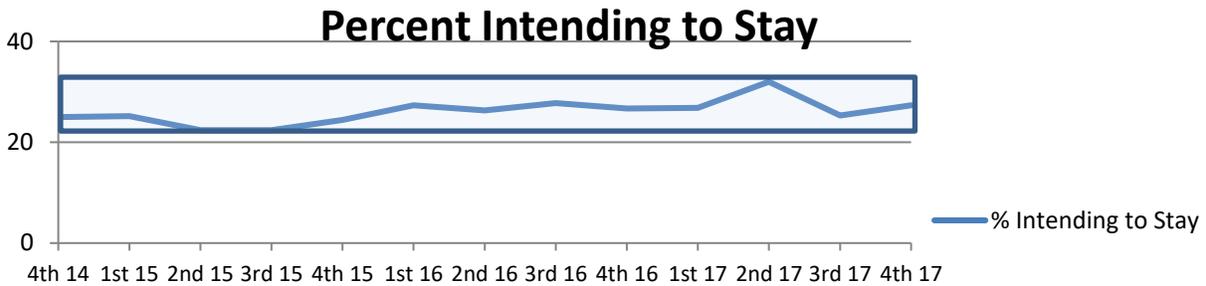


Of the 27% of those staying in the MSA, the graph below represents the percentages of those separating, and those retiring since this would represent two different demographics of those potentially searching for jobs in the local area.

Soldiers Staying in the MSA



2. When analyzing data of Soldiers' intentions on remaining in the Killeen-Temple-Fort Hood MSA over the last thirteen quarters, the graph below indicates that the percent of Soldiers intending to remain in the area consistently averaged between 22 and 32 percent within this time period. As such, we have chosen to focus on more current data. It is also important to note that the numbers, according to the Retired Army Personnel System, shows a continual increase in retirees remaining in the region throughout the past three years. We continue to monitor these results.



3. Military retirees residing in the MSA: While the Veterans Inventory Initiative only surveys the intent of Soldiers departing the service, we are able to more accurately track the disposition of the retiring population using data from the Retired Army Personnel System (RAPS), which is based on the actual retired Soldiers' zip code. According to RAPS, the cities of Killeen, Harker Heights, Belton, and Nolanville continued to experience retiree growth rates exceeding the MSA overall growth of 36.4% for the period June 2009 to September 2017.

	JUNE 2009	SEP 2017	% GROWTH 2009 - 2017
KILLEEN	8120	11793	+45.2
COPPERAS COVE	3,028	3,647	+20.4
HARKER HEIGHTS	1,843	2,767	+50.1
TEMPLE	1,150	1,452	+26.3
KEMPNER	884	1,087	+23
BELTON	826	1,152	+39.5
LAMPASAS	356	396	+11.2
GATESVILLE	350	424	+21.1
NOLANVILLE	266	408	+53.4
SALADO	206	276	+34
MSA	17,029	23,402	+37.4

In an economic impact study released in May 2016, Texas Comptroller Glenn Hegar reported that more than 287,000 retirees, survivors, and their families remained within traveling distance of Fort Hood. While this number usually continues to grow each quarter with 85-90% of all local retirees remaining in the region and many others moving into the region due to Quality of Life factors, this quarter the number was 38.5% of retirees who completed the voluntary survey stated they planned to remain in the local area. Current estimates now show over 384,000 people are supported by Fort Hood locally and outside the MSA. Below are some key data points to provide additional insights into the growth rates locally:

a. According to the Texas Association of Realtors, Bell County ranked eighth out of ten for the total number of residents coming from out of state. According to the U.S. Census



Bureau, this is the fourth straight year for an increase in residents moving to Texas from out of state, http://kdhnews.com/news/local/report-bell-county-among-top-destinations-for-new-texas-residents/article_7d7b52b2-0fa9-11e8-823c-67e0a141d1d4.html, February 2018.

b. The Texas Transportation Commission approved the designation of 25 miles of US highway 190 in Bell County as a section of the new Interstate 14 which is part of the Interstate Highway System, and part of the new national Fort-to-Port strategic transportation system linking military facilities to deployment seaports, <http://www.gulfcoaststrategichighway.org/>, January 2017.

c. The American Defense Communities (ADC) designated Fort Hood as one of the eight "Great American Defense Communities" across the United States for providing continuous support to its service members and their military families, <http://www.hrmffa.org/images/Hampton-Roads-VA-GADC-2017-press-release.pdf>, January 2017.

d. Killeen was ranked number 20 overall out of 505 cities nationwide, and 4 out of 158 mid-sized cities for the most 2008 recession-recovered city based on 18 economic indicators including "inflow of college educated workers," "share of households receiving public assistance," and "home ownership rank," <https://wallethub.com/edu/most-least-recession-recovered-cities/5219/#city-size>, January 2017.

