

CITY OF FAIR OAKS RANCH CITY COUNCIL REGULAR MEETING

Thursday, November 06, 2025 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: Texas Arbor Day

Gregory C. Maxton, Mayor

5. Recognition of the Employee of the Quarter (Q4 - July 2025 through September 2025): Sara Cleboski, Animal Services Officer

Joanna Merrill, PSHRA-SCP, Director of Human Resources

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

6. Approval of the October 16, 2025 Regular City Council meeting minutes

Christina Picioccio, TRMC, City Secretary

7. Consideration and possible action on cancelling the January 1, 2026 City Council meeting

Gregory C. Maxton, Mayor

PUBLIC HEARING

8. Conduct a Public Hearing on a proposed amendment to the Comprehensive Plan to designate the land use classification as Community Facilities (CF) for approximately 2.923 acres located in the southern portion at 329 Ammann Road, Kendall County, Texas

- A. Mayor opens the public hearing
- B. Staff presentation of the FLUM request
- C. City Council receives public testimony
- D. Mayor closes the public hearing

Jessica Relucio, ENV SP, City Planner

9. Conduct a Public Hearing on a zoning request from the applicant and property owner, City of Fair Oaks Ranch, to designate approximately 2.923 acres generally located in the southern portion of 329 Ammann Road, Kendall County, Texas, as Community Facilities (CF)

- A. Mayor opens the public hearing
- B. Staff presentation of the zoning request
- C. City Council receives public testimony
- D. Mayor closes the public hearing

Jessica Relucio, ENV SP, City Planner

CONSIDERATION/DISCUSSION ITEMS

10. Consideration and possible action to approve the first reading of an ordinance amending the Comprehensive Plan to designate the land use classification as Community Facilities (CF) for approximately 2.923 acres located in the southern portion of 329 Ammann Road, Kendall County, Texas

Jessica Relucio, ENV SP, City Planner

11. Consideration and possible action to approve the first reading of an ordinance designating the zoning district for approximately 2.923 acres located in the southern portion of 329 Ammann Road, Kendall County, Texas, as Community Facilities (CF)

Jessica Relucio, ENV SP, City Planner

12. Consideration and possible action to approve a resolution amending the Capital Improvements Advisory Committee Rules of Procedure

Amanda Valdez, TRMC, Deputy City Secretary

13. Consideration and possible action to approve a resolution appointing the Capital Improvements Advisory Committee Chair and Vice Chair

Amanda Valdez, TRMC, Deputy City Secretary

- [14.](#) Consideration and possible action to approve a resolution to accept a monetary donation from the Fair Oaks Ranch Homeowners Association (FORHA) in the amount of \$10,000 for the City's Oak Wilt Program

Aithne Loeblich, Environmental Program Manager
David Fairhurst, Vice-President, FORHA Board of Directors

WORKSHOP

- [15.](#) SAWS Emergency Interconnect Project Update

Steven Fried, Assistant Director of Public Works

- [16.](#) Compensation and Classification Study Final Report and Recommendations

Joanna Merrill, Director of Human Resources

- [17.](#) Post Oak Trail and Silver Spur Trail Speed Limit

Council Member Ruben Olvera
Carole Vanzant, CPM, ICMA-CM, Assistant City Manager

REPORTS FROM STAFF AND COMMITTEES

- [18.](#) FY 2024-25 Preliminary Year-End Results and Quarterly Investment Report

Summer Fleming, CGFO, Director of Finance

REQUESTS AND ANNOUNCEMENTS

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

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 on October 31, 2025 and remained so posted continuously for at least three business days before said meeting was convened. A quorum of various boards, committees, and commissions may attend the City Council meeting.

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

City of Fair Oaks Ranch

WHEREAS, in 1872, the Nebraska Board of Agriculture established a special day to be set aside for the planting of trees; and this holiday, called Arbor Day, was first observed with the planting of more than a million trees; and,

WHEREAS, Texas Arbor Day is observed on November 7, 2025 and this holiday serves as a reminder to recognize the significant role that trees play in Texas, and

WHEREAS, each of us can do our part to preserve the natural beauty of Texas by educating ourselves on environmental matters, while planting trees which will preserve the natural aesthetic of the Hill Country for generations to come, and,

WHEREAS, trees can be a solution to reducing the erosion of our precious topsoil by wind and water, cutting heating and cooling costs, moderating the temperature, cleaning the air, producing life-giving oxygen, and providing habitat for wildlife; and,

WHEREAS our City originated from the development of the Fair family ranch and both the City and ranch were appropriately named out of appreciation for our historic and majestic oak trees; and

WHEREAS, trees within our community help preserve the natural beauty that makes Fair Oaks Ranch an attractive and favorable place to live; and

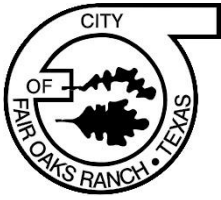
WHEREAS, the preservation of trees is a consideration in all aspects of our continued growth as a City.

NOW, THEREFORE, I Gregory C. Maxton, Mayor of the City of Fair Oaks Ranch, do hereby proclaim November 7, 2025, as Arbor Day in our City, and I encourage all citizens to care for their trees, recognizing the value that they add to the City of Fair Oaks Ranch. As a designated Tree City USA, the City of Fair Oaks Ranch is committed to maintaining our oak trees, which helps make our community a special place to live.

WITNESS MY HAND AND SEAL THIS 6th DAY OF NOVEMBER, 2025.

Gregory C. Maxton, Mayor

Christina Picioccio, TRMC
City Secretary



CITY OF FAIR OAKS RANCH CITY COUNCIL REGULAR MEETING

Thursday, October 16, 2025 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, Olvera, Pearson, Parker, and Swarek

Council Absent: Council Member Rhoden

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

Doug Miller, the resident who requested the speed reduction on Rolling Acres Trail, spoke in support of the Item #7, decreasing the maximum speed limit on Rolling Acres trail from Ammann Road to Silver Spur Trail to 30 mph.

PRESENTATIONS

4. Mayor Maxton presented a proclamation to the Municipal Court staff in honor of Municipal Court Week, November 3-7, 2025.

CONSENT AGENDA

5. Approval of the October 16, 2025 Regular City Council meeting minutes
6. Approval of the second reading of an ordinance of the City Council of the City of Fair Oaks Ranch, Texas amending the City of Fair Oaks Ranch Unified Development Code (UDC) regarding comprehensive amendments, including various policy and administrative changes
7. Approval of the second reading of an ordinance of the City Council of the City of Fair Oaks Ranch, Texas, amending the Fair Oaks Ranch Code of Ordinances Chapter 12 Traffic and Vehicles, Article 12.01 General Provisions, Section 12.01.003(3) by reducing the maximum speed limit on Rolling Acres Trail from Ammann Road to Silver Spur Trail to 30 mph
8. Approval of a resolution amending the City's Financial Management Policy; reaffirming the City's Investment Policy; and providing an effective date

9. Approval of Council Member Swarek's absence from the October 2, 2025 Regular City Council meeting

MOTION: Made by Council Member Parker, seconded by Council Member Olvera, to approve the Consent Agenda.

VOTE: 6 - 0; Motion Passed.

CONSIDERATION/DISCUSSION ITEMS

10. Consideration and possible action approving the first reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinances, Chapter 3 Building Regulations, Article 3.01 General Provisions, Section 3.01.018 Driveways Passing Through Drainage Channel, to require a survey and drainage analysis by a registered professional engineer

MOTION: Made by Council Member Parker, seconded by Council Member Olvera, to postpone this item indefinitely.

VOTE: 6 - 0; Motion Passed.

11. Consideration and possible action approving a resolution authorizing a Free Tree Giveaway as mitigation for trees removed by the WWTP Phase 1 Expansion and Plant 5 Ground Storage Tank (GST) projects

MOTION: Made by Council Member Swarek, seconded by Council Member Pearson, to approve a resolution authorizing a Free Tree Giveaway as mitigation for trees removed by the WWTP Phase 1 Expansion and Plant 5 Ground Storage Tank projects, expenditure of the required funds, and providing for an effective date.

VOTE: 6 - 0; Motion Passed.

12. Consideration and possible action to select a candidate for the Texas Municipal League (TML) Region 7 Director of the TML Board of Directors

MOTION: Made by Council Member Stoup, seconded by Council Member Olvera, to elect Ed Cimics to fill the Region 7 director of the TML Board of Directors.

VOTE: 6 - 0; Motion Passed.

WORKSHOP

13. Strategic Plan Scope of Work

Assistant City Manager Jim Williams led a workshop to gather City Council feedback on the draft scope of work to be included in the Request for Proposals.

REPORT**14. FY 2025-26 Budget in Brief**

Director of Finance Summer Flemming provided a report to City Council on the newly created "Budget in Brief" report which simplifies the Annual Budget document in a more concise and easier to read format.

REQUESTS AND ANNOUNCEMENTS**15. Announcements and reports by Mayor and Council Members**

Council Member Parker expressed his congratulations to those involved with the development of the Gateway Feature noting that he was pleased with the final results.

Mayor Maxton announced the following upcoming events and reminders: the Police Department's annual Trunk or Treat event to be held on Saturday, October 25, 2025, at 6:00 PM in the Fair Oaks Ranch Elementary School parking lot. He noted that this year there will be a pet costume contest. The Mayor reminded residents that early voting for the November 4, 2025 Constitutional Amendment Election would begin Monday, October 20, 2025. Bexar County residents may cast ballots at the Fair Oaks Ranch Police Station. Comal and Kendall County residents were encouraged to confirm their polling locations with their respective counties. Lastly the Mayor announced that the City is accepting applications for the FY 2025-26 Oak Wilt Program.

16. Announcements by the City Manager

None.

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

None.

ADJOURNMENT

Mayor Maxton adjourned the meeting at 7:55 PM.

ATTEST:

Gregory C. Maxton, Mayor

Christina Picioccio, TRMC, City Secretary



CITY COUNCIL CONSENT ITEM

CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Consideration and possible action on canceling the January 1, 2026, City Council meeting

DATE: November 6, 2025

DEPARTMENT: City Council

PRESENTED BY: Consent Item: Gregory C. Maxton, Mayor

INTRODUCTION/BACKGROUND:

The January 1, 2026 City Council meeting falls on the New Year's Day holiday and during the school recess period. A review of the schedule shows that there would be no significant delays in City business should this meeting be canceled.

In accordance with the City's Home Rule Charter, the City Council shall hold at least one regular meeting per month at City Hall or other place designated by City Council.

Rule 4 of the City Council Rules of Procedure (Ordinance 2024-21) indicates City Council shall meet in regular session on the first Thursday and third Thursday in each calendar month beginning at 6:30 PM in the Fair Oaks Ranch Council Chambers or other appropriately posted location. The City Council, by a majority vote, may reschedule or cancel any regular meeting in a manner consistent with Open Meetings or other established requirements.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

N/A

LONGTERM FINANCIAL & BUDGETARY IMPACT:

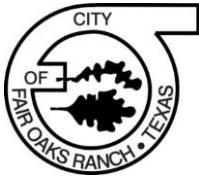
N/A

LEGAL ANALYSIS:

N/A

RECOMMENDATION/PROPOSED MOTION:

Consent Item: I move to cancel the January 1, 2026 City Council Meeting.



CITY COUNCIL PUBLIC HEARING CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Conduct a Public Hearing on a proposed amendment to the Comprehensive Plan to designate the land use classification as Community Facilities (CF) for approximately 2.923 acres located in the southern portion of 329 Ammann Road, Kendall County, Texas

DATE: November 6, 2025

DEPARTMENT: Public Works and Engineering Department

PRESENTED BY: Jessica Relucio, ENV SP, City Planner

INTRODUCTION/BACKGROUND:

On September 4, 2025, the City Council approved annexation of approximately 2.923 acres located in the southern portion of 329 Ammann Road, Kendall County, Texas, which extended the city limits. Accordingly, a Future Land Use Map (FLUM) classification must be designated.

The FLUM is part of the City's Comprehensive Plan, which outlines the City's long-term vision, goals, and aspirations regarding community development. The FLUM is a living document intended to evolve and adapt over time in response to changing circumstances. Local Government Code 213 authorizes municipalities to amend the Comprehensive Plan, including the FLUM, to guide long-range development.

As the applicant and property owner, the City proposes to amend the Comprehensive Plan, specifically the FLUM, to designate the land use classification for the subject property as Community Facilities (CF). The CF designation is appropriate for governmental, religious, educational, health care, social service, and special facilities, and aligns with the designation for other City-owned properties. Sites in the CF district are appropriate for direct access to arterial, collector, and connector streets, and uses within this district are primarily civic and places of worship.

The process of amending the Comprehensive Plan requires both the Planning and Zoning Commission (P&Z) and the City Council to conduct public hearings to receive public testimony regarding the proposed change. Following the FLUM designation, the associating zoning district will be designated in a subsequent agenda item.

On October 9, 2025, the Planning and Zoning Commission (P&Z) conducted a public hearing and did not receive any public testimony. Following the public hearing, the P&Z considered the request and recommended approval to City Council.

CRITERIA FOR REVIEW:

The proposed FLUM designation is consistent with the proposed use. In accordance with Unified Development Code (UDC) Section 1.2, the proposed amendment is consistent with the Comprehensive Plan principles, goals, and objectives related to environmental protection and

civic and public spaces:

- Preserve and protect waterways and floodplains
- Preserve and protect surface and ground water resources and hydrologically active areas
- Promote and encourage water conservation practices
- Ensure civic buildings and civic spaces are given prominent sites

The City Council will consider the following to approve, approve with modifications, or disapprove the proposed amendment, per UDC Section 3.7 (1)(c):

1. Whether the proposed amendment promotes the health, safety, or general welfare of the City and the safe, orderly, and healthful development of the City
2. Whether the proposed amendment is consistent with the Future Land Use element of the most recent version of the Comprehensive Plan
3. Whether the proposed amendment is consistent with other goals and objectives of the Comprehensive Plan
4. Unified Development Code Compliance. No requirement of the procedure for Comprehensive Plan or Code amendments may govern if in conflict with specific provisions of this Code or the Comprehensive Plan. Any potential conflict between the proposed amendment(s) and the UDC or other parts of the Comprehensive Plan should be dealt with prior to (or as part of) the adoption of any amendment.
5. Other criteria deemed relevant and important by the City Council in relationship to the proposed amendment in taking final action on the proposed amendment

PUBLIC NOTICES/COMMENTS:

A notice of the Comprehensive Plan amendment public hearing was mailed to property owners within 200 feet of the property and the affected public entities of the property on September 19, 2025. Boerne Star newspaper published a public notice on September 21, 2025. Staff posted to the City's website on September 22, 2025, and placed a sign at the subject property on September 23, 2025.

PUBLIC HEARING:

The sequence for conducting the public hearing is shown on the meeting agenda.

NEXT STEPS:

The process to amend the FLUM includes:

- November 6 – The City Council will consider and act on the first reading of an ordinance regarding the FLUM amendment. In addition, the City Council will hold a public hearing on the Zoning designation, and consider and act on the first reading of that ordinance.
- November 20 – The City Council will consider and act on the final reading of each ordinance

EXHIBITS:

- A. Legal Description
- B. Aerial Map
- C. Future Land Use Map (FLUM) - Existing and Proposed
- D. Notification Map
- E. Property Owner Response Map and Written Responses Received

Donnie Boerner Surveying Company L.P.

