

CITY OF FAIR OAKS RANCH
CITY COUNCIL REGULAR MEETING

Thursday, September 15, 2022 at 6:30 PM

Public Safety Training Room, Police Station, 7286 Dietz Elkhorn, Fair Oaks Ranch

Live Stream: <https://www.youtube.com/channel/UCDqRvLvReqxrh1lbajwshKA/live>

AGENDA

OPEN MEETING

1. Roll Call - Declaration of a Quorum
2. Pledge of Allegiance

CITIZENS and GUEST FORUM

To address the Council, please sign the Attendance Roster located on the table at the entrance in the foyer of the Public Safety Training Room. In accordance with the Open Meetings Act, Council may not discuss or take action on any item which has not been posted on the agenda. Speakers shall limit their comments to five (5) minutes each.

3. Citizens to be heard.

PRESENTATIONS

4. Proclamation for Human Resources Professional's Day.

Mayor Gregory C. Maxton

5. Proclamation for Information Technology Professional's Day.

Mayor Gregory C. Maxton

6. Introduction of new employee(s): David Perez Jr., Police Officer; Rosie Vela, Director of Finance.

Joanna Merrill, IPMS-SCP, Director of Human Resources and Communications

PUBLIC HEARING

7. Conduct a Public Hearing on the Fiscal Year 2022-2023 Proposed Budget and Tax Rate.

- A. Opening comments from the Mayor
- B. Comments from the City Manager
- C. Presentation of the Proposed Budget and Tax Rate by Assistant City Manager
- D. Open the Public Hearing and receive citizen testimony
- E. Close the Public Hearing
- F. Receive Comments from the Mayor and City Council

Scott Huizenga, Assistant City Manager, Administrative Services

CONSENT AGENDA

All of the following items are considered to be routine by the City Council, there will be no separate discussion on these items and will be enacted with one motion. Items may be removed by any Council Member by making such request prior to a motion and vote.

8. Approval of the August 31, 2022 City Council Special Meeting minutes.

Christina Picioccio, TRMC, City Secretary

9. Approval of the September 1, 2022 Regular City Council meeting minutes.

Christina Picioccio, TRMC, City Secretary

10. Approval of a resolution reaffirming the City's Investment Policy.

Scott Huizenga, Assistant City Manager, Administrative Services

CONSIDERATION/DISCUSSION ITEMS

11. Consideration and possible action adopting the FY 2022-23 Pay Schedule for General Government and Police Employees.

Scott Huizenga, Assistant City Manager, Administrative Services

12. Consideration and possible action approving the first reading of an Ordinance adopting the City budget for fiscal year beginning October 1, 2022 and ending September 30, 2023.

Scott Huizenga, Assistant City Manager, Administrative Services

13. Consideration and possible action on an Ordinance levying ad valorem taxes for use and support of the municipal government of the City of Fair Oaks Ranch for the fiscal year beginning October 1, 2022 and ending September 30, 2023.

Scott Huizenga, Assistant City Manager, Administrative Services

14. Consideration and possible action approving a Resolution to appoint members to fill places on the City of Fair Oaks Ranch Board of Appeals.

Christina Picioccio, TRMC, City Secretary

15. Consideration and possible action approving a Resolution to appoint members to fill places on the City of Fair Oaks Ranch Capital Improvements Advisory Committee (CIAC).

Christina Picioccio, TRMC, City Secretary

16. Consideration and possible action approving a Resolution to appoint members to fill places on the City of Fair Oaks Ranch Municipal Development District Board of Directors (MDD).

Christina Picioccio, TRMC, City Secretary

17. Consideration and possible action approving a Resolution to appoint members to fill places on the City of Fair Oaks Ranch Zoning Board of Adjustment.

Christina Picioccio, TRMC, City Secretary

REQUESTS AND ANNOUNCEMENTS

18. Announcements and reports by Mayor and Council Members.

19. Announcements by the City Manager.
20. Requests by Mayor and Council Members that items be placed on a future City Council agenda.

CONVENE INTO EXECUTIVE SESSION

Pursuant to Section 551.101 of the Open Meetings Act, Texas Gov't Code, a quorum of the governing body hereby convenes into closed session:

Sec. 551.071 (Consultation with Attorney) the City Council will meet in private consultation with legal counsel to seek the advice of its attorneys about pending or contemplated litigation, a settlement offer, and/or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflicts with Chapter 551 of the Government Code; to wit:

21. To receive legal advice from Special Counsel and the City Attorney regarding the City's ground water rights.
22. Case No. 22-090-451; Vincent A. Caldarola, MD vs. City of Fair Oaks Ranch, Texas.

Sec. 552.071 (Deliberation regarding real property)

23. The City Council will meet in closed session to deliberate the purchase, exchange, lease, or value of real property that may be considered for future location of water and wastewater system improvements.

Sec. 552.071 (Personnel Matters)

24. To perform the annual evaluation of the City Manager.

RECONVENE INTO OPEN SESSION

Discussion and possible action on items discussed in Executive Session.

ADJOURNMENT

Signature of Agenda Approval: s/Gregory C. Maxton

Gregory C. Maxton, Mayor

I, Christina Picioccio, TRMC, City Secretary, certify that the above Notice of Meeting was posted on the outside bulletin board at the Fair Oaks Ranch City Hall, 7286 Dietz Elkhorn, Fair Oaks Ranch, Texas, and on the City's website www.fairoaksranchtx.org, both places being convenient and readily accessible to the general public at all times.

As per Texas Government Code 551.045, said Notice was posted by 6:30 PM, September 12, 2022 and remained so posted continuously for at least 72 hours before said meeting was convened.

The Fair Oaks Ranch Police Station is wheelchair accessible at the front main entrance of the building from the parking lot. Requests for special services must be received forty-eight (48) hours prior to the meeting time by calling the City Secretary's office at (210) 698-0900. Braille is not available. The City Council reserves the right to convene into Executive Session at any time regarding an issue on the agenda for which it is legally permissible; pursuant to Texas Government Code Chapter 551. Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

Proclamation
The City of Fair Oaks Ranch
Office of the Mayor

WHEREAS, the Human Resources Department works hard each day to ensure that the City of Fair Oaks Ranch is staffed with high quality employees and that those employees have a good environment in which to work; and,

WHEREAS, the Human Resources Department is instrumental in recruiting, selecting, resourcing, and retaining quality; and,

WHEREAS, the Human Resources Department plays a key role in fostering satisfaction and loyalty among employees by allowing for professional growth and development and keeping employees informed about policies, working conditions, compensation, and benefits; and,

WHEREAS, the Human Resources Department monitors and manages current and future workforce trends, organizational culture, legal and legislative trends, and ethical and social responsibility; and,

WHEREAS, the Human Resources Department is an important part of City leadership and is vital to the overall productivity and efficiency of Fair Oaks Ranch’s workforce; and,

WHEREAS, the Human Resources Department is a valued and respected department that sustains the City’s most important asset—its people.

NOW, THEREFORE, I, Gregory C. Maxton, Mayor of the City of Fair Oaks Ranch, do hereby designate September 26, 2022, as Human Resources Professional Day. I urge all citizens to express their appreciation to our human resources team members for their dedication and commitment to Fair Oaks Ranch’s employees and residents.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Fair Oaks Ranch to be affixed this 1st day of September 2022.

Gregory C. Maxton, Mayor

Christina Picioccio, TRMC
City Secretary

Proclamation
The City of Fair Oaks Ranch
Office of the Mayor

WHEREAS, National Information Technology (IT). Professionals Day has been celebrated on the third Tuesday of every September since 2015; and,

WHEREAS, this year it falls on September 20, 2022; and,

WHEREAS, The City of Fair Oaks Ranch wants to recognize the IT experts who ensure that the City computers, applications, storage, networking, infrastructure and processes to create, store, secure and exchange all forms of electronic data are performing at optimal levels; and,

WHEREAS, in the City of Fair Oaks Ranch, the IT Department consists of two employees: the IT Manager, Brian LeJeune and Network Specialist, Jason McDonald; and,

WHEREAS, the City of Fair Oaks Ranch’s IT Department oversees software programs for the city with the goal of ensuring smooth, efficient, around the clock operations for all City departments, including City Council, Building Codes, City Secretary, Court, Engineering, Finance, Public Safety, and Public Works; and,

WHEREAS, the City of Fair Oaks Ranch’s IT Department provides 24/7 support for telecommunications systems, cell phones, internet firewalls, servers, desktops, laptops, camera systems, tablets, switches, etc., for both office and field personnel; and

WHEREAS, the City of Fair Oaks Ranch’s IT Department continues to focus on identifying and meeting new challenges in key areas such as cybersecurity, state and Federal guidelines for data management and security, shifting technology trends, etc.

NOW, THEREFORE, I, Gregory C. Maxton, Mayor of the City of Fair Oaks Ranch, do hereby designate September 20, 2022, as IT Professional’s Day. I urge all citizens to express their appreciation to our IT team members for their dedication and commitment to Fair Oaks Ranch’s Council, employees, and residents.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Fair Oaks Ranch to be affixed this 15th day of September 2022.

Gregory C. Maxton, Mayor

Christina Picioccio, TRMC
City Secretary



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 15, 2022

AGENDA TOPIC: Conduct a Public Hearing on the FY 2022 – 2023 Proposed Budget and Tax Rate

DATE: September 15, 2022

DEPARTMENT: Finance

PRESENTED BY: Honorable Mayor and City Council

INTRODUCTION/BACKGROUND:

Conduct a public hearing on the FY 2022-2023 Proposed Budget and Tax Rate.

Sequence for the agenda item is as follows:

- Opening comments from the Mayor
- Comments from the City Manager
- Presentation of the Proposed Budget and Tax Rate by Assistant City Manager
- Open the Public Hearing and receive citizen testimony
- Close the Public Hearing
- Receive Comments from the Mayor and City Council

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

See attachments:

- Proposed FY 22-23 Budget is available on the City website
- FY 22-23 Budget/Tax Rate Calendar

REVISED FY 2022-23 BUDGET CALENDAR

Budget Development	July 7 (Regular Meeting)	* COUNCIL * General Fund Overview (Brief Summary + Council direction on budget and policy priorities) Utility Rate Study
	July 21 (Regular Meeting)	* COUNCIL * Utility Fund Overview
Budget Presentation, Consideration, and Adoption	July 25 (Sunday)	Deadline for Chief Appraisers to deliver certify rolls or certified estimates to taxing units and certification of anticipated collection rate by tax collector. (Tax Code Sec. 26.01(a-1))
	August 17	Calculation of No New Revenue, Voter Approval, 8% Increase and De Minimis Rates. Calculation forms must be certified and posted to the Truth in Taxation websites for the appraisal districts.
	August 18 (Regular Meeting)	Finance Director submits the No-New Revenue and Voter Approval rates to City Council. (Tax Code Sec 26.04(e)). Calculation forms must be certified and posted to the Truth in Taxation websites for the appraisal districts Finance Director posts the calculated no-new-revenue tax rate and voter approval tax rate, along with certain debt information on the home page of the City's website using form prescribed by comptroller (Tax Code Sec 26.04(e)).
	August 18 (Regular meeting)	* COUNCIL * City Council confirms maximum proposed tax rate and Council takes a record vote. (Tax Code Sec 26.061(b)) City Council schedules one public hearing on the budget (LGC 102.006 (a-b)) and a meeting to vote on the tax rate (Tax Code Sec. 26.05(d)); (Tax Code Sec 26.06) Formal Budget Submittal + Budget Summary Presentation
	August 22	City Manager files budget with City Secretary (LGC Sec. 102.005(a)) City Secretary ensures the proposed budget is available on the website and available for inspection at City Hall (LGC Sec. 102.005(c))
	September 1	* COUNCIL * Budget Update + Compensation Plan Discussion
	September 4	Finance Director publishes <i>Notice of Public Hearing on the Proposed Budget</i> in the Sunday, September 4th edition of Boerne Star and posts the budget on city's website. (LGC 102.005(c)) Finance Director publishes <i>Notice of Tax Public Hearing</i> in the Sunday, September 4th edition of Boerne Star and posts on the City's website (Tax Code Sec. 26.061, 26.06(c))
	September 15	Public Hearing for proposed budget and tax rate. Council Meeting for the First Reading of Budget and Tax Rate Ordinances is held.
September 22 (Special Meeting)	Second Reading and adoption of the Budget and Tax Rate ordinances.	



Public Hearing FY 2022-23 Budget and 2022 Tax Rate

September 15, 2022

Scott Huizenga, Assistant City Manager



Agenda

- Opening comments from the Mayor
- Comments from the City Manager
- Presentation of the Proposed Budget and Tax Rate by Assistant City Manager
- Open the Public Hearing and receive citizen testimony
- Close the Public Hearing
- Receive comments from the Mayor and City Council



Budget Process

March – July	Council and Staff Workshops and Budget Development
August – September	Budget Adoption Process

Steps remaining:

September 15	Budget and Tax Rate Public Hearing 1 st reading of the Budget Ordinance 1 st reading of the Tax Rate Ordinance Pay Schedule resolution
September 22	2 nd reading of the Budget Ordinance 2 nd reading of the Tax Rate Ordinance



General Fund Budget Overview

Category	Amount
Revenues	\$9,614,599
Expenditures	(\$9,077,393)
Operating surplus/(deficit)	\$537,206
Transfer (to)/from Equipment Replacement Fund	(\$229,495)
Transfer to Operating Reserve	(\$280,000)
Transfer (to)/from Restricted Reserves	43,073
Capital Outlay	(\$196,950)
Total surplus/(deficit)	(\$126,166)
Unallocated Fund Balance	Amount
Transfer to General Fund from Unallocated Reserves	\$126,166
Transfer to SAP Fund from Unallocated Reserves	\$3,808,281
Remaining Unallocated Fund Balance	\$68,947



Budget Highlights

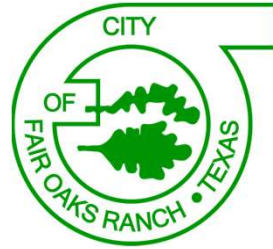
- Reduction of 2.27 cents to the overall tax rate
- No reduction in services
- Includes additions of SRO Program in Public Safety and Mechanic position in Public Works
- Includes 3.2% across-the-board adjustment to employees
- Addresses inflationary pressures on maintenance and operations
- Maintains Operating Reserve in accordance with City Policy
- Utilizes unallocated fund balance for the following:
 - Purchase of new equipment for Public Works and Public Safety Departments
 - Funds \$875,000 for City portion of HSIP Grant Project
 - Funds \$706,983 in Roadway CIP Projects
 - Funds \$1,748,031 in Drainage CIP Projects



Budget Changes – General Fund Revenue

Category	FY 2021-22 Adopted Budget	FY 2022-23 Proposed Budget	Change	% Change
Taxes	\$7,364,494	\$7,963,116	\$598,622	8.1%
Franchise Fees	\$618,200	\$692,050	\$73,850	11.9%
Interest	\$8,000	\$72,000	\$64,000	800.0%
Permits	\$400,000	\$309,075	(\$90,925)	(22.7%)
Animal Control	\$1,250	\$1,135	(\$115)	(9.2%)
Fines & Forfeitures	\$129,923	\$176,300	\$46,377	35.7%
Fees & Services	\$278,251	\$277,903	(\$348)	(0.1%)
Miscellaneous	\$13,400	\$123,020	\$109,620	818.1%
Total Operating Revenue	\$8,813,518	\$9,614,599	\$801,081	9.1%

Budget Changes – General Fund Expenditures



Category	FY 2021-22 Adopted Budget	FY 2022-23 Proposed Budget	Change	% Change
Personnel	\$5,205,922	\$5,734,360	\$528,438	10.2%
Supplies, Maint. & Operations	\$1,325,097	\$1,387,774	\$62,677	4.7%
Services	\$1,940,991	\$1,955,259	\$14,268	0.7%
Total Operating Expenditures	\$8,472,010	\$9,077,393	\$605,383	7.1%
Capital Outlay	\$389,500	\$196,950	(\$192,550)	-49.4%
Transfers	\$1,140,185	\$4,162,776	\$3,022,591	265.1%

Strategic & Capital Projects



Project	Budget
Post Oak Trail Widening – City portion of HSIP Grant Project	\$875,000
Dietz Elkhorn Reconstruction Design	\$249,915
Ammann Road Reconstruction Design	\$365,286
Dietz Elkhorn Sidewalk Design	\$41,282
Battle Intense Sidewalk Design & Construction	\$54,500
Drainage CIP #5 Rolling Acres Trail Construction	\$606,000
Drainage CIP # 17 Silver Spur Trail Construction	\$601,000

Project	Budget
Drainage CIP #34 Tivoli Way Construction	\$456,000
Drainage CIP #37 Turf Paradise Lane Design	\$85,031
Fire Services Program Study	\$18,000
On-site City Fuel Station	\$50,000
City-wide Document Scanning Project	\$40,000
Civic Center Design and/or Construction	\$412,815

Fund Balance Summary – Governmental Funds



	FY 2021-22 Ending	FY 2022-23 Budget	FY 2022-23 Ending
Court Technology	\$22,514	\$5,000	\$27,514
Court Security	\$58,724	(\$52,724)	\$6,000
Other Restricted	\$41,046	\$4,651	\$45,697
Operating & Legal Reserve	\$4,275,322	\$280,000	\$4,555,322
Unallocated General Fund Surplus	\$4,003,394	(\$3,934,447)	\$68,947
Debt Service Fund	\$52,023	\$1,738	\$53,761
Unallocated Strategic Projects Fund	\$42,548	(\$42,548)	\$0
Equipment Replacement Fund	\$873,597	\$229,495	\$1,103,092

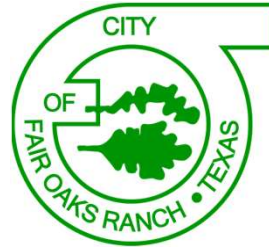


Utility Fund

Operating Revenue and Expenses

Category	Water Fund	Wastewater Fund	Total
Revenue	\$4,222,630	\$1,348,525	\$5,571,155
Expenses			
Personnel	\$981,465	\$959,119	\$1,940,584
Supplies, Maintenance, and Ops	\$2,200,766	\$658,612	\$2,859,378
Services	\$65,244	\$65,534	\$130,778
Total Expenses	\$3,247,475	\$1,683,265	\$4,930,740
Operating Income	\$975,155	(\$334,740)	\$640,415

Current Utility Rates (effective 10/1/22)



Residential Water Tiered Volume Charges		Commercial Water Tiered Volume Charges	
Gallons	Cost per 1,000 gallons	Gallons	Cost per 1,000 gallons
0 to 6,000	Base Service Charge	0 to 6,000	Base Service Charge
6,001 to 12,500	\$3.81	6,001 to 50,000	\$3.25
12,501 to 25,000	\$4.76	50,001 to 100,000	\$4.87
25,001 to 50,000	\$7.14	100,001 to 150,000	\$7.31
50,001 to 75,000	\$10.72	Over 150,000	\$10.97
75,001 to 100,000	\$16.07		
Over 100,000	\$24.11		

Water Base Service Charge \$26.48 - \$94.42 depending on meter size

Surface Water Fee: \$15.01
 TCEQ Fee: \$0.20
 Debt Service Fee: \$7.43
 Capital Reserve Fee: \$6.72

Wastewater Base Service Charge: \$40.86
 TCEQ Fee: \$0.05
 Debt Service: \$2.29
 Capital Reserve Fee: \$4.12



Budget Changes – Utility Fund

Category	FY 2021-22 Adopted Budget	FY 2022-23 Proposed Budget	Budget v Budget	% Change
Water Revenues	\$4,325,991	\$4,222,630	(\$103,361)	(2.4%)
Wastewater Revenues	\$1,370,398	\$1,348,525	(\$21,873)	(1.6%)
Total Revenues	\$5,696,389	\$5,571,155	(\$125,234)	(2.2%)
Personnel	\$1,792,534	\$1,940,584	\$148,050	8.3%
Supplies, Maint & Operations	\$2,531,775	\$2,859,378	\$327,603	12.9%
Services	\$289,991	\$130,778	(\$159,213)	(54.9%)
Total Operating Expenses	\$4,614,300	\$4,930,740	\$316,440	6.9%
Operating Income/(Loss)	\$1,082,089	\$640,415	(\$441,674)	(40.8%)



Net Position Summary – Utility

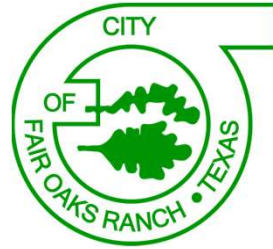
	FY 2021-22 Ending	FY 2022-23 Budget	FY 2022-23 Ending
Net Investment in Capital Assets	\$9,815,811	\$1,293,127	\$11,108,938
Water Capital Fund	\$1,254,192	\$24,646	\$1,278,838
Wastewater Capital Fund	\$1,172,897	(\$665,124)	\$507,773
Operating Reserve	\$3,162,813	(\$666,184)	\$2,496,629
Debt Service Reserve	\$339,746	\$0	\$339,746
Equipment Replacement Fund	\$716,745	(\$144,475)	\$572,270
Total Net Position	\$16,462,204	(\$158,010)	\$16,304,194



2022 Tax Rate Comparison

<u>FY 2021-22</u>			<u>NNR Rate</u>	<u>Proposed Budget</u>	<u>Current Tax Rate</u>	<u>Voter Approval</u>
Tax Rate/\$100 Valuation		Tax Rate/\$100 Valuation				
General Fund (M&O)	0.3223	General Fund (M&O)	0.298969	0.302300	0.324972	0.343475
Debt Service Fund (I&S)	0.0295	Debt Service Fund (I&S)	0.026828	0.026828	0.026828	0.026828
Total Tax Rate	0.3518	Total Tax Rate	0.325797	0.329128	0.351800	0.370303
2021 Taxable Valuation	1,861,651,789	2022 Certified Taxable Value	2,046,397,330	2,046,397,330	2,046,397,330	2,046,397,330
Collection Rate	99.11%	Collection Rate	99.41%	99.41%	99.41%	99.41%
2021 M&O Levy	5,946,703	M&O Levy	6,081,997	6,149,760	6,610,982	6,987,393
2021 I&S Levy	544,300	I&S Levy	545,768	545,768	545,768	545,768
Total Levy	6,491,002	Total Levy	6,627,765	6,695,529	7,156,750	7,533,161
		Year Over Year Difference	136,763	204,526	665,748	1,042,159

Homestead Calculations – Proposed Budget



Median Over-65 Homestead

	2022	2023	change
Market Value	\$469,120	\$584,993	24.7%
Less: HS Cap		(68,961)	
Assessed Value	469,120	516,032	10.0%
Less: HS Exempt	(5,000)	(5,000)	
Over-65 Exempt	(20,000)	(50,000)	
Taxable Value	\$444,120	\$461,032	3.8%
Tax Rate	.351800	.329128	
Total City Tax	\$1,562	\$1,517	-2.9%

Average Homestead

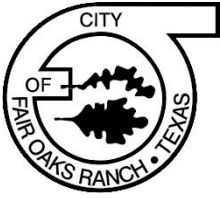
	2022	2023	change
Market Value	\$517,712	\$645,643	24.7%
Less: HS Cap		(76,160)	
Assessed Value	517,712	569,483	10.0%
Less: HS Exempt	(5,000)	(5,000)	
Over-65 Exempt			
Taxable Value	\$512,712	\$564,483	10.1%
Tax Rate	.351800	.329128	
Total City Tax	\$1,804	\$1,858	3.0%



Public Hearing FY 2022-23 Budget and 2022 Tax Rate

September 15, 2022

Scott Huizenga, Assistant City Manager



CITY OF FAIR OAKS RANCH
CITY COUNCIL SPECIAL MEETING

Thursday, August 31, 2022 at 6:00 PM

Public Safety Training Room, Police Station, 7286 Dietz Elkhorn, Fair Oaks Ranch

Live Stream: <https://www.youtube.com/channel/UCDqRvLvReqxrh1lbajwshKA/live>

MINUTES

OPEN MEETING

1. Roll Call - Declaration of a Quorum.

Council Present: Mayor Maxton and Council Members: Stroup, Bliss, Parker, and Muenchow.