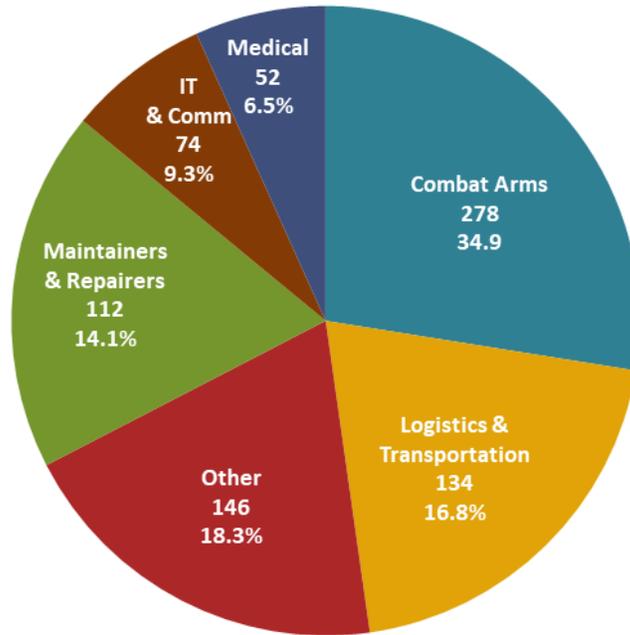
e. In January 2017, the Killeen unemployment rate was 4.5% compared with the Texas and national unemployment rate of 4.8%, <http://www.deptofnumbers.com/unemployment/texas/killeen/>, June 2017.

f. Wallprotex provided a study, based off of data from the Bureau of Labor Statistics, on the job growth in the construction field. As of November 2016, Killeen ranked 10th nationally out of 358 cities. The city saw a growth of 12.66% compared to this time the previous year with 8,900 construction jobs. Consistent job growth in the construction field indicates more homes and buildings are being constructed, which is a sign that the local community and economy are growing.

g. WalletHub.com reported that Killeen was ranked number 37 out of 247 in the nation for the fastest growing mid-sized city, <https://wallethub.com/edu/fastest-growing-cities/7010/#city>, October 2016.

In addition to these indicators of economic stability for the Killeen-Temple-Fort Hood MSA, the Texas Comptroller also stated in the 2016 economic report that Fort Hood's economic impact was \$35.4 billion statewide. Comptroller Glenn Hegar stated "Fort Hood is an economic engine that helps growth in Texas." The report states that Fort Hood was also indirectly responsible for 201,538 jobs throughout Texas, which include the 60,159 direct jobs on Fort Hood.

D. MILITARY OCCUPATIONAL SPECIALITIES: Departing Soldiers represented 68 different Military Occupational Specialties (MOS). However, 80.3% (143 of the 178 valid respondents) can be grouped into five general areas: Combat Arms, Logistics/Transportation, Maintainers/Repairers, Medical, and Information Technology/Communications. The sixth area shown on the following chart, Other, is comprised of the remaining 35 Soldiers leaving the service with an MOS not covered in the five areas above.



COMBAT ARMS

Traditionally, Combat Arms is the largest group and remains the largest group this quarter. Most, if not all, will be combat veterans of the Iraq/Afghanistan campaigns, which have a distinctive small-unit focus by their nature. Therefore, in addition to the skills listed below, these Soldiers would likely have extensive leadership and staff planning skills (soft skills) that would be a tremendous asset to any organization.

Soldiers in combat arms comprise 80.3%(143/178) of the separating population.

Infantry (19)	Member or leader who individually employs small arms/heavy anti-armor weapons in support of combat operations.
Armor (17)	Member or leader who employs main battle tanks or cavalry fighting vehicles in combat operations, and performs reconnaissance and security.
Air Defense Artillery (5)	Operate command/control/communications/computer information systems or the lightweight, highly mobile Avenger or medium weight Patriot Air Defense Missile systems.
Engineer (4)	Of the 4 Soldiers, 2 are combat engineers and are directly engaged in providing mobility, counter-mobility and survivability support to combat forces. Operates, directs and assists in the operation of various light and heavy engineer wheeled and tracked vehicles. Directs construction of shelters and assembly of military fixed bridges. Another 2 have engineer MOS specialties of bridge crewmember and horizontal construction engineer.