20 GEL Ranch Road ♦ Comfort, Texas 78013

Phone: 830-377-2492

FIRM NO. 10193963

Field Notes for a 2.923 Acre Tract of Land

Being a 2.923 acre tract out of the William D. Lusk Survey No. 211, Abstract No. 306, Kendall County, Texas and being part of that certain 10.018 acre tract conveyed to the City of Boerne by deed recorded in Document No. 2022-371461, Official Records, Kendall County, Texas, said 2.923 acre tract being more particularly described by metes and bounds as follows:

Beginning at a ½" steel found with an orange "RPLS 5207" plastic cap in the west line of Ammann Road for the southeast corner of the herein described tract, the southwest corner of a 0.234 acre right-of-way dedication recorded in Document No. 2024-392205, Official Records, Kendall County, Texas and being in the south line of the above referenced 10.018 acre tract, the north line of a 8.620 acre tract recorded in Volume 1578, Pages 77-80, Official Records, Kendall County, Texas;

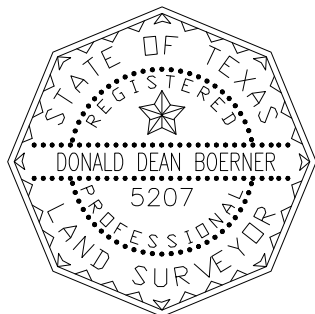
Thence, with the south line of said 10.018 acre tract, the north line of said 8.620 acre tract, North 88 degrees 47 minutes 54 seconds West, a distance of 586.95 feet to a ½" steel rod found for the southwest corner of the herein described tract, the southwest corner of said 10.018 acre tract, the southeast corner of a 10.016 acre tract recorded in Volume 401, Pages 306-308, Official Records, Kendall County, Texas;

Thence, with the west line of said 10.018 acre tract, the east line of said 10.016 acre tract, North 02 degrees 30 minutes 45 seconds West, a distance of 217.45 feet to a ½" steel rod set with an orange "RPLS 5207" plastic cap for the northwest corner of the herein described tract, said point bears, South 02 degrees 30 minutes 45 seconds East, a distance of 497.94 feet from a ½" steel rod found with an orange "RPLS 5207" plastic cap at the southwest corner of a 0.179 acre right-of-way dedication recorded in Document No. 2024-391923, Official Records, Kendall County, Texas;

Thence, departing the east line of said 10.016 acre tract, severing said 10.018 acre tract, South 88 degrees 47 minutes 54 seconds East, a distance of 586.63 feet to a ½" steel rod set with an orange "RPLS 5207" plastic cap in the west line of Ammann Road, same being the west line of the aforementioned 0.234 acre right-of-way dedication for the northeast corner of the herein described tract, said point bears, South 02 degrees 35 minutes 39 seconds East, a distance of 476.81 feet from a ½" steel rod found with an orange "RPLS 5207" plastic cap at the southeast corner of said 0.179 acre right-of-way dedication;

Thence, with the west line of Ammann Road, same being the west line of said 0.234 acre right-of-way dedication, South 02 degrees 35 minutes 39 seconds East, a distance of 217.47 feet to the **Place of Beginning** and containing 2.923 acres of land.

Note: A survey plat of the above described tract was prepared. Basis of bearing was established from the State Plane Coordinate System North American Datum of 1983, Texas South Central Zone.



Donald Dean Boerner

Registered Professional Land Surveyor No. 5207

AMMANN ROAD

RIGHT-OF-WAY VARIES

F-5207

F-5207

COUNTY OF KENDALL,
A POLITICAL SUBDIVISION OF THE STATE OF TEXAS
DOCUMENT NO. 2024-391923
OFFICIAL RECORDS
0.179 ACRE RIGHT-OF-WAY DEDICATION

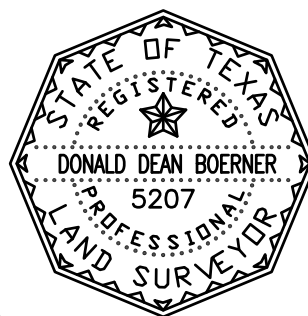
LEGEND:

FIR	FOUND 1/2' STEEL ROD
F-5207	FOUND 1/2" STEEL ROD WITH AN ORANGE "RPLS 5207" PLASTIC CAP
S-5207	SET 1/2" STEEL ROD WITH AN ORANGE "RPLS 5207" PLASTIC CAP

CITY OF FAIR OAKS RANCH, TEXAS,
A HOME-RULE MUNICIPAL CORPORATION
DOCUMENT NO. 2024-392205
OFFICIAL RECORDS
0.234 ACRE RIGHT-OF-WAY DEDICATION

SCALE: 1" = 100'

CITY OF BOERNE
DOCUMENT NO. 2022-371461
OFFICIAL RECORDS - 10.018 ACRES



JOSEPH A. KAZENAS AND
KATHLEEN A. MORRISSEY
VOLUME 401 PAGES 306-308
OFFICIAL RECORDS - 10.016 ACRES

S-5207

S-5207

2.923 ACRES

WILLIAM D. LUSK
SURVEY NO. 211
ABSTRACT NO. 306

GENERAL NOTES:

1) BASIS OF BEARING WAS ESTABLISHED FROM THE STATE PLANE COORDINATE SYSTEM, NORTH AMERICAN DATUM OF 1983, TEXAS SOUTH CENTRAL ZONE.

2) A FIELD NOTE DESCRIPTION WAS PREPARED FOR THIS TRACT.

PLAT SHOWING: A 2.923 acre tract out of the William D. Lusk Survey No. 211, Abstract No. 306, Kendall County, Texas and being part of that certain 10.018 acre tract conveyed to the City of Boerne by deed recorded in Document No. 2022-371461, Official Records, Kendall County, Texas.

DONNIE BOERNER SURVEYING COMPANY L.P.
20 GEL RANCH ROAD
COMFORT, TEXAS 78013
PH: 830-377-2492

TRAVIS K. BARBER AND
TALLY BARBER
VOLUME 1578 PAGES 77-80
OFFICIAL RECORDS - 8.620 ACRES

**POINT OF
BEGINNING**

I HEREBY CERTIFY THAT THIS SURVEY WAS MADE ON THE GROUND, THAT THIS PLAT CORRECTLY REPRESENTS THE FACTS FOUND AT THE TIME OF THIS SURVEY.

DONALD DEAN BOERNER
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5207

FIRM NO. 10193963

DATE 01-07-2025

JOB NO: 22-

**Elevated
Storage Tank**
329 Ammann Road
Kendall County, Tx

Legend

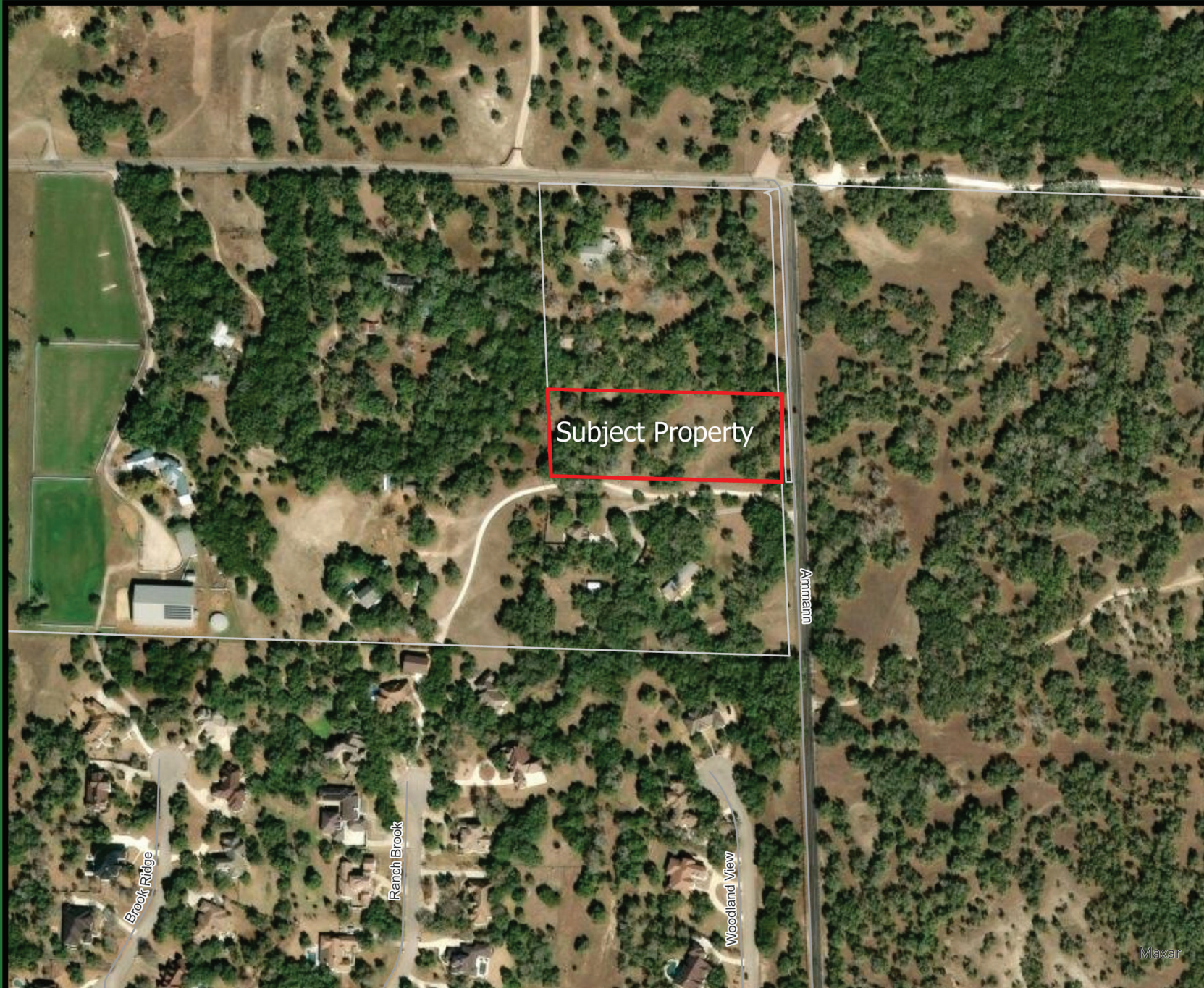
- Fair_Oaks_Roads
- Subject Property
- City ETJ and Limits

October 2025



400

US Feet



Disclaimer – The City of Fair Oaks Ranch (COFOR) does not guarantee the accuracy, adequacy, completeness, or usefulness of any information. COFOR does not warrant the completeness, timeliness, or positional, thematic, and attribute accuracy of the GIS Data. The GIS data, cartographic products, and associated applications are not legal representations of the depicted data. GIS data is derived from public records that are constantly undergoing revision. Under no circumstances should GIS products be used for final design purposes. COFOR provides this information on an "as is" basis without warranty of any kind, express or implied, including but not limited to warranties of merchantability or fitness for a particular purpose, and assumes no responsibility for anyone's use of the information.

Exhibit C

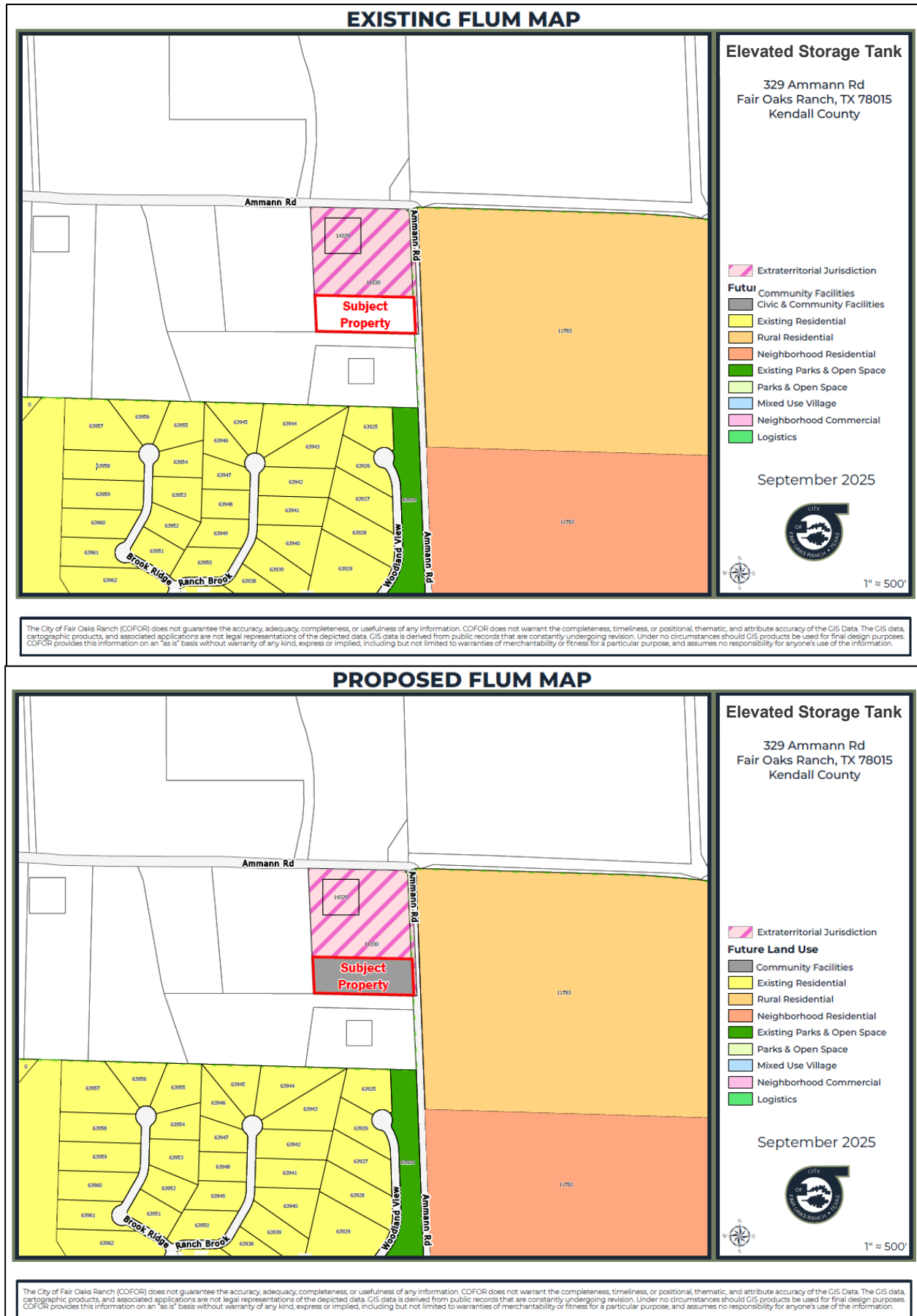
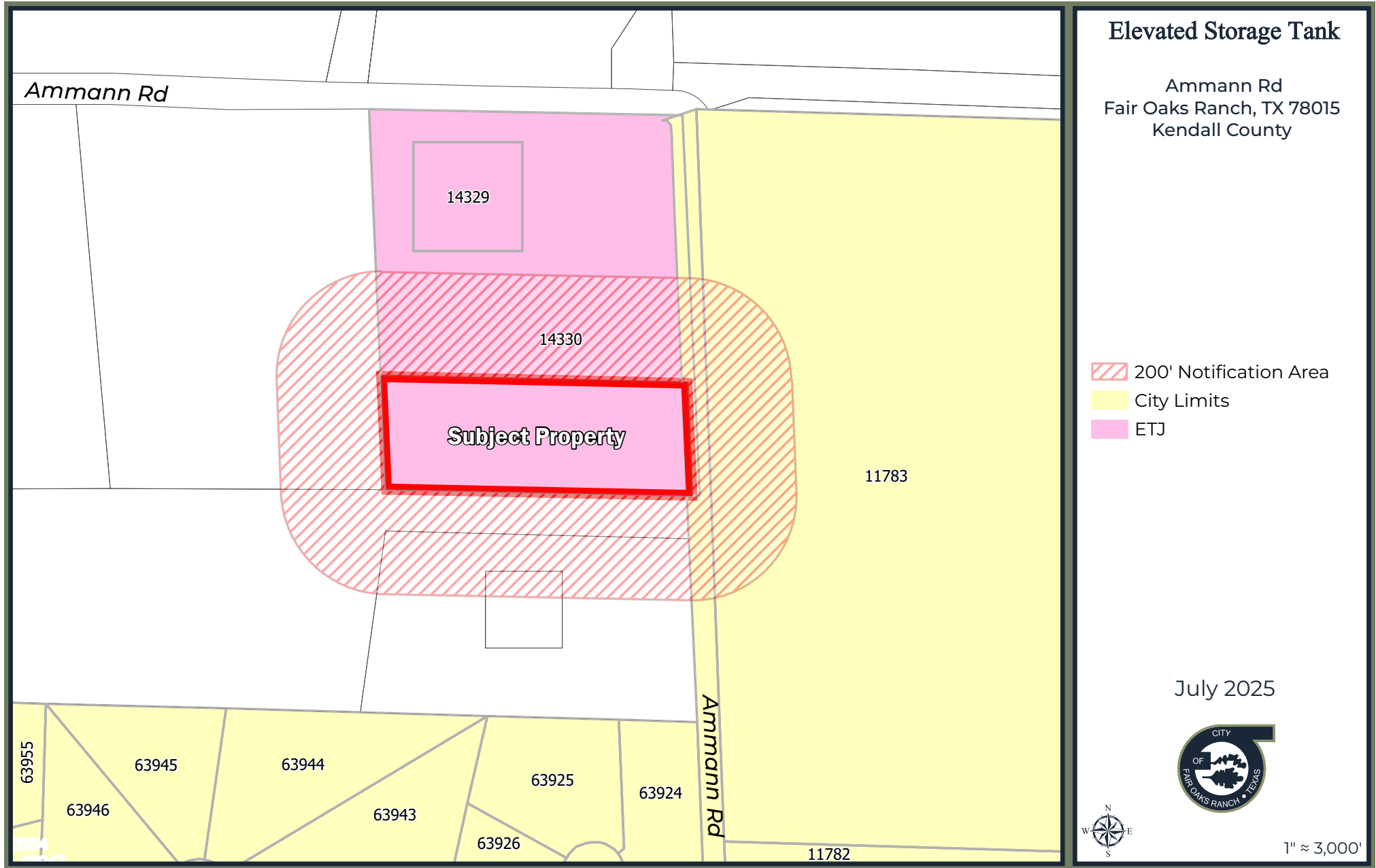


Exhibit D NOTIFICATION MAP

Item #8.