Council Absent: Council Members Elizondo and Koerner

With a quorum present, the meeting was called to order at 6:00 PM.

2. Pledge of Allegiance – The pledge of Allegiance was led by Mayor Maxton.

CITIZENS and GUEST FORUM

3. There were no citizens to be heard.

CONVENE INTO EXECUTIVE SESSION

Pursuant to Section 551.101 of the Open Meetings Act, Texas Gov't Code, a quorum of the governing body hereby convenes into closed session:

City Council convened into Executive Session at 6:03 PM regarding:

Sec. 551.074 (Personnel Matters)

5. To conduct interviews, individually, of applicants for vacancies on various boards, commissions, and committees for the City of Fair Oaks Ranch.

RECONVENE INTO OPEN SESSION

Mayor Maxton reconvened into Open Session at 7:21 PM. No action was taken.

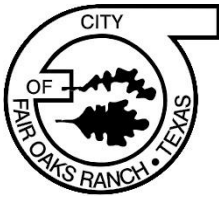
ADJOURNMENT

Mayor Maxton adjourned the meeting at 7:21 PM.

ATTEST:

 Gregory C. Maxton, Mayor

 Christina Picioccio, City Secretary



**CITY OF FAIR OAKS RANCH
CITY COUNCIL REGULAR MEETING**

Thursday, September 01, 2022 at 6:30 PM
Public Safety Training Room, Police Station, 7286 Dietz Elkhorn, Fair Oaks Ranch
Live Stream: <https://www.youtube.com/channel/UCDqRvLvReqxrh1lbajwshKA/live>

MINUTES

OPEN MEETING

1. Roll Call - Declaration of a Quorum

Council Present: Mayor Maxton and Council Members: Stroup, Koerner, Parker and Muenchow.

Council Absent: Council Members: Elizondo and Bliss

With a quorum present, the meeting was called to order at 6:30 PM.

2. Pledge of Allegiance – The Pledge of Allegiance was recited in unison.

CITIZENS and GUEST FORUM

3. Citizens to be heard.

Kitty Engstrom, Raintree Woods resident, spoke on the spread of oak wilt. She noticed a large amount of pruning in anticipation of the bulk brush pickup and the lack of contractors sealing wounds to avoid the spread. She urged Council to implementing penalties to encourage compliance.

Denise Deaver, Boerne resident, spoke of her concern regarding an item in the proposed budget regarding Ammann Road.

Lance Kyle, Cascade Caverns, spoke against a possible Ammann road project due to sensitivity in this area and the possibility of damaging geological features due to road improvements.

PRESENTATIONS

4. **Joanna Merrill, IPMA-SCP, Director of Human Resources and Communications, presented 5-Year Service Awards to Police Officers: Nathan Domenech and Lacey Gonzalez.**
5. **Joanna Merrill, IPMA-SCP, Director of Human Resources and Communications, presented 10-year Service Awards to Police Sergeant, Paul Zepeda.**
6. **Joanna Merrill, IPMA-SCP, Director of Human Resources and Communications, introduced new employee, Garrett Sharp, Utility Technician.**

CONVENE INTO EXECUTIVE SESSION

City Council convened into Executive Session at 6:49 PM regarding:

Sec. 551.071 (Consultation with Attorney)

The City Council will meet in private consultation with legal counsel to seek the advice of its attorneys about pending or contemplated litigation, a settlement offer, and/or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflicts with Chapter 551 of the Government Code; to wit:

- 21. To receive legal advice from Special Counsel and the City Attorney regarding the City's ground water rights.

RECONVENE INTO OPEN SESSION

City Council reconvened into Open Session at 7:20 PM. No action was taken.

CONSENT AGENDA

- 7. **Approval of the August 18, 2022 Regular City Council meeting minutes.**
- 8. **Approval of Council Member Elizondo's absence from the September 1, 2022 Regular City Council Meeting.**
- 9. **Approval of the second reading of an Ordinance amending the City of Fair Oaks Ranch Code of Ordinances Chapter 12 "Traffic and Vehicles" Article 01.033 "Prima Facie Speed Limits" adding 25 mph speed limits and establishing stop signs on streets within the Front Gate Subdivision.**
- 10. **Approval of the second reading of an Ordinance amending the City of Fair Oaks Ranch Code of Ordinances Chapter 12 "Traffic and Vehicles" Article 01.033 "Prima Facie Speed Limits" adding 25 mph speed limits and establishing stop signs on streets within the Elkhorn Ridge Subdivision.**

MOTION: Made by Council Member Muenchow, seconded by Council Member Koerner, to approve the Consent Agenda.

VOTE: 5-0; Motion Passed.

CONSIDERATION/DISCUSSION ITEMS

- 11. **Consideration and possible action approving the first reading of an Ordinance approving the first amendment to the City's exclusive franchise agreement with Republic Services for the collection, hauling, and disposal of residential garbage and refuse waste in the City of Fair Oaks Ranch.**

Tobin Maples, AICP, City Manager, informed Council that there was no need to act on this item. Republic Services representative, Tom Armstrong, explained that the document had not been finally approved by Republic Services and asked that the City approve a temporary extension agreement.

12. Consideration and possible action approving a Resolution authorizing the execution of an Advance Funding Agreement with TxDOT for a Highway Safety Improvement Program (HSIP) project and authorizing the City Manager to execute applicable documents.

MOTION: Made by Council Member Parker, seconded by Council Member Koerner, to approve a Resolution authorizing the execution of an Advances Funding Agreement with TxDOT for a Highway Safety Improvement Program (HSIP) project and authorizing the City Manager to execute applicable documents.

VOTE: 5-0; Motion Passed.

13. Consideration and possible action authorizing the City Manager to execute Interlocal Agreements to allow for cooperative purchasing.

MOTION: Made by Council Member Muenchow, seconded by Council Member Stroup, to authorize the City Manager to execute Interlocal Agreements to allow for cooperative purchasing with the following parties: City of Helotes, National Cooperative Purchasing Alliance, Region 8 Education Service Center (The Interlocal Purchasing System, Texas Comptroller of Public Accounts (Texas SmartBuy).

VOTE: 5-0; Motion Passed.

14. Consideration and possible action approving an Interlocal Agreement with the City of Boerne for Animal Services in FY 2022-2023 and authorizing the City Manager to execute the agreement.

MOTION: Made by Council Member Parker, seconded by Council Member Muenchow, to approve an Interlocal Agreement with the City of Boerne for Animal Services in FY 2022-2023 and authorizing the City Manager to execute the agreement.

VOTE: 5-0; Motion Passed.

15. Discussion of Cost of Living Adjustments (COLAs) and Compensation Study.

Scott Huizenga, Assistant City Manager, Administrative Services led Council in a discussion of Cost of Living Adjustments and the City’s Compensation Study. Council directed Staff to provide more information on how the city calculates compensation adjustments. Mayor Maxton requested more information regarding the disparity of having staff that is below the living wage threshold.

16. Discussion regarding FY 2022-23 Budget.

Scott Huizenga, Assistant City Manager, Administrative Services, led a discussion regarding the FY 2022-23 proposed budget.

REPORTS FROM STAFF AND COMMITTEES

17. Presentation of Financial Update and Quarterly Investment Report for Q3 of Fiscal Year 2021-22.

Scott Huizenga, Assistant City Manager, Administrative Services, provided to Council a presentation on the Financial Update and Quarterly Investment Report for Q3 of Fiscal Year 2021-22.

REQUESTS AND ANNOUNCEMENTS

18. Announcements and reports by Mayor and Council Members.

Council Member Stroup reminded everyone that the Back the Badge 5K would be taking place on September 10, 2022.

Katie Schweitzer, P.E., Manager of Engineering Services, notified Council that the annual Household Hazardous Waste event would take place on Saturday, September 10, 2022.

Mayor Maxton informed everyone that the City would be switching the notification system from CodeRed to Regroup with a month of overlap and urged all residents to sign up and to also spread the word to other residents.

19. Announcements by the City Manager.

N/A

20. Requests by Mayor and Council Members that items be placed on a future City Council agenda.

Mayor Maxton reiterated that he would like more information on “living wage” from the discussion earlier in the meeting regarding Cost of Living Adjustments.

CONVENE INTO EXECUTIVE SESSION

City Council convened into Executive Session at 8:53 PM regarding:

Sec. 551.074 (Personnel Matters)

- 25. To perform the annual evaluation of the City Secretary.
- 26. To perform the annual evaluation of the City Manager.

City Council did not convene into Executive Session regarding:

Sec. 551.071 (Consultation with Attorney) the City Council will meet in private consultation with legal counsel to seek the advice of its attorneys about pending or contemplated litigation, a settlement offer, and/or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflicts with Chapter 551 of the Government Code; to wit:

- 22. Cause No. 2022CI01978; Boerne Ranch Estates, LLC v. The City of Fair Oaks Ranch.
- 23. Case No. 22-090-451; Vincent A. Caldarola, MD vs. City of Fair Oaks Ranch, Texas.

Sec. 551.072 (Deliberation regarding real property)

- 24. The City Council will meet in closed session to deliberate the purchase, exchange, lease or value of real property that may be considered for future location of water and wastewater system improvements.

RECONVENE INTO OPEN SESSION

City Council reconvened into Open Session at 11:39 PM. No action was taken.

ADJOURNMENT

Mayor Maxton adjourned the meeting at 11:39 PM.

ATTEST:

Gregory C. Maxton, Mayor

Christina Picioccio, TRMC, City Secretary



**CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 15, 2022**

AGENDA TOPIC: Approval of a Resolution re-affirming the City’s Investment Policy
DATE: September 15, 2022
DEPARTMENT: Finance
PRESENTED BY: (Consent Agenda) Scott Huizenga, Assistant City Manager – Administrative Services

INTRODUCTION/BACKGROUND:

Pursuant to Government Code §2256.005, City Council shall adopt, annually, a resolution stating the Investment Policy has been reviewed to ensure the highest return and maximum security of the investments of government funds and, record any changes made thereof.

At this time, no changes are recommended to the overall Financial Management Policy. The purpose of this resolution is to comply with Government Code §2256.005 by reaffirming the Investment Policy only.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- 1. Complies with Government Code and requirements under the Public Fund Investment Act.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

None

LEGAL ANALYSIS:

Approved as to form.

RECOMMENDATION/PROPOSED MOTION:

(Consent Agenda) I move to approve the resolution re-affirming the City’s Investment Policy.

A RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS REAFFIRMING THE CITY OF FAIR OAKS RANCH INVESTMENT POLICY FOR THE INVESTMENT OF PUBLIC FUNDS, PROVIDING FOR THE HIGHEST INVESTMENT RETURN, MAXIMUM SECURITY, AND CONFORMING TO ALL STATE AND LOCAL STATUTES GOVERNING THE INVESTMENT OF PUBLIC FUNDS.

WHEREAS, to ensure the highest investment return, maximum security, and to conform to all state and local statutes governing the investment of public funds, the City Council of the City of Fair Oaks Ranch, Texas adopted a written Investment Policy (“Policy”); and,

WHEREAS, said Policy is Appendix A of the city’s Financial Management Policy; and,

WHEREAS, the Fair Oaks Ranch City Council adopted said Policy, with amendments, on September 16, 2021, and,

WHEREAS, pursuant to Government Code §2256.005, the Fair Oaks Ranch City Council shall adopt, annually, a resolution stating the city’s Investment Policy has been reviewed and, record any changes made thereof.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF FAIR OAKS RANCH, TEXAS, THAT:

PART 1. That the City of Fair Oaks Ranch Investment Policy attached hereto as Exhibit A, and previously adopted by the Fair Oaks Ranch City Council, as required by Government Code §2256.005, is reaffirmed as the Investment Policy with no changes.

PART 2. That the recitals contained in the preamble hereto are hereby found to be true and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Council.

PART 3. That it is officially found, determined and declared that the meeting at which this Resolution was adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

PART 4. This Resolution shall take effect immediately from and after its passage.

PASSED and APPROVED by the City Council of the City of Fair Oaks Ranch, Texas on this 15th day of September, 2022.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, City Secretary

Denton Navarro Rocha Bernal & Zech, P.C.,
City Attorney

Appendix A

INVESTMENT POLICY

I. Policy

It is the policy of the City to invest public funds in a manner which will provide the highest, reasonable investment return with the maximum security of principal while meeting the daily cash flow demands of the City and conforming to all federal, state, and local statutes governing the investment of public funds. It is also the policy of the City that the administration of its funds and the investment of those funds shall be handled as its highest public trust.

The Investment Policy shall be adopted by Resolution as part of the Financial Management Policies. The policy shall be reviewed and adopted by Resolution annually by the City Council.

II. Purpose

The purpose of this policy is to comply with Chapters 2256 and 2257 of the Texas Government Code, which requires City Council to adopt a written investment policy regarding the investment of its funds and funds under its control. The investment policy addresses the methods, procedures and practices that must be exercised to ensure effective and judicious fiscal management of the City's funds.

III. Scope

This investment policy applies to all financial assets and funds of the City. Funds are defined in the City's audited Annual Financial Report. Funds are created by the City unless specifically exempted by the City Council and this policy.

IV. General Objectives

The primary objectives, in priority order, of the City's investment activities shall be safety, liquidity, diversification, and yield.

Safety - Safety of the principal is the foremost objective of the city. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.

Liquidity - The investment portfolio will remain sufficiently liquid to meet all operating requirements which might be reasonably anticipated.

Diversification - Diversification of the portfolio will include diversification by maturity and market sector.

Yield - The investment portfolio shall be designed with the objective of attaining a market rate of return, taking into account the investment risk constraints and liquidity needs. Market rate of return may be defined as the average yield of the current six-month US Treasury Bill. Return on investment is of secondary importance compared to the safety and liquidity objectives described above.

Effective cash management is recognized as essential to good fiscal management. Cash Management is defined as process of managing monies in order to ensure maximum cash availability. The City will effectively collect account receivables, practice prudent investment of its available cash, disburse payments in accordance with invoice terms and manage banking services.

V. Prudence

The standard of prudence to be used by investing officials shall be the "prudent person" rule and shall be applied in the context of managing an overall portfolio. This rule states that "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived."

Limitation of Personal Liability - Investment officials acting in accordance with this policy and in accord with the Prudent Person Rule, shall be relieved of personal liability in the management of the portfolio provided that deviations from expectations for a specific security's credit risk or market price change is reported in a timely fashion and the appropriate action is taken to control unfavorable developments.

Ethics and Conflicts of Interest - Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution and management of the investment program, or that could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose any material interests in financial institutions that conduct business with the City. An investment official who has a personal business relationship with an organization seeking to sell an investment to the City shall file a statement disclosing that personal business interest. An investment official who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City shall file a statement disclosing the relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and City Council.

VI. Delegation of Authority

The City’s Finance Director, acting on behalf of the city, is designated as the Investment Officer of the city. Responsibility for the operation of the investment program is hereby delegated to the investment officer, who shall act in accordance with established procedures and internal controls for the operation of the investment program consistent with this investment policy. The Investment Officer shall be responsible for all investment transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. No person may engage in an investment transaction except as provided under the terms of this policy and established written procedures.

Training - Investment officials must complete at least 10 hours of investment training within 12 months of taking office or assuming duties, and shall attend an investment training session not less than once in a two year period and receive not less than 10 hours of instruction relating to investment responsibilities.

VII. Internal Controls

The City Manager and Investment Officer are responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (a) the cost of a control should not exceed the benefits likely to be derived and (b) the valuation of costs and benefits requires estimates and judgments by management.

VIII. Safekeeping and Custody

Authorized Financial Dealers and Institutions - The Investment Officer will maintain a list of financial institutions and security broker/dealers authorized to provide investment/depository services.

Those firms that request to become qualified bidders for securities transactions must provide one or more of the following as applicable: audited financial statements, proof of National Association of Security Dealers certification, trading resolution, proof of state registrations, certification of having read the entity's investment policy and depository contracts.

Depository Agreement - The City shall follow Section 105 of the Local Government Code when entering into a depository agreement for normal banking services including disbursements, collections, and safekeeping. Other banking institutions from which the City may purchase certificates of deposit will also be designated as a depository.

Delivery vs Payment - All trades with the exception of investment pools and mutual funds will be executed by delivery vs payment to ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities and collateral will be held in the City’s name by a third-party custodian as evidenced by safekeeping receipts of the institution with which the securities are deposited.

IX. Authorized and Suitable Investments

Eligible Investments - Assets of the City may be invested in the following instruments as authorized by the Public Funds Investment Act (Section 2256). Only those instruments listed in this section are authorized and will be used as needed to maintain an appropriate diversified portfolio:

1. Local Government Investment Pools which meets the requirements of Chapters 2256.016-2256.019 of the Public Funds Act and are rated no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service.
2. Obligations of the United States or its agencies and instrumentalities.
3. Certificates of Deposit issued by a depository institution that has its main office or a branch in Texas. The CD must be guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor and secured by obligations in a manner and amount as provided by law.
4. No-load Money Market Mutual Funds that 1) are registered and regulated by the Securities and Exchange Commission, 2) have a dollar weighted average stated maturity of 90 days or fewer, 3) seek to maintain a net asset value of \$1 for share, and 4) are rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service. The City may not invest in money market mutual funds in the aggregate more than 80 percent of its monthly average fund balance.

Collateralization - Collateralization will be required on all funds on deposits with a depository bank, other than investments. In order to anticipate market changes and provide a level of security, the collateralization level will be one hundred two percent (102%) of market value of principal and accrued interest.

X. Investment Parameters

Diversification - See Section IV; General Objectives

Maximum Maturities - To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than 13 months from the date of purchase. Reserve funds may be invested in securities up to 2 years if the maturity of such investments are made to coincide as nearly as practicable with the expected use of the funds.

XI. Investment Strategies

The City maintains separate portfolios for individual funds that are managed according to the terms of this Policy. The investment strategy for portfolios established after the annual Investment Policy review and adoption will be managed to ensure that it will meet all the requirements established by the City’s investment policy and the Public Funds Investment Act.

The City maintains a pooled fund group that is an aggregation of the majority of City funds including tax receipts, enterprise fund revenues, fine and fee revenues, as well as some, but not all, bond proceeds, and grants. This portfolio is maintained to meet anticipated daily cash needs for City operations, capital projects and debt service. In order to ensure the ability of the City to meet obligations and to minimize potential liquidation losses, the dollar-weighted average stated maturity of the investment portfolio shall not exceed one (1) year. The objectives of this portfolio are to ensure safety of principal; ensure adequate investment liquidity; limit market and credit risk through diversification; and attain the best feasible yield in accordance with the objectives and restrictions set for in this Policy.

XII. Reporting

Methods - As required by Government Code 2256.023, on a quarterly basis, the Investment Officer shall prepare and submit to the City Council, a written report of investment transactions that have occurred since the previous report and, the market value of current investments.

Performance Standards - The investment portfolio shall be managed in accordance with the objectives specified in this policy (safety, liquidity, diversification, and yield). The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. The investment officer shall determine whether market yields are being achieved by comparing the portfolio market yield to the three (3) month U.S. Treasury Bill, the six (6) month U.S. Treasury Bill and the two (2) year U.S. Treasury Note.



**CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 15, 2022**

AGENDA TOPIC: Consideration and possible action adopting the FY 2022-23 Pay Schedule for General Government and Police Employees
DATE: September 15, 2022
DEPARTMENT: Administration
PRESENTED BY: Scott M. Huizenga, Assistant City Manager

INTRODUCTION/BACKGROUND:

The City Council adopted the Classification and Compensation Study and Analysis (“Compensation Study”) for the City on November 19, 2020. The Compensation Study included a pay philosophy to “bring the City’s salary structure in line with the top third of the market.” The study also included a new Pay Schedule establishing Pay Grades and Steps for all Classified Civilian, Non-Civilian, and Seasonal positions.

The study provides several recommendations for future years including the following.

- The City make annual across-the-board adjustments based on a percentage of base pay, and that those adjustments always be applied to the City’s salary schedules.
- Schedule adjustments should be at least equivalent to the percent change in the U.S. Department of Labor’s Employment Cost Index (ECI) for salaries and wages over the preceding 12-month period available from the U.S. Bureau of Labor Statistics.
- ECI figures should be supplemented by calls to the benchmark employers used in this study and/or review of other supplemental data to determine what the market in which City of Fair Oaks Ranch competes is planning for salary structure adjustments.

The City Council at its July 7, 2022 meeting approved a mid-year Cost of Living Adjustment (COLA) of 3.2 percent to all employees effective July 4, 2022. The motion also included a 3.2% COLA on October 1, 2022 and Merit (Step) increases to eligible employees on the first pay period in October 2022.

The proposed motion includes an across-the-board adjustment to the Pay Schedule effective October 1 consistent with the City Council’s earlier action and consistent with the City’s Adopted Compensation Study.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Project 5.1.1 of the Strategic Action Plan is to Evaluate & Update Compensation and Benefit Plans inclusive of Exempt/Non-Exempt status. Best practice as detailed in the Compensation Study is to update the Pay Schedule annually based on ECI data with additional consideration for benchmark employers and other supplemental data.

Employment Cost Index (ECI) – Civilian Workers

The Compensation Study cites the Employment Cost Index for Civilian Workers. The ECI for Civilian Workers for the 12-month period ending June 2022 is 5.3 percent. The June 2022 Employment Cost Index report is attached.

Employment Cost Index (ECI) – West South Central Region

The Compensation Study also cites the Employment Cost Index for region to which Texas is assigned, which is the West South Central Region. The ECI for the West South Central Region for the 12-month period ending June 2022 is 7.1 percent. The June 2022 Employment Cost Index report is attached.

Benchmark Employers

The City conducted a survey of its benchmark employers from the Compensation Study. On average, the adjustments for benchmark employers were approximately seven percent (7%) with higher adjustments for some pay groups based on “market adjustments.” The benchmark employers used a variety of approaches including across-the-board adjustments, mid-year adjustments, minimum wage adjustments, and adopting entirely new pay schedules.

Similarly, the Region 8 (south-central) of Texas City Management Association conducted a similar internal survey of its cities. The average increase for Region 8 was about five percent (5%) with higher adjustments for some groups based on “market adjustments.”

A summary of both wage surveys is included in the attached presentation.

Summary

The staff recommendation of 3.2 percent reflects the council-approved mid-year adjustment of 3.2 percent for a total of 6.4 percent. Based on the adopted Compensation Study, the City Council should consider across-the-board adjustments at least equivalent to the ECI plus data from benchmark employers and supplemental data. Therefore, the City Council should consider a range between 5.3 percent (ECI – Civilian Workers) and ten percent (10%). This range is representative of the data compiled from benchmark employers and regional cities.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

The projected fiscal impact of a 3.2 percent across-the-board adjustment is \$145,194 in the General Fund and \$49,386 in the Utility Fund.

LEGAL ANALYSIS:

N/A

RECOMMENDATION/PROPOSED MOTION:

I move to approve an across-the-board adjustment of ___% to the adopted Pay Schedule for General Government and Police Employees for FY 2022-23.



Transmission of material in this release is embargoed until 8:30 a.m. (ET) Friday, July 29, 2022

USDL-22-1553

Technical information: (202) 691-6199 • ncsinfo@bls.gov • www.bls.gov/ect
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EMPLOYMENT COST INDEX - JUNE 2022

Compensation costs for civilian workers increased 1.3 percent, seasonally adjusted, for the 3-month period ending in June 2022, the U.S. Bureau of Labor Statistics reported today. **Wages and salaries** increased 1.4 percent and **benefit costs** increased 1.2 percent from March 2022. (See chart 1 and tables A, 1, 2, and 3.)