Field Artillery (4)	Operate or supervise high technology cannon artillery weapons, automated tactical data systems, intelligence activities, target processing, radar operations, artillery surveying operations, or meteorological observation.
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LOGISTICS AND TRANSPORTATION

Soldiers serving in the logistics and transportation fields comprise 20.2%(36/178) of the separating population. The top five categories are shown below.

Automated Logistical Specialists (10)	Supervise and perform management or stock record/warehouse functions pertaining to receipt, storage, distribution and issue, and maintain equipment records and parts.
Unit Supply Specialists (6)	Supervise or perform duties involving the request, receipt, storage, issue, accountability, and preservation of individual, organizational, installation, and expendable supplies and equipment.
Petroleum Supply Specialists (5)	Supervise the receipt, storage, accountability, and cares for dispensing, issuing and shipping bulk or packaged petroleum, oils, and lubricants.
Food Service Specialists (4)	Supervise or prepares, cooks and serves food in field or garrison food service operations.
Motor Transport Operator (4)	Supervises and operates wheel vehicles to transport personnel and cargo. Oversees and checks proper loading and unloading of cargo on vehicles and trailers.

MAINTAINERS/ REPAIRERS

Soldiers that work in the field of maintenance and repair comprise 18.5%(33/178) of the separating population. The top four categories are shown below.

Wheeled Vehicle Mechanics (12)	Supervise and perform unit, direct support and general support level maintenance and recovery operations on light and heavy wheeled vehicles, their associated trailers and material handling equipment.
Special purpose (8)	5 different low-density fields that require a degree of technical skills that would support the repair and maintenance of Army vehicles and equipment. These skills include metal workers (welders), machinists, small arms and fire control repair, power generation, computer/detection systems, radar, avionic communication equipment, and special purpose equipment (such as HVAC and refrigeration systems).
Aviation repairers (5)	3 different enlisted specialties (less pilots and air traffic controllers) ranging from aircraft structural repairers to airframe-specific armament/electrical/avionics system repairers.
Tracked Vehicle Mechanics (3)	Perform or supervise unit maintenance, diagnose, and troubleshoot malfunctions on gas turbine and diesel power plants; the suspension,



	steering, hydraulics, auxiliary power units, and the armament/fire control systems on tracked vehicles including the M1 Abrams main battle tank and Bradley Fighting Vehicle.
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INFORMATION TECHNOLOGY AND COMMUNICATIONS

The information technology and communications field make up 7.3%(13/178) of the separating population. The top six categories are shown below.

Information Technology Specialist (5)	Supervise, install, operate and perform unit level maintenance on multi-functional/multi-user information processing systems, peripheral equipment, and associated devices. Perform analyst and information assurance functions and conducts data system studies. Perform Information Services Support Office (ISSO) duties of printing, publications, records management and Communication Security (COMSEC) custodian functions and certification authority duties in support of the Defense Message System (DMS).
Signal Support Systems Specialist (2)	Supervise, install, employ, maintain, troubleshoot and assist users with battlefield signal support systems, terminal devices, satellite communications equipment and automated telecommunications computer systems, to include local area networks, wide area networks and routers. Integrate signal systems and networks; performs unit level maintenance on authorized signal equipment and associated electronic devices; train and provide technical assistance to users of signal equipment.
Nodal Network System Operator-Maintainer (2)	The Nodal Network Systems Operator-Maintainer supervises, installs, operates, and performs systems maintenance on large and small electronic switches; system control centers; node management facilities; associated multiplexing and combat net radio interface (CNRI) equipment; short range line of sight radio systems; communications security (COMSEC) devices; and other equipment associated with network switching operations.

MEDICAL

Personnel in the medical field make up 6.7%(12/178) of the separating population.