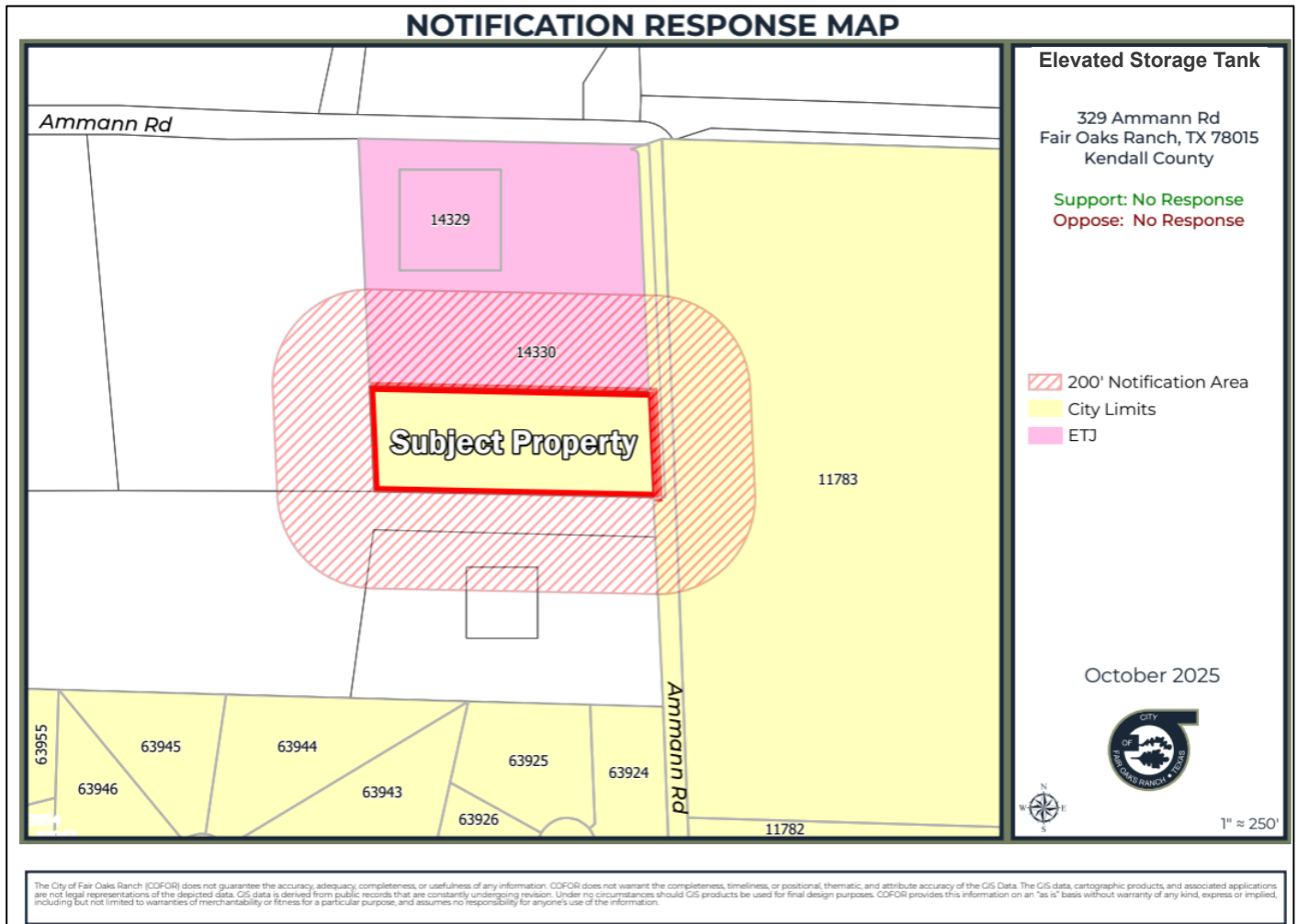


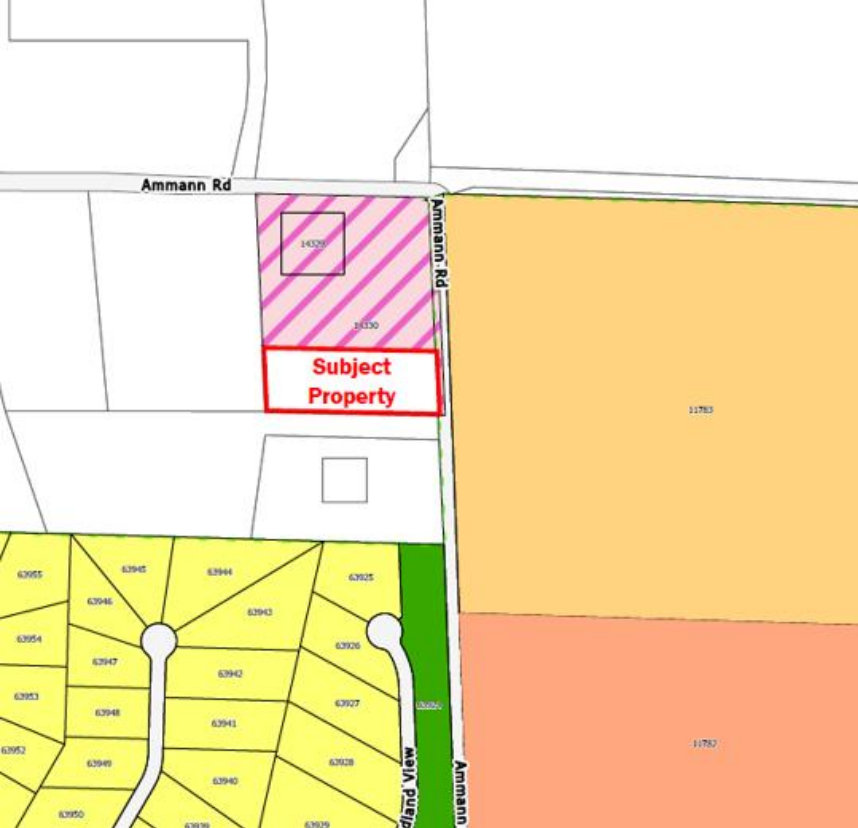
The City of Fair Oaks Ranch (COFOR) does not guarantee the accuracy, adequacy, completeness, or usefulness of any information. COFOR does not warrant the completeness, timeliness, or positional, thematic, and attribute accuracy of the GIS Data. The GIS data, cartographic products, and associated applications are not legal representations of the depicted data. GIS data is derived from public records that are constantly undergoing revision. Under no circumstances should GIS products be used for final design purposes. COFOR provides this information on an "as is" basis without warranty of any kind, express or implied, including but not limited to warranties of merchantability or fitness for a particular purpose, and assumes no responsibility for anyone's use of the information.

Exhibit E

No public comments or responses were received as of October 28, 2025; the last available date to provide a copy in the City Council meeting agenda for November 6, 2025.