Chart 1. Three-month percent change, seasonally adjusted, civilian workers, total compensation

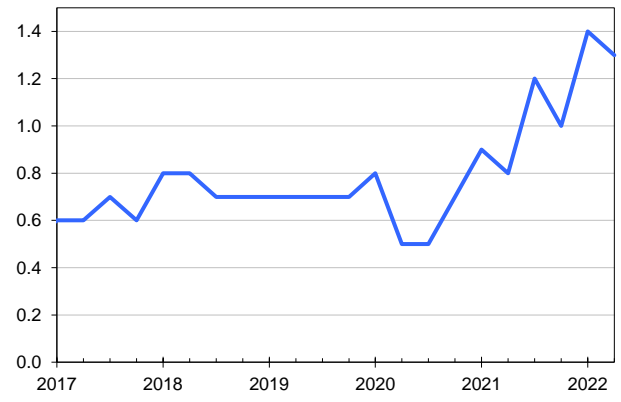
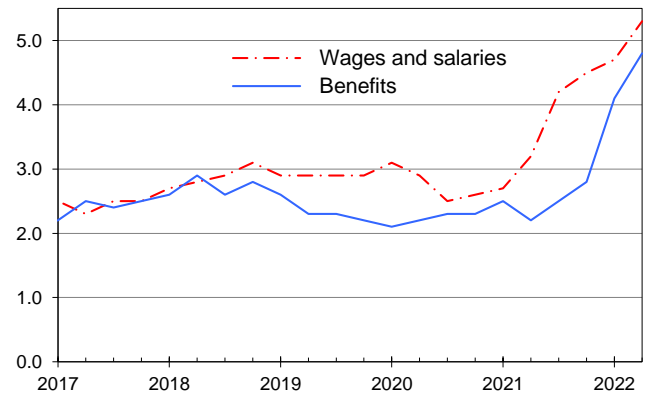


Chart 2. Twelve-month percent change, not seasonally adjusted, civilian workers



Compensation costs for civilian workers increased 5.1 percent for the 12-month period ending in June 2022 and increased 2.9 percent in June 2021. **Wages and salaries** increased 5.3 percent for the 12-month period ending in June 2022 and increased 3.2 percent for the 12-month period ending in June 2021. **Benefit costs** increased 4.8 percent over the year and increased 2.2 percent for the 12-month period ending in June 2021. (See chart 2 and tables A, 4, 8, and 12.)

Compensation costs for private industry workers increased 5.5 percent over the year. In June 2021, the increase was 3.1 percent. **Wages and salaries** increased 5.7 percent for the 12-month period ending in June 2022 and increased 3.5 percent in June 2021. The cost of **benefits** increased 5.3 percent for the 12-month period ending in June 2022 and increased 2.0 percent in June 2021. Inflation-adjusted (constant dollar) private wages and salaries declined 3.1 percent for the 12 months ending June 2022. Inflation-adjusted benefit costs in the private sector declined 3.5 percent over that same period. (See charts 3, 4, and tables A, 5, 9, and 12.)

Updated Employment Weights

Beginning with the December 2022 news release, the Employment Cost Index will introduce new employment weights based on the 2018 Standard Occupational Classification (SOC) system, see www.bls.gov/ncs/ect/eci-2021-fixed-weights-and-2018-soc-update.htm.

Chart 3. Twelve-month percent change, current dollar, private industry workers

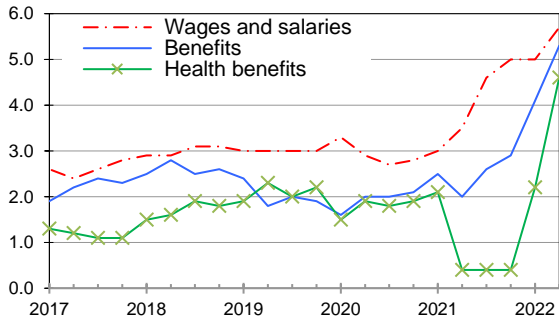
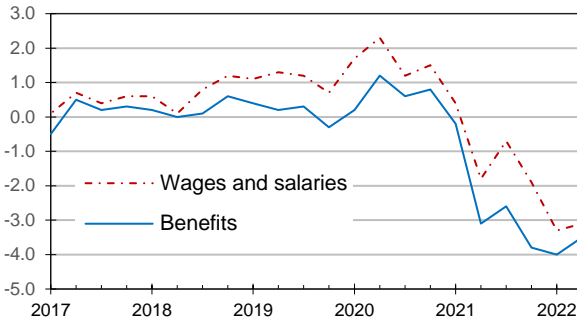


Chart 4. Twelve-month percent change, constant dollar, private industry workers



Among private industry **occupational groups**, compensation cost increases for the 12-month period ending in June 2022 ranged from 4.3 percent for natural resources, construction, and maintenance occupations to 8.0 percent for service occupations. Within **industry supersectors**, compensation cost increases ranged from 4.0 percent for construction to 7.8 percent for leisure and hospitality. (See table 5.)

Compensation costs for state and local government workers increased 3.4 percent for the 12-month period ending in June 2022, compared with an increase of 2.0 percent in June 2021. **Wages and salaries** increased 3.2 percent for the 12-month period ending in June 2022 and 1.6 percent a year ago. **Benefit costs** increased 3.6 percent for the 12-month period ending in June 2022. The prior year increase was 2.6 percent. (See chart 5 and tables A, 7, 11, and 12.)

Chart 5. Twelve-month percent change, not seasonally adjusted, state and local government workers

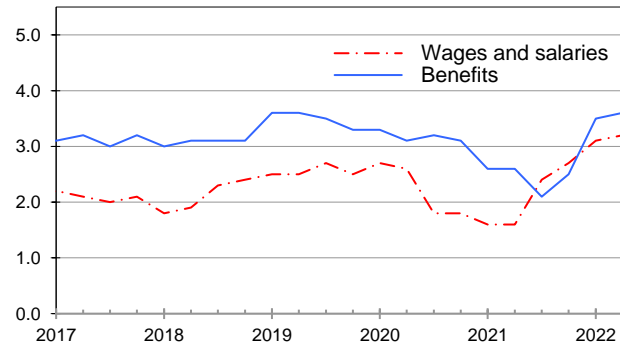


Table A. Major series of the Employment Cost Index
[Percent change]

Category	3-month, seasonally adjusted		12-month, not seasonally adjusted, current dollar			12-month, not seasonally adjusted, constant dollar		
	Mar. 2022	Jun. 2022	Jun. 2021	Mar. 2022	Jun. 2022	Jun. 2021	Mar. 2022	Jun. 2022
Civilian workers¹								
Compensation ²	1.4	1.3	2.9	4.5	5.1	-2.4	-3.7	-3.6
Wages and salaries.....	1.2	1.4	3.2	4.7	5.3	-2.1	-3.6	-3.5
Benefits.....	1.8	1.2	2.2	4.1	4.8	-3.0	-4.2	-3.9
Private industry								
Compensation ²	1.4	1.5	3.1	4.8	5.5	-2.2	-3.5	-3.3
Wages and salaries.....	1.3	1.6	3.5	5.0	5.7	-1.8	-3.3	-3.1
Benefits.....	1.9	1.3	2.0	4.1	5.3	-3.1	-4.0	-3.5
Health benefits.....	-	-	0.4	2.2	4.6	-	-	-
State and local government								
Compensation ²	1.1	0.8	2.0	3.2	3.4	-3.2	-4.9	-5.2
Wages and salaries.....	0.9	0.7	1.6	3.1	3.2	-3.5	-5.1	-5.4
Benefits.....	1.5	0.9	2.6	3.5	3.6	-2.6	-4.7	-5.0

¹ Includes private industry and state and local government.

² Includes wages and salaries and benefits.

Note: All estimates in the table can be found in the public database at www.bls.gov/ncs/ect/data.htm. Dashes indicate data not available.

TECHNICAL NOTE

The Employment Cost Index (ECI) measures the change in the cost of labor, free from the influence of employment shifts among occupations and industries. For information on survey concepts, coverage, methods, nonresponse adjustment, and imputation see *National Compensation Measures Handbook of Methods* at www.bls.gov/opub/hom/ncs/home.htm.

Sample size

Data for this reference period were collected from a probability sample of approximately 29,600 occupational observations selected from a sample of about 7,400 private industry establishments and approximately 7,700 occupational observations selected from a sample of about 1,400 state and local government establishments that provided data at the initial interview. Beginning December 2021, an additional (fourth) private industry sample is used in estimation to mitigate the impact of decreasing response rates.

Standard errors

To assist users in ascertaining the reliability of ECI series, standard errors of all current quarter not seasonally adjusted 3- and 12-month percent change series are also available, see www.bls.gov/ncs/ect/ectvar.htm and the database query tool at www.bls.gov/ncs/ect/data.htm. Standard errors provide users a measure of the precision of an estimate to ensure that it is within an acceptable range for their intended purpose.

Historical listings

Historical ECI data are available in xlsx format at www.bls.gov/ect/#tables. The continuous occupational and industry series listing uses the Standard Industrial Classification (SIC) Manual and Occupational Classification System (OCS) series from 1975 through 2005 and the North American Industry Classification System (NAICS) and Standard Occupational Classification (SOC) from 2006 to the present. It provides the official series deemed continuous after the change in classification systems. For more information on the criteria used in defining continuous series, see the article published in the *Monthly Labor Review* at www.bls.gov/opub/mlr/2006/04/art2full.pdf.

Employer Costs for Employee Compensation data

The costs per hour worked of compensation components are published as part of the Employer Costs for Employee Compensation (ECEC) news release. The ECEC release dates are available at www.bls.gov/schedule/news_release/ecec.htm. Historical ECEC data are available in xlsx format at www.bls.gov/ect/#tables. Since the ECEC is calculated with current employment weights rather than the fixed weights used in computing the ECI, year-to-year changes in the cost levels usually differ from those in the ECI.

Fixed employment weights

For additional information on the use of fixed employment weights in computing the ECI, see www.bls.gov/opub/mlr/2016/article/introducing-2012-fixed-employment-weights-for-the-employment-cost-index.htm.

Additional information

Starting with the June 2022 ECI release, historical tables are available in xlsx format for constant dollar, current dollar, and continuous series, see www.bls.gov/ncs/ect/new-eci-historical-tables.htm. The 2022 ECI release dates are available on the release calendar at www.bls.gov/schedule/news_release/eci.htm. Subscribe to receive the BLS Economic News Release email at public.govdelivery.com/accounts/USDOLBLS/subscriber/new. If you are deaf, hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services.

Table 1. Employment Cost Index for total compensation, by occupational group and industry¹
 [Seasonally adjusted]

Occupational group and industry	Indexes (Dec.2005=100)		Percent changes for 3-months ended-								
	Mar. 2022	Jun. 2022	Jun. 2020	Sep. 2020	Dec. 2020	Mar. 2021	Jun. 2021	Sep. 2021	Dec. 2021	Mar. 2022	Jun. 2022
Civilian workers											
All workers ²	150.1	152.1	0.5	0.5	0.7	0.9	0.8	1.2	1.0	1.4	1.3
Industry											
Goods-producing industries ³	146.2	148.0	0.7	0.4	0.6	0.7	1.0	1.0	0.9	1.5	1.2
Manufacturing.....	146.2	147.8	0.7	0.4	0.7	0.6	0.9	1.3	0.8	1.8	1.1
Service-providing industries ⁴	151.0	153.1	0.5	0.6	0.7	1.0	0.6	1.4	0.9	1.4	1.4
Education and health services.....	148.4	149.9	0.2	0.6	0.6	0.6	0.6	1.0	1.0	1.3	1.0
Educational services.....	147.5	148.7	0.6	0.2	0.6	0.5	0.5	0.8	0.6	1.1	0.8
Elementary and secondary schools.....	148.0	149.0	0.6	0.4	0.6	0.5	0.6	0.6	0.6	1.0	0.7
Junior colleges, colleges, universities, and professional schools.....	146.1	147.3	0.5	-0.3	0.4	0.4	0.4	1.1	0.6	1.0	0.8
Health care and social assistance.....	149.4	151.2	-0.1	1.1	0.5	0.8	0.9	1.2	1.5	1.5	1.2
Hospitals.....	149.8	151.6	0.8	0.5	0.4	0.9	0.8	1.0	1.5	1.4	1.2
Nursing and residential care facilities.....	148.8	151.1	0.7	0.7	0.8	0.9	1.2	1.6	1.7	1.7	1.5
Public administration.....	153.1	154.6	0.6	0.5	0.5	0.3	0.7	0.7	0.7	1.5	1.0
Private industry workers											
All workers.....	150.0	152.3	0.4	0.6	0.7	1.1	0.8	1.4	1.1	1.4	1.5
Occupational group											
Management, professional, and related.....	146.5	148.4	0.3	0.5	0.5	0.6	0.7	1.3	0.8	1.3	1.3
Management, business, and financial.....	147.9	150.1	0.4	0.3	0.5	0.6	0.8	1.4	0.6	1.3	1.5
Professional and related.....	145.4	147.2	0.2	0.6	0.5	0.8	0.6	1.1	1.1	1.3	1.2
Sales and office.....	152.5	155.7	0.6	0.4	1.1	1.8	0.3	1.3	1.1	1.7	2.1
Sales and related.....	150.0	153.7	0.6	0.1	1.4	3.3	-0.4	1.4	1.0	2.0	2.5
Office and administrative support....	154.1	156.8	0.6	0.5	0.8	0.8	0.9	1.2	1.2	1.4	1.8
Natural resources, construction, and maintenance.....	148.5	150.2	0.2	0.6	0.6	1.0	0.8	1.0	0.9	1.2	1.1
Construction, extraction, farming, fishing, and forestry occupations..	148.4	149.8	-0.5	0.6	0.6	0.8	1.1	1.0	0.9	1.2	0.9
Installation, maintenance, and repair.....	148.6	150.7	1.0	0.6	0.6	1.1	0.6	0.9	1.0	1.2	1.4
Production, transportation, and material moving.....	153.2	155.1	0.9	0.6	0.9	0.8	1.2	1.4	1.3	1.5	1.2
Production.....	149.8	151.7	0.9	0.7	0.8	0.9	1.4	1.5	1.2	1.6	1.3
Transportation and material moving.....	157.4	159.4	0.8	0.7	1.0	0.6	1.1	1.5	1.4	1.5	1.3
Service occupations.....	159.0	162.1	0.9	0.8	1.0	1.3	1.7	1.9	2.0	1.9	1.9
Industry											
Goods-producing industries ³	146.2	148.0	0.6	0.5	0.6	0.7	0.9	1.1	0.9	1.5	1.2
Construction.....	146.4	148.6	0.7	0.5	0.6	0.9	0.9	0.6	1.0	0.8	1.5
Manufacturing.....	146.2	147.8	0.7	0.4	0.7	0.6	0.9	1.3	0.8	1.8	1.1
Aircraft manufacturing.....	137.7	138.5	1.2	0.9	0.4	0.8	0.5	7.0	0.4	2.2	0.6
Service-providing industries ⁵	151.1	153.5	0.5	0.6	0.7	1.2	0.7	1.5	1.1	1.4	1.6
Trade, transportation, and utilities.....	155.1	157.4	0.8	0.5	0.9	0.9	1.2	1.3	1.7	1.6	1.5
Wholesale trade.....	148.6	151.3	1.0	0.1	0.4	1.0	1.6	1.1	1.5	1.9	1.8
Retail trade.....	158.7	161.5	0.7	0.7	1.3	1.1	1.1	1.7	2.2	1.8	1.8
Transportation and warehousing. . .	155.8	157.0	1.0	0.4	1.0	0.4	0.7	1.1	1.0	0.9	0.8
Utilities.....	160.6	161.5	0.9	0.5	0.7	0.6	0.6	1.0	0.7	0.9	0.6
Information.....	147.0	148.9	0.9	0.6	0.9	0.8	0.5	1.3	0.9	1.2	1.3
Financial activities.....	148.3	151.9	0.7	0.5	0.8	3.2	-1.6	2.1	-0.5	1.0	2.4
Finance and insurance.....	148.7	152.4	0.7	0.5	0.8	3.8	-2.0	2.3	-0.9	0.9	2.5

See footnotes at end of table.

Table 1. Employment Cost Index for total compensation, by occupational group and industry¹ — Continued
 [Seasonally adjusted]

Occupational group and industry	Indexes (Dec.2005=100)		Percent changes for 3-months ended-								
	Mar. 2022	Jun. 2022	Jun. 2020	Sep. 2020	Dec. 2020	Mar. 2021	Jun. 2021	Sep. 2021	Dec. 2021	Mar. 2022	Jun. 2022
Credit intermediation and related activities.....	148.8	153.4	0.8	0.4	0.9	-0.1	2.1	5.3	-1.4	-0.8	3.1
Insurance carriers and related activities.....	150.1	152.8	0.9	0.5	0.7	0.7	0.3	0.9	0.9	1.6	1.8
Real estate and rental and leasing..	146.7	149.8	0.7	0.6	0.1	0.5	0.8	0.9	1.3	2.0	2.1
Professional and business services. . .	149.9	152.4	0.2	0.4	0.8	0.8	0.8	1.4	0.9	1.4	1.7
Professional, scientific, and technical services.....	150.9	153.7	-0.2	0.1	1.0	0.5	0.8	1.6	0.7	1.1	1.9
Administrative and support and waste management and remediation services.....	150.4	152.7	0.7	0.6	1.0	1.2	1.1	1.4	1.4	1.9	1.5
Education and health services.....	148.2	150.1	-0.1	0.9	0.5	0.8	0.7	1.3	1.3	1.5	1.3
Educational services.....	145.7	147.9	0.6	-0.4	0.8	0.4	0.4	1.3	0.5	1.3	1.5
Junior colleges, colleges, universities, and professional schools.....	146.0	147.6	0.4	-0.8	0.4	0.4	0.6	1.3	0.6	0.9	1.1
Health care and social assistance...	148.7	150.6	-0.2	1.2	0.5	0.9	0.8	1.3	1.5	1.5	1.3
Hospitals.....	149.6	151.4	0.8	0.5	0.4	1.0	0.7	1.1	1.6	1.5	1.2
Nursing and residential care facilities.....	147.5	149.9	0.8	0.7	0.7	1.0	1.3	1.6	1.8	1.8	1.6
Leisure and hospitality.....	159.7	162.4	0.8	1.1	0.5	1.6	2.3	2.3	1.6	1.9	1.7
Accommodation and food services..	163.2	166.1	0.8	1.3	0.8	1.6	2.3	2.3	1.8	2.0	1.8
Other services, except public administration.....	152.5	154.0	0.5	0.5	0.6	1.1	1.5	1.4	1.4	1.4	1.0
State and local government workers											
All workers.....	150.4	151.6	0.6	0.4	0.5	0.5	0.6	0.7	0.7	1.1	0.8
Industry											
Education and health services.....	148.6	149.6	0.6	0.4	0.5	0.6	0.6	0.7	0.7	1.0	0.7
Educational services.....	147.9	148.9	0.6	0.4	0.5	0.6	0.5	0.8	0.6	1.0	0.7
Schools.....	147.9	148.8	0.6	0.4	0.5	0.6	0.6	0.7	0.6	1.0	0.6
Elementary and secondary schools.....	148.4	149.3	0.6	0.5	0.6	0.6	0.6	0.6	0.6	1.0	0.6
Health care and social assistance...	153.7	155.4	0.6	0.3	0.5	0.6	1.0	0.8	1.2	1.1	1.1
Hospitals.....	150.7	152.3	0.6	0.3	0.6	0.6	1.0	0.8	1.2	1.1	1.1
Public administration.....	153.1	154.6	0.6	0.5	0.5	0.3	0.7	0.7	0.7	1.5	1.0

¹ Includes wages, salaries, and employer costs for employee benefits.

² Includes workers in the private nonfarm economy except those in private households, and workers in the public sector, except the federal government.

³ Includes mining, construction, and manufacturing.

⁴ Includes the following industries: wholesale trade; retail trade; transportation and warehousing; utilities; information; finance and insurance; real estate and rental and leasing; professional and technical services; management of companies and enterprises; administrative and waste services; educational services; health care and social assistance; arts, entertainment and recreation; accommodation and food services; other services, except public administration; and public administration.

⁵ Includes the following industries: wholesale trade; retail trade; transportation and warehousing; utilities; information; finance and insurance; real estate and rental and leasing; professional and technical services; management of companies and enterprises; administrative and waste services; educational services; health care and social assistance; arts, entertainment and recreation; accommodation and food services; and other services, except public administration.

SOURCE: U.S. Bureau of Labor Statistics, National Compensation Survey

Table 2. Employment Cost Index for wages and salaries, by occupational group and industry
 [Seasonally adjusted]

Occupational group and industry	Indexes (Dec. 2005=100)		Percent changes for 3-months ended-								
	Mar. 2022	Jun. 2022	Jun. 2020	Sep. 2020	Dec. 2020	Mar. 2021	Jun. 2021	Sep. 2021	Dec. 2021	Mar. 2022	Jun. 2022
Civilian workers											
All workers ¹	149.5	151.6	0.4	0.5	0.8	1.1	0.8	1.5	1.0	1.2	1.4
Industry											
Goods-producing industries ²	148.4	150.4	0.6	0.6	0.6	0.8	1.2	0.9	1.1	1.2	1.3
Manufacturing.....	148.7	150.5	0.6	0.6	0.6	0.7	1.2	1.1	1.0	1.5	1.2
Service-providing industries ³	149.8	151.9	0.4	0.5	0.8	1.1	0.8	1.6	1.0	1.2	1.4
Education and health services.....	144.1	145.5	0.1	0.6	0.6	0.6	0.7	1.2	1.0	1.2	1.0
Educational services.....	138.7	139.7	0.6	0.0	0.5	0.4	0.4	0.9	0.5	0.8	0.7
Elementary and secondary schools.....	137.4	138.1	0.5	0.2	0.6	0.4	0.4	0.7	0.4	0.8	0.5
Junior colleges, colleges, universities, and professional schools.....	140.1	141.3	0.4	-0.4	0.4	0.4	0.5	1.2	0.6	0.7	0.9
Health care and social assistance.....	149.7	151.6	-0.4	1.2	0.5	0.8	1.1	1.5	1.6	1.4	1.3
Hospitals.....	149.4	151.4	0.7	0.5	0.4	0.9	1.1	1.3	1.7	1.2	1.3
Nursing and residential care facilities.....	150.8	153.3	0.9	0.7	0.9	1.1	1.3	1.9	1.9	1.7	1.7
Private industry workers											
All workers.....	151.7	154.1	0.4	0.6	0.8	1.2	0.9	1.6	1.1	1.3	1.6
Occupational group											
Management, professional, and related.....	147.5	149.5	0.2	0.4	0.5	0.7	0.8	1.4	0.8	1.1	1.4
Professional and related.....	146.7	148.4	0.0	0.7	0.5	0.8	0.8	1.2	1.0	1.1	1.1
Management, business, and financial.....	148.7	151.0	0.4	0.1	0.5	0.6	1.0	1.7	0.4	0.9	1.6
Sales and office.....	154.2	157.6	0.5	0.4	1.1	2.3	0.5	1.5	1.1	1.4	2.2
Office and administrative support.....	155.1	157.8	0.6	0.6	0.8	0.8	1.2	1.4	1.3	1.2	1.7
Natural resources, construction, and maintenance.....	149.2	150.8	0.1	0.7	0.6	1.2	0.9	1.0	1.0	1.4	1.1
Construction, extraction, farming, fishing, and forestry occupations..	149.2	150.5	-0.7	0.6	0.7	0.9	1.3	1.1	1.0	1.3	0.9
Installation, maintenance, and repair.....	149.4	151.2	0.9	0.8	0.6	1.4	0.6	1.0	1.1	1.5	1.2
Production, transportation, and material moving.....	156.1	158.2	0.8	0.8	1.0	1.0	1.6	1.5	1.6	1.4	1.3
Production.....	152.1	154.1	0.7	0.8	0.9	1.2	1.6	1.4	1.5	1.2	1.3
Transportation and material moving.....	160.6	162.8	0.8	0.7	1.1	0.8	1.6	1.6	1.7	1.3	1.4
Service occupations.....	162.7	166.0	0.8	0.9	1.1	1.4	2.1	2.1	2.2	1.9	2.0
Industry											
Goods-producing industries ²	148.5	150.5	0.6	0.5	0.6	0.8	1.2	0.9	1.1	1.2	1.3
Construction.....	147.7	150.3	0.9	0.6	0.6	0.8	1.1	0.7	1.2	0.7	1.7
Manufacturing.....	148.7	150.5	0.6	0.6	0.6	0.7	1.2	1.1	1.0	1.5	1.2
Aircraft manufacturing.....	153.0	154.0	1.3	0.9	0.6	0.2	0.5	0.1	0.5	1.2	0.7
Service-providing industries ⁴	152.5	155.0	0.4	0.6	0.8	1.3	0.9	1.7	1.1	1.3	1.6
Trade, transportation, and utilities.....	155.9	158.5	0.9	0.4	1.0	1.0	1.4	1.5	1.9	1.4	1.7
Wholesale trade.....	146.3	149.4	1.0	0.0	0.4	1.0	2.0	1.4	1.7	1.6	2.1
Retail trade.....	161.4	164.2	0.8	0.6	1.5	1.1	1.3	1.8	2.5	1.5	1.8
Transportation and warehousing. . .	158.0	159.6	1.0	0.5	1.2	0.6	1.1	1.2	1.2	0.7	1.0
Utilities.....	155.3	156.2	0.9	0.4	0.5	0.7	0.5	1.0	0.9	0.8	0.6
Information.....	146.6	147.5	0.3	0.7	1.2	0.9	0.6	1.4	0.8	1.5	0.6
Financial activities.....	149.5	153.1	0.6	0.3	1.0	4.5	-2.1	2.9	-1.3	0.5	2.4
Finance and insurance.....	150.1	153.9	0.6	0.3	1.2	5.3	-2.7	3.2	-1.8	0.1	2.5
Credit intermediation and related activities.....	148.9	153.7	0.3	0.6	1.2	-0.2	3.2	7.6	-2.3	-2.3	3.3
Insurance carriers and related activities.....	148.8	151.3	0.8	0.6	0.9	0.8	0.4	0.9	0.8	1.3	1.7

See footnotes at end of table.