Health Care Specialist (8)	Provide emergency medical treatment, limited primary care, force health protection, evacuation in a variety of operational and clinical settings from point of injury or illness through the continuum of military health care under the supervision of a physician, nurse or physician's assistant. As a field combat medic, provides emergency medical care/treatment at point of wounding on the battlefield or to battle and non-battle casualties during wartime .
Other (4)	1 Dental Specialists, 1 Pediatric Dentist, 1 Veterinary Food



	Inspection Specialist, and 1 Occupational Therapy Specialist.
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E. DESIRED POST- MILITARY SERVICE EMPLOYMENT:

Respondents are asked to indicate the type (or types) of post-military employment they desire. If married, they can indicate their spouse's employment preferences as well. In order to standardize input for ease of analysis, the survey provides 14 broad categories conforming to industry categories found in the North American Industrial Classification System (NAICS). The choice "other" is offered when a specific desired category is not provided. Because this survey is voluntary and can be taken up to a year before the date of separation during the Soldier for Life-Transition Assistance Program, it may be very possible that at the time of the survey, the majority just did not know what area of employment he/she would prefer. For this 4th Quarter report, of those who did respond to this question (76 Soldiers and 71 spouses), the top five desired categories of post-military service employment were²:

1. Soldiers Separating:

SOLDIER

- 1. Other: 19
- 2. Law Enforcement/Security: 11
- 3. Equipment Maintenance/Repair: 7
- 4. Medical/Health Field: 7
- 5. Management/Business: 6

SPOUSE

- 1. Other: 22
- 2. Medical/Health Field: 20
- 3. Education/Teaching: 7
- 4. Management/Business: 5
- 5. Law Enforcement/Security: 3

The anomalies in Military Occupational Specialty (MOS) data may have been carried over to the types of post-service employment desired. Law Enforcement/Security has always ranked as one of the top five desired career choices for post-service employment, which continues to be the case this quarter and is most likely attributed to the larger number of Soldiers responding to the survey who were separating with a Combat Arms MOS. Since October 2007, the top desired careers for spouses have always included Education/Teaching, Management/Business, and Medical/Health Field, and for this quarter, Law Enforcement/Security was one of the top five as well. The choice "other" continues to remain one of the top five choices for both the Soldier and their spouse, and was the top choice for both Soldiers and spouses this quarter.

2. Soldiers Retiring:

²Employers desiring to hire Fort Hood veterans should contact Fort Hood Soldier for Life -Transition Assistance Program (formerly known as ACAP) directly through the TAP Director of Marketing, Mr Robert Schumacher: at (254)288-0827; Robert.c.schumacher.civ@mail.mil; or by posting their opportunity and company website URL on the TAP website (www.acap.army.mil). Mr Schumacher can coordinate employer participation in a host of TAP transition events, as well as assist with highly specialized targeted hiring initiatives. Employers may place a job posting via "Work in Texas" (www.workintexas.com) - a statewide, internet-based job-matching system through Workforce Solutions of Central Texas (WFSCT) (254) 200-2020. The Texas Veterans Services (TVC) staff work closely with the Central Texas Workforce Business Services including job development, direct referrals, and military skills-civilian occupations matching. Contact Adam Jones, TVC Supervisor, (254) 200-2038.



The top categories of desired post-service employment for those retiring from military service are:

1. Management/Business:	16
2. Other:	11
3. Administration/Office:	11
4. Transportation/Warehouse:	11
5. Law Enforcement/Security:	10

Management/Business is usually the number one desired job for retirees, and continues to remain number one this quarter. Administration/Office, Other, and Transportation/Warehouse all tied for the number two desired job, but this may have just been the result of having such a small amount of those completing the survey this quarter. Law Enforcement/Security is one of the top five choices for retirees this quarter as it has been frequently in the past.

3. Employment:

The Labor Market & Career Information Department (LMCI) of the Texas Workforce Commission provides a monthly snapshot of the area economy within the Texas labor market using statistics from the U.S. Bureau of Labor Statistics. This is broken down by industry profiles, and graphs the top ten groups consisting of seventeen different industries. This list can be compared to the Veteran's Inventory Initiative list of top desired employment after the service. The following list indicates the top ten industry profiles for the Killeen-Temple MSA according to the monthly U.S. Bureau of Labor Statistics (https://www.bls.gov/regions/southwest/tx_killeen_msa.htm). For comparison, the similar Veteran's Inventory Initiative categories are placed in parentheses. This list can be compared to the responses above for Soldiers' top desires for employment when retiring from their service in the military. We will continue to monitor and compare these reports in the future.