Exhibit E



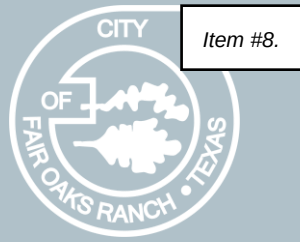


City Council Public Hearing

City Initiated

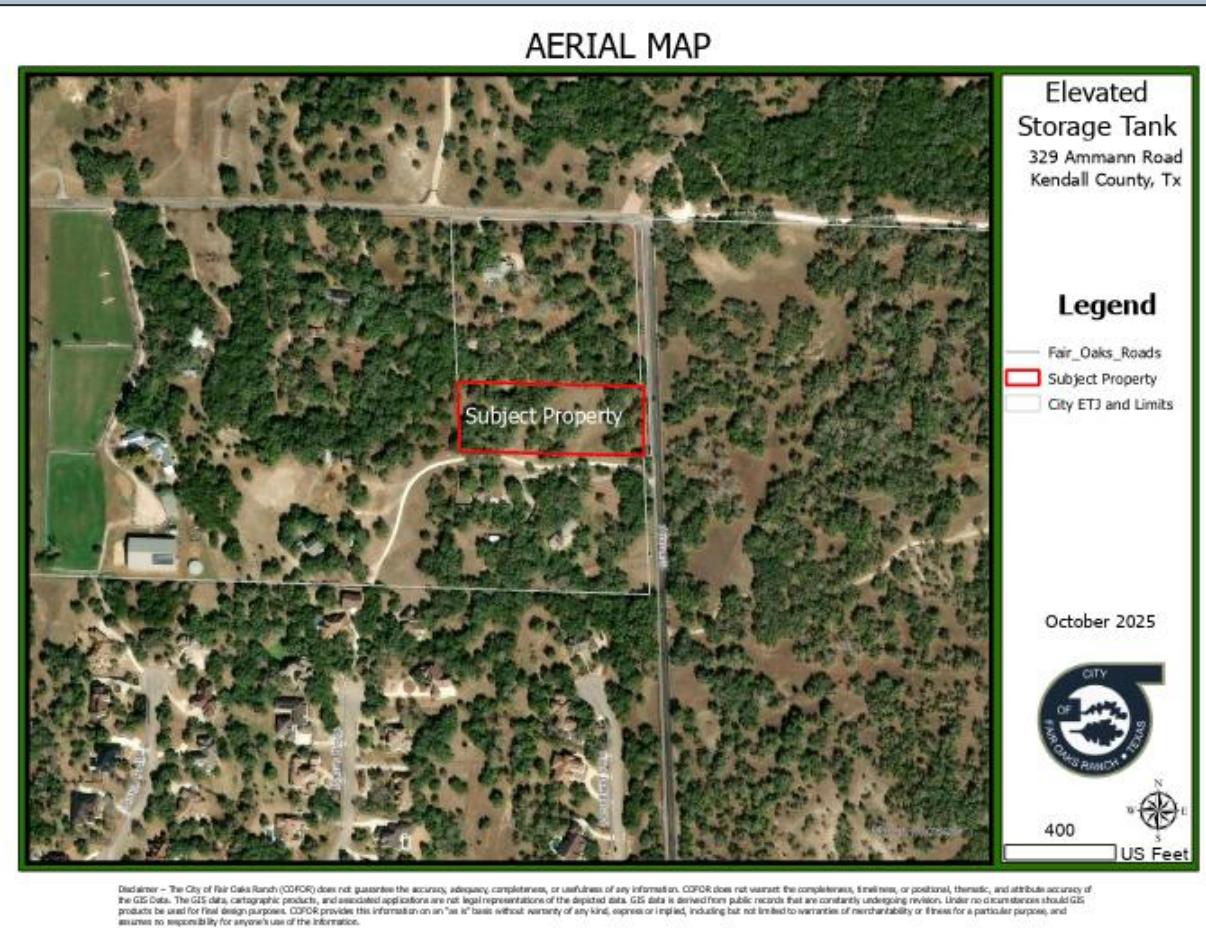
FLUM Amendment for 2.923 acre parcel

November 6, 2025
CPA# 2025-02



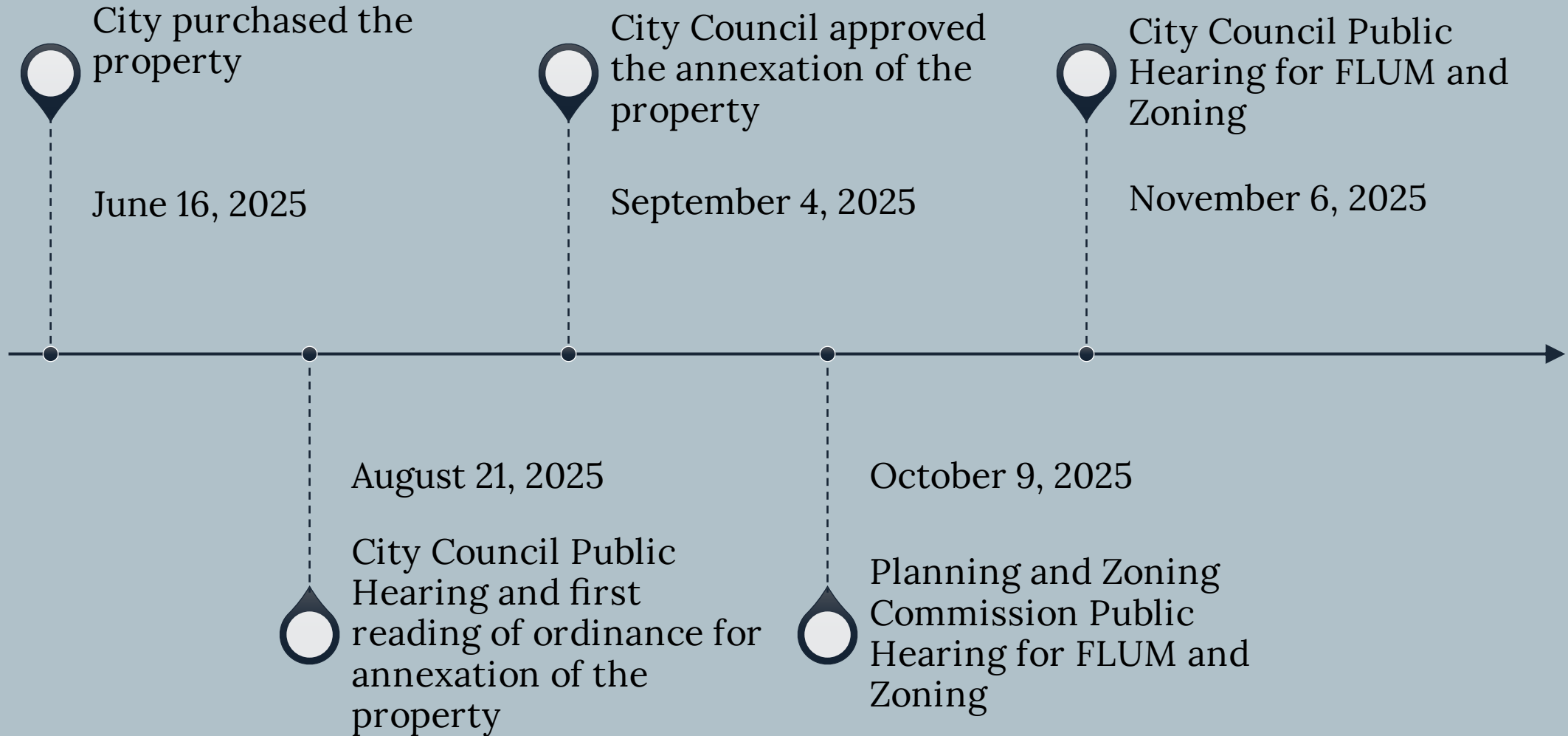
Jessica Relucio, ENV SP
City Planner

Introduction



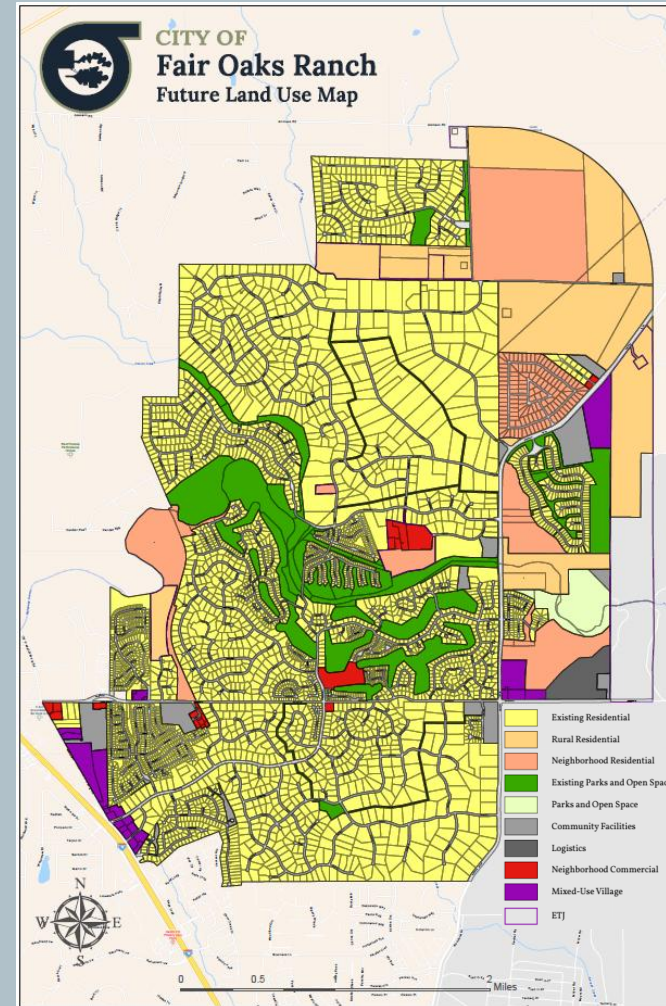
- Applicant/Property Owner: City of Fair Oaks Ranch
- Proposal: Amend the Future Land Use Map (FLUM) within the Comprehensive Plan
- FLUM Designation: Community Facilities (CF)
- Size: +/- 2.923 acres
- Location: Southern portion of 329 Ammann Road, Kendall County

Property History

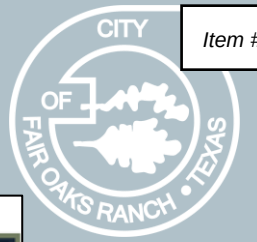


Comprehensive Plan

- The Future Land Use Map (FLUM) is part of the Comprehensive Plan
- Past amendments:
 - June 2020 (The Arbors)
 - June 2024 (Oak Bend Estates)
 - September 2025 (Post Oak)
- Process: Requires Public Hearings and P&Z recommendation to the City Council

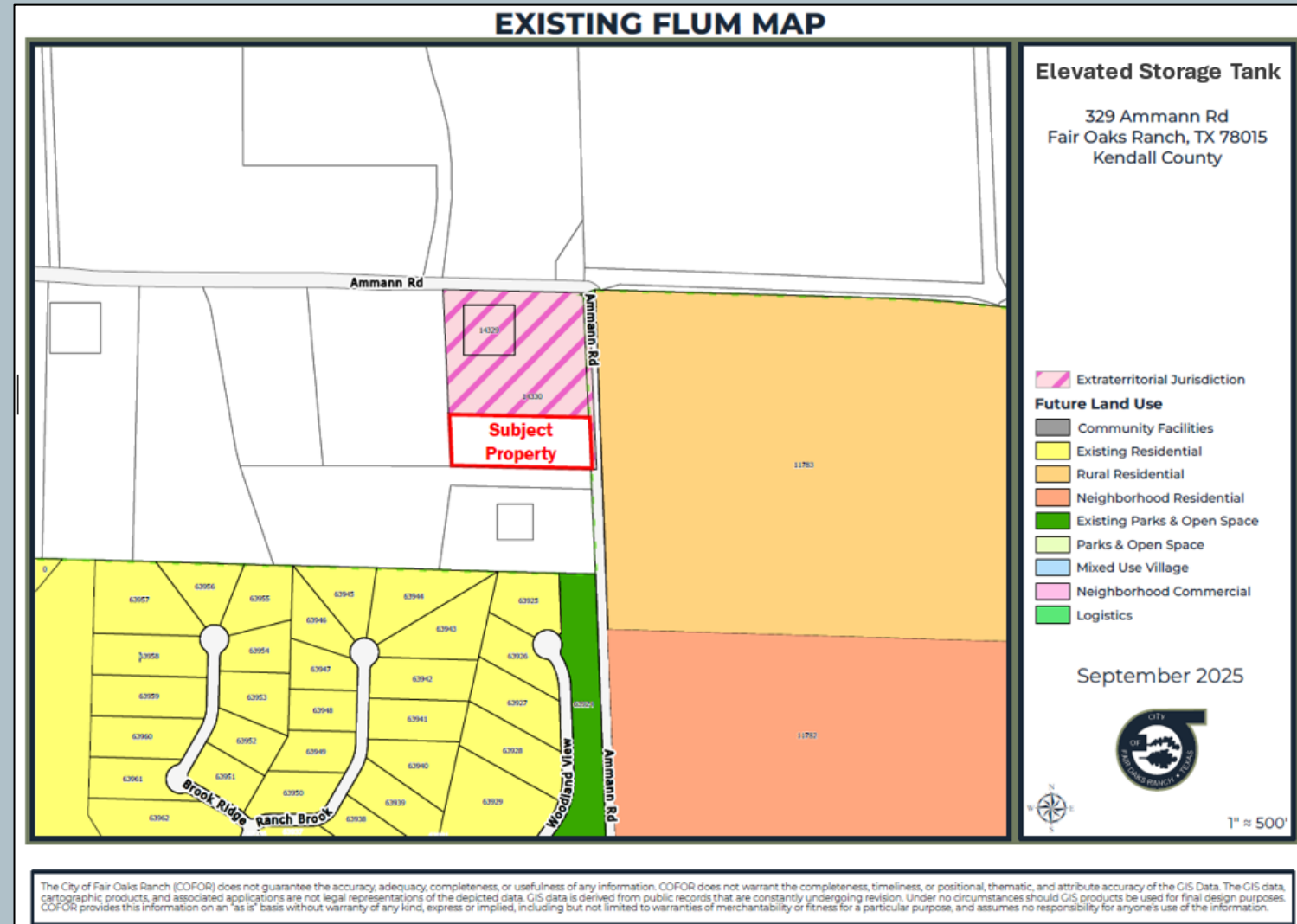


Future Land Use Map (Existing)

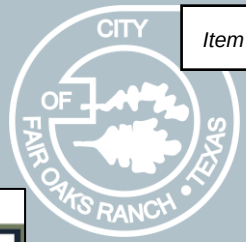


Existing

Undesignated



Future Land Use Map (Proposed)



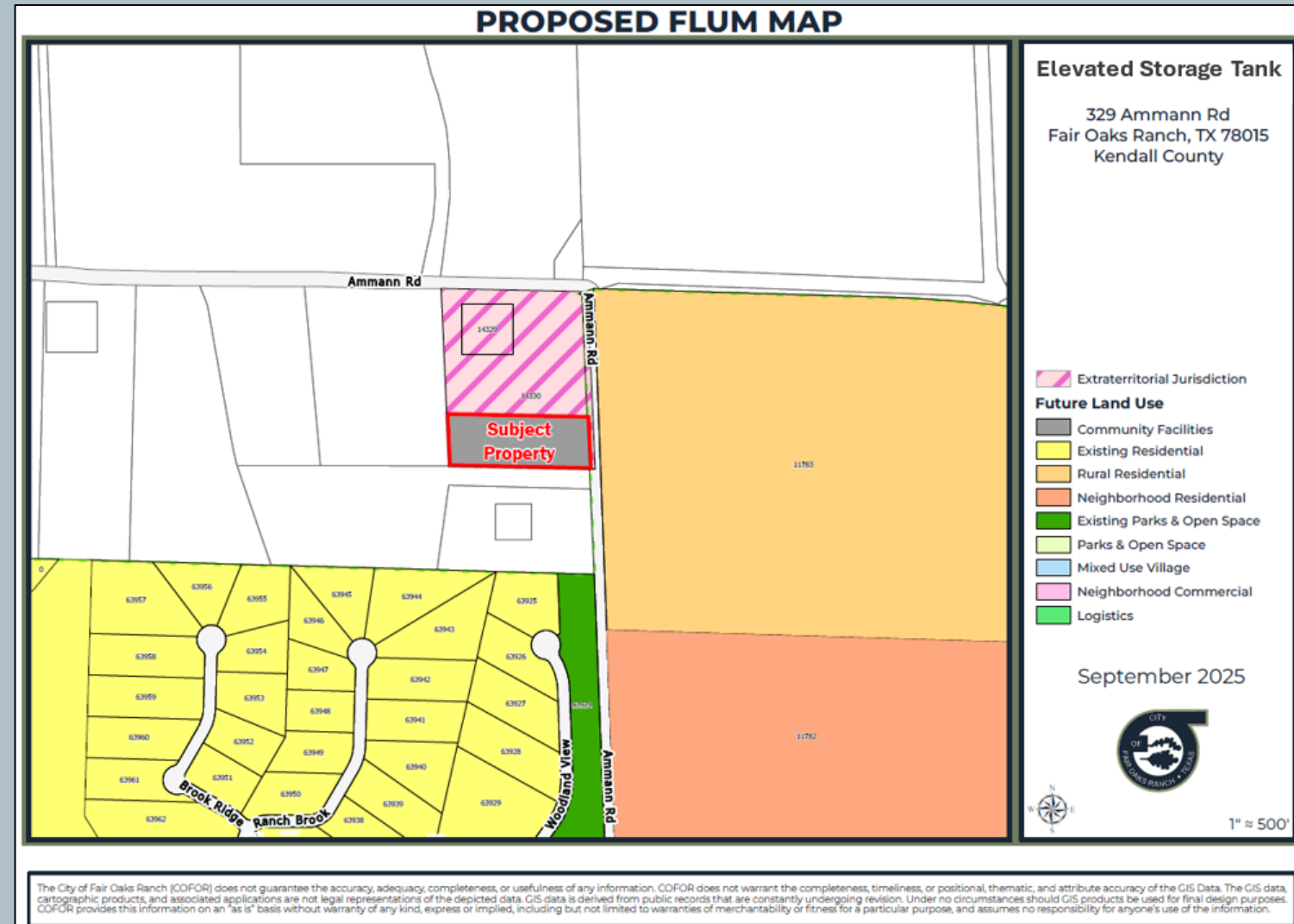
Item #8.

Proposed

Community Facilities
Intended for facilities that provide governmental, religious, educational, health care, social service, and special facilities

Larger-scale civic use buildings

Sites are appropriate for direct access to primarily Arterial, Collector streets, and Local Connector streets



Criteria for Review

- The FLUM designation is consistent with the proposed use
- Comprehensive Plan principles, goals, and objectives related to environmental protection, economic development, and civic and public spaces:
 - Preserve and protect waterways and floodplains
 - Preserve and protect surface and ground water resources and hydrologically active areas
 - Promote and encourage water conservation practices
 - Promote quality development that is compatible with neighboring areas and is consistent with community character and create sustainable value through form and function
 - Ensure civic buildings and civic spaces are given prominent sites

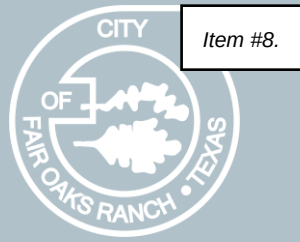
Criteria for Review – UDC

- City Council will consider the following to take action on the proposed amendment [UDC Section 3.7 (1)]:
 1. Promotes the health, safety, or general welfare
 2. Is consistent with the Future Land Use element of the most recent version of the Comprehensive Plan
 3. Is consistent with other goals and objectives of the Comprehensive Plan
 4. Unified Development Code Compliance
 5. Other criteria deemed relevant and important by the City Council in relation to the amendment

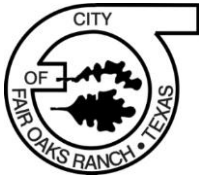
Public Notices/Comments

- September 19 – Mailed to property owners within 200 feet of the property and public entities
- September 21 – Published in a newspaper
- September 22 – Updated City's website
- September 23 – Posted a sign

Next Steps



- November 6 – City Council will consider and act on the first reading of an ordinance for the FLUM amendment. Then, hold a public hearing on the Zoning designation ordinance, and consider and act on the first reading of an ordinance
- November 20 – City Council will consider and act on the final reading of each ordinance for FLUM and Zoning



CITY COUNCIL PUBLIC HEARING CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Conduct a Public Hearing on a zoning request from the applicant and property owner, City of Fair Oaks Ranch, to designate approximately 2.923 acres located in the southern portion of 329 Ammann Road, Kendall County, Texas, as Community Facilities (CF)

DATE: November 6, 2025

DEPARTMENT: Public Works

PRESENTED BY: Jessica Relucio, ENV SP, City Planner

INTRODUCTION/BACKGROUND:

On September 4, 2025, the City Council approved annexation of approximately 2.923 acres located in the southern portion of 329 Ammann Road, Kendall County, Texas, which extended the city limits. In accordance with the Unified Development Code (UDC) Section 4.4 (2) Newly Annexed Territory, when permanent zoning is requested in conjunction with annexation, the City Council shall permanently zone the area as soon as practical after the completion of annexation proceedings.

The applicant and property owner, City of Fair Oaks Ranch, Texas (City), proposes to zone the subject property as Community Facilities (CF). The proposed CF zone designation is appropriate for governmental, religious, educational, health care, social service, and special facilities. It aligns with the designation for other City-owned properties and is consistent with the Future Land Use Map (FLUM) classification considered in the previous agenda item.

The City plans to develop an elevated storage tank (EST) for municipal water services on the subject site. The EST will improve water supply and pressure during peak demand, provide adequate fire protection, and increase reserve capacity during extended power outages and other emergency events. The proposed change promotes the health, safety, or general welfare of the City. It is also compatible and conforms to the uses of adjacent property, where a pump station and ground storage tank are being constructed by the City of Boerne. Adequate infrastructure will also be available for the proposed use.

The zoning designation process requires both the Planning and Zoning Commission (P&Z) and the City Council to conduct public hearings to receive public testimony regarding the proposed change. Following the public hearing, the City Council will consider the first reading of an ordinance regarding the zoning designation.

On October 9, 2025, the P&Z conducted a public hearing and did not receive any public testimony. Following the public hearing, the P&Z recommended approval of the proposed zone designation to City Council.

CRITERIA FOR REVIEW:

The proposed zoning designation aligns with the FLUM designation, CF, and the proposed use. In accordance with Unified Development Code (UDC) Section 1.2, the proposed zoning designation is consistent with the Comprehensive Plan principles, goals, and objectives related to environmental protection, economic development, and civic and public spaces:

- Preserve and protect waterways and floodplains
- Preserve and protect surface and ground water resources and hydrologically active areas
- Promote and encourage water conservation practices
- Promote quality development that is compatible with neighboring areas and is consistent with community character and create sustainable value through form and function
- Ensure civic buildings and civic spaces are given prominent sites

Zoning changes may be approved by the City Council when the following standards are met, per UDC Section 3.7(4)(c):

1. The zoning change is consistent with the Comprehensive Plan
2. The zoning change promotes the health, safety, or general welfare of the City and the safe, orderly, and healthful development of the City
3. The zoning change is compatible with and conforms with uses of nearby property and the character of the neighborhood
4. The property affected by the zoning change is suitable for uses permitted by the proposed amendment to the zoning map
5. Infrastructure, including roadway adequacy, sewer, water and storm water facilities, is or is committed to be available that is generally suitable and adequate for the proposed use

PUBLIC NOTICES/COMMENTS:

All public hearing notification requirements have been met. A public hearing notice was mailed to property owners within 200 feet of the property and the affected public entities on September 19, the Boerne Star newspaper published the notice on September 21, staff posted the notice to the City's website on September 22, and a sign was placed at the subject property on September 23, 2025.