Table 2. Employment Cost Index for wages and salaries, by occupational group and industry — Continued
 [Seasonally adjusted]

Occupational group and industry	Indexes (Dec. 2005=100)		Percent changes for 3-months ended-								
	Mar. 2022	Jun. 2022	Jun. 2020	Sep. 2020	Dec. 2020	Mar. 2021	Jun. 2021	Sep. 2021	Dec. 2021	Mar. 2022	Jun. 2022
Real estate and rental and leasing..	147.0	150.2	0.8	0.4	0.2	0.6	1.2	1.0	1.6	2.2	2.2
Professional and business services. . .	151.4	154.0	0.1	0.3	0.8	0.8	1.0	1.4	0.9	1.3	1.7
Professional, scientific, and technical services.....	152.0	155.0	-0.3	-0.1	0.8	0.3	1.1	1.5	0.7	1.0	2.0
Education and health services.....	149.0	151.0	-0.3	1.0	0.6	0.8	0.9	1.5	1.4	1.4	1.3
Educational services.....	144.5	146.9	0.6	-0.5	0.9	0.5	0.4	1.4	0.4	1.2	1.7
Junior colleges, colleges, universities, and professional schools.....	143.2	144.8	0.4	-0.9	0.4	0.5	0.9	1.1	0.5	0.8	1.1
Health care and social assistance...	150.0	151.9	-0.4	1.3	0.6	0.8	1.0	1.5	1.7	1.5	1.3
Hospitals.....	150.3	152.2	0.7	0.6	0.4	1.1	1.0	1.3	1.6	1.4	1.3
Nursing and residential care facilities.....	151.6	154.2	0.9	0.7	0.9	1.1	1.4	2.0	2.0	1.8	1.7
Leisure and hospitality.....	165.1	168.0	0.8	1.1	0.6	1.7	2.6	2.5	1.8	1.9	1.8
Accommodation and food services..	168.6	171.7	0.9	1.5	0.8	1.8	2.6	2.5	2.0	1.9	1.8
Other services, except public administration.....	154.4	155.9	0.5	0.6	0.6	1.3	1.6	1.6	1.5	1.5	1.0
State and local government workers											
All workers.....	140.1	141.1	0.6	0.1	0.5	0.4	0.6	0.9	0.7	0.9	0.7
Industry											
Education and health services.....	138.5	139.3	0.5	0.1	0.4	0.5	0.5	0.7	0.6	0.8	0.6
Educational services.....	137.5	138.2	0.5	0.2	0.5	0.4	0.5	0.7	0.5	0.7	0.5
Schools.....	137.5	138.2	0.5	0.2	0.5	0.4	0.4	0.7	0.5	0.7	0.5
Elementary and secondary schools.....	137.0	137.7	0.5	0.3	0.5	0.4	0.4	0.6	0.5	0.7	0.5
Health care and social assistance...	146.5	148.5	0.5	0.0	0.6	0.6	1.0	1.4	1.2	0.8	1.4
Hospitals.....	145.5	147.4	0.6	0.1	0.5	0.7	1.1	1.4	1.2	0.8	1.3
Public administration.....	142.6	144.1	0.6	0.0	0.4	0.5	0.5	1.4	0.7	1.3	1.1

¹ Includes workers in the private nonfarm economy except those in private households, and workers in the public sector, except the federal government.

² Includes mining, construction, and manufacturing.

³ Includes the following industries: wholesale trade; retail trade; transportation and warehousing; utilities; information; finance and insurance; real estate and rental and leasing; professional and technical services; management of companies and enterprises; administrative and waste services; educational services; health care and social assistance; arts, entertainment and recreation; accommodation and food services; other services, except public administration; and public administration.

⁴ Includes the following industries: wholesale trade; retail trade; transportation and warehousing; utilities; information; finance and insurance; real estate and rental and leasing; professional and technical services; management of companies and enterprises; administrative and waste services; educational services; health care and social assistance; arts, entertainment and recreation; accommodation and food services; and other services, except public administration.

SOURCE: U.S. Bureau of Labor Statistics, National Compensation Survey

Table 3. Employment Cost Index for benefits, by occupational group and industry
 [Seasonally adjusted]

Occupational group and industry	Indexes (Dec. 2005=100)		Percent changes for 3-months ended-								
	Mar. 2022	Jun. 2022	Jun. 2020	Sep. 2020	Dec. 2020	Mar. 2021	Jun. 2021	Sep. 2021	Dec. 2021	Mar. 2022	Jun. 2022
Civilian workers											
All workers ¹	151.6	153.4	0.7	0.6	0.6	0.6	0.5	0.8	0.9	1.8	1.2
Private industry workers											
All workers.....	146.1	148.0	0.7	0.5	0.6	0.6	0.4	1.0	0.9	1.9	1.3
Occupational group											
Management, professional, and related.....	144.1	145.9	0.7	0.6	0.4	0.7	0.4	0.9	0.9	1.8	1.2
Sales and office.....	148.3	150.7	0.7	0.4	0.7	0.7	0.1	0.9	1.0	2.3	1.6
Natural resources, construction, and maintenance.....	147.0	149.0	0.6	0.4	0.5	0.6	0.7	0.7	0.8	0.8	1.4
Production, transportation, and material moving.....	147.6	149.0	1.0	0.4	0.7	0.4	0.4	1.5	0.6	2.1	0.9
Service occupations.....	147.2	149.6	0.9	0.5	0.6	0.8	0.6	1.3	0.9	2.2	1.6
Industry											
Goods-producing industries ²	141.7	142.8	0.7	0.3	0.6	0.5	0.5	1.2	0.5	2.1	0.8
Manufacturing.....	141.6	142.7	0.8	0.2	0.7	0.4	0.4	1.7	0.4	2.5	0.8
Service-providing industries ³	147.7	149.8	0.7	0.6	0.6	0.7	0.3	0.9	1.0	1.8	1.4
State and local government workers											
All workers ¹	170.8	172.3	0.7	0.8	0.6	0.4	0.7	0.4	0.9	1.5	0.9

¹ Includes workers in the private nonfarm economy except those in private households, and workers in the public sector, except the federal government.

² Includes mining, construction, and manufacturing.

³ Includes the following industries: wholesale trade; retail trade; transportation and warehousing; utilities; information; finance and insurance; real estate and rental and leasing; professional and technical services; management of companies and enterprises; administrative and waste services; educational services; health care and social assistance; arts, entertainment and recreation; accommodation and food services; and other services, except public administration.

SOURCE: U.S. Bureau of Labor Statistics, National Compensation Survey

Table 4. Employment Cost Index for total compensation, for civilian workers, by occupational group and industry¹

[Not seasonally adjusted]

Occupational group and industry	Indexes (Dec. 2005=100)			Percent changes for					
	Jun. 2021	Mar. 2022	Jun. 2022	3-months ended-			12-months ended-		
				Jun. 2021	Mar. 2022	Jun. 2022	Jun. 2021	Mar. 2022	Jun. 2022
All workers ²	144.7	150.2	152.1	0.7	1.6	1.3	2.9	4.5	5.1
Excluding incentive paid occupations ³	144.6	150.1	151.8	0.8	1.6	1.1	2.8	4.6	5.0
Occupational group									
Management, professional, and related.....	142.3	146.9	148.4	0.6	1.3	1.0	2.2	3.8	4.3
Management, business, and financial.....	143.4	148.0	150.1	0.8	1.4	1.4	2.1	4.0	4.7
Professional and related.....	141.7	146.3	147.5	0.4	1.2	0.8	2.3	3.7	4.1
Sales and office.....	146.8	152.7	155.7	0.3	1.7	2.0	3.5	4.3	6.1
Sales and related.....	143.8	150.0	153.8	-0.3	1.9	2.5	4.4	4.0	7.0
Office and administrative support.....	148.5	154.2	156.5	0.8	1.7	1.5	2.9	4.7	5.4
Natural resources, construction, and maintenance.....	144.4	148.8	150.6	1.0	1.2	1.2	2.9	4.1	4.3
Construction, extraction, farming, fishing, and forestry occupations.....	144.5	148.8	150.3	1.3	1.3	1.0	3.1	4.3	4.0
Installation, maintenance, and repair.....	144.4	148.8	151.0	0.7	1.2	1.5	2.8	3.8	4.6
Production, transportation, and material moving.....	147.1	153.6	155.4	1.1	1.7	1.2	3.5	5.6	5.6
Production.....	143.9	149.9	151.8	1.4	1.6	1.3	3.7	5.6	5.5
Transportation and material moving.....	151.0	158.0	159.6	0.9	1.6	1.0	3.4	5.6	5.7
Service occupations.....	150.4	158.7	161.0	1.3	2.0	1.4	4.2	6.9	7.0
Industry									
Goods-producing industries ⁴	141.6	146.2	148.2	1.1	1.5	1.4	2.8	4.4	4.7
Manufacturing.....	140.8	146.2	148.0	1.0	1.9	1.2	2.6	4.9	5.1
Service-providing industries ⁵	145.3	150.9	152.8	0.6	1.5	1.3	2.9	4.5	5.2
Education and health services.....	143.1	148.2	149.4	0.5	1.2	0.8	2.5	4.1	4.4
Educational services.....	143.0	147.0	147.7	0.2	0.8	0.5	1.8	3.0	3.3
Elementary and secondary schools....	143.6	147.4	147.8	0.2	0.8	0.3	2.1	2.9	2.9
Junior colleges, colleges, universities, and professional schools.....	141.6	145.8	146.7	0.3	0.7	0.6	0.9	3.3	3.6
Health care and social assistance.....	143.2	149.5	151.2	0.7	1.5	1.1	3.2	5.1	5.6
Hospitals.....	144.0	150.0	151.6	0.7	1.6	1.1	2.6	4.9	5.3
Nursing and residential care facilities...	141.4	148.8	151.0	1.1	1.6	1.5	3.7	6.4	6.8
Public administration.....	147.9	152.9	154.0	0.3	1.5	0.7	2.0	3.7	4.1

¹ Includes wages, salaries, and employer costs for employee benefits.

² Includes workers in the private nonfarm economy except those in private households, and workers in the public sector, except the federal government.

³ The index for this series is not strictly comparable with other series in this table.

⁴ Includes mining, construction, and manufacturing.

⁵ Includes the following industries: wholesale trade; retail trade; transportation and warehousing; utilities; information; finance and insurance; real estate and rental and leasing; professional and technical services; management of companies and enterprises; administrative and waste services; educational services; health care and social assistance; arts, entertainment and recreation; accommodation and food services; other services, except public administration; and public administration.

SOURCE: U.S. Bureau of Labor Statistics, National Compensation Survey

Table 5. Employment Cost Index for total compensation, for private industry workers, by occupational group and industry¹

[Not seasonally adjusted]

Occupational group and industry	Indexes (Dec. 2005=100)			Percent changes for					
	Jun. 2021	Mar. 2022	Jun. 2022	3-months ended-			12-months ended-		
				Jun. 2021	Mar. 2022	Jun. 2022	Jun. 2021	Mar. 2022	Jun. 2022
All workers.....	144.4	150.2	152.4	0.8	1.6	1.5	3.1	4.8	5.5
Excluding incentive paid occupations ²	144.3	150.1	152.1	0.9	1.7	1.3	3.0	5.0	5.4
Occupational group									
Management, professional, and related.....	141.7	146.6	148.5	0.7	1.5	1.3	2.4	4.2	4.8
Excluding incentive paid occupations ²	140.8	145.8	147.4	0.5	1.7	1.1	2.3	4.1	4.7
Management, business, and financial.....	143.3	147.9	150.2	0.9	1.4	1.6	2.2	4.2	4.8
Excluding incentive paid occupations ²	141.8	146.8	148.4	0.5	1.9	1.1	1.9	4.0	4.7
Professional and related.....	140.5	145.6	147.1	0.6	1.5	1.0	2.6	4.2	4.7
Sales and office.....	146.6	152.6	155.8	0.3	1.8	2.1	3.6	4.4	6.3
Excluding incentive paid occupations ²	148.0	154.4	156.9	1.0	1.8	1.6	3.3	5.4	6.0
Sales and related.....	143.7	149.9	153.8	-0.4	1.9	2.6	4.4	3.9	7.0
Excluding incentive paid occupations ²	147.2	154.7	157.0	1.3	2.1	1.5	3.8	6.5	6.7
Office and administrative support.....	148.4	154.3	156.9	0.9	1.7	1.7	3.0	4.9	5.7
Natural resources, construction, and maintenance.....	144.2	148.4	150.4	1.1	1.2	1.3	3.1	4.0	4.3
Construction, extraction, farming, fishing, and forestry occupations.....	144.3	148.4	150.1	1.3	1.2	1.1	3.1	4.2	4.0
Installation, maintenance, and repair.....	144.1	148.5	150.8	0.8	1.2	1.5	3.0	3.8	4.6
Production, transportation, and material moving.....	146.8	153.4	155.2	1.2	1.7	1.2	3.6	5.7	5.7
Excluding incentive paid occupations ²	146.5	153.0	154.9	1.2	1.6	1.2	3.6	5.7	5.7
Production.....	143.7	149.9	151.8	1.4	1.8	1.3	3.8	5.8	5.6
Excluding incentive paid occupations ²	144.1	150.4	152.4	1.4	1.7	1.3	3.7	5.8	5.8
Transportation and material moving.....	150.8	157.7	159.4	1.0	1.5	1.1	3.5	5.6	5.7
Service occupations.....	150.1	159.4	162.1	1.6	2.2	1.7	4.8	7.8	8.0
Industry and occupational group									
Goods-producing industries ³	141.5	146.2	148.2	1.1	1.5	1.4	2.8	4.5	4.7
Excluding incentive paid occupations ²	141.5	146.4	148.1	1.1	1.7	1.2	2.8	4.6	4.7
Management, professional, and related.....	137.7	142.1	143.2	0.8	2.0	0.8	2.0	4.0	4.0
Sales and office.....	146.2	148.0	153.9	1.9	-0.2	4.0	2.6	3.1	5.3
Natural resources, construction, and maintenance.....	143.5	147.7	149.4	1.1	1.2	1.2	3.1	4.1	4.1
Production, transportation, and material moving.....	142.1	148.2	150.2	1.2	1.8	1.3	3.3	5.6	5.7
Construction.....	143.3	146.1	149.0	1.4	0.6	2.0	3.0	3.4	4.0
Manufacturing.....	140.8	146.2	148.0	1.0	1.9	1.2	2.6	4.9	5.1
Management, professional, and related.....	138.7	143.4	144.6	0.7	2.1	0.8	1.9	4.1	4.3
Sales and office occupations.....	143.5	148.8	151.1	1.1	2.1	1.5	2.4	4.9	5.3
Natural resources, construction, and maintenance.....	141.5	145.7	147.5	0.9	1.0	1.2	2.8	3.8	4.2
Production, transportation, and material moving.....	141.8	147.9	149.9	1.2	1.9	1.4	3.4	5.6	5.7
Aircraft manufacturing.....	125.5	141.0	141.8	0.4	3.0	0.6	2.6	12.8	13.0
Service-providing industries ⁴	145.3	151.3	153.7	0.7	1.6	1.6	3.2	4.9	5.8
Excluding incentive paid occupations ²	145.1	151.2	153.3	0.8	1.7	1.4	3.0	5.0	5.7
Management, professional, and related.....	142.4	147.4	149.4	0.6	1.4	1.4	2.4	4.2	4.9
Sales and office.....	146.6	153.1	156.0	0.1	2.0	1.9	3.7	4.6	6.4
Natural resources, construction, and maintenance.....	145.2	149.6	151.9	0.9	1.2	1.5	3.1	4.0	4.6
Production, transportation, and material moving.....	152.1	159.1	160.7	1.2	1.5	1.0	3.9	5.9	5.7
Service occupations.....	150.1	159.4	162.1	1.6	2.2	1.7	4.9	7.8	8.0
Trade, transportation, and utilities.....	148.3	155.3	157.6	1.1	1.8	1.5	3.5	5.9	6.3
Excluding incentive paid occupations ²	148.5	155.2	157.2	0.8	1.7	1.3	3.1	5.4	5.9
Wholesale trade.....	142.3	148.8	151.5	1.7	2.2	1.8	3.3	6.4	6.5
Excluding incentive paid occupations ²	144.7	150.9	152.9	0.8	1.8	1.3	2.6	5.2	5.7

See footnotes at end of table.

Table 5. Employment Cost Index for total compensation, for private industry workers, by occupational group and industry¹ — Continued
 [Not seasonally adjusted]

Occupational group and industry	Indexes (Dec. 2005=100)			Percent changes for					
	Jun. 2021	Mar. 2022	Jun. 2022	3-months ended-			12-months ended-		
				Jun. 2021	Mar. 2022	Jun. 2022	Jun. 2021	Mar. 2022	Jun. 2022
Service-providing industries - Continued									
Retail trade.....	150.3	158.8	161.7	1.3	1.8	1.8	4.2	7.0	7.6
Excluding incentive paid occupations ²	148.9	157.0	159.7	1.0	2.0	1.7	3.9	6.5	7.3
Transportation and warehousing.....	151.1	156.3	157.0	0.4	1.0	0.4	2.5	3.9	3.9
Utilities.....	156.8	160.8	161.9	0.7	1.5	0.7	2.3	3.3	3.3
Information.....	142.4	147.1	149.2	0.7	1.7	1.4	2.8	4.0	4.8
Financial activities.....	145.0	148.5	152.5	-1.2	1.7	2.7	2.9	1.2	5.2
Excluding incentive paid occupations ²	143.9	149.3	152.1	0.8	2.3	1.9	2.2	4.6	5.7
Finance and insurance.....	146.0	148.8	153.1	-1.6	1.6	2.9	3.1	0.3	4.9
Credit intermediation and related activities.....	145.2	148.5	154.3	2.8	-0.2	3.9	3.4	5.2	6.3
Excluding incentive paid.....	146.5	152.0	155.1	0.5	2.4	2.0	1.6	4.3	5.9
Insurance carriers and related activities....	145.6	150.1	153.4	0.7	2.0	2.2	2.2	3.8	5.4
Excluding incentive paid occupations ²	144.2	148.8	151.4	0.7	2.1	1.7	1.7	3.9	5.0
Real estate and rental and leasing.....	140.6	146.9	149.9	0.6	2.1	2.0	2.0	5.2	6.6
Excluding incentive paid occupations ²	144.9	151.0	154.0	0.7	2.0	2.0	2.2	4.9	6.3
Professional and business services.....	144.6	150.2	152.4	0.6	1.6	1.5	2.6	4.5	5.4
Professional, scientific, and technical services.....	145.9	151.1	153.5	0.5	1.3	1.6	2.4	4.1	5.2
Administrative and support and waste management and remediation services...	143.6	150.4	152.7	1.1	2.0	1.5	3.8	5.8	6.3
Education and health services.....	142.2	148.3	150.1	0.6	1.5	1.2	3.0	5.0	5.6
Educational services.....	140.7	145.4	147.4	0.1	1.0	1.4	1.1	3.5	4.8
Junior colleges, colleges, universities, and professional schools.....	141.6	145.8	147.1	0.4	0.6	0.9	0.6	3.4	3.9
Health care and social assistance.....	142.5	148.9	150.6	0.8	1.6	1.1	3.3	5.3	5.7
Hospitals.....	143.6	149.8	151.5	0.7	1.6	1.1	2.7	5.0	5.5
Nursing and residential care facilities....	139.9	147.6	149.9	1.2	1.8	1.6	3.9	6.7	7.1
Nursing care facilities ²	139.3	146.6	149.2	1.2	1.7	1.8	4.0	6.5	7.1
Leisure and hospitality.....	150.6	159.8	162.4	2.2	2.2	1.6	5.5	8.4	7.8
Accommodation and food service.....	153.6	163.4	166.1	2.3	2.4	1.7	6.2	8.8	8.1
Other services, except public administration..	146.3	152.6	154.1	1.4	1.7	1.0	3.7	5.8	5.3

¹ Includes wages, salaries, and employer costs for employee benefits.

² The index for this series is not strictly comparable with other series in this table.

³ Includes mining, construction, and manufacturing.

⁴ Includes the following industries: wholesale trade; retail trade; transportation and warehousing; utilities; information; finance and insurance; real estate and rental and leasing; professional and technical services; management of companies and enterprises; administrative and waste services; educational services; health care and social assistance; arts, entertainment and recreation; accommodation and food services; and other services, except public administration.

SOURCE: U.S. Bureau of Labor Statistics, National Compensation Survey

Table 6. Employment Cost Index for total compensation, for private industry workers, by bargaining status and Census region and division¹
 [Not seasonally adjusted]

Bargaining status and Census region and division	Indexes (Dec. 2005=100)			Percent changes for					
	Jun. 2021	Mar. 2022	Jun. 2022	3-months ended-			12-months ended-		
				Jun. 2021	Mar. 2022	Jun. 2022	Jun. 2021	Mar. 2022	Jun. 2022
Bargaining status									
Union.....	148.4	152.6	154.0	0.6	0.9	0.9	2.6	3.5	3.8
Goods-producing industries ²	143.1	147.5	148.9	0.9	0.9	0.9	2.9	4.0	4.1
Manufacturing.....	136.2	142.3	143.5	0.6	1.1	0.8	2.6	5.1	5.4
Service-providing industries ³	152.4	156.5	157.9	0.5	1.0	0.9	2.4	3.2	3.6
Nonunion.....	143.8	149.7	152.1	0.8	1.7	1.6	3.2	4.9	5.8
Goods-producing industries ²	141.0	145.7	147.9	1.2	1.7	1.5	2.8	4.6	4.9
Manufacturing.....	142.0	147.3	149.2	1.1	2.0	1.3	2.6	4.8	5.1
Service-providing industries ³	144.6	150.7	153.2	0.7	1.7	1.7	3.3	4.9	5.9
Census region and division⁴									
Northeast.....	146.4	152.2	153.9	0.2	1.7	1.1	2.7	4.2	5.1
New England.....	150.4	156.5	158.6	0.9	2.0	1.3	3.2	5.0	5.5
Middle Atlantic.....	145.1	150.7	152.2	0.0	1.6	1.0	2.5	3.9	4.9
South.....	142.3	147.5	150.5	0.9	1.3	2.0	3.1	4.6	5.8
South Atlantic.....	144.6	149.4	152.2	0.6	1.3	1.9	3.1	4.0	5.3
East South Central.....	140.8	148.2	149.8	1.0	1.8	1.1	2.8	6.3	6.4
West South Central.....	138.9	144.0	147.8	1.4	1.1	2.6	3.1	5.1	6.4
Midwest.....	141.8	147.9	149.9	0.8	1.6	1.4	3.1	5.1	5.7
East North Central.....	140.1	146.3	148.1	0.7	1.7	1.2	2.9	5.2	5.7
West North Central.....	145.8	151.9	154.5	0.8	1.5	1.7	3.2	5.0	6.0
West.....	148.3	154.3	156.4	1.0	1.9	1.4	3.6	5.1	5.5
Mountain.....	145.9	152.2	154.4	1.5	1.9	1.4	3.8	5.8	5.8
Pacific.....	149.5	155.3	157.4	0.9	1.9	1.4	3.6	4.9	5.3

¹ Includes wages, salaries, and employer costs for employee benefits.