Tracer2.com (Sept 2017)

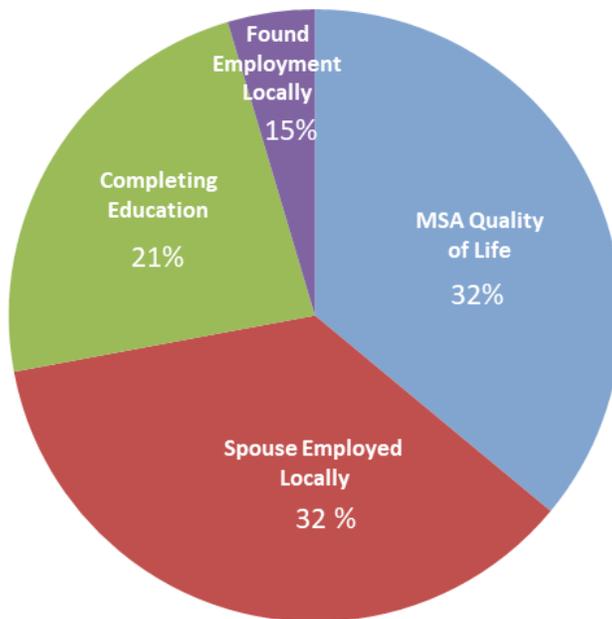
- 1) Government (Law Enforcement-Security)
- 2) Trade, Transportation, and Utilities (Transportation/Aviation)
- 3) Education and Health Services (Education-Teaching/Medical-Health)
- 4) Leisure and Hospitality (Hospitality Industry/Food Service-Culinary Arts)
- 5) Mining, Logging, Construction (Construction)
- 6) Professional and Business Services (Management-Business/Admin-Office)
- 7) Manufacturing (Manufacturing)
- 8) Financial Activities (Management-Business/Admin-Office)
- 9) Other Services (Other/Equipment Maintenance Repair)
- 10) Information (Computer-Software/Communication-Electronics)

F. REASONS FOR REMAINING IN THE MSA:



1. In 2013, the survey was revised to gain more clarity on the Quality of Life factors cited by separating Soldiers that impact their decision to remain in Central Texas or go elsewhere after their service ends. The majority of those completing the survey that identified they were staying locally said it was due to the MSA quality of life, while two other large groups were staying due to their spouse being employed locally, or the Soldier's intent for completion of their education. With the addition of Texas A&M-Central Texas to the MSA, the Soldiers and their spouses now have the opportunity to complete their baccalaureate or master's degree while remaining in an area with a lower cost of living compared to other areas with universities.

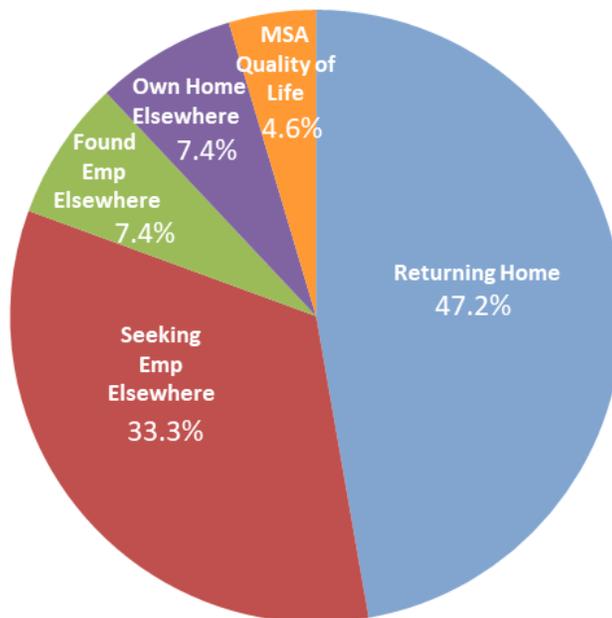
Reasons for Remaining Inside the MSA 4th Quarter FY 2017



2. The graph below addresses the reasons for those service members not staying in the MSA after separation. The majority of those choosing to live outside of the MSA after separation mainly wanted to return to their home of record, while the second largest group stated that seeking employment elsewhere was their primary reason. These have been the top two reasons for the past thirteen quarters. While returning to home of record is not something that can be improved for the area, available and desirable employment and the perception of the MSA quality of life are areas that can be improved.