PUBLIC HEARING:

The sequence for conducting the public hearing is shown on the meeting agenda.

NEXT STEPS:

The process to designate a zoning district includes:

- November 6 – The City Council will consider and act on the first reading of the ordinance
- November 20 – The City Council will consider and act on the final reading of the ordinance

EXHIBITS:

- A. Legal Description
- B. Aerial Map
- C. Zoning Map - Existing and Proposed

D. Notification Map

E. Property Owner Response Map and Written Responses Received

Donnie Boerner Surveying Company L.P.

20 GEL Ranch Road ♦ Comfort, Texas 78013

Phone: 830-377-2492

FIRM NO. 10193963

Field Notes for a 2.923 Acre Tract of Land

Being a 2.923 acre tract out of the William D. Lusk Survey No. 211, Abstract No. 306, Kendall County, Texas and being part of that certain 10.018 acre tract conveyed to the City of Boerne by deed recorded in Document No. 2022-371461, Official Records, Kendall County, Texas, said 2.923 acre tract being more particularly described by metes and bounds as follows:

Beginning at a ½” steel found with an orange “RPLS 5207” plastic cap in the west line of Ammann Road for the southeast corner of the herein described tract, the southwest corner of a 0.234 acre right-of-way dedication recorded in Document No. 2024-392205, Official Records, Kendall County, Texas and being in the south line of the above referenced 10.018 acre tract, the north line of a 8.620 acre tract recorded in Volume 1578, Pages 77-80, Official Records, Kendall County, Texas;

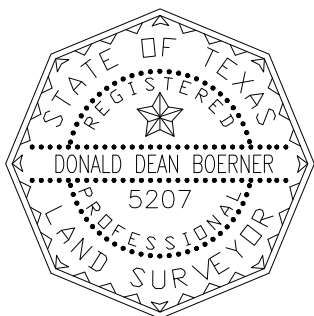
Thence, with the south line of said 10.018 acre tract, the north line of said 8.620 acre tract, North 88 degrees 47 minutes 54 seconds West, a distance of 586.95 feet to a ½” steel rod found for the southwest corner of the herein described tract, the southwest corner of said 10.018 acre tract, the southeast corner of a 10.016 acre tract recorded in Volume 401, Pages 306-308, Official Records, Kendall County, Texas;

Thence, with the west line of said 10.018 acre tract, the east line of said 10.016 acre tract, North 02 degrees 30 minutes 45 seconds West, a distance of 217.45 feet to a ½” steel rod set with an orange “RPLS 5207” plastic cap for the northwest corner of the herein described tract, said point bears, South 02 degrees 30 minutes 45 seconds East, a distance of 497.94 feet from a ½” steel rod found with an orange “RPLS 5207” plastic cap at the southwest corner of a 0.179 acre right-of-way dedication recorded in Document No. 2024-391923, Official Records, Kendall County, Texas;

Thence, departing the east line of said 10.016 acre tract, severing said 10.018 acre tract, South 88 degrees 47 minutes 54 seconds East, a distance of 586.63 feet to a ½” steel rod set with an orange “RPLS 5207” plastic cap in the west line of Ammann Road, same being the west line of the aforementioned 0.234 acre right-of-way dedication for the northeast corner of the herein described tract, said point bears, South 02 degrees 35 minutes 39 seconds East, a distance of 476.81 feet from a ½” steel rod found with an orange “RPLS 5207” plastic cap at the southeast corner of said 0.179 acre right-of-way dedication;

Thence, with the west line of Ammann Road, same being the west line of said 0.234 acre right-of-way dedication, South 02 degrees 35 minutes 39 seconds East, a distance of 217.47 feet to the **Place of Beginning** and containing 2.923 acres of land.

Note: A survey plat of the above described tract was prepared. Basis of bearing was established from the State Plane Coordinate System North American Datum of 1983, Texas South Central Zone.



Donald Dean Boerner

Registered Professional Land Surveyor No. 5207

AMMANN ROAD

RIGHT-OF-WAY VARIES

F-5207

F-5207

COUNTY OF KENDALL,
A POLITICAL SUBDIVISION OF THE STATE OF TEXAS
DOCUMENT NO. 2024-391923
OFFICIAL RECORDS
0.179 ACRE RIGHT-OF-WAY DEDICATION

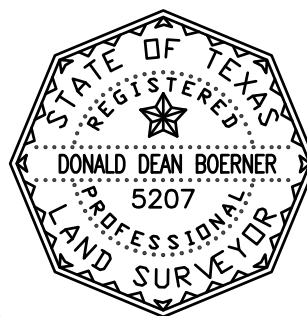
LEGEND:

FIR	FOUND 1/2' STEEL ROD
F-5207	FOUND 1/2" STEEL ROD WITH AN ORANGE "RPLS 5207" PLASTIC CAP
S-5207	SET 1/2" STEEL ROD WITH AN ORANGE "RPLS 5207" PLASTIC CAP

CITY OF FAIR OAKS RANCH, TEXAS,
A HOME-RULE MUNICIPAL CORPORATION
DOCUMENT NO. 2024-392205
OFFICIAL RECORDS
0.234 ACRE RIGHT-OF-WAY DEDICATION

SCALE: 1" = 100'

CITY OF BOERNE
DOCUMENT NO. 2022-371461
OFFICIAL RECORDS - 10.018 ACRES



JOSEPH A. KAZENAS AND
KATHLEEN A. MORRISSEY
VOLUME 401 PAGES 306-308
OFFICIAL RECORDS - 10.016 ACRES

S-5207

S-5207

2.923 ACRES

WILLIAM D. LUSK
SURVEY NO. 211
ABSTRACT NO. 306

GENERAL NOTES:

1) BASIS OF BEARING WAS ESTABLISHED FROM THE STATE PLANE COORDINATE SYSTEM, NORTH AMERICAN DATUM OF 1983, TEXAS SOUTH CENTRAL ZONE.

2) A FIELD NOTE DESCRIPTION WAS PREPARED FOR THIS TRACT.

PLAT SHOWING: A 2.923 acre tract out of the William D. Lusk Survey No. 211, Abstract No. 306, Kendall County, Texas and being part of that certain 10.018 acre tract conveyed to the City of Boerne by deed recorded in Document No. 2022-371461, Official Records, Kendall County, Texas.

DONNIE BOERNER SURVEYING COMPANY L.P.
20 GEL RANCH ROAD
COMFORT, TEXAS 78013
PH: 830-377-2492

TRAVIS K. BARBER AND
TALLY BARBER
VOLUME 1578 PAGES 77-80
OFFICIAL RECORDS - 8.620 ACRES

**POINT OF
BEGINNING**

I HEREBY CERTIFY THAT THIS SURVEY WAS MADE ON THE GROUND, THAT THIS PLAT CORRECTLY REPRESENTS THE FACTS FOUND AT THE TIME OF THIS SURVEY.

DONALD DEAN BOERNER
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5207

FIRM NO. 10193963

DATE 01-07-2025

JOB NO: 22-

**Elevated
Storage Tank**
329 Ammann Road
Kendall County, Tx

Legend

-  Fair_Oaks_Roads
-  Subject Property
-  City ETJ and Limits

October 2025



400

 US Feet

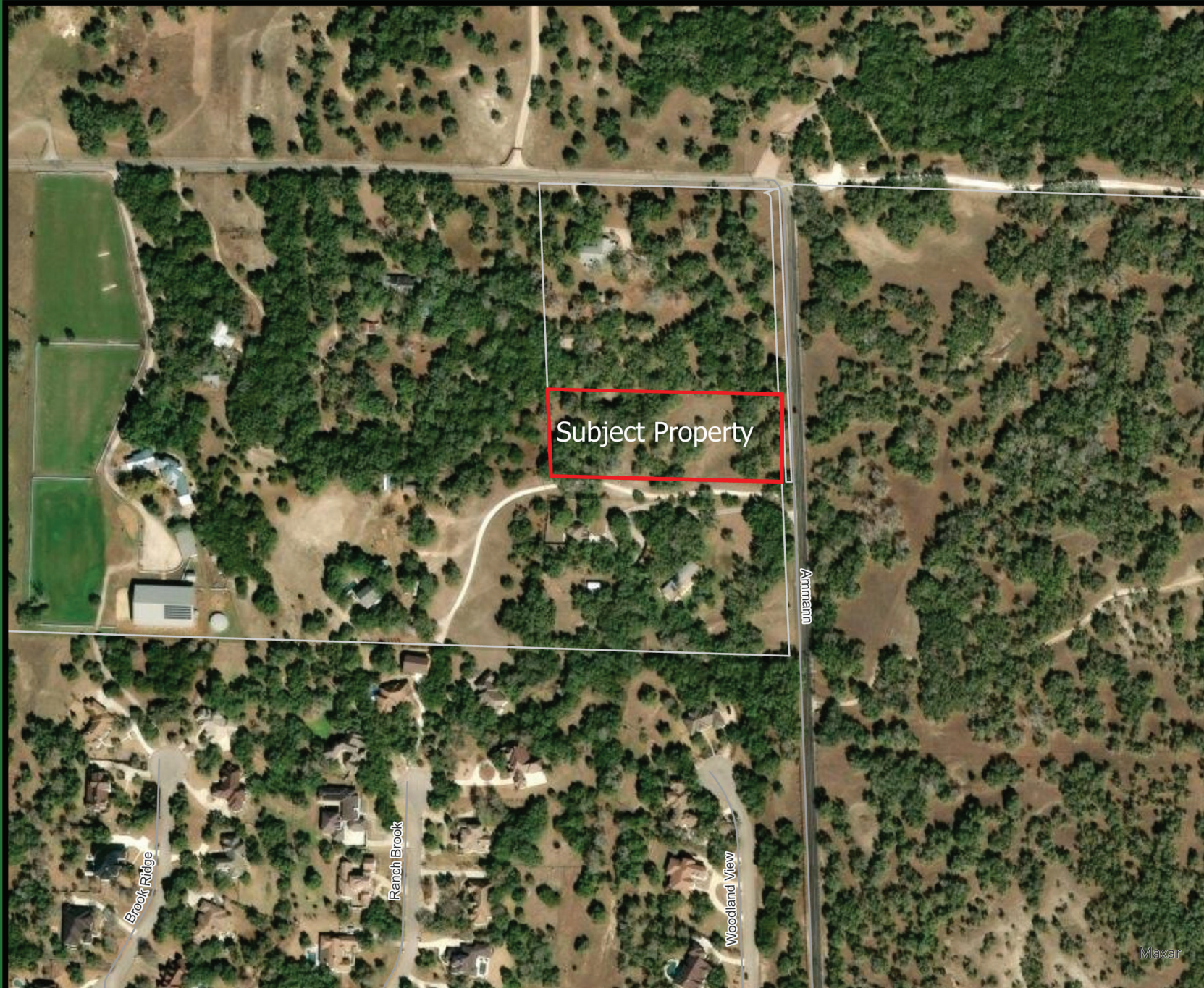
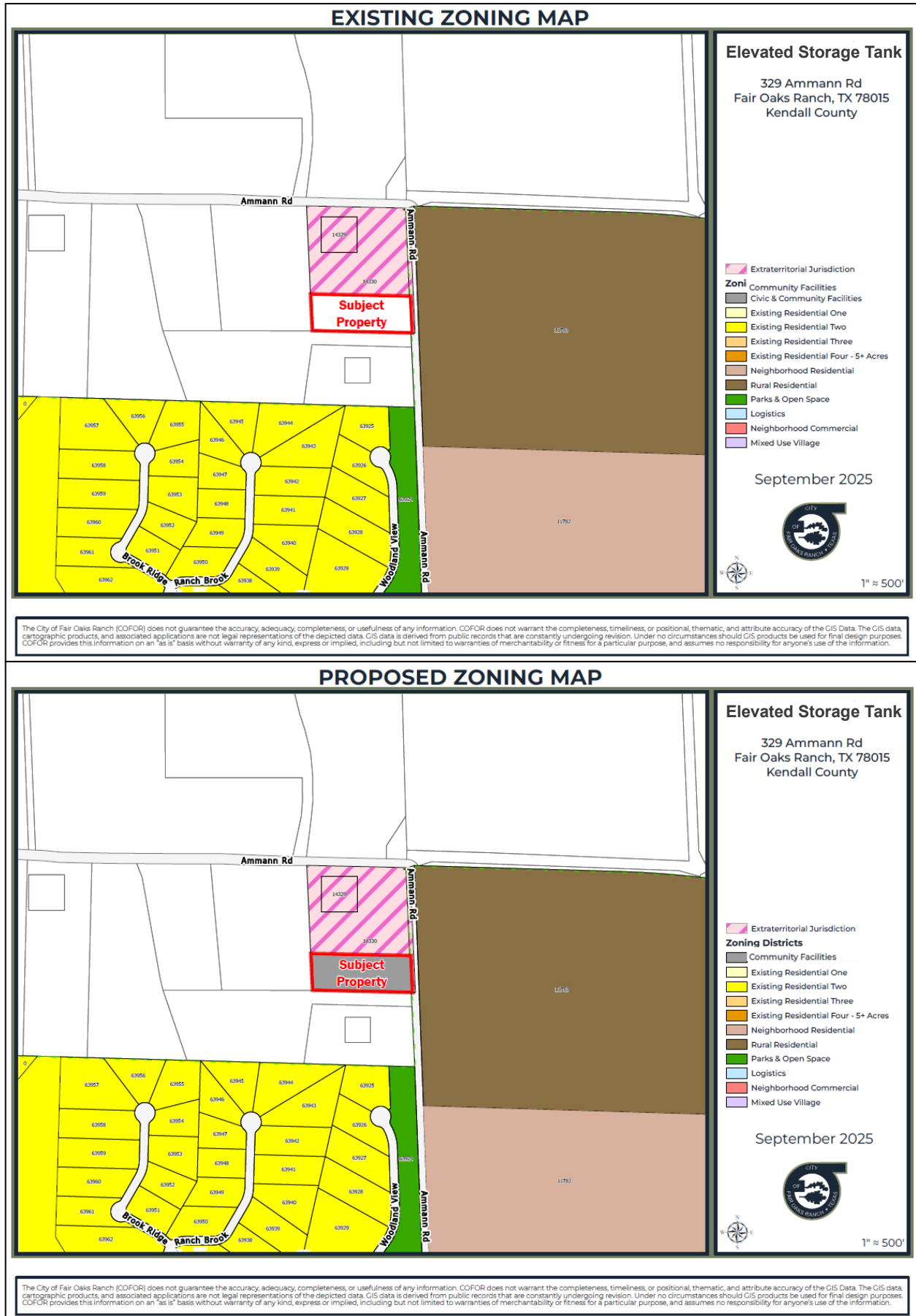