² Includes mining, construction, and manufacturing.

³ Includes the following industries: wholesale trade; retail trade; transportation and warehousing; utilities; information; finance and insurance; real estate and rental and leasing; professional and technical services; management of companies and enterprises; administrative and waste services; educational services; health care and social assistance; arts, entertainment and recreation; accommodation and food services; and other services, except public administration.

⁴ The Census divisions are defined as follows: New England: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont; Middle Atlantic: New Jersey, New York, and Pennsylvania; South Atlantic: Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, and West Virginia; East South Central: Alabama, Kentucky, Mississippi, and Tennessee; West South Central: Arkansas, Louisiana, Oklahoma, and Texas; East North Central: Illinois, Indiana, Michigan, Ohio, and Wisconsin; West North Central: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota; Mountain: Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming; and Pacific: Alaska, California, Hawaii, Oregon, and Washington.

NOTE: The indexes for these series are not strictly comparable to those for the aggregate, occupation, and industry series.

SOURCE: U.S. Bureau of Labor Statistics, National Compensation Survey

Table 7. Employment Cost Index for total compensation, for state and local government workers, by occupational group and industry¹
 [Not seasonally adjusted]

Occupational group and industry	Indexes (Dec. 2005=100)			Percent changes for					
	Jun. 2021	Mar. 2022	Jun. 2022	3-months ended-			12-months ended-		
				Jun. 2021	Mar. 2022	Jun. 2022	Jun. 2021	Mar. 2022	Jun. 2022
All workers.....	145.8	150.0	150.7	0.3	0.9	0.5	2.0	3.2	3.4
Occupational group									
Management, professional, and related.....	143.9	147.7	148.2	0.1	0.8	0.3	1.8	2.8	3.0
Professional and related.....	143.9	147.6	148.0	0.2	0.8	0.3	1.9	2.8	2.8
Sales and office.....	149.0	153.3	154.3	0.4	1.3	0.7	2.3	3.3	3.6
Office and administrative support.....	149.1	153.4	154.3	0.4	1.3	0.6	2.3	3.3	3.5
Service occupations.....	150.5	156.2	157.6	0.6	1.4	0.9	2.5	4.4	4.7
Industry									
Education and health services.....	144.1	148.1	148.6	0.2	0.7	0.3	2.0	3.0	3.1
Educational services.....	143.6	147.4	147.8	0.2	0.7	0.3	1.9	2.9	2.9
Schools.....	143.5	147.3	147.8	0.2	0.7	0.3	1.9	2.9	3.0
Elementary and secondary schools....	144.1	147.8	148.2	0.2	0.7	0.3	2.2	2.8	2.8
Health care and social assistance.....	148.5	153.7	154.9	0.6	1.1	0.8	2.5	4.1	4.3
Hospitals.....	145.8	150.8	151.9	0.6	1.1	0.7	2.5	4.1	4.2
Public administration.....	147.9	152.9	154.0	0.3	1.5	0.7	2.0	3.7	4.1

¹ Includes wages, salaries, and employer costs for employee benefits.
 SOURCE: U.S. Bureau of Labor Statistics, National Compensation Survey

Table 8. Employment Cost Index for wages and salaries, for civilian workers, by occupational group and industry

[Not seasonally adjusted]

Occupational group and industry	Indexes (Dec. 2005=100)			Percent changes for					
	Jun. 2021	Mar. 2022	Jun. 2022	3-months ended-			12-months ended-		
				Jun. 2021	Mar. 2022	Jun. 2022	Jun. 2021	Mar. 2022	Jun. 2022
All workers ¹	144.1	149.6	151.7	0.8	1.3	1.4	3.2	4.7	5.3
Excluding incentive paid occupations ²	143.5	149.1	150.8	0.9	1.4	1.1	3.0	4.9	5.1
Occupational group									
Management, professional, and related.....	140.6	144.9	146.5	0.6	1.0	1.1	2.2	3.7	4.2
Management, business, and financial.....	143.3	147.6	149.9	1.0	1.0	1.6	2.1	4.0	4.6
Professional and related.....	139.1	143.5	144.6	0.5	1.1	0.8	2.2	3.7	4.0
Sales and office.....	147.3	153.2	156.4	0.3	1.5	2.1	4.1	4.4	6.2
Sales and related.....	146.4	152.4	156.8	-0.4	1.6	2.9	5.2	3.7	7.1
Office and administrative support.....	147.6	153.4	155.7	1.0	1.5	1.5	3.3	4.9	5.5
Natural resources, construction, and maintenance.....	143.8	148.6	150.4	1.1	1.3	1.2	3.3	4.4	4.6
Construction, extraction, farming, fishing, and forestry occupations.....	143.9	148.7	150.2	1.5	1.4	1.0	3.5	4.9	4.4
Installation, maintenance, and repair.....	143.8	148.7	150.7	0.7	1.2	1.3	3.2	4.1	4.8
Production, transportation, and material moving.....	149.1	155.8	157.7	1.5	1.4	1.2	4.3	6.1	5.8
Production.....	146.3	152.1	154.2	1.8	1.3	1.4	4.5	5.8	5.4
Transportation and material moving.....	152.2	159.9	161.6	1.3	1.5	1.1	4.2	6.4	6.2
Service occupations.....	150.0	159.2	161.8	1.5	2.0	1.6	4.7	7.7	7.9
Industry									
Goods-producing industries ³	143.9	148.3	150.7	1.4	1.2	1.6	3.1	4.5	4.7
Manufacturing.....	143.6	148.7	150.7	1.3	1.6	1.3	3.1	4.9	4.9
Service-providing industries ⁴	144.1	149.9	151.8	0.7	1.4	1.3	3.2	4.8	5.3
Education and health services.....	139.0	144.0	145.2	0.6	1.0	0.8	2.5	4.2	4.5
Educational services.....	135.2	138.5	139.2	0.2	0.5	0.5	1.5	2.7	3.0
Elementary and secondary schools....	134.3	137.2	137.5	0.3	0.5	0.2	1.7	2.5	2.4
Junior colleges, colleges, and universities.....	136.2	140.0	140.8	0.3	0.5	0.6	0.8	3.1	3.4
Health care and social assistance.....	143.2	149.9	151.6	0.9	1.4	1.1	3.6	5.6	5.9
Hospitals.....	143.3	149.6	151.3	0.9	1.3	1.1	2.9	5.4	5.6
Nursing and residential care facilities...	142.7	150.9	153.2	1.3	1.7	1.5	4.0	7.1	7.4
Public administration.....	137.5	142.7	143.8	0.2	1.3	0.8	1.5	4.0	4.6

¹ Includes workers in the private nonfarm economy except those in private households, and workers in the public sector, except the federal government.

² The index for this series is not strictly comparable with other series in this table.

³ Includes mining, construction, and manufacturing.

⁴ Includes the following industries: wholesale trade; retail trade; transportation and warehousing; utilities; information; finance and insurance; real estate and rental and leasing; professional and technical services; management of companies and enterprises; administrative and waste services; educational services; health care and social assistance; arts, entertainment and recreation; accommodation and food services; other services, except public administration; and public administration.

SOURCE: U.S. Bureau of Labor Statistics, National Compensation Survey

Table 9. Employment Cost Index for wages and salaries, for private industry workers, by occupational group and industry

[Not seasonally adjusted]

Occupational group and industry	Index value (Dec. 2005=100)			Percent changes for					
	Jun. 2021	Mar. 2022	Jun. 2022	3-months ended-			12-months ended-		
				Jun. 2021	Mar. 2022	Jun. 2022	Jun. 2021	Mar. 2022	Jun. 2022
All workers.....	145.9	151.8	154.2	0.9	1.4	1.6	3.5	5.0	5.7
Excluding incentive paid occupations ¹	145.3	151.4	153.4	1.0	1.6	1.3	3.3	5.2	5.6
Occupational group									
Management, professional, and related.....	142.8	147.6	149.5	0.8	1.2	1.3	2.5	4.2	4.7
Excluding incentive paid occupations ¹	141.3	146.2	147.8	0.6	1.5	1.1	2.4	4.1	4.6
Management, business, and financial.....	144.3	148.6	151.1	1.1	1.0	1.7	2.3	4.1	4.7
Excluding incentive paid occupations ¹	141.7	146.4	148.0	0.6	1.7	1.1	1.9	3.9	4.4
Professional and related.....	141.7	146.8	148.3	0.6	1.3	1.0	2.7	4.3	4.7
Sales and office.....	148.2	154.3	157.7	0.3	1.6	2.2	4.3	4.5	6.4
Excluding incentive paid occupations ¹	149.0	155.7	158.2	1.2	1.6	1.6	3.7	5.7	6.2
Sales and related.....	146.5	152.6	156.9	-0.5	1.7	2.8	5.2	3.7	7.1
Excluding incentive paid occupations ¹	149.3	157.0	159.3	1.5	1.9	1.5	4.3	6.7	6.7
Office and administrative support.....	149.2	155.3	157.8	1.1	1.5	1.6	3.5	5.2	5.8
Natural resources, construction, and maintenance.....	144.3	149.0	151.0	1.1	1.2	1.3	3.4	4.4	4.6
Construction, extraction, farming, fishing, and forestry occupations.....	144.5	149.1	150.7	1.5	1.3	1.1	3.7	4.8	4.3
Installation, maintenance, and repair.....	144.3	149.1	151.3	0.8	1.3	1.5	3.4	4.2	4.9
Production, transportation, and material moving.....	149.4	156.2	158.2	1.6	1.5	1.3	4.5	6.2	5.9
Excluding incentive paid occupations ¹	149.0	155.8	157.8	1.6	1.4	1.3	4.4	6.2	5.9
Production.....	146.2	152.1	154.3	1.7	1.4	1.4	4.5	5.8	5.5
Excluding incentive paid occupations ¹	146.7	152.7	154.9	1.8	1.4	1.4	4.6	6.0	5.6
Transportation and material moving.....	153.1	160.8	162.6	1.3	1.5	1.1	4.3	6.4	6.2
Service occupations.....	152.9	163.0	165.9	1.9	2.2	1.8	5.5	8.6	8.5
Industry and occupational group									
Goods-producing industries ²	144.0	148.3	150.8	1.4	1.2	1.7	3.2	4.4	4.7
Excluding incentive paid occupations ¹	143.9	148.6	150.5	1.3	1.4	1.3	3.3	4.6	4.6
Management, professional, and related.....	141.3	145.1	146.5	1.0	1.7	1.0	1.9	3.7	3.7
Sales and office.....	150.1	150.5	158.4	2.3	-1.2	5.2	3.0	2.6	5.5
Natural resources, construction, and maintenance.....	144.2	148.7	150.5	1.3	1.2	1.2	3.4	4.4	4.4
Production, transportation, and material moving.....	144.8	150.8	153.1	1.7	1.5	1.5	4.2	5.9	5.7
Construction.....	144.4	147.2	150.7	1.6	0.4	2.4	3.2	3.6	4.4
Manufacturing.....	143.6	148.7	150.7	1.3	1.6	1.3	3.1	4.9	4.9
Management, professional, and related.....	141.9	145.9	147.2	0.9	1.7	0.9	1.9	3.8	3.7
Sales and office.....	145.5	150.7	153.5	1.3	1.9	1.9	3.0	4.9	5.5
Natural resources, construction, and maintenance.....	144.9	148.6	150.7	1.1	0.7	1.4	3.5	3.7	4.0
Production, transportation, and material moving.....	144.6	150.6	153.0	1.6	1.5	1.6	4.1	5.8	5.8
Aircraft manufacturing.....	150.7	153.5	154.5	0.5	2.2	0.7	2.3	2.4	2.5
Service-providing industries ³	146.5	152.8	155.1	0.8	1.5	1.5	3.7	5.2	5.9
Excluding incentive paid occupations ¹	145.8	152.2	154.2	1.0	1.6	1.3	3.4	5.4	5.8
Management, professional, and related.....	143.1	148.0	150.0	0.8	1.2	1.4	2.6	4.3	4.8
Sales and office.....	148.0	154.7	157.6	0.1	1.9	1.9	4.4	4.7	6.5
Natural resources, construction, and maintenance.....	144.5	149.6	151.7	0.9	1.4	1.4	3.5	4.5	5.0
Production, transportation, and material moving.....	154.0	161.5	163.3	1.4	1.4	1.1	4.7	6.4	6.0
Service occupations.....	152.9	163.0	165.9	1.9	2.2	1.8	5.5	8.6	8.5
Trade, transportation, and utilities.....	148.7	156.0	158.5	1.4	1.5	1.6	4.0	6.3	6.6
Excluding incentive paid occupations ¹	148.4	155.4	157.5	1.0	1.5	1.4	3.6	5.7	6.1
Wholesale trade.....	139.7	146.5	149.4	1.8	2.0	2.0	3.4	6.8	6.9
Excluding incentive paid occupations ¹	141.4	147.7	149.6	0.9	1.7	1.3	2.7	5.4	5.8

See footnotes at end of table.

Table 9. Employment Cost Index for wages and salaries, for private industry workers, by occupational group and industry — Continued
 [Not seasonally adjusted]

Occupational group and industry	Index value (Dec. 2005=100)			Percent changes for					
	Jun. 2021	Mar. 2022	Jun. 2022	3-months ended-			12-months ended-		
				Jun. 2021	Mar. 2022	Jun. 2022	Jun. 2021	Mar. 2022	Jun. 2022
Service-providing industries - Continued									
Retail trade.....	152.5	161.4	164.4	1.5	1.5	1.9	4.7	7.4	7.8
Excluding incentive paid occupations ¹	150.6	159.0	161.8	1.2	1.7	1.8	4.3	6.9	7.4
Transportation and warehousing.....	152.8	158.3	159.3	0.7	0.8	0.6	3.4	4.3	4.3
Utilities.....	151.5	155.6	156.6	0.5	1.4	0.6	2.1	3.3	3.4
Information.....	141.7	146.7	147.8	0.8	1.7	0.7	3.5	4.3	4.3
Financial activities.....	147.1	149.8	153.9	-1.6	1.4	2.7	3.7	0.2	4.6
Excluding incentive paid occupations ¹	143.6	149.2	151.3	0.7	2.2	1.4	2.1	4.6	5.4
Finance and insurance.....	148.8	150.5	154.8	-2.2	1.1	2.9	4.0	-1.1	4.0
Credit intermediation and related activities.....	145.9	148.6	154.8	4.1	-1.4	4.2	4.9	6.1	6.1
Excluding incentive paid occupations ¹	145.3	151.0	153.2	0.8	2.4	1.5	2.3	4.8	5.4
Insurance carriers and related activities..	144.9	148.9	151.8	0.7	1.8	1.9	2.7	3.5	4.8
Excluding incentive paid occupations ¹	142.1	146.2	148.2	0.7	1.8	1.4	2.1	3.6	4.3
Real estate and rental and leasing.....	140.1	147.2	150.0	0.9	2.3	1.9	2.4	6.0	7.1
Excluding incentive paid occupations ¹	144.9	151.9	154.7	1.0	2.2	1.8	2.8	5.9	6.8
Professional and business services.....	146.0	151.6	153.9	0.8	1.4	1.5	2.8	4.6	5.4
Professional, scientific, and technical services.....	147.1	152.3	154.7	0.7	1.2	1.6	2.2	4.2	5.2
Administrative and support and waste management and remediation services...	146.6	154.0	156.5	1.2	1.9	1.6	4.3	6.4	6.8
Education and health services.....	142.7	149.1	150.9	0.8	1.4	1.2	3.3	5.4	5.7
Educational services.....	139.7	144.1	146.3	0.2	0.8	1.5	1.4	3.4	4.7
Junior colleges, colleges, universities, and professional schools.....	139.3	143.0	144.3	0.7	0.4	0.9	0.8	3.3	3.6
Health care and social assistance.....	143.3	150.2	151.9	0.9	1.5	1.1	3.7	5.8	6.0
Hospitals.....	143.9	150.4	152.2	0.9	1.4	1.2	3.0	5.5	5.8
Nursing and residential care facilities.....	143.1	151.7	154.1	1.3	1.9	1.6	4.2	7.4	7.7
Nursing care facilities ¹	142.3	150.2	152.9	1.4	1.8	1.8	4.4	7.0	7.4
Leisure and hospitality.....	155.3	165.3	168.1	2.4	2.2	1.7	6.1	9.0	8.2
Accommodation and food service.....	158.3	168.9	171.8	2.5	2.3	1.7	6.9	9.4	8.5
Other services, except public administration..	147.7	154.5	156.0	1.6	1.7	1.0	4.2	6.3	5.6

¹ The index for this series is not strictly comparable with other series in this table.

² Includes mining, construction, and manufacturing.

³ Includes the following industries: wholesale trade; retail trade; transportation and warehousing; utilities; information; finance and insurance; real estate and rental and leasing; professional and technical services; management of companies and enterprises; administrative and waste services; educational services; health care and social assistance; arts, entertainment and recreation; accommodation and food services; and other services, except public administration.

SOURCE: U.S. Bureau of Labor Statistics, National Compensation Survey

Table 10. Employment Cost Index for wages and salaries, for private industry workers, by bargaining status and Census region and division
 [Not seasonally adjusted]

Bargaining status and Census region and division	Indexes (Dec.2005=100)			Percent changes for-					
	Jun. 2021	Mar. 2022	Jun. 2022	3-months ended-			12-months ended-		
				Jun. 2021	Mar. 2022	Jun. 2022	Jun. 2021	Mar. 2022	Jun. 2022
Bargaining status									
Union.....	145.9	149.8	150.8	1.0	0.8	0.7	3.3	3.7	3.4
Goods-producing industries ¹	140.4	143.5	144.7	1.3	0.6	0.8	3.4	3.5	3.1
Manufacturing.....	138.5	142.3	143.3	1.3	0.6	0.7	3.7	4.1	3.5
Service-providing industries ²	149.4	153.8	154.7	0.7	0.9	0.6	3.2	3.7	3.5
Nonunion.....	145.9	152.0	154.6	0.9	1.5	1.7	3.5	5.1	6.0
Goods-producing industries ¹	144.9	149.4	152.1	1.5	1.3	1.8	3.1	4.6	5.0
Manufacturing.....	144.8	150.0	152.2	1.3	1.7	1.5	3.1	5.0	5.1
Service-providing industries ²	146.2	152.6	155.1	0.8	1.5	1.6	3.7	5.2	6.1
Census region and division³									
Northeast.....	147.2	153.1	154.7	0.3	1.6	1.0	3.2	4.4	5.1
New England.....	153.3	159.4	161.6	1.2	2.0	1.4	3.7	5.2	5.4
Middle Atlantic.....	145.0	150.8	152.2	0.1	1.4	0.9	3.0	4.1	5.0
South.....	144.7	149.9	153.2	1.1	1.0	2.2	3.6	4.8	5.9
South Atlantic.....	147.4	151.9	155.1	0.8	0.9	2.1	3.7	3.8	5.2
East South Central.....	142.1	149.3	150.8	1.1	1.7	1.0	3.1	6.3	6.1
West South Central.....	141.2	146.8	151.2	1.8	0.8	3.0	3.7	5.8	7.1
Midwest.....	142.5	149.0	151.0	0.9	1.6	1.3	3.3	5.5	6.0
East North Central.....	140.7	147.3	148.9	0.9	1.6	1.1	3.2	5.6	5.8
West North Central.....	146.9	153.1	156.0	1.0	1.4	1.9	3.5	5.2	6.2
West.....	150.2	156.3	158.6	1.2	1.8	1.5	4.1	5.3	5.6
Mountain.....	147.6	154.6	157.0	1.6	1.8	1.6	4.1	6.4	6.4
Pacific.....	151.5	157.2	159.4	1.1	1.7	1.4	4.1	4.9	5.2

¹ Includes mining, construction, and manufacturing.

² Includes the following industries: wholesale trade; retail trade; transportation and warehousing; utilities; information; finance and insurance; real estate and rental and leasing; professional and technical services; management of companies and enterprises; administrative and waste services; educational services; health care and social assistance; arts, entertainment and recreation; accommodation and food services; and other services, except public administration.

³ The Census divisions are defined as follows: New England: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont; Middle Atlantic: New Jersey, New York, and Pennsylvania; South Atlantic: Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, and West Virginia; East South Central: Alabama, Kentucky, Mississippi, and Tennessee; West South Central: Arkansas, Louisiana, Oklahoma, and Texas; East North Central: Illinois, Indiana, Michigan, Ohio, and Wisconsin; West North Central: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota; Mountain: Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming; and Pacific: Alaska, California, Hawaii, Oregon, and Washington.

NOTE: The indexes for these series are not strictly comparable to those for the aggregate, occupation, and industry series.

SOURCE: U.S. Bureau of Labor Statistics, National Compensation Survey

Table 11. Employment Cost Index for wages and salaries, for state and local government workers, by occupational group and industry
 [Not seasonally adjusted]

Occupational group and industry	Indexes (Dec. 2005=100)			Percent changes for-					
	Jun. 2021	Mar. 2022	Jun. 2022	3-months ended-			12-months ended-		
				Jun. 2021	Mar. 2022	Jun. 2022	Jun. 2021	Mar. 2022	Jun. 2022
All workers.....	136.2	140.0	140.6	0.3	0.7	0.4	1.6	3.1	3.2
Occupational group									
Management, professional, and related.	134.9	138.0	138.5	0.2	0.5	0.4	1.4	2.5	2.7
Professional and related.....	134.7	137.8	138.2	0.1	0.5	0.3	1.4	2.5	2.6
Sales and office.....	136.9	140.6	141.6	0.4	0.9	0.7	2.2	3.2	3.4
Office and administrative support.....	137.4	141.0	142.0	0.5	0.9	0.7	2.2	3.1	3.3
Service occupations.....	140.5	146.7	148.1	0.5	1.2	1.0	2.1	4.9	5.4
Industry									
Education and health services.....	135.1	138.3	138.8	0.3	0.4	0.4	1.6	2.7	2.7
Educational services.....	134.3	137.3	137.7	0.1	0.4	0.3	1.5	2.4	2.5
Schools.....	134.3	137.3	137.7	0.2	0.4	0.3	1.5	2.5	2.5
Elementary and secondary schools. ...	134.1	136.8	137.1	0.2	0.4	0.2	1.7	2.2	2.2
Health care and social assistance.....	141.2	146.7	148.1	0.6	0.8	1.0	2.2	4.5	4.9
Hospitals.....	140.4	145.7	147.1	0.7	0.8	1.0	2.3	4.5	4.8
Public administration.....	137.5	142.7	143.8	0.2	1.3	0.8	1.5	4.0	4.6

SOURCE: U.S. Bureau of Labor Statistics, National Compensation Survey

Table 12. Employment Cost Index for benefits, by occupational group, industry, and bargaining status
 [Not seasonally adjusted]

Occupational group, industry, and bargaining status	Indexes (Dec. 2005=100)			Percent changes for-					
	Jun. 2021	Mar. 2022	Jun. 2022	3-months ended-			12-months ended-		
				Jun. 2021	Mar. 2022	Jun. 2022	Jun. 2021	Mar. 2022	Jun. 2022
Civilian workers									
All workers ¹	146.2	151.5	153.2	0.4	2.0	1.1	2.2	4.1	4.8
Private industry workers									
All workers.....	140.8	146.1	148.2	0.4	2.0	1.4	2.0	4.1	5.3
Occupational group									
Management, professional, and related.....	139.1	144.2	146.0	0.4	2.1	1.2	2.1	4.0	5.0
Sales and office.....	142.5	148.3	151.0	0.3	2.5	1.8	1.9	4.4	6.0
Natural resources, construction, and maintenance.....	143.8	147.1	149.1	0.8	1.0	1.4	2.2	3.1	3.7
Production, transportation, and material moving.....	141.6	147.6	149.1	0.4	2.1	1.0	1.9	4.7	5.3
Service occupations.....	140.8	147.3	149.6	0.5	2.3	1.6	2.5	5.1	6.2
Industry									
Goods-producing industries ²	136.5	141.8	143.0	0.5	2.2	0.8	1.9	4.4	4.8
Manufacturing.....	135.5	141.7	142.8	0.4	2.5	0.8	1.6	5.0	5.4
Aircraft manufacturing.....	98.7	127.3	127.8	0.3	4.0	0.4	3.2	29.4	29.5
Service-providing industries ³	142.4	147.8	150.0	0.4	2.1	1.5	2.1	4.2	5.3
Bargaining status									
Union.....	152.6	157.2	159.3	0.2	1.1	1.3	1.5	3.2	4.4
Nonunion.....	138.5	143.9	145.9	0.4	2.2	1.4	2.1	4.4	5.3
State and local government workers									
All workers.....	165.6	170.9	171.6	0.3	1.4	0.4	2.6	3.5	3.6

¹ Includes workers in the private nonfarm economy except those in private households, and workers in the public sector, except the federal government.