Reasons for Living Outside of the MSA 4th Quarter FY 2017



G. EDUCATION LEVEL OF THOSE REMAINING IN THE REGION: Respondents are asked to provide their highest level of educational attainment. For this quarter, 42 of 53 (79.2%) percent of the respondents who intend to remain in the region have some level of post-secondary education:

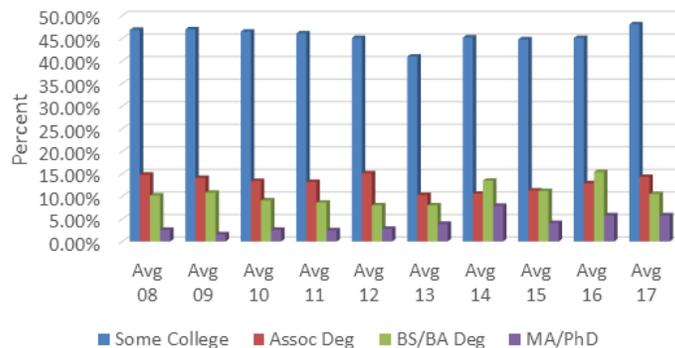
1. Some College – 32 (60.4%)
2. Associates Degree – 5 (9.4%)
3. Baccalaureate Degree – 2 (3.8%)
4. Masters/PhD Degree – 3 (5.7%)

The data from over 40,000 Soldiers separating during the last ten years indicates that for those Soldiers who intend to remain in the Killeen-Temple-Fort Hood MSA (both retirement eligible and non-retirement eligible), educational attainment for those completing their Master's degree or Some College had a slight increase from 3rd Quarter 2017. This quarter showed an increase



in those pursuing their Master’s degree, and this could be a direct result of the availability of upper level universities in the area, especially with the addition of TAMU-CT. This data is further affirmation that those Soldiers leaving the service provide a large amount of highly educated potential employees for the area.

Educational Attainment % of Those Intending to Stay in MSA



Anecdotally, businesses indicate they want to hire veterans. Educational attainment is a key variable in that process given the current national unemployment rate. With the sluggish job market and the extra benefits of health care, tuition assistance, and housing and food allowances while in the service, the military remains a favorable career choice. However, with the downsizing of troop levels, the standards of recruiting continue to be more stringent, so candidates applying with a GED are often turned away and encouraged to complete at least 15 college credits before re-applying, which guarantees a more educated group of veterans³. When taking into account that Central Texas offers a low cost of living, has several post-secondary educational institutions within the Killeen-Temple-Fort Hood MSA where Soldiers are able to complete their degrees, and the fact that a large percent of Soldiers separating from the service desire to remain in the area, the Killeen-Temple-Fort Hood MSA is becoming a very desirable region for potential business partners to relocate to the area. This opportunity may also motivate many other Soldiers who have started their degree as indicated in the above graph to complete their education through the use of their Post 9/11 GI Bill benefits, with the potential of a job in the area after leaving the service.

Perceptions versus reality: As 98% percent of Fort Hood Soldiers either reside on-post or within 10 miles of the Fort Hood main gate in the communities of Central Texas, the survey choices reflect their perceptions of areas where improvements might further influence their decision to remain in the region when their military service ends. Quality of Life within the MSA is important to retaining Soldiers in the area after separating (36.2%), as seen in the previous graph on page

³ Annalyn Kurtz, Getting Into the Military is Getting Tougher, <http://money.cnn.com/2013/05/15/news/economy/military-recruiting/>, 15 May 2013.



thirteen. In addition, Veterans ending their service at Fort Hood are clearly a talented and educated workforce worth retaining in the Central Texas region and their perceptions of the Quality of Life is important to be considered in future planning. While the Quality of Life is affected greatly by perception, bringing in larger industry and providing those employment opportunities is a strong way to make the Quality of Life in the MSA more desirable, helping to retain the Soldier and their family in the MSA.

Additional information not addressed in this quarterly report may be available for release to eligible entities. Requests for specific information should be addressed in writing to Executive Director, Heart of Texas Defense Alliance at 2916 Illinois Avenue, Killeen TX 76543.

Special thanks to Ms. Linda Angel, Workforce Solutions of Central Texas, for the design of the report cover and logo; to Mr. Gerry Fluharty, Workforce Solutions of Central Texas, who compiles the data for these reports; and to Mr. Martin Traylor for administering the surveys at the SFL-TAP workshops.