EXHIBIT C



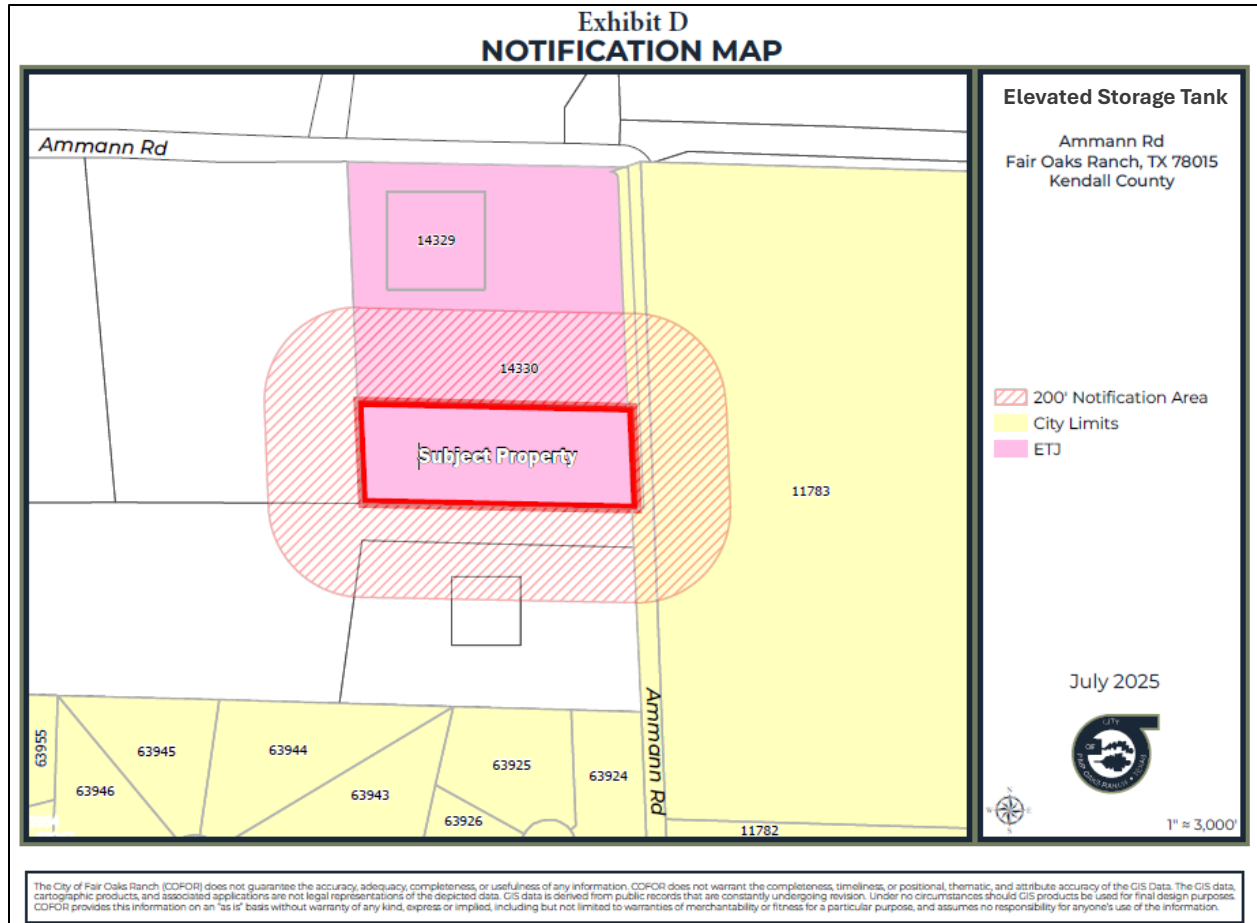
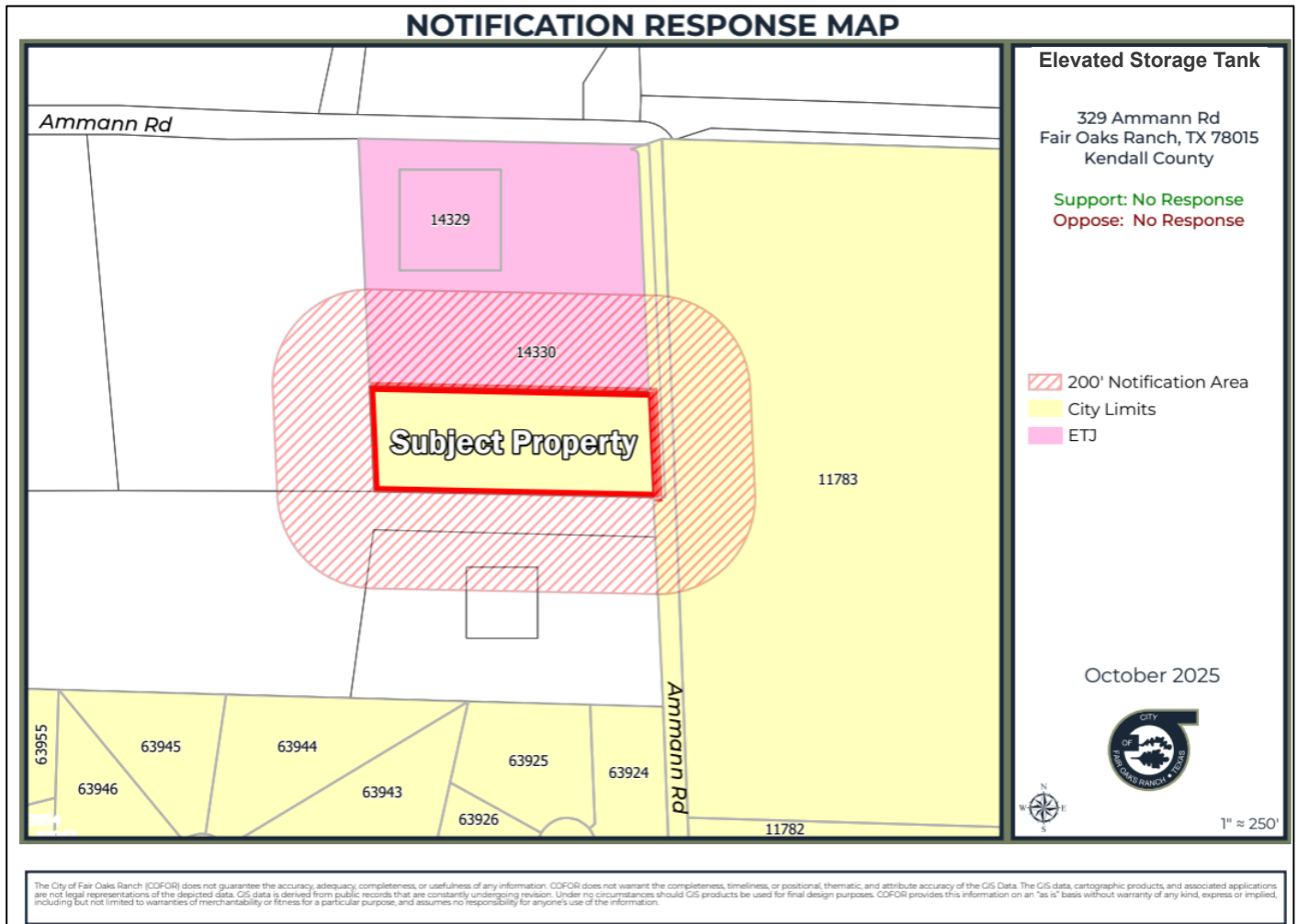
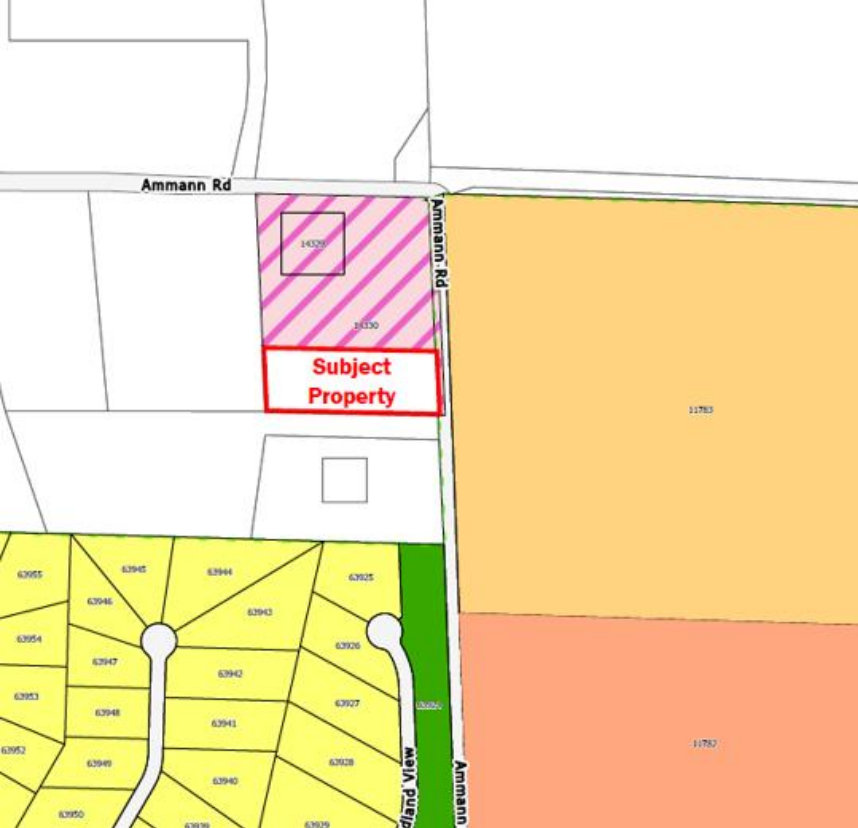


Exhibit E

No public comments or responses were received as of October 28, 2025; the last available date to provide a copy in the City Council meeting agenda for November 6, 2025.

Exhibit E



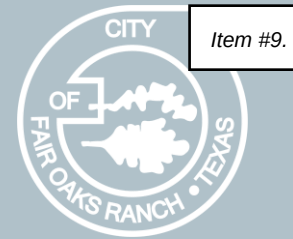


City Council Public Hearing

City Initiated

Zoning Designation for 2.923 acre parcel

November 6, 2025
ZC# 2025-02



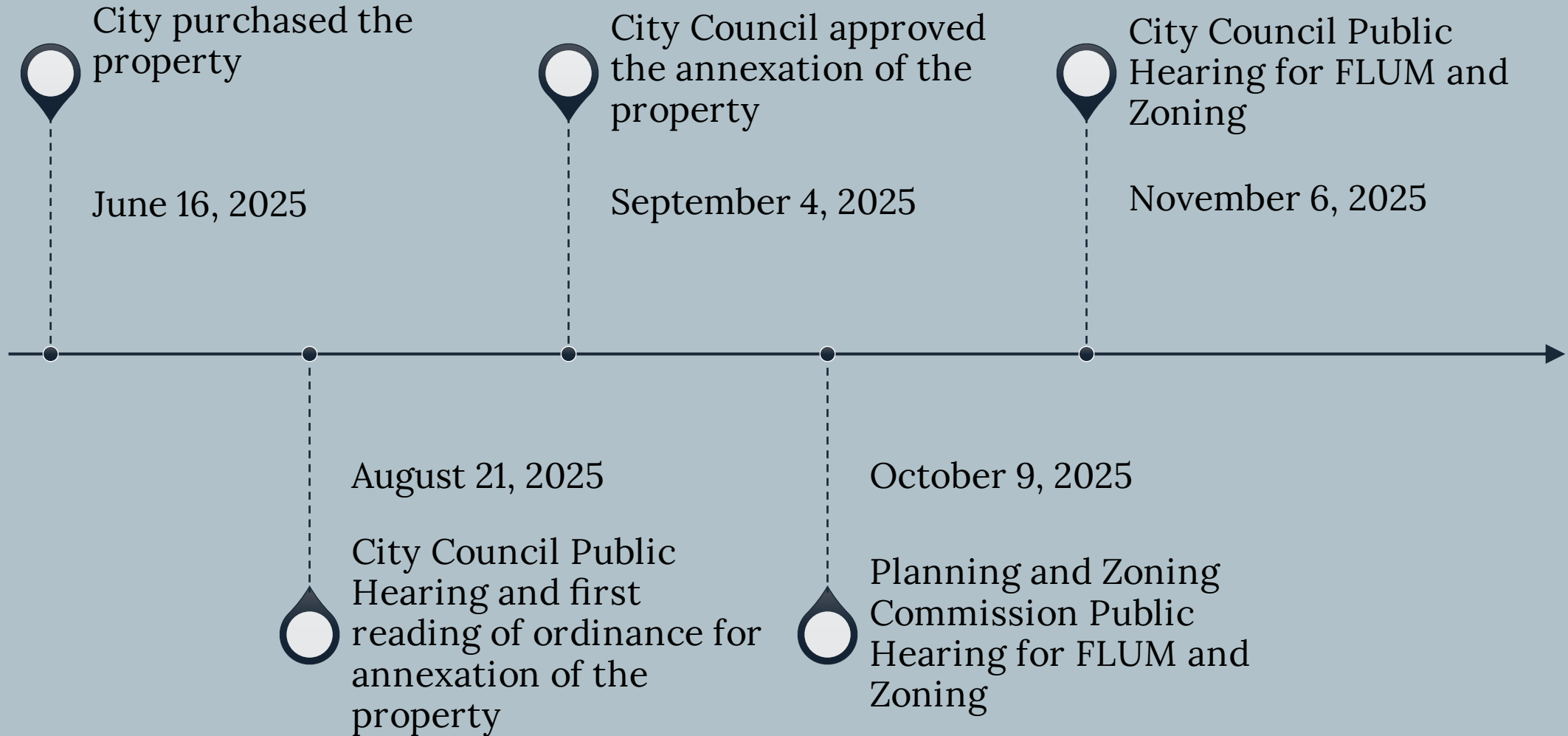
Jessica Relucio, ENV SP
City Planner

Introduction

- Applicant/Property Owner: City of Fair Oaks Ranch
- Future Land Use Map (FLUM): Community Facilities (CF)
- Proposal: Designate zoning to Community Facilities to align with the FLUM
- Size: +/- 2.923 acres
- Location: Southern portion of 329 Ammann Road, Kendall County

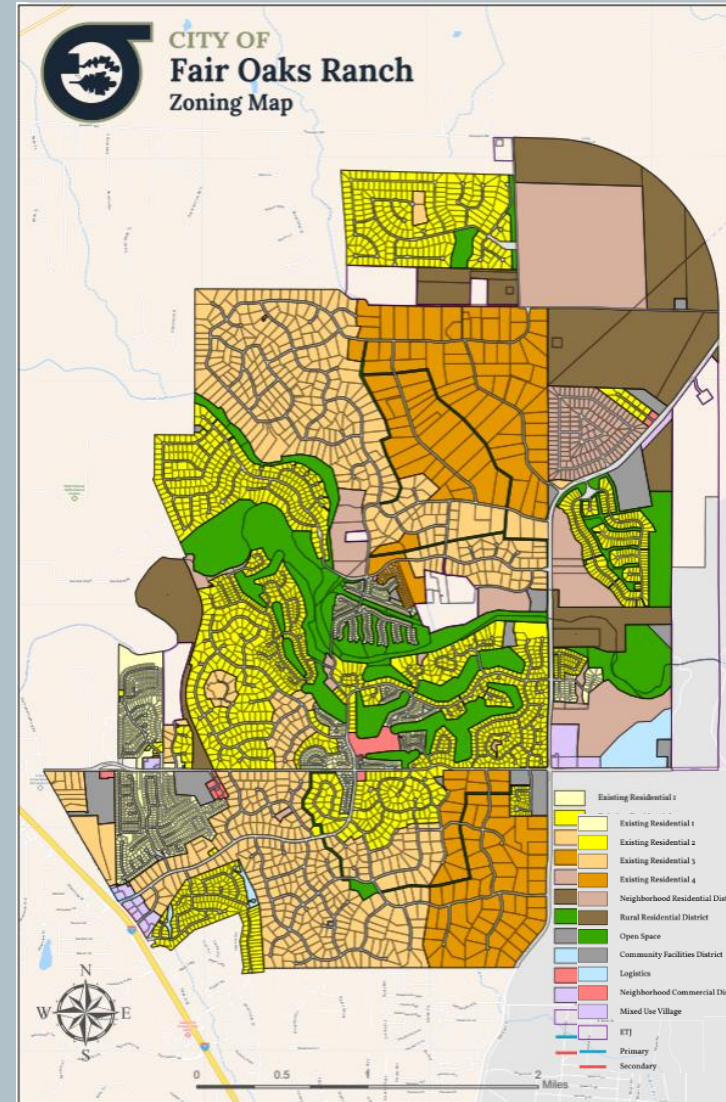


Property History

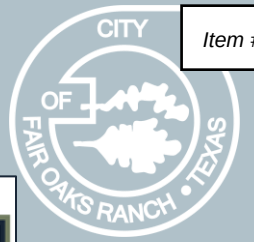


Zoning

- Following the Comprehensive Plan, the zoning regulations became effective
- Zoning Districts are to align with the FLUM of the Comprehensive Plan
- Past Rezones
 - June 2024 (Oak Bend)
 - June 2020 (The Arbors)
 - September 2025 (Post Oak)
- Process: Requires Public Hearings and P&Z recommendation to City Council