² Includes mining, construction, and manufacturing.

³ Includes the following industries: wholesale trade; retail trade; transportation and warehousing; utilities; information; finance and insurance; real estate and rental and leasing; professional and technical services; management of companies and enterprises; administrative and waste services; educational services; health care and social assistance; arts, entertainment and recreation; accommodation and food services; and other services, except public administration.

SOURCE: U.S. Bureau of Labor Statistics, National Compensation Survey

Table 13. Employment Cost Index for total compensation and wages and salaries, for private industry workers by area

[Not seasonally adjusted]

Census region and metropolitan area ¹	12-month percent changes -					
	Total compensation ²			Wages and salaries		
	Jun. 2021	Mar. 2022	Jun. 2022	Jun. 2021	Mar. 2022	Jun. 2022
Northeast						
Boston-Worcester-Providence, MA-RI-NH-CT CSA.....	3.1	5.6	5.8	3.6	6.1	5.8
New York-Newark, NY-NJ-CT-PA CSA.....	2.3	4.0	5.2	2.3	4.2	5.3
Philadelphia-Reading-Camden, PA-NJ-DE-MD CSA.....	2.8	4.5	4.0	3.8	4.7	3.9
South						
Atlanta-Athens-Clarke County-Sandy Springs, GA CSA.....	2.4	3.3	4.3	3.4	3.4	4.4
Dallas-Fort Worth, TX-OK CSA.....	3.1	4.5	5.4	3.0	5.4	5.9
Houston-The Woodlands, TX CSA.....	1.7	4.5	5.5	2.1	5.2	6.1
Miami-Fort Lauderdale-Port St. Lucie, FL CSA.....	2.4	4.3	6.3	2.9	4.6	6.8
Washington-Baltimore-Arlington, DC-MD-VA-WV-PA CSA....	3.7	3.5	4.2	4.3	3.5	3.8
Midwest						
Chicago-Naperville, IL-IN-WI CSA.....	2.7	3.9	5.3	3.0	3.8	5.1
Detroit-Warren-Ann Arbor, MI CSA.....	2.7	4.6	4.8	2.8	5.1	4.9
Minneapolis-St. Paul, MN-WI CSA.....	2.4	5.1	5.6	2.4	5.0	5.8
West						
Los Angeles-Long Beach, CA CSA.....	4.5	5.2	5.6	5.4	5.6	5.7
Phoenix-Mesa-Scottsdale, AZ MSA.....	3.7	5.5	5.5	3.5	6.4	6.5
San Jose-San Francisco-Oakland, CA CSA.....	3.1	3.6	4.5	3.4	3.8	4.5
Seattle-Tacoma, WA CSA.....	2.1	7.8	8.7	2.4	4.5	5.4

¹ These areas include Consolidated Statistical Areas (CSAs) and Metropolitan Statistical Areas (MSAs). Beginning with the December 2018 release, area definitions are based on Office of Management and Budget Bulletin No. 13-01, dated February 28, 2013. Previous area definitions are based on Office of Management and Budget Bulletin No. 04-03, dated February 18, 2004. For more information on metropolitan area definitions, see www.census.gov/programs-surveys/metro-micro.html.

² Includes wages, salaries, and employer costs for employee benefits.

SOURCE: U.S. Bureau of Labor Statistics, National Compensation Survey



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Southwest - Employment Cost Index

Employment Cost Index for private industry workers, not seasonally adjusted (December 2005=100)

Area(1) (Links provide news releases)	Back data	Jun 2021	Mar 2022	Jun 2022	Percent change to Jun 2022 from-	
					Jun 2021	Mar 2022
Total compensation						
United States		144.4	150.2	152.4	5.5	1.5
Northeast		146.4	152.2	153.9	5.1	1.1
New England		150.4	156.5	158.6	5.5	1.3
Middle Atlantic		145.1	150.7	152.2	4.9	1.0
South		142.3	147.5	150.5	5.8	2.0
South Atlantic		144.6	149.4	152.2	5.3	1.9
East South Central		140.8	148.2	149.8	6.4	1.1
West South Central		138.9	144.0	147.8	6.4	2.6
Midwest		141.8	147.9	149.9	5.7	1.4
East North Central		140.1	146.3	148.1	5.7	1.2
West North Central		145.8	151.9	154.5	6.0	1.7
West		148.3	154.3	156.4	5.5	1.4
Mountain		145.9	152.2	154.4	5.8	1.4
Pacific		149.5	155.3	157.4	5.3	1.4
Wages and salaries only						
United States		145.9	151.8	154.2	5.7	1.6
Northeast		147.2	153.1	154.7	5.1	1.0
New England		153.3	159.4	161.6	5.4	1.4
Middle Atlantic		145.0	150.8	152.2	5.0	0.9
South		144.7	149.9	153.2	5.9	2.2
South Atlantic		147.4	151.9	155.1	5.2	2.1
East South Central		142.1	149.3	150.8	6.1	1.0
West South Central		141.2	146.8	151.2	7.1	3.0
Midwest		142.5	149.0	151.0	6.0	1.3
East North Central		140.7	147.3	148.9	5.8	1.1
West North Central		146.9	153.1	156.0	6.2	1.9
West		150.2	156.3	158.6	5.6	1.5
Mountain		147.6	154.6	157.0	6.4	1.6
Pacific		151.5	157.2	159.4	5.2	1.4

Area(1) (Links provide news releases)	Back data	Jun 2021	Mar 2022	Jun 2022	Percent change to Jun 2022 from-	
					Jun 2021	Mar 2022
Footnotes						
<p>(1) Northeast Region: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.</p> <p>New England Division: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont. Middle Atlantic Division: New Jersey, New York, and Pennsylvania.</p> <p>South Region: Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.</p> <p>South Atlantic Division: Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, and West Virginia. East South Central Division: Alabama, Kentucky, Mississippi, and Tennessee. West South Central Division: Arkansas, Louisiana, Oklahoma, and Texas.</p> <p>Midwest: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.</p> <p>East North Central Division: Indiana, Illinois, Michigan, Ohio, and Wisconsin. West North Central Division: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota.</p> <p>West: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.</p> <p>Mountain Division: Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming. Pacific Division: Alaska, California, Hawaii, Oregon, and Washington.</p>						
<p>Source: Employment Cost Trends</p> <p>The Employment Cost Index (ECI) is a quarterly measure of changes in total labor costs and their wage-and-salary and benefits components.</p>						

Schedule of [Upcoming Releases for the Employment Cost Index](#)

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FY 2022-23 Proposed Across-the-board Adjustments

September 15, 2022

Scott Huizenga, Assistant City Manager





Compensation Study

- Recommendations (page 4-5):
 1. Adopt the job classification recommendations of the study
 2. Adopt the recommended pay schedules to bring City's salary structure in line with **top third of the market**
 3. **Make across-the-board adjustments based on a percentage of pay**
 - Should be at least equivalent to Employment Cost Index
 - Supplement by calls to benchmark employers and/or review of other supplemental data
 4. Adjust selected benefit levels (eg life insurance, leave accruals, holidays)

ECI and Benchmark Employers Summary



Comparison	Min	Max	Average
ECI – Civilian Workers*	5.3%	5.3%	5.3%
ECI – West South Central Region *	7.1%	7.1%	7.1%
Benchmark Employers**	2.0%	10.0%	7%
TCMA Region 8**	2.0%	8.0%	5%
<i>Fair Oaks Ranch</i>	3.2%	6.4%	

* For 12-month period ending June 2022

**Survey data represents average minimums and maximums among responding cities. Survey results do not account for additional “market adjustments” or increases in peer jurisdictions resulting from updates to pay plans or individual positions. Averages are approximate based on reported minimums and maximums without including market adjustments. Survey averages would be higher if these amounts were included.



Employment Cost Index

12-month period ending June 2022

Employment Cost Index

	Private Industry	State & Local	Civilian* (all)
Salaries and Wages	5.7%	3.2%	5.3%
Benefit Costs	5.3%	3.6%	4.8%
Compensation Costs	5.5%	3.4%	5.1%

The salaries and wages data from the Employment Cost Index (ECI), published by the U.S. Department of Labor, Bureau of Labor Statistics (www.bls.gov), for all private industry workers, state and local government workers, and the region to which Texas is assigned, are important (page 24)

*Civilian – Includes Private Industry & State and Local Government



Benchmark Employers

Jurisdiction	Mid-Year	FY 23 Proposed	Other
Fair Oaks Ranch	3.2%	3.2%	2.5% Merit
Alamo Heights	0%	4%	-
Live Oak	0%	5% - ALL; 10% for lower bands	2.5% Merit
Helotes	0%	5%	3% Merit
Leon Valley	0%	2%	8-13% Market Increase - ALL
Trophy Club	Not reported		
Boerne	0%	5%	3% Merit
Fredericksburg	0%	3%	3% Merit; Discussion for increasing COLA underway

Jurisdiction	Mid-Year	FY 23 Proposed	Other
Cibolo	0%	2.5%; 3% Merit	Market Increase 35% for PD & FD; Market Increase 6.5%-44% General
Lakeway		5.8% – All	2.2% Merit
Kerrville	5%	3%-41% Market Increase - ALL	3% Merit
San Antonio	0%	5%	Market Adjustments; Minimum Entry Wage Healthcare reductions
Marble Falls	5%	1%; 5% Merit	9% Market Increase – General; 14% Market Increase Police

TCMA Survey



Jurisdiction	Mid-Year	FY 23 Proposed	Other
Leon Valley	0%	2%	Market Increase 8%-13%
Castroville	0%	6% < \$65,000; 3% > \$65,000	No merit
Live Oak	0%	5% for all; Additional 5% for lower bands	2.5% merit
Schertz		4%-7%	Suspend merit
Shavano Park	0%	3-5%	2% merit
Seguin		5%	2.5% merit
Boerne	0%	5%	3% merit
La Vernia	2%	2%- 5%	

Jurisdiction	Mid-Year	FY 23 Proposed	Other
Eagle Pass		7.5%	
Alamo Heights	0%	4%	
Balcones Heights	4%	4%	2.5% merit
Laredo		3%	
Universal City	0%	5%	
Selma	0%	4.5%	
<i>Fair Oaks Ranch</i>	3.2%	3.2%	2.5% merit
Helotes		5%	One time wage adjustment
Kendall County		\$3,250	



Council Action

Action / Date	Percent
Approved Option 3: Mid-Year 3.2% Plus New Year Adjustment 3.2% (July 7)	6.4%
Awarded Mid-Year Adjustment (July 7)	(3.2%)
Recommendation: Adopt Remainder of Option 3 Adjustment (FY 2022-23)	3.2%



3.2% COLA Comparison by Department

Includes Wages, Taxes, Insurance and Retirement

Department	No COLA		With 3.2% COLA Overall		Difference		FTE Count
	General Fund	Utility Fund	General Fund	Utility Fund	General Fund	Utility Fund	
Administration	581,726	168,133	598,430	172,935	16,704	4,802	5
City Secretary	197,250		202,729	-	5,479	-	2
HR&Communications	151,588	151,588	155,985	155,985	4,397	4,397	3
Finance	290,995	290,995	298,393	298,393	7,398	7,398	5
Information Technology	113,138	113,138	116,285	116,285	3,147	3,147	2
Municipal Court	141,972	-	145,635	-	3,663	-	2
Public Safety	2,816,482		2,887,790	-	71,308	-	30
Maintenance	637,045	101,643	651,543	103,482	14,498	1,839	11
Building Codes	270,150	-	277,691	-	7,541	-	3
Engineering/Planning	388,819	295,718	399,879	304,123	11,060	8,405	7
Utilities	-	769,982	-	789,381	-	19,399	11
Total	5,589,166	1,891,198	5,734,360	1,940,584	145,194	49,386	





FY 2022-23 Proposed Across-the-board Adjustments

September 15, 2022

Scott Huizenga, Assistant City Manager





CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 15, 2022

AGENDA TOPIC: Consideration and possible action approving the First Reading of an ordinance adopting the City budget for fiscal year beginning October 1, 2022 and ending September 30, 2023

DATE: September 15, 2022

DEPARTMENT: Finance

PRESENTED BY: Scott Huizenga, Assistant City Manager, Administrative Services

INTRODUCTION/BACKGROUND:

Texas Local Government Code Chapter 102 contains the requirements for adopting a municipal budget for home rule cities. Under this chapter, the City Manager serves as the budget officer and is responsible for preparing a municipal budget to cover the proposed expenditures of the municipal government for the succeeding year.

The proposed budget is required to be filed with the City Secretary before the 30th day before the date the Council makes its tax levy for the new fiscal year.

At the August 18, 2022 City Council meeting, Council voted to set September 15, 2022 as the Public Hearing date on the proposed budget and September 22, 2022 as the date to adopt the budget. The proposed budget was filed with the City Secretary on August 22, and all requirements of the local government code have been met.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

1. Provides the citizens, the government, and the City staff with a financial plan for utilizing the City’s available funds during the upcoming fiscal year to accomplish the City’s goals and objectives.
2. Establishes priorities among City programs; defining the financial framework that will be used to periodically check the status of city operations.
3. Determines the level of taxation necessary to finance City programs.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

See budgets presented in Exhibit A.

LEGAL ANALYSIS:

Reviewed and approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve the 2022-23 Fiscal Year Budget Ordinance.

LGC 102.007 mandates a vote to adopt the budget must be a Record Vote

AN ORDINANCE

ADOPTING THE CITY OF FAIR OAKS RANCH ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2022 AND ENDING SEPTEMBER 30, 2023; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City Manager submitted to the City Council a proposed budget for the next ensuing budget year, and filed the proposed budget with the City Secretary for public review pursuant to LGC §102.005; and,

WHEREAS, on August 18, 2022, the Council set September 15, 2022 as the date for the public hearing thereon and caused notice of such public hearing to be posted on the City’s website and published in the Boerne Star pursuant to LGC §102.006 and 102.0065; and,

WHEREAS, the public hearing was held on said date and all persons were then afforded an opportunity to appear and object to any or all items and estimates in the proposed budgets; and,

WHEREAS, pursuant to Local Government Code §102.007, the City Council, by passage of the Budget Ordinance shall adopt the budget for the ensuing fiscal year and appropriate such sums of money as the Council deems necessary to defray all expenditures of the City during the 2022-23 budget year.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS, THAT:

SECTION 1. BUDGET.

- a. The City hereby approves and adopts the “Fiscal Year 2022-23 Municipal Budget”, attached as **Exhibit A**, in all respects as the City’s annual budget for the fiscal year beginning October 1, 2022 and ending September 30, 2023.
- b. The City Manager may reallocate budget amounts within and between departmental accounts, but reallocation of amounts between funds must be approved by the City Council by ordinance. For purposes of this section the term “fund” refers to the Governmental Accounting definition of a fund (i.e. “General Fund”, “Utility Fund”, and “Debt Service Fund”).
- c. In accordance to LGC §102.008(a), the adopted budget shall be filed with the City Secretary; and a copy of the adopted budget including the cover page shall be posted on the City’s website.

SECTION 2. SEVERABILITY.

If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City hereby declares that this Ordinance would have been enacted without such invalid provision.

Section 3. CONFLICT OF ORDINANCES.

Ordinances or parts of ordinances in conflict herewith are hereby repealed and are no longer of any force and effect.

Section 4. EFFECTIVE DATE.

This Ordinance shall take effect on the first day of October 2022.

PASSED on first reading this 15th day of September, 2022 and recorded as follows:

	FOR	AGAINST	ABSTAIN
Mayor Greg Maxton			
Council Member Stroup			
Council Member Elizondo			
Council Member Bliss			
Mayor Pro Tem Koerner			
Council Member Parker			
Council Member Muenchow			

PASSED, APPROVED and ADOPTED on second reading, this the 22nd day of September, 2022 and recorded as follows:

	FOR	AGAINST	ABSTAIN
Mayor Greg Maxton			
Council Member Stroup			
Council Member Elizondo			
Council Member Bliss			
Mayor Pro Tem Koerner			
Council Member Parker			
Council Member Muenchow			

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, City Secretary

Denton Navarro Rocha Bernal & Zech, P.C.,
City Attorney

Governmental Funds

	General Fund	Governmental SAP	Governmental Equip Repl	Governmental Debt Service	TOTAL GOVERNMENTAL
Beginning Fund Balance Projected	8,497,069	466,649	873,597	52,023	9,889,338
<u>Revenues:</u>					
Taxes	7,963,116			553,268	8,516,384
Franchise Fees	692,050				692,050
Interest	72,000			1,000	73,000
Permits	309,075				309,075
Animal Control	1,135				1,135
Fines & Forfeitures	176,300				176,300
Fees & Services	277,903				277,903
Miscellaneous Income	123,020				123,020
Utility Revenues					-
Transfers from other Funds	125,000	3,808,281	354,495		4,287,776
Total Revenues	9,739,599	3,808,281	354,495	554,268	14,456,643
<u>Expenditures:</u>					
Personnel	5,734,360				5,734,360
Supplies, Maintenance & Operations	1,387,774				1,387,774
Professional Services	1,531,592	108,000			1,639,592
Shared Services	423,667				423,667
Capital Outlay	196,950	3,742,829			3,939,779
Debt Service	-			552,530	552,530
Transfers & Non-Cash Adjustments	4,162,776		125,000		4,287,776
Total Expenditures	13,437,119	3,850,829	125,000	552,530	17,965,478
Revenues Over/(Under) Expenditures	(3,697,520)	(42,548)	229,495	1,738	(3,508,835)
Ending Fund Balance	4,799,549	424,101	1,103,092	53,761	6,380,503

General Fund Revenue Summary

Revenue Type	Actual 2019-20	Actual 2020-21	Budget 2021-22	Projected 2021-22	Proposed 2022-23
Taxes	6,823,079	7,341,717	7,364,494	7,737,602	7,963,116
Franchise Fees	605,103	651,534	618,200	692,500	692,050
Interest	70,947	4,286	8,000	58,000	72,000
Permits	409,401	499,777	400,000	341,000	309,075
Animal Control	1,240	1,120	1,250	1,150	1,135
Fines & Forfeitures	101,409	139,753	129,923	162,623	176,300
Fees & Services	290,347	266,691	278,251	287,034	277,903
Miscellaneous	206,728	245,512	13,400	1,280,358	123,020
Transfers	177,272	287,339	250,000	274,357	125,000
Total Revenue	8,685,526	9,437,729	9,063,518	10,834,625	9,739,599

General Fund Expenditure Summary

Expenditure Type	Actual 2019-20	Actual 2020-21	Adopted Budget 2021-22	Projected 2021-22	Proposed 2022-23
Personnel					
Salaries	3,006,883	3,130,494	3,813,305	3,364,181	4,160,870
Overtime	32,145	69,615	31,365	85,591	41,296
Taxes - Social Security	186,868	190,016	238,369	209,654	248,369
Taxes - Medicare	44,399	45,293	55,748	49,639	58,085
Taxes SUTA/FUTA	7,456	13,869	12,737	2,095	5,364
Workers Compensation	59,176	52,766	70,959	74,812	108,212
Retirement	359,027	376,630	454,536	415,126	477,609
Health Insurance	421,969	398,983	495,703	511,599	600,355
Uniform Allowance	16,800	20,500	26,000	23,000	27,000
Car Allowance	7,200	7,200	7,200	7,200	7,200
Relocation Allowance	-	-	-	-	-
Total Personnel Costs	4,141,924	4,305,366	5,205,922	4,742,896	5,734,360
Supplies, Maintenance & Operations					
Supplies and Consumables	20,260	20,703	30,375	27,652	30,340
Minor Equipment and Furniture	41,306	36,086	60,870	52,258	49,770
Fuel	37,947	39,930	42,901	64,701	56,600
Uniforms	16,804	19,601	25,441	25,458	33,160
Miscellaneous	89,188	28,891	200	531	550
Vehicle Maintenance/Repairs	27,610	20,980	35,510	43,210	30,880
Equipment Maintenance/Repairs	8,936	12,826	12,300	13,800	14,500
Building Maintenance/Repairs	26,558	28,036	15,300	18,800	17,250
Landscaping & Greenspace Maintenance	615	3,847	5,000	6,100	5,500
Street Maintenance	473,410	503,531	1,033,000	1,033,000	1,038,000
Drainage Work	1,354	3,414	55,000	51,000	50,000
Committees - Communications	-	-	1,000	500	500
Committees - Planning & Zoning	124	58	1,000	500	500
Committee - Board of Adjustments	34	-	1,000	500	500
Committee - Audit	-	-	1,000	-	500
Urban Wildlife	886	-	500	500	500
Donations & Grants	-	-	-	-	-
Court Technology	-	-	-	-	-
Court Security	714	3,402	4,700	4,700	58,724
Total Supplies, Maintenance & Operations Costs	745,746	721,305	1,325,097	1,343,210	1,387,774
Services					
Professional Services	756,113	998,720	1,174,859	1,228,434	1,277,449
Dues/Subscriptions	12,655	11,504	15,280	16,711	16,850
Training/Seminars & Related Travel	36,031	40,313	92,028	71,603	112,551
Meetings and Related Travel	2,437	3,014	22,880	17,330	22,823
Elections	1,801	50,956	38,222	-	7,000
Investigations	4,968	7,681	13,500	15,599	9,500
Lease Training	-	800	2,500	-	2,500
Asset Forfeiture	-	-	-	-	-
Public Relations	11,182	10,265	45,234	27,234	55,234

Expenditure Type	Actual 2019-20	Actual 2020-21	Adopted Budget 1000	Projected 2021-22	Proposed 2022-23
Employee Appreciation	19,023	12,210	13,215	13,215	14,710
Employment Costs	1,375	8,322	3,500	3,500	2,975
Recording/Reporting/History	2,995	6,156	6,000	6,000	10,000
Total Services Costs	848,581	1,149,943	1,428,218	1,399,626	1,531,592
Shared Services					
Facility Contracts & Services	28,597	62,949	181,055	101,955	86,985
Tech/Internet/Software Maintenance	146,608	171,558	210,950	196,450	197,440
Postage	4,181	2,870	5,625	4,125	5,625
General Liability Insurance	39,207	41,194	51,418	51,940	56,560
Electricity	30,127	36,660	35,000	41,000	40,000
Phone/Cable/Alarms	31,597	38,655	29,725	29,725	37,057
Total Shared Services Costs	280,317	353,885	513,773	425,195	423,667
Capital Outlay & Transfers					
Land/Land Improvement	-	-	-	-	-
Building/Building Improvement	-	-	-	-	-
Infrastructure	-	-	-	-	-
Furniture, Fixtures, Equipment & Vehicles	312,344	316,341	389,500	394,595	196,950
Transfer to Debt Service Fund 06	-	-	-	-	-
Transfer to SAP Fund 02	599,525	182,000	865,000	1,207,222	3,808,281
Transfer to Equip Repl Fund 31	230,492	290,493	275,185	275,185	354,495
Total Capital Outlay & Transfers Costs	1,142,361	788,834	1,529,685	1,877,002	4,359,726
Total Departmental Budget	7,158,929	7,319,332	10,002,695	9,787,929	13,437,119

Governmental Strategic Projects Fund

	Actual 2019-20	Actual 2020-21	Budget 2021-22	Projected 2021-22	Proposed 2022-23
Beginning Fund Balance	1,110,229	1,154,394	1,073,184	1,073,184	466,649
Revenues:					
Transfer from General Fund	599,525	182,000	865,000	1,207,222	3,808,281
Total Revenue	599,525	182,000	865,000	1,207,222	3,808,281
Financial Integrity					
Internal Controls Framework	52,500	-	-	-	-
Stormwater Funding	107,271	33,925	-	-	-
Responsible Growth Management					
Comprehensive Plan and Unified Development Code	70,125	-	-	-	-
FM 3351 Owners Representative and Project Manager	7,345	-	-	-	-
Project Development and Funding Plan for Drainage	47,503	-	-	-	-
Municipal Separate Storm Sewer System (MS4)	2,606	-	-	-	-
Tree Preservation and Oak Wilt Program	-	6,452	-	-	-
Reliable and Sustainable Infrastructure					
City Civic Center	-	1,500	-	-	412,815
City Campus Renovation	8,500	33,413	439,416	881,168	-
Long-term road condition analysis	29,278	47,704	-	-	-
Chartwell and Dietz Intersection	-	-	175,000	473,322	-
Post Oak Trail Widening	-	-	-	-	875,000
Dietz Elkhorn Reconstruction	-	-	-	-	245,915
Ammann Rd Reconstruction	-	-	-	-	365,286
Dietz Elkhorn Sidewalk	-	-	-	-	41,282
Battle Intense Sidewalk	-	-	-	-	54,500
Drainage CIP #5 Rolling Acres Trail	-	-	85,000	85,000	606,000
Drainage CIP #17 Silver Spur Trail	-	-	95,000	95,000	601,000
Drainage CIP #25 Fair Oaks Pkwy	-	-	40,000	-	-
Drainage CIP #30 Fair Oaks Pkwy	-	-	10,000	10,000	-
Drainage CIP #34 Tivoli Way	-	-	50,000	50,000	456,000
Drainage CIP #37 Turf Paradise Lane	-	-	40,000	40,000	85,031
Drainage CIP #61 Rockinghorse Lane	-	-	75,000	50,000	-
Bond Development Program	-	-	200,000	50,000	-
Public Health, Safety, and Welfare					
Public Safety Command Structure Program Review	-	38,713	5,000	895	-
Fire Services Program Review	-	8,206	5,000	1,128	18,000
Emergency Medical Services Program Review	-	2,606	5,000	1,128	-
Operational Excellence					
Compensation and Benefit Plan Study	45,000	-	-	-	-
Employee Handbook	1,967	-	-	3,034	-
HR Technology Upgrade	31,954	-	-	-	-
Learning and Development Training Program	-	-	-	-	-
Communications and Marketing Strategy	-	9,391	50,000	38,610	-
Records Management	4,150	-	-	7,850	-
IT Infrastructure projects	32,229	69,763	-	24,835	-
City Records Digitization Program	-	-	-	-	-
Agenda and Minutes Software program	-	6,600	-	-	-
Ticketing with GIS compatibility	-	-	-	1,263	-
PIA Request Software	-	-	30,000	-	-
Fuel Station	-	-	15,000	-	50,000
3rd Party Scanning	-	-	-	-	40,000
Capital Improvement					
Infrastructure	110,669	-	-	-	-
Furniture and Equipment (City Hall Renovation)	4,264	4,938	-	524	-
Total Expenditures	555,360	263,210	1,319,416	1,813,757	3,850,829
Total Change in Fund Balance	44,165	(81,210)	(454,416)	(606,535)	(42,548)
Ending Fund Balance	1,154,394	1,073,184	618,768	466,649	424,101

Vehicle and Equipment Replacement Fund

	Actual 2019-20	Actual 2020-21	Adopted Budget 2021-22	Projected 2021-22	Proposed Budget 2022-23
Beginning Fund Balance	816,395	869,615	872,769	872,769	873,597
<u>Revenues:</u>					
Transfer from General Fund	230,492	290,493	275,185	275,185	354,495
Total Revenue	230,492	290,493	275,185	275,185	354,495
<u>Transfers</u>					
Transfer to General Fund for Purchases	177,272	287,339	250,000	274,357	125,000
Total Expenditures	177,272	287,339	250,000	274,357	125,000
Revenue Over / (Under) Expenditures	53,220	3,154	25,185	828	229,495
Beginning Fund Balance	869,615	872,769	897,954	873,597	1,103,092

Scheduled Replacements:	
Public Safety Patrol Vehicle	36,000
Patrol Vehicle Outfitting	23,000
Public Safety Patrol Vehicle	36,000
Patrol Vehicle Outfitting	23,000
Public Works Mower Trailer	7,000
	125,000
	125,000

Street Bond Debt Service

	Actual 2019-20	Actual 2020-21	Adopted Budget 2021-22	Projected 2021-22	Proposed Budget 2022-23
Beginning Fund Balance	18,640	32,311	44,337	44,337	52,023
<u>Revenues:</u>					
General Property-I & S	556,779	557,682	542,671	544,671	545,768
Delinquent Property	5,067	2,932	3,000	8,100	5,000
Penalty & Interest	2,759	2,428	1,500	4,000	2,500
Interest Income on Investments	1,005	59	1,000	500	1,000
Total Revenue	565,611	563,101	548,171	557,271	554,268
<u>Expenditures:</u>					
Bond Principal	440,000	445,000	450,000	450,000	460,000
Bond Interest Payable	111,540	105,675	99,185	99,185	92,130
Bond Agent Fees	400	400	400	400	400
Total Expenditures	551,940	551,075	549,585	549,585	552,530
Revenue Over / (Under) Expenditures	13,671	12,026	(1,414)	7,686	1,738
Ending Fund Balance	32,311	44,337	42,923	52,023	53,761

Consolidated Utility Budget by Fund Summary

	Water Operations	Wastewater Operations	Water SAP	Wastewater SAP	Utility Equip. Repl	Utility Fund Total
Utility Revenues	4,222,630	1,348,525				5,571,155
Utility Operating Expenses						
Personnel	981,465	959,119				1,940,584
Supplies, Maintenance & Operations	2,200,766	658,612				2,859,378
Services	65,244	65,534				130,778
Total Utility Operating Expenses	<u>3,247,475</u>	<u>1,683,265</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,930,740</u>
Operating Income/(Loss)	<u>975,155</u>	<u>(334,740)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>640,415</u>
Capital Outlay	122,250	155,700	544,141	929,711		1,751,802
Depreciation	508,075	270,600				778,675
Asset Transfer for GAAP	(666,391)	(1,085,411)				(1,751,802)
Debt Service Costs	16,590	3,160				19,750
Transfers Out	635,522	323,827			270,450	1,229,799
Transfers In	(114,750)	(155,700)	(568,787)	(264,587)	(125,975)	(1,229,799)
Net Income/(Loss)	473,859	153,084	24,646	(665,124)	(144,475)	(158,010)

Water Utility Fund Summary Proposed Budget

	Actual 2019-20	Actual 2020-21	Budget 2021-22	Projected 2021-22	Proposed Budget 2022-23
Water Revenues	4,550,076	4,268,594	4,325,991	4,475,969	4,222,630
Water Operating Expenses					
Personnel	684,869	697,902	894,232	866,307	981,465
Supplies, Maintenance & Operations	1,715,444	1,581,782	1,826,497	1,959,566	2,200,766
Services	720,775	322,149	178,048	425,985	65,244
Total Water Operating Expenses	3,121,088	2,601,833	2,898,777	3,251,857	3,247,475
Operating Income	1,428,988	1,666,762	1,427,214	1,224,112	975,155
Capital Outlay	66,132	-	152,820	147,998	122,250
Depreciation	478,929	482,542	647,324	647,324	508,075
Asset Transfer for GAAP	(292,790)	(253,310)	(1,678,815)	(903,789)	(666,391)
Debt Service Expense	167,771	21,712	19,280	19,280	16,590
Transfers Out	30,000	853,883	658,435	658,435	635,522
Transfers In	(19,089)	-	(152,820)	(152,820)	(114,750)
Net Income/(Loss)	998,036	561,935	1,780,990	807,684	473,859

Water Utility Fund Revenue Proposed Budget

	Actual 2019-20	Actual 2020-21	Budget 2021-22	Projected 2021-22	Proposed Budget 2022-23
Water Revenues					
Water Revenue Residential	3,015,679	2,862,052	2,981,775	3,081,775	2,852,897
Rebate Program	-	-	-	-	-
Water Debt Service	304,477	211,747	298,374	282,556	283,707
Water Capital	244,163	251,403	252,403	255,555	257,810
Water Revenue Commercial	232,825	168,361	163,841	141,949	179,592
Water Contract Commercial	158,357	158,357	158,268	172,604	177,360
Water Revenue Non Potable	36,628	6,610	18,430	48,430	18,691
Water Service Connect Fees	57,215	66,790	47,960	47,960	46,726
Water Penalties	18,059	16,589	28,440	35,440	34,753
Water Impact Fees	439,500	497,198	350,000	350,000	310,977
Water Interest Income	25,303	1,557	10,000	15,200	24,000
Water-Bad Debts	(562)	(237)	(3,000)	(500)	(500)
Misc./Special Requests	50	25	2,500	500	500
Third Party Reimbursement	933	5,972	1,000	15,000	6,917
Permits/Variations	1,725	1,025	1,000	1,500	1,200
Credit Card Service Fee	15,725	21,147	15,000	28,000	28,000
Sale of Assets	-	-	-	-	-
Total Water Revenues	4,550,076	4,268,594	4,325,991	4,475,969	4,222,630

**Water Utility Fund Operating Expense
Proposed Budget**

Item #12.

	Actual 2019-20	Actual 2020-21	Budget 2021-22	Projected 2021-22	Proposed Budget 2022-23
Operating Expenses					
Service Salaries	218,837	208,039	233,139	258,568	265,548
Service Overtime	5,615	14,722	2,763	7,261	4,339
Service Taxes - FICA	13,282	12,509	14,626	15,983	16,554
Service Taxes - MEDICARE	3,106	2,926	3,421	3,745	3,871
Service Workers' Comp	7,849	7,105	7,488	7,505	9,599
Service Taxes - SUTA/FUTA	721	1,236	1,069	144	473
Service Retirement	26,082	16,297	27,890	31,801	31,832
Service Insurance	42,761	38,167	41,799	45,803	52,364
Water Service OPEB	-	1,079	-	-	-
Administration Salaries	273,530	305,228	425,274	371,564	450,057
Administration Overtime	151	211	425	150	181
Administration Taxes - FICA	16,667	17,605	26,393	22,337	27,746
Administration Taxes - MEDICARE	3,899	4,118	6,173	5,269	6,489
Administration Workers' Comp	1,535	1,421	2,637	1,847	1,525
Administration Taxes - SUTA/FUTA	667	1,435	1,204	78	504
Administration Retirement	31,783	22,727	50,328	44,650	53,356
Administration Insurance	38,384	41,574	49,603	49,603	57,027
Administration OPEB	-	1,505	-	-	-
Uniforms	4,977	4,082	5,505	5,505	6,720
Power	141,462	130,720	135,000	185,000	140,000
Maintenance of Plants/Lines	127,325	130,069	100,000	100,000	127,125
Analysis Fees	8,419	7,823	7,400	9,900	7,400
Chemicals	2,848	2,874	5,090	5,090	3,200
City Management Fee	172,174	159,769	166,116	172,238	161,427
Equipment Maintenance	7,950	12,524	12,910	20,910	13,875
Equipment Gas & Oil	7,288	9,588	11,010	12,260	11,500
GBRA Water Fees	1,054,623	923,967	1,137,427	1,200,267	1,425,536
Equipment Lease	-	-	690	1,690	690
Tools & Minor Equipment	5,634	12,790	13,000	13,000	16,875
Training	6,729	4,881	17,380	9,880	24,648
Utilities & Radio	23,400	19,447	24,335	24,335	21,897
Signal & Telemetry	162	162	-	162	-
Water Building Maintenance	8,643	5,351	11,500	6,000	9,630
Supplies & Consumables	1,401	2,249	1,400	1,650	1,750
Vehicle Maintenance/Repair	2,326	6,905	6,500	6,500	6,500
Water Inventory Adjustment	493	-	-	-	-
Utilities & Telephone	6,622	8,137	6,277	8,450	8,869
Dues & Publications	722	371	1,419	1,419	1,822
Water Professional Services	720,775	322,149	168,828	418,828	54,656
Permit & Licenses	7,876	8,146	8,033	8,133	8,683
General Liability Insurance	19,544	20,462	25,709	25,495	28,280
Office Supplies	3,363	2,924	1,769	1,769	3,257
Travel & Meetings	2,997	1,997	4,000	1,000	4,000
Software & Computer	68,712	73,248	95,306	95,306	122,820

	Actual 2019-20	Actual 2020-21	Budget 2021-22	Projected 2021-22	Proposed 2022-23
Recording/Reporting	-	101	500	500	500
Postage	1,010	450	938	938	938
Building/Equip Maintenance	-	-	150	-	150
Conservation Ed & Newsletter	-	-	250	-	1,370
Billing Statement Charges	3,278	3,473	3,360	3,420	3,400
Billing Postage	8,175	8,980	8,100	9,600	8,500
Copier Lease	-	-	1,623	1,623	1,654
Public Relations	-	-	4,000	2,937	4,000
Employment Costs	-	-	1,750	750	1,480
Employee Appreciation	-	-	3,470	3,470	5,108
Water Miscellaneous	5,462	3,232	-	226	250
Credit Card Service Fee	11,828	17,062	13,800	27,300	27,500
Total Operating Expenses	3,121,088	2,601,833	2,898,777	3,251,857	3,247,475

Water Utility Fund
Capital Outlays, Debt and Non-Operating Detail
Proposed Budget

	Actual 2019-20	Actual 2020-21	Budget 2021-22	Projected 2021-22	Proposed Budget 2022-23
Capital Outlays					
Operational Capital	66,132	-	-	-	35,500
Water Vehicle and Equipment Purchases	-	-	152,820	147,998	86,750
Total Capital Outlays	66,132	-	152,820	147,998	122,250
Debt Service					
Bond Water Issuance Fees	49,405	-	-	-	-
Bond Interest Cost	-	21,712	19,280	19,280	16,590
Tax Exempt Lease Interest	118,365	-	-	-	-
Total Debt Service	167,771	21,712	19,280	19,280	16,590
Non-Cash Adjustments					
Transfer to Veh/Equip Replace Fund	30,000	45,000	56,032	56,032	66,735
Transfer to Water Capital Fund	-	808,883	602,403	602,403	568,787
Transfer from ERF	(19,089)	-	(152,820)	(152,820)	(114,750)
Transfer of Assets to Balance Sheet	(292,790)	(253,310)	(1,678,815)	(903,789)	(666,391)
Water Service Depreciation	478,929	482,542	647,324	647,324	508,075
Total Non-Cash Adjustments	197,050	1,083,115	(525,876)	249,150	362,456
Total Non-Operating Expenses	430,953	1,104,826	(353,776)	416,428	501,296

Water Strategic and Capital Funds

	Actual 2019-20	Actual 2020-21	Budget 2021-22	Projected 2021-22	Proposed Budget 2022-23
Beginning Fund Balance	1,928,742	977,312	1,443,116	1,443,116	1,254,192
<u>Transfers:</u>					
Grant Revenue	-	-	-	-	-
Transfer from Utility Fund	(651,236)	808,883	602,403	602,403	568,787
Total Transfers	(651,236)	808,883	602,403	602,403	568,787
<u>Capital Projects</u>					
Master Water/Wastewater Plan	-	-	-	-	-
Elevated Storage Tank	146,210	62,890	181,623	-	-
Plant 2 Hydro Tank & Variable Drives	57,575	30,620	946,815	522,500	-
Creek Crossing West Waterline	22,873	-	220,433	12,951	-
Elmo Davis Upgrades	-	-	-	-	64,642
Plant 5 Expansion	-	-	-	-	229,499
Scada Systems Upgrade	-	159,800	-	43,215	-
GIS Compatible Work Order System	-	-	-	631	-
Willow Wind/Red Bud Hill	-	-	65,370	65,370	-
Old Fredericksburg Rd	-	-	50,000	50,000	250,000
Rolling Acres Trail Rehab	-	-	61,754	61,754	-
<u>Non-Capital Projects</u>					
Water Rate Study	-	50,095	22,079	24,579	-
Impact Rate Study	30,076	-	-	-	-
Project Development	43,460	-	-	-	-
Water System EPA Risk Assessment	-	39,674	7,000	10,326	-
Total Expenditures	300,194	343,079	1,555,074	791,327	544,141
Total Change in Fund Balance	(951,430)	465,803	(952,671)	(188,924)	24,646
Ending Fund Balance	977,312	1,443,116	490,445	1,254,192	1,278,838

Wastewater Utility Fund Summary Proposed Budget

Item #12.

	Actual 2019-20	Actual 2020-21	Budget 2021-22	Projected 2021-22	Proposed Budget 2022-23
Wastewater Revenues	1,339,560	1,415,841	1,370,398	2,639,762	1,348,525
Wastewater Operating Expenses					
Personnel	591,160	691,952	898,302	829,332	959,119
Supplies, Maintenance & Operations	572,349	597,685	705,278	729,712	658,612
Services	28,877	55,312	111,943	109,880	65,534
Total Wastewater Operating Expenses	1,192,386	1,344,949	1,715,523	1,668,925	1,683,265
Operating Income	147,175	70,892	(345,125)	970,837	(334,740)
Capital Outlay	73,232	-	45,000	100,579	155,700
Depreciation	264,907	266,664	226,477	226,477	270,600
Asset Transfer for GAAP	(137,728)	(39,759)	(895,000)	(1,320,583)	(1,085,411)
Debt Service Expense	31,956	4,136	3,672	3,672	3,160
Transfers Out	45,000	888,727	348,373	1,568,377	323,827
Transfers In	(19,089)	-	(45,000)	(100,579)	(155,700)
Net Income/(Loss)	(111,103)	(1,048,874)	(28,647)	492,893	153,084

Wastewater Utility Fund Revenue Proposed Budget

	Actual 2019-20	Actual 2020-21	Budget 2021-22	Projected 2021-22	Proposed Budget 2022-23
Wastewater Revenues					
Sewer Revenue Residential	850,500	939,310	945,512	988,512	967,112
Sewer Debt Service	58,943	40,831	56,776	54,776	54,620
Sewer Capital	91,294	95,042	95,666	96,866	97,842
Sewer Revenue Commercial	4,166	4,418	4,186	4,418	4,418
Sewer Service Connect Fee	39,900	44,800	33,138	27,638	31,248
Sewer Penalties	3,322	3,562	5,270	9,195	8,438
Sewer Impact Fee	267,003	285,883	225,000	225,000	166,745
Sewer Impact Fee-S Bar Ranch	-	-	-	-	-
Sewer Interest Income	24,445	1,509	5,000	13,500	18,000
Sewer Bad Debt	(207)	(116)	(400)	(250)	(250)
Sewer Grant Revenue	-	-	-	1,220,004	-
SECO EECBG	-	-	-	-	-
Misc/Special Requests	-	602	-	103	352
Third Party Reimbursement	195	-	250	-	-
Sale of Assets	-	-	-	-	-
Grant Revenue	-	-	-	-	-
Total Wastewater Revenues	1,339,560	1,415,841	1,370,398	2,639,762	1,348,525

Wastewater Utility Fund Operating Expense Proposed Budget

	Actual 2019-20	Actual 2020-21	Budget 2021-22	Projected 2021-22	Proposed Budget 2022-23
Operating Expenses					
Service Salaries	185,357	233,087	258,181	236,646	270,593
Service Overtime	5,775	17,868	3,057	7,976	4,432
Service Taxes - FICA	11,882	14,531	16,197	14,979	16,892
Service Taxes - Medicare	2,779	3,398	3,788	3,510	3,951
Service Workers' Comp	6,105	5,700	8,257	8,377	9,792
Service Taxes - SUTA/FUTA	721	1,486	1,181	135	473
Service Retirement	18,543	18,516	30,885	29,269	32,483
Service Insurance	28,539	36,489	38,894	38,890	44,798
Sewer Service OPEB	-	1,226	-	-	-
Administration Salaries	248,694	277,716	408,016	363,279	432,549
Administration Overtime	116	92	425	150	181
Administration Taxes - FICA	15,169	15,999	25,323	21,805	26,662
Administration Taxes - Medicare	3,547	3,741	5,922	5,143	6,235
Administration Workers' Comp	760	751	2,107	1,322	1,468
Administration Taxes - SUTA/FUTA	595	1,309	1,136	75	477
Administration Retirement	28,884	20,633	48,288	43,631	51,270
Sewer Admin Insurance	33,693	38,042	46,645	54,145	56,863
Sewer Admin OPEB	-	1,367	-	-	-
Uniforms	3,610	3,469	4,505	4,505	5,025
Power	36,334	37,124	36,350	42,150	38,500
Maintenance Of Plant/ Lines	40,320	48,479	80,000	65,000	65,000
Sludge Hauling	263,977	269,334	300,000	320,000	225,000
Analysis Fees	25,120	23,823	26,000	26,000	27,000
Chemicals	7,132	15,768	7,240	10,740	16,500
City Management Fee	42,733	47,186	49,485	49,647	48,576
Equipment Maintenance	4,953	6,468	7,660	11,160	8,235
Equipment Gas & Oil	6,373	7,601	9,180	10,430	9,500
Equipment Lease	5,010	1,334	4,500	4,500	2,500
Tools & Minor Equipment	4,526	5,832	7,500	7,500	13,575
Training	5,869	3,042	15,680	15,680	24,099
Utilities & Radios	20,938	18,289	22,521	22,521	20,171
Signal & Telemetry	461	461	-	461	-
Building Maintenance	3,062	5,976	7,330	7,330	9,150
Supplies & Consumables	1,307	1,978	1,300	2,300	1,650
Vehicle Maintenance & Repairs	3,159	3,542	5,000	5,000	5,000
Inventory Adjustment	(12)	-	-	-	-
Utilities/Telephone	6,966	8,262	5,418	8,918	7,830
Dues & Publications	921	1,007	1,623	1,623	2,027
Professional Fees	28,877	55,312	103,023	103,023	55,156
Permits & Licenses	1,776	1,471	1,958	1,958	3,493
Liability Insurance	19,544	19,462	25,709	25,495	28,280
Office Supplies	3,283	3,239	1,322	1,322	2,256
Travel & Meetings	2,972	1,676	4,000	4,000	4,000
Software & Computers	46,086	46,883	66,726	66,726	76,241
Recording/Reporting	-	101	100	500	350

	Actual 2019-20	Actual 2020-21	Budget 2021-22	Projected 2021-22	Proposed 2022-23
Sewer Postage	374	450	938	938	600
Adm Bldg/Equip. Maintenance	-	-	150	-	150
Billing Statement Charges	3,278	3,473	3,360	3,360	3,500
Billing Postage	8,175	8,980	8,100	8,100	8,500
Copier Lease	-	-	1,623	1,623	1,654
Public Relations	-	-	4,000	2,937	4,000
Employment Costs	-	-	1,750	750	1,480
Employee Appreciation	-	-	3,170	3,170	4,898
Miscellaneous	4,101	2,977	-	226	250
Total Operating Expenses	1,192,386	1,344,949	1,715,523	1,668,925	1,683,265

Wastewater Utility Fund
Capital, Debt, and Non-Cash Expenditures
Proposed Budget

	Actual 2019-20	Actual 2020-21	Budget 2021-22	Projected 2021-22	Proposed Budget 2022-23
Capital Outlays					
Operational Capital	73,232	-	-	55,579	46,200
Wastewater Equipment Purchases	-	-	45,000	45,000	109,500
Total Capital Outlays	73,232	-	45,000	100,579	155,700
Debt Service					
Bond Water Issuance Fees	9,411	-	-	-	-
Bond Interest Cost	-	4,136	3,672	3,672	3,160
Tax Exempt Lease Interest	22,546	-	-	-	-
Total Debt Service	31,956	4,136	3,672	3,672	3,160
Non-Cash Adjustments					
Transfer To Vehicle Repl. Fund	45,000	45,000	27,707	27,707	59,240
Transfer to Wastewater Capital Fund	-	843,727	320,666	1,540,670	264,587
Transfer from ERF	(19,089)	-	(45,000)	(100,579)	(155,700)
Asset Transfers to Balance Sheet	(137,728)	(39,759)	(895,000)	(1,320,583)	(1,085,411)
Sewer Service Depreciation	264,907	266,664	226,477	226,477	270,600
Total Non-Cash Adjustments	153,090	1,115,631	(365,150)	373,692	(646,684)
Total Capital, Debt, and Non-Cash	258,278	1,119,767	(316,478)	477,944	(487,824)

Wastewater Strategic and Capital Funds

	Actual 2019-20	Actual 2020-21	Budget 2021-22	Projected 2021-22	Proposed Budget 2022-23
Beginning Fund Balance	(153,271)	345,309	1,087,394	1,087,394	1,172,897
<u>Transfers:</u>					
Transfer from Reserves	-	-	-	-	-
Transfer from Utility Fund	651,236	843,727	320,666	1,540,670	264,587
Total Transfers	651,236	843,727	320,666	1,540,670	264,587
<u>Capital Projects</u>					
Solids Handling	64,496	39,759	920,210	1,220,004	-
Wastewater Treatment Plant Options	14,624	-	200,000	200,000	929,711
GIS Compatible Work Order System	-	-	-	631	-
	-	-	-	-	-
<u>Non-Capital Projects</u>					
Wastewater Rate Study	-	50,095	22,079	24,579	-
Impact Fee Study	30,076	-	-	-	-
Project Development	43,460	-	-	-	-
Wastewater System EPA Risk Assessment	-	11,788	7,500	9,953	-
Total Expenditures	152,656	101,642	1,149,789	1,455,167	929,711
Total Change in Fund Balance	498,580	742,085	(829,123)	85,503	(665,124)
Ending Fund Balance	345,309	1,087,394	258,271	1,172,897	507,773

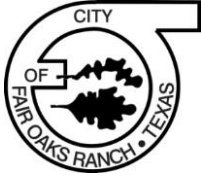
Utility Equipment and Vehicle Replacement Fund Proposed Budget

Item #12.