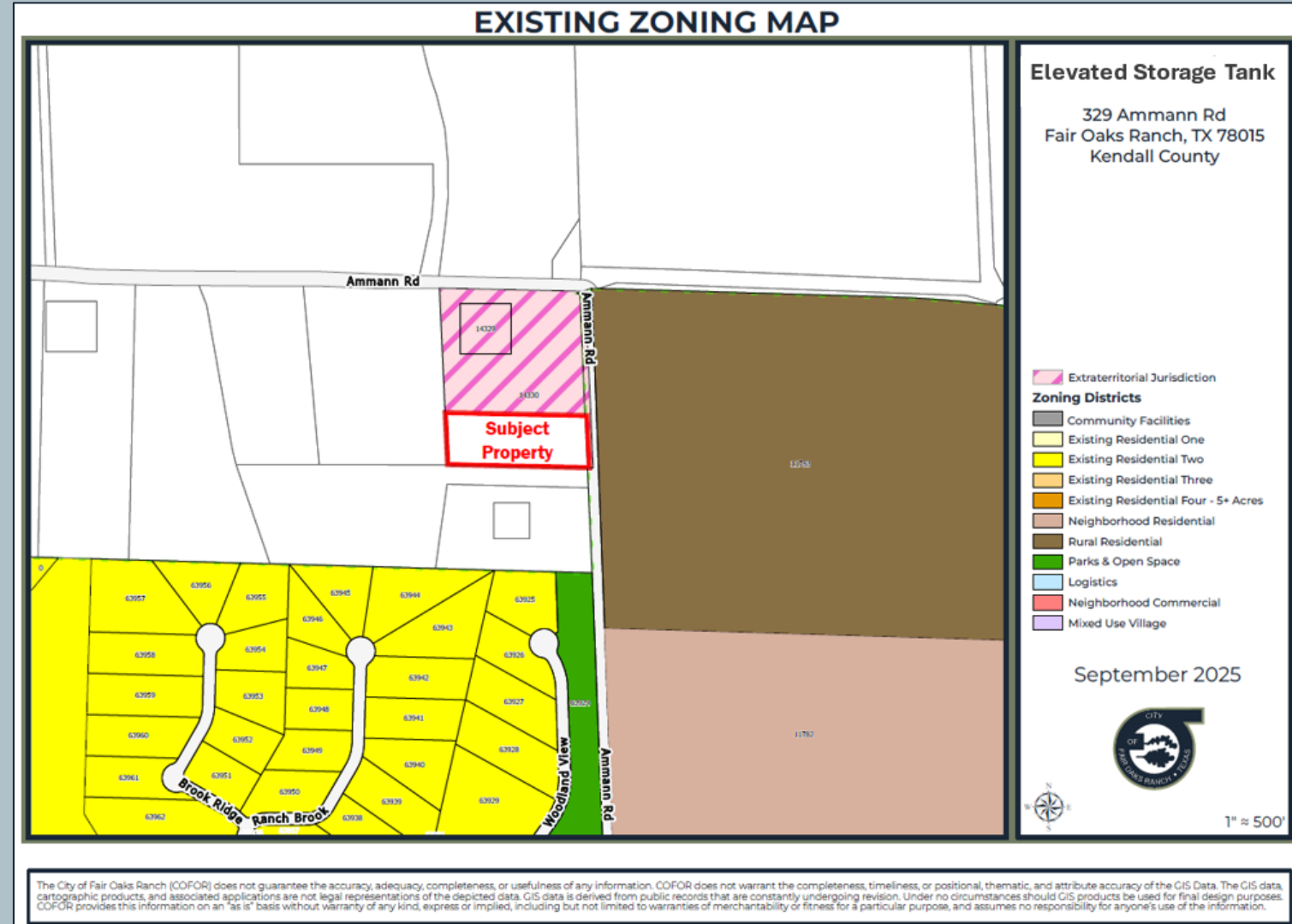
Zoning Map (Existing)



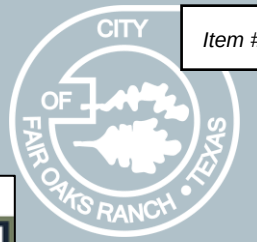
Item #9.

Existing

Undesignated



Zoning Map (Proposed)

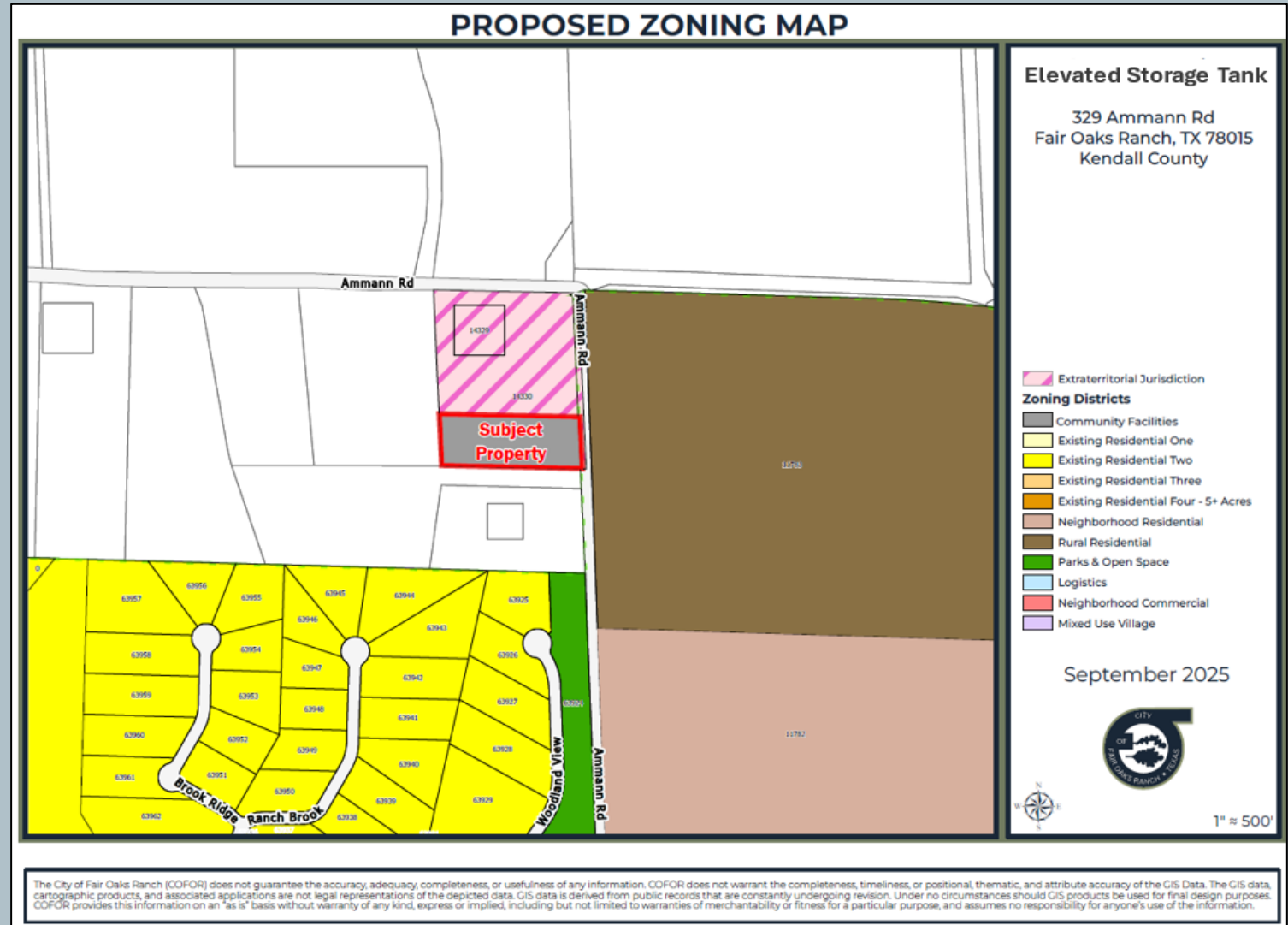


Proposed

Community Facilities
Intended for facilities that provide governmental, religious, educational, health care, social service, and special facilities

Larger-scale civic use buildings

Sites are appropriate for direct access to primarily Arterial, Collector streets, and Local Connector streets



Criteria for Review

- The Zone designation is consistent with the proposed FLUM and use
- The Zone designation is consistent with the Comprehensive Plan principles, goals, and objectives related to environmental protection, economic development, and civic and public spaces:
 - Preserve and protect waterways and floodplains
 - Preserve and protect surface and ground water resources and hydrologically active areas
 - Promote and encourage water conservation practices
 - Promote quality development that is compatible with neighboring areas and is consistent with community character and create sustainable value through form and function
 - Ensure civic buildings and civic spaces are given prominent sites

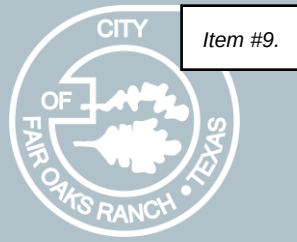
Criteria for Review - UDC

- In accordance with UDC Section 3.7 (4), zoning changes may be approved when the following standards are met:
 1. Consistent with the Comprehensive Plan
 2. Promotes the health, safety, and general welfare of the City and the safe, orderly and healthful development of the City
 3. Compatible with and conforms with uses of nearby property and the character of the neighborhood
 4. The property is suitable for uses permitted by the proposed change
 5. Infrastructure, including roadway adequacy, sewer, water and stormwater facilities, is or is committed to be available that is generally suitable and adequate for the proposed use

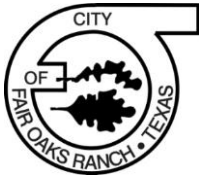
Public Notices/Comments

- September 19 – Mailed to property owners within 200 feet of the property and public entities
- September 21 – Published in a newspaper
- September 22 – Posted to City's website
- September 23 – Posted a sign

Next Steps



- November 6 – The City Council will consider and act on the first reading of the ordinance
- November 20 – City Council will consider and act on the final reading of each ordinance



CITY COUNCIL CONSIDERATION ITEM

CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Consideration and possible action to approve the first reading of an ordinance amending the Comprehensive Plan to designate the land use classification as Community Facilities (CF) for approximately 2.923 acres located in the southern portion of 329 Ammann Road, Kendall County, Texas

DATE: November 6, 2025

DEPARTMENT: Public Works and Engineering Department

PRESENTED BY: Jessica Relucio, ENV SP, City Planner

INTRODUCTION/BACKGROUND:

On September 4, 2025, the City Council approved annexation of approximately 2.923 acres located in the southern portion of 329 Ammann Road, Kendall County, Texas, which extended the city limits. Accordingly, a Future Land Use Map (FLUM) classification must be designated.

The FLUM is part of the City's Comprehensive Plan, which outlines the City's long-term vision, goals, and aspirations regarding community development. The FLUM is a living document intended to evolve and adapt over time in response to changing circumstances. Local Government Code 213 authorizes municipalities to amend the Comprehensive Plan, including the FLUM, to guide long-range development.

As the applicant and property owner, the City proposes to amend the Comprehensive Plan, specifically the FLUM, to designate the land use classification for the subject property as Community Facilities (CF). The CF designation is appropriate for governmental, religious, educational, health care, social service, and special facilities, and aligns with the designation for other City-owned properties. Sites in the CF district are appropriate for direct access to arterial, collector and connector streets and uses within this district are primarily civic and places of worship.

A comprehensive overview of the proposed FLUM amendment will be provided during the Public Hearing portion of the agenda. The information includes:

1. The FLUM in relation to the 2018 Comprehensive Plan
2. The process for amending the FLUM to designate Community Facilities (CF)
3. The overview of the evaluation criteria that needs to be considered when amending the FLUM
4. The FLUM public notice and comments received

On October 9, 2025, the Planning and Zoning Commission (P&Z) conducted a public hearing and did not receive any public testimony. Following the public hearing, the P&Z considered the request and recommended approval to City Council.

CRITERIA FOR REVIEW:

The proposed FLUM designation is consistent with the proposed use. In accordance with Unified Development Code (UDC) Section 1.2, the proposed amendment is consistent with the Comprehensive Plan principles, goals, and objectives related to environmental protection, economic development, and civic and public spaces:

- Preserve and protect waterways and floodplains
- Preserve and protect surface and ground water resources and hydrologically active areas
- Promote and encourage water conservation practices
- Promote quality development that is compatible with neighboring areas and is consistent with community character, and create sustainable value through form and function
- Ensure civic buildings and civic spaces are given prominent sites

For reference, the City Council will consider the following to approve, approve with modifications, or disapprove the proposed amendment, per UDC Section 3.7 (1)(c):

1. Whether the proposed amendment promotes the health, safety, or general welfare of the City and the safe, orderly, and healthful development of the City
2. Whether the proposed amendment is consistent with the Future Land Use element of the most recent version of the Comprehensive Plan
3. Whether the proposed amendment is consistent with other goals and objectives of the Comprehensive Plan
4. Unified Development Code Compliance. No requirement of the procedure for Comprehensive Plan or Code amendments may govern if in conflict with specific provisions of this Code or the Comprehensive Plan. Any potential conflict between the proposed amendment(s) and the UDC or other parts of the Comprehensive Plan should be dealt with prior to (or as part of) the adoption of any amendment
5. Other criteria deemed relevant and important by the City Council in relationship to the proposed amendment in taking final action on the proposed amendment

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

1. Abides by Chapter 213 of the Local Government Code and the Unified Development Code
2. Supports Priority 2.1 Manage the Physical Development of the City in accordance with the Comprehensive Plan of the Strategic Plan
3. The proposed FLUM amendment would allow for the proposed use of governmental facilities, including an elevated storage tank

LONGTERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

The City Attorney reviewed the ordinance and approved it as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve the first reading of an ordinance amending the Comprehensive Plan designating the land use classification as Community Facilities (CF) for approximately 2.923 acres located in the southern portion of 329 Ammann Road, Kendall County, Texas.

AN ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS, AMENDING THE COMPREHENSIVE PLAN TO DESIGNATE THE LAND USE CLASSIFICATION AS COMMUNITY FACILITIES (CF) FOR APPROXIMATELY 2.923 ACRES LOCATED IN THE SOUTHERN PORTION OF 329 AMMANN ROAD, KENDALL COUNTY, TEXAS; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, on June 21, 2018, the City Council approved the City of Fair Oaks Ranch Comprehensive Plan, which included a Future Land Use Map (FLUM) which provides guidance on future land use and zoning; and

WHEREAS, on September 4, 2025, the City Council approved the annexation of approximately 2.923 acres located in the southern portion of 329 Ammann Road, thereby extending the city limits and requiring designation of a Land Use Classification; and

WHEREAS, the property owner and applicant, the City of Fair Oaks Ranch, has requested to amend the Comprehensive Plan to designate the Land Use Classification of the subject property as Community Facilities; and

WHEREAS, the Community Facilities classification is intended for uses as governmental, religious, educational, health care, social service, and special facilities; and

WHEREAS, on October 9, 2025, the Planning and Zoning Commission conducted a public hearing on the proposed land use classification and recommended approval to City Council; and

WHEREAS, on November 6, 2025, the City Council conducted a public hearing on the proposed land use classification; and

WHEREAS, after considering testimony, evidence, and the recommendation of the Planning and Zoning Commission, the City Council finds it appropriate to approve the proposed land use classification as Community Facilities, thereby promoting the health, safety, and general welfare of City residents and protecting the use and enjoyment of property throughout the City.

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

Section 1. The Property located in the southern portion of 329 Ammann Road and as described in the attached **Exhibit A** is hereby classified as Community Facilities (CF).

Section 2. The Official Future Land Use Map of the City of Fair Oaks Ranch shall be revised to reflect the Amendment.

Section 3. That the recitals contained in the preamble hereto are hereby found to be true and such recitals are hereby made a part of this ordinance for all purposes and are adopted as a part of the judgment and findings of the Council.