	Actual 2019-20	Actual 2020-21	Budget 2021-22	Projected 2021-22	Proposed Budget 2022-23
Revenues:					
Transfer from Water Division	30,000	45,000	56,032	56,032	66,735
Transfer from Wastewater Division	45,000	45,000	27,707	27,707	59,240
Total Revenue	75,000	90,000	83,739	83,739	125,975
Transfers					
Transfer to Water for Purchases	19,089	-	152,820	152,820	114,750
Transfer to Wastewater for Purchases	19,089	-	45,000	100,579	155,700
Total Transfers Costs	38,178	-	197,820	253,399	270,450
Total Expenditures	38,178	-	197,820	253,399	270,450
Net Income (Loss)	36,822	90,000	(114,081)	(169,660)	(144,475)

Capital Replacements

Ford F250 Truck	55,000
Grasshopper Mower	17,500
Chlorine Alarms and Autodialers	27,250
Plant 5 Meters	15,000
Ford F350 Truck	85,000
Jet Trailer Disinfector	9,500
Box Trailer	15,000
Slip Line Sewer Line	46,200
	270,450



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 15, 2022

AGENDA TOPIC: Consideration and possible action approving the First Reading of an Ordinance levying a property tax rate of 32.91 cents per \$100 taxable valuation on property in the City of Fair Oaks Ranch for tax year 2022; and determining due and delinquent dates.

DATE: September 15, 2022

DEPARTMENT: Finance

PRESENTED BY: Scott Huizenga, Assistant City Manager, Administrative Services

INTRODUCTION/BACKGROUND:

State law requires the City Council to adopt a tax rate to fund the adopted General Fund and Debt Service Fund budgets. At the August 18th City Council meeting, the Council authorized using 32.50 cents as the proposed M&O 2022 tax rate and a 2.68 cents I&S 2022 tax rate for a combined property tax rate of 35.18 cents per \$100 taxable valuation. All required notices were published in the newspaper and on City’s website. A Public Hearing will be held September 15, 2022 to afford all citizens the opportunity to be heard on the proposed tax rate.

Texas Tax Code Chapter 26 requires the vote on the ordinance setting a tax rate *must be a record vote* if the tax rate exceeds the lower of the no-new-revenue tax rate or voter-approval rate. The Code further mandates that a motion to adopt an ordinance setting a tax rate that exceeds the no-new-revenue tax rate must be made in the following form: *"I move that the property tax rate be increased by the adoption of a tax rate .XXXX, which is effectively a X.XX% increase in the tax rate"*.

Through the budget process, the City has been able to balance the budget with a combined tax rate of 32.91 cents per \$100 taxable valuation, which is lower than the proposed maximum tax rate. As we are proposing a tax rate higher than the lower of the no-new-revenue rate or voter approval rate, the motion to adopt the ordinance must be a **record vote and the above motion made as stated above.**

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

1. Complies with state laws in setting the 2022 property tax rate
2. Establishes the level of taxation necessary to finance City programs and pay for City debt approved in the fiscal year budget.

LONGTERM FINANCIAL & BUDGETARY IMPACT

The total tax rate of 32.91 cents per \$100 taxable valuation has decreased from the prior year tax rate. Budgetary implications in terms of dollars are outlined in the Budget Document.

LEGAL ANALYSIS:

Reviewed and approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move that the property tax rate be increased by the adoption of a tax rate 32.91 cents per \$100 taxable valuation, which is effectively a 1.01% increase in the tax rate.

AN ORDINANCE

AN ORDINANCE LEVYING AD VALOREM TAXES FOR USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF FAIR OAKS RANCH, TEXAS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2022 AND ENDING SEPTEMBER 30, 2023; PROVIDING WHEN TAXES SHALL BECOME DUE AND WHEN SAME SHALL BECOME DELINQUENT; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, on August 18, 2022, the City Council established a proposed ad valorem tax rate to support the proposed FY 2022-23 budget and set September 15, 2022 as the date for the public hearing thereon and caused notice of such public hearing to be posted pursuant to Local Government Code §140.010(e)(f) and (g); and,

WHEREAS, the public hearing was held on said date and all persons were then afforded an opportunity to appear and object to the proposed ad valorem tax rate; and,

WHEREAS, by ordinance the Council will approve the municipal budget for the fiscal year beginning October 1, 2022 and ending September 30, 2023; and

WHEREAS, it is necessary that an ordinance be passed levying an ad valorem tax on all property, both real and personal, within the corporate limits of the City of Fair Oaks Ranch, Texas in accordance with said budget and Texas Property Tax Code, §26.05(b).

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH:

SECTION 1. TAX LEVY.

- a. That there is hereby levied and there shall be collected for the use and support of the municipal government of the City of Fair Oaks Ranch (herein the “City”), upon all property, real, personal, and mixed, in the corporate limits of said City subject to taxation, a tax rate of **\$0.3023** on each \$100 taxable valuation of property, said tax being so levied for the maintenance and operations of the General Fund of the municipal government for the 2022-23 Fiscal Year.
- b. That there is hereby levied and there shall be collected for the use and support of the municipal government of the City of Fair Oaks Ranch (herein the “City”), upon all property, real, personal, and mixed, in the corporate limits of said City subject to taxation, a tax rate of **\$0.0268** on each \$100 taxable valuation of property, said tax being so levied for the debt service principal and interest of the Debt Service Fund of the municipal government for the 2022-23 Fiscal Year.
- c. **THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR’S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 1.01% AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$3.30.**

SECTION 2. TAX PAYMENT DUE DATE AND DELINQUENT EFFECTIVE DATE.

- a. Unless the due date has been extended, taxes levied under this ordinance shall be due on October 1, 2022, and if not paid on or before January 31, 2023 shall immediately become delinquent.

b. Taxes shall become a lien upon the property against which assessed, and the Bexar County Tax Office as the collector of property taxes is hereby authorized and empowered to enforce the collection of such taxes according to the Constitution and laws of the State of Texas and ordinances of the City and shall, by virtue of the tax rolls, fix and establish a lien by levying upon such property, whether real or personal, for the payment of said taxes, penalty and interest, and, the interest and penalty collected from such delinquent taxes shall be apportioned to the general fund of the City. All delinquent taxes shall bear interest from date of delinquency at the rate as prescribed by state law.

SECTION 3. SEVERABILITY.

If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 4. EFFECTIVE DATE

This ordinance shall take effect and be in force from the date after its passage.

PASSED and APPROVED on first reading this 15th day of September 2022 and recorded as follows:

	FOR	AGAINST	ABSTAIN
Mayor Greg Maxton			
Council Member Stroup			
Council Member Elizondo			
Council Member Bliss			
Mayor Pro Tem Koerner			
Council Member Parker			
Council Member Muenchow			

PASSED, APPROVED, AND ADOPTED on second reading this 22nd day of September 2022 and recorded as follows:

	FOR	AGAINST	ABSTAIN
Mayor Greg Maxton			
Council Member Stroup			
Council Member Elizondo			
Council Member Bliss			
Mayor Pro Tem Koerner			
Council Member Parker			
Council Member Muenchow			

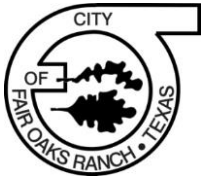
Gregory C. Maxton, Mayor

APPROVED AS TO FORM:

ATTEST:

Christina Picioccio, City Secretary

Denton Navarro Rocha Bernal & Zech, P.C.,
City Attorney



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 15, 2022

AGENDA TOPIC: Consideration and possible action approving a Resolution to appoint members to fill places on the City of Fair Oaks Ranch Board of Appeals.
DATE: September 15, 2022
DEPARTMENT: City Secretary
PRESENTED BY: Christina Picioccio, TRMC, City Secretary

INTRODUCTION/BACKGROUND:

At the June 16, 2022 City Council meeting, the City Secretary reviewed the process of appointing/reappointing members of the City’s Boards and Commissions. The Building Code Board of Appeals is a four-member board (3 regular & 1 alternate) with three-year staggered terms. The alternate position is currently vacant and the term for Place 2 expires on September 30, 2022. The requirement to serve on the Board of Appeals is by “experience and training to pass on matters pertaining to building construction and are not employees of the jurisdiction”.

The City Secretary’s office contacted the incumbent for Place 2. The incumbent expressed interest in continuing to serve. To generate new applicants, notices and applications were posted on the city website as well as social media forums. The application deadline was August 10, 2022. No eligible applications were received to serve on this board therefore this board will be short one alternate position.

Following the application window, at their August 18, 2022 regular meeting, Council elected to reappoint the incumbent to serve a new term ending September 30, 2025. The resolution for consideration and possible action is to reappoint a member to Places 2.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

To appoint members to hear and resolve appeals from the determinations of the building official for the city. Having all of the Board’s seats filled ensures community input as citizen decisions influences and preserves the community’s values.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

Approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve a resolution appointing a member to Place 2 on the City of Fair Oaks Ranch Board of Appeals.

A RESOLUTION

A RESOLUTION OF THE CITY OF FAIR OAKS RANCH APPOINTING MEMBERS TO FILL PLACES ON THE CITY OF FAIR OAKS RANCH BOARD OF APPEALS

WHEREAS, on November 19, 2015, under Ordinance 2015-11, the Fair Oaks Ranch City Council established the City of Fair Oaks Ranch Board of Appeals to hear and resolve appeals from the determinations of the building official for the city; providing for the appointments of its members by City Council, by Resolution;

WHEREAS, the City Council created staggered terms for consistency throughout all City Boards and Commissions in 2020; and,

WHEREAS, the terms for Place 2 will expire on September 30, 2022; and,

WHEREAS, one member (Place 2) indicated he desired to continue serving on the Board of Appeals; and,

WHEREAS, there will be an open Alternate position; and,

WHEREAS, the City Council deems it necessary to appoint Place 2 on the Board of Appeals.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS that the following qualified citizen volunteers are appointed to serve on the City of Fair Oaks Ranch Board of Appeals, effective 10/1/2022:

Place 2 Jenks Boston Term: 10/1/2022 - 9/30/2025

PASSED, APPROVED and ADOPTED this 15th day of September, 2022.

Gregory C. Maxton, Mayor

ATTEST:

Christina Picioccio, TRMC, City Secretary

Denton Navarro Rocha Bernal & Zech, P.C., City Attorney



**CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 15, 2022**

AGENDA TOPIC: Consideration and possible action approving a Resolution to appoint members to fill places on the City of Fair Oaks Ranch Capital Improvement Advisory Committee.
DATE: September 15, 2022
DEPARTMENT: City Secretary
PRESENTED BY: Christina Picioccio, TRMC, City Secretary

INTRODUCTION/BACKGROUND:

At the June 16, 2022 City Council meeting, the City Secretary reviewed the process of appointing/reappointing members of the City’s Boards and Commissions. The Capital Improvement Advisory Committee is a nine-member committee with three-year terms. Three of those positions will be vacant due to terms ending on September 30, 2022. No fewer than 40% of the members must be representatives of the real estate development or building industries. Two of the three incumbents with terms expiring contribute to meeting that requirement.

The City Secretary’s office contacted the incumbents for Places 4, 5 & 6 to ask their interest in continuing to serve. All three persons expressed interest in continuing to serve. To generate new applicants, notices and applications were posted on the city website as well as social media forums. The application deadline was August 10, 2022. Three applications were received from residents interested in serving on the CIAC.

Following the application window, at their August 18, 2022 regular meeting, Council elected to reappoint incumbents to serve a new term ending September 30, 2025. The resolution for consideration and possible action to reappoint members to places 4, 5, and 6.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Having all of the Board’s seats filled ensures community input as citizen decisions influences and preserves the community’s values.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

Approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve a Resolution appointing members to fill places 4, 5, and 6 on the City of Fair Oaks Ranch Capital Improvement Advisory Committee.

A RESOLUTION

A RESOLUTION OF THE CITY OF FAIR OAKS RANCH APPOINTING MEMBERS TO FILL PLACES 4, 5, AND 6 ON THE CITY OF FAIR OAKS RANCH CAPITAL IMPROVEMENT ADVISORY COMMITTEE

WHEREAS, under Ordinance No. 145.0, the Fair Oaks Ranch City Council established the City of Fair Oaks Ranch Impact Fee Advisory Committee; providing for the appointments of its members by City Council, by Resolution; and

WHEREAS, pursuant to Local Government Code 395.058(a), the City Council of the City of Fair Oaks Ranch resolved (Res 82.5) on February 16, 2006 to rename the Impact Fee Advisory Committee to Capital Improvements Advisory Committee; and

WHEREAS, the Committee serves in an advisory capacity and is established to follow the duties and functions set forth in Texas Local Government Code 395.058(c) and City of Fair Oaks Ranch Ordinance No. 145.0; and

WHEREAS, the City Council created staggered terms for consistency throughout all City Boards and Commissions in 2020; and,

WHEREAS, the terms for Places 4, 5, and 6 of the CIAC will expire on September 30, 2022; and,

WHEREAS, the three members (Places 4, 5 and 6) indicated they desired to continue serving on the Capital Improvement Advisory Committee; and,

WHEREAS, the City Council deems it necessary to appoint members to fill Places 4, 5, and 6 on the Capital Improvements Advisory Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS that the following qualified citizen volunteers are appointed to serve on the City of Fair Oaks Ranch Capital Improvement Advisory Committee, effective 10/1/2022:

Place 4	Dana Green (Development)	Term: 10/1/2022 - 9/30/2025
Place 5	Paul Mebane	Term: 10/1/2022 - 9/30/2025
Place 6	Marcus Garcia (Development)	Term: 10/1/2022 - 9/30/2025

PASSED, APPROVED and ADOPTED this 15th day of September, 2022.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC, City Secretary

Denton Navarro Rocha Bernal & Zech, P.C., City Attorney



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 15, 2022

AGENDA TOPIC: Consideration and possible action approving a Resolution to appoint members to fill places on the City of Fair Oaks Ranch Municipal Development District Board of Directors

DATE: September 15, 2022

DEPARTMENT: City Secretary

PRESENTED BY: Christina Picioccio, TRMC, City Secretary

INTRODUCTION/BACKGROUND:

At the June 16, 2022 City Council meeting, the City Secretary reviewed the process of appointing/reappointing members of the City’s Boards and Commissions. The Municipal Development District Board of Directors is comprised of seven members serving two-year staggered terms. Four of those positions will be vacant due to terms ending on September 30, 2022.

The City Secretary’s office contacted the incumbents for Places 1, 2, 4, and 5 to ask their interest in continuing to serve. All four persons expressed interest in continuing to serve. To generate new applicants, notices and applications were posted on the city website as well as social media forums. The application deadline was August 10, 2022. Three applications were received from residents interested in serving on the MDD Board.

Following the application window, at their August 18, 2022 regular meeting, Council elected to reappoint incumbents to serve a new term ending September 30, 2024. The resolution for consideration and possible action to reappoint members to places 1, 2, 4, and 5.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Having all of the Board’s seats filled ensures community input as citizen decisions influences and preserves the community’s values.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

Approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve a Resolution appointing members to fill places 1, 2, 4, and 5 on the City of Fair Oaks Ranch Municipal Development District Board of Directors.

A RESOLUTION

A RESOLUTION OF THE CITY OF FAIR OAKS RANCH APPOINTING DIRECTORS TO FILL PLACES 1, 2, 4, AND 5 ON THE CITY OF FAIR OAKS RANCH MUNICIPAL DEVELOPMENT DISTRICT BOARD OF DIRECTORS

WHEREAS, as authorized by Texas Local Government Code §377.021, and, upon the favorable results of the May 7, 2011 City of Fair Oaks Ranch election, the Fair Oaks Ranch Municipal Development District was created and the imposition of a sales and use tax of one-half of one-percent in the district’s boundaries was approved; and,

WHEREAS, on August 8, 2011, the City Council of the City of Fair Oaks Ranch adopted Ordinance 2011-08 creating the District’s Board of Directors and providing for the appointments of its Directors by City Council, by Resolution; and,

WHEREAS, the City Council created staggered terms for consistency throughout all City Boards and Commissions in 2020; and,

WHEREAS, Place 1 (Council), Place 2 (Council), Place 4, and Place 5 terms on the MDD Board of Directors has expired; and,

WHEREAS, the three members (Places 1 (Council), Place 2 (Council), Place 4, and Place 5) indicated they desired to continue serving on the Fair Oaks Ranch Municipal Development District Board of Directors; and,

WHEREAS, the City Council deems it necessary to appoint members to fill Places 1 (Council), 2 (Council), 4 and 5 expired or vacant terms on the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS that the following qualified City Council members and citizen volunteers are appointed to serve on the City of Fair Oaks Ranch Municipal Development District Board of Directors, effective 10/1/2022:

Place 1 (Council)	Roy Elizondo	Term: 10/1/2022 – 9/30/2024
Place 2 (Council)	Laura Koerner	Term: 10/1/2022 – 9/30/2024
Place 4	Nicholas DiCianni	Term: 10/1/2022 – 9/30/2024
Place 5	Mike Lovelace	Term: 10/1/2022 – 9/30/2024

PASSED, APPROVED and ADOPTED this 15th day of September, 2022.

Gregory C. Maxton, Mayor

ATTEST:

Christina Picioccio, TRMC, City Secretary

Denton Navarro Rocha Bernal & Zech, P.C., City Attorney



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
September 15, 2022

AGENDA TOPIC: Consideration and possible action approving a Resolution to appoint members to fill places on the City of Fair Oaks Ranch Zoning Board of Adjustment.

DATE: September 15, 2022

DEPARTMENT: City Secretary

PRESENTED BY: Christina Picioccio, TRMC, City Secretary

INTRODUCTION/BACKGROUND:

At the June 16, 2022 City Council meeting, the City Secretary reviewed the process of appointing/reappointing members of the City’s Boards and Commissions. The Zoning Board of Adjustment is comprised of five members and two alternates serving two-year terms.

Terms for all members and the two alternates will expire on September 30, 2023. The Board Member in Place 4 resigned from his position creating a vacancy. Both alternates indicated they are interested in serving as a regular member and incumbents in Places 2, 3, and 5 expressed interest in continuing to serve in their current position with terms that would expire in 2024. To generate new applicants, notices and applications were posted on the city website as well as social media forums. The application deadline was August 10, 2022.

Interviews were conducted for applicants at a special city council meeting held on August 31, 2022. In order to create staggered terms the recommendation from staff is to reappoint members into Places 2, 3 and 5, and should Council desire, move one of the alternate members into Place 4, and appoint a new member into the vacant alternate position.

The resolution for consideration and possible action is for places 2, 3, 4, 5 and an alternate position. Discussion and selection from current alternates and interviewed candidates is expected.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Staggered terms ensure consistency between various boards and commissions and minimizes disruption to committees while maintaining a knowledge and experience base. Having all of the Board’s seats filled ensures community input as citizen decisions influences and preserves the community’s values.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

Approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve a Resolution appointing members to fill places 2, 3, 4, 5 and Alternate on the City of Fair Oaks Ranch Zoning Board of Adjustment.

A RESOLUTION

A RESOLUTION OF THE CITY OF FAIR OAKS RANCH APPOINTING MEMBER TO FILL PLACES 2, 3, 4, 5 AND ONE ALTERNATE ON THE CITY OF FAIR OAKS RANCH ZONING BOARD OF ADJUSTMENT

WHEREAS, on June 21, 2018, under Ordinance 2018-05, the City Council of the City of Fair Oaks Ranch amended the city’s Code of Ordinances, Chapter 14 by adopting zoning districts and zoning regulations in the City of Fair Oaks Ranch; and,

WHEREAS, Chapter 14, Section 14.01.004, entitled, “Zoning Board of Adjustment” (ZBOA), provides for the structure, procedure, and duties of a Zoning Board of Adjustment (“the Board”); and,

WHEREAS, terms for all five members and two alternates will expire on September 30, 2023; and,

WHEREAS, the City Council desires to create staggered terms for consistency throughout all City Boards and Commissions; and,

WHEREAS, three members (Places 2, 3, and 5) indicated they desired to continue serving on the Zoning Board of Adjustment; and,

WHEREAS, both alternates expressed interest in serving as a regular member on the Zoning Board of Adjustment; and,

WHEREAS, should Council desire, one alternate position will need to be filled if an alternate is moved into a regular position; and,

WHEREAS, after receiving applications of interest and conducting interviews in August of 2022; and,

WHEREAS, the City Council deems it necessary to fill the vacant unexpired regular and alternate terms on the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS that the following qualified citizen volunteers are appointed to serve as a regular member on the City of Fair Oaks Ranch Zoning Board of Adjustment, effective 10/1/2021:

Place 2	Dean Gaubatz	Term: 10/1/2022 – 9/30/2024
Place 3	Laurence R. Nichols	Term: 10/1/2022 – 9/30/2024
Place 4	_____	Term: 10/1/2022 – 9/30/2023
Place 5	J.C. Taylor	Term: 10/1/2022 – 9/30/2024
Alternate #2	_____	Term: 10/1/2022 – 9/30/2024

PASSED and APPROVED this 15th day of September, 2022.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC, City Secretary

Denton Navarro Rocha Bernal & Zech, P.C.,
City Attorney