Section 4. It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance be severable, and, if any phrase, clause, sentence, paragraph, or section of this ordinance shall be declared invalid by

judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of this ordinance and the remainder of this ordinance shall be enforced as written.

- Section 5.** That it is officially found, determined, and declared that the meeting at which this ordinance is 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 ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.
- Section 6.** The provisions of this ordinance shall be cumulative of all ordinances not repealed by this ordinance and ordinances governing or regulating the same subject matter as that covered herein.
- Section 7.** 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 8.** All ordinances, or parts thereof, which are in conflict or inconsistent with any provision of this ordinance are hereby repealed to the extent of such conflict, and the provisions of this ordinance shall be and remain controlling as to the matters ordained herein.
- Section 9.** This ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.
- Section 10.** This ordinance shall take effect immediately from and after its second reading, passage and any publication requirements as may be required by governing law.

PASSED and APPROVED on first reading by the City Council of the City of Fair Oaks Ranch, Texas, on this 6th day of November 2025.

PASSED, APPROVED, and ADOPTED on second and final reading by the City Council of the City of Fair Oaks Ranch, Texas, on reading this 20th day of November 2025.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC
City Secretary

Denton Navarro Rodriguez Bernal Santee & Zech
P.C., City Attorney

Donnie Boerner Surveying Company L.P.

20 GEL Ranch Road ♦ Comfort, Texas 78013

Phone: 830-377-2492

FIRM NO. 10193963

Field Notes for a 2.923 Acre Tract of Land

Being a 2.923 acre tract out of the William D. Lusk Survey No. 211, Abstract No. 306, Kendall County, Texas and being part of that certain 10.018 acre tract conveyed to the City of Boerne by deed recorded in Document No. 2022-371461, Official Records, Kendall County, Texas, said 2.923 acre tract being more particularly described by metes and bounds as follows:

Beginning at a ½" steel found with an orange "RPLS 5207" plastic cap in the west line of Ammann Road for the southeast corner of the herein described tract, the southwest corner of a 0.234 acre right-of-way dedication recorded in Document No. 2024-392205, Official Records, Kendall County, Texas and being in the south line of the above referenced 10.018 acre tract, the north line of a 8.620 acre tract recorded in Volume 1578, Pages 77-80, Official Records, Kendall County, Texas;

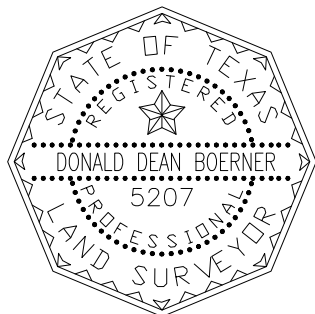
Thence, with the south line of said 10.018 acre tract, the north line of said 8.620 acre tract, North 88 degrees 47 minutes 54 seconds West, a distance of 586.95 feet to a ½" steel rod found for the southwest corner of the herein described tract, the southwest corner of said 10.018 acre tract, the southeast corner of a 10.016 acre tract recorded in Volume 401, Pages 306-308, Official Records, Kendall County, Texas;

Thence, with the west line of said 10.018 acre tract, the east line of said 10.016 acre tract, North 02 degrees 30 minutes 45 seconds West, a distance of 217.45 feet to a ½" steel rod set with an orange "RPLS 5207" plastic cap for the northwest corner of the herein described tract, said point bears, South 02 degrees 30 minutes 45 seconds East, a distance of 497.94 feet from a ½" steel rod found with an orange "RPLS 5207" plastic cap at the southwest corner of a 0.179 acre right-of-way dedication recorded in Document No. 2024-391923, Official Records, Kendall County, Texas;

Thence, departing the east line of said 10.016 acre tract, severing said 10.018 acre tract, South 88 degrees 47 minutes 54 seconds East, a distance of 586.63 feet to a ½" steel rod set with an orange "RPLS 5207" plastic cap in the west line of Ammann Road, same being the west line of the aforementioned 0.234 acre right-of-way dedication for the northeast corner of the herein described tract, said point bears, South 02 degrees 35 minutes 39 seconds East, a distance of 476.81 feet from a ½" steel rod found with an orange "RPLS 5207" plastic cap at the southeast corner of said 0.179 acre right-of-way dedication;

Thence, with the west line of Ammann Road, same being the west line of said 0.234 acre right-of-way dedication, South 02 degrees 35 minutes 39 seconds East, a distance of 217.47 feet to the **Place of Beginning** and containing 2.923 acres of land.

Note: A survey plat of the above described tract was prepared. Basis of bearing was established from the State Plane Coordinate System North American Datum of 1983, Texas South Central Zone.



Donald Dean Boerner

Registered Professional Land Surveyor No. 5207

AMMANN ROAD

RIGHT-OF-WAY VARIES

F-5207

F-5207

COUNTY OF KENDALL,
A POLITICAL SUBDIVISION OF THE STATE OF TEXAS
DOCUMENT NO. 2024-391923
OFFICIAL RECORDS
0.179 ACRE RIGHT-OF-WAY DEDICATION

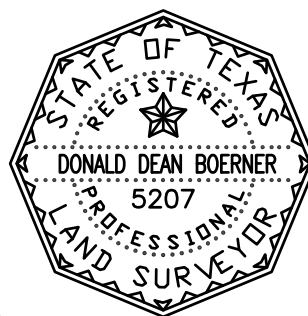
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F-5207	FOUND 1/2" STEEL ROD WITH AN ORANGE "RPLS 5207" PLASTIC CAP
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CITY OF FAIR OAKS RANCH, TEXAS,
A HOME-RULE MUNICIPAL CORPORATION
DOCUMENT NO. 2024-392205
OFFICIAL RECORDS
0.234 ACRE RIGHT-OF-WAY DEDICATION

SCALE: 1" = 100'

CITY OF BOERNE
DOCUMENT NO. 2022-371461
OFFICIAL RECORDS - 10.018 ACRES



JOSEPH A. KAZENAS AND
KATHLEEN A. MORRISSEY
VOLUME 401 PAGES 306-308
OFFICIAL RECORDS - 10.016 ACRES

S-5207

S-5207

2.923 ACRES

WILLIAM D. LUSK
SURVEY NO. 211
ABSTRACT NO. 306

GENERAL NOTES:

1) BASIS OF BEARING WAS ESTABLISHED FROM THE STATE PLANE COORDINATE SYSTEM, NORTH AMERICAN DATUM OF 1983, TEXAS SOUTH CENTRAL ZONE.

2) A FIELD NOTE DESCRIPTION WAS PREPARED FOR THIS TRACT.

PLAT SHOWING: A 2.923 acre tract out of the William D. Lusk Survey No. 211, Abstract No. 306, Kendall County, Texas and being part of that certain 10.018 acre tract conveyed to the City of Boerne by deed recorded in Document No. 2022-371461, Official Records, Kendall County, Texas.

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COMFORT, TEXAS 78013
PH: 830-377-2492

TRAVIS K. BARBER AND
TALLY BARBER
VOLUME 1578 PAGES 77-80
OFFICIAL RECORDS - 8.620 ACRES

**POINT OF
BEGINNING**

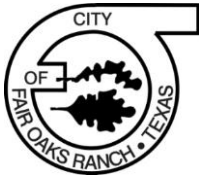
I HEREBY CERTIFY THAT THIS SURVEY WAS MADE ON THE GROUND, THAT THIS PLAT CORRECTLY REPRESENTS THE FACTS FOUND AT THE TIME OF THIS SURVEY.

DONALD DEAN BOERNER
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5207

FIRM NO. 10193963

DATE 01-07-2025

JOB NO: 22-



CITY COUNCIL CONSIDERATION ITEM

CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Consideration and possible action to approve the first reading of an ordinance designating the zoning district for approximately 2.923 acres located in the southern portion of 329 Ammann Road, Kendall County, Texas, as Community Facilities (CF)

DATE: November 6, 2025

DEPARTMENT: Public Works and Engineering Department

PRESENTED BY: Jessica Relucio, ENV SP, City Planner

INTRODUCTION/BACKGROUND:

On September 4, 2025, the City Council approved annexation of approximately 2.923 acres located in the southern portion of 329 Ammann Road, Kendall County, Texas, which extended the city limits. In accordance with the Unified Development Code (UDC) Section 4.4 (2) Newly Annexed Territory, when permanent zoning is requested in conjunction with annexation, the City Council shall permanently zone the area as soon as practical after the completion of annexation proceedings.

The applicant and property owner, City of Fair Oaks Ranch, Texas (City), proposes to zone the subject property as Community Facilities (CF). The proposed CF zone designation is appropriate for governmental, religious, educational, health care, social service, and special facilities. It aligns with the designation for other City-owned properties and is consistent with the Future Land Use Map (FLUM) classification considered in the previous agenda item.

The City plans to develop an elevated storage tank (EST) for municipal water services on the subject site. The EST will improve water supply and pressure during peak demand, provide adequate fire protection, and increase reserve capacity during extended power outages and other emergency events. The proposed change promotes the health, safety, or general welfare of the City. It is also compatible and conforms to the uses of adjacent property, where a pump station and ground storage tank are being constructed by the City of Boerne. Adequate infrastructure will also be available for the proposed use.

Staff will provide a comprehensive overview of the proposed zone designation during the public hearing portion of the agenda. The information will include:

- Review of the proposed zoning change in relation to the proposed Future Land Use Map (FLUM) amendment and the Comprehensive Plan
- An overview of the zoning designation process
- Public notice requirements and a summary of comments received

On October 9, 2025 the Planning and Zoning Commission (P&Z) conducted a public hearing and did not receive any public testimony. Following the public hearing, the P&Z recommended approval of the proposed zoning designation to City Council.

CRITERIA FOR REVIEW:

The proposed zoning designation aligns with the FLUM designation, CF, and the proposed use. In accordance with Unified Development Code (UDC) Section 1.2, the proposed zoning designation is consistent with the Comprehensive Plan principles, goals, and objectives related to environmental protection, economic development, and civic and public spaces:

- Preserve and protect waterways and floodplains
- Preserve and protect surface and ground water resources and hydrologically active areas
- Promote and encourage water conservation practices
- Promote quality development that is compatible with neighboring areas and is consistent with community character and create sustainable value through form and function
- Ensure civic buildings and civic spaces are given prominent sites

Zoning changes may be approved by the City Council when the following standards are met, per UDC Section 3.7(4)(c):

1. The zoning change is consistent with the Comprehensive Plan
2. The zoning change promotes the health, safety, or general welfare of the City and the safe, orderly, and healthful development of the City
3. The zoning change is compatible with and conforms with uses of nearby property and the character of the neighborhood
4. The property affected by the zoning change is suitable for uses permitted by the proposed amendment to the zoning map
5. Infrastructure, including roadway adequacy, sewer, water and storm water facilities, is or is committed to be available that is generally suitable and adequate for the proposed use

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

1. Abides by Chapter 213 of the Local Government Code and the Unified Development Code
2. Supports Priority 2.1 Manage the Physical Development of the City in accordance with the Comprehensive Plan of the Strategic Plan
3. The proposed zoning designation allows for the proposed use of governmental facilities, including an elevated storage tank
4. Aligns with the proposed FLUM amendment and is consistent with other City-owned property

LONGTERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

The City Attorney reviewed the ordinance and approved it as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve the first reading of an ordinance designating the zoning district for approximately 2.923 acres located in the southern portion of 329 Ammann Road, Kendall County, Texas, as Community Facilities (CF).

AN ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS, DESIGNATING THE ZONING DISTRICT FOR APPROXIMATELY 2.923 ACRES LOCATED IN THE SOUTHERN PORTION OF 329 AMMANN ROAD, KENDALL COUNTY, TEXAS, AS COMMUNITY FACILITIES (CF); AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, on September 4, 2025, the City Council approved the annexation of approximately 2.923 acres located in the southern portion of 329 Ammann Road, thereby extending the city limits and requiring designation of a zoning district; and

WHEREAS, the property owner and applicant, the City of Fair Oaks Ranch, has requested to zone the subject property as Community Facilities in alignment with the Future Land Use Map (FLUM) amendment; and

WHEREAS, the Community Facilities zoning district is intended for uses as governmental, religious, educational, health care, social service, and special facilities; and

WHEREAS, on October 9, 2025, the Planning and Zoning Commission conducted a public hearing on the proposed zoning designation and recommended approval to City Council; and

WHEREAS, on November 6, 2025, the City Council conducted a public hearing on the proposed zoning designation; and

WHEREAS, after considering testimony, evidence, and the recommendation of the Planning and Zoning Commission, the City Council finds it appropriate to approve the proposed zoning designation as Community Facilities, thereby promoting the health, safety, and general welfare of City residents and protecting the use and enjoyment of property throughout the City.

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

Section 1. The Property located in the southern portion of 329 Ammann Road and as described in the attached **Exhibit A** is hereby zoned as Community Facilities.

Section 2. The Official Zoning Map of the City of Fair Oaks Ranch shall be revised to reflect the Amendment.

Section 3. That the recitals contained in the preamble hereto are hereby found to be true and such recitals are hereby made a part of this ordinance for all purposes and are adopted as a part of the judgment and findings of the Council.

Section 4. It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance be severable, and, if any phrase, clause, sentence, paragraph, or section of this ordinance shall be declared invalid by judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of this ordinance and the remainder of this ordinance shall be enforced as written.

- Section 5.** That it is officially found, determined, and declared that the meeting at which this ordinance is 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 ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.
- Section 6.** The provisions of this ordinance shall be cumulative of all ordinances not repealed by this ordinance and ordinances governing or regulating the same subject matter as that covered herein.
- Section 7.** 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 8.** All ordinances, or parts thereof, which are in conflict or inconsistent with any provision of this ordinance are hereby repealed to the extent of such conflict, and the provisions of this ordinance shall be and remain controlling as to the matters ordained herein.
- Section 9.** This ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.
- Section 10.** This ordinance shall take effect immediately from and after its second reading, passage and any publication requirements as may be required by governing law.

PASSED and APPROVED on first reading by the City Council of the City of Fair Oaks Ranch, Texas, on this 6th day of November 2025.

PASSED, APPROVED, and ADOPTED on second and final reading by the City Council of the City of Fair Oaks Ranch, Texas, on reading this 20th day of November 2025.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC
City Secretary

Denton Navarro Rodriguez Bernal Santee & Zech
P.C., City Attorney

Donnie Boerner Surveying Company L.P.

20 GEL Ranch Road ♦ Comfort, Texas 78013

Phone: 830-377-2492

FIRM NO. 10193963

Field Notes for a 2.923 Acre Tract of Land

Being a 2.923 acre tract out of the William D. Lusk Survey No. 211, Abstract No. 306, Kendall County, Texas and being part of that certain 10.018 acre tract conveyed to the City of Boerne by deed recorded in Document No. 2022-371461, Official Records, Kendall County, Texas, said 2.923 acre tract being more particularly described by metes and bounds as follows:

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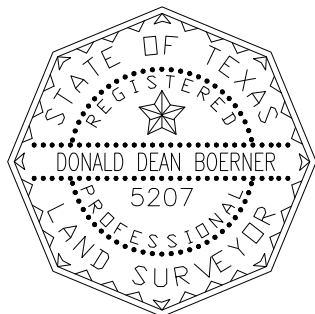
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Registered Professional Land Surveyor No. 5207

AMMANN ROAD

RIGHT-OF-WAY VARIES

F-5207

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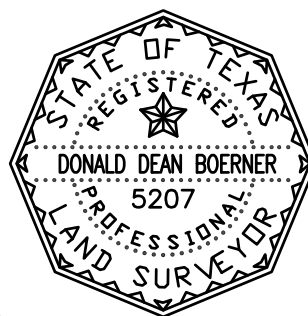
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SCALE: 1" = 100'

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JOSEPH A. KAZENAS AND
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VOLUME 401 PAGES 306-308
OFFICIAL RECORDS - 10.016 ACRES

S-5207

S-5207

2.923 ACRES

WILLIAM D. LUSK
SURVEY NO. 211
ABSTRACT NO. 306

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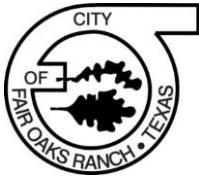
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DONALD DEAN BOERNER
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5207

FIRM NO. 10193963

DATE 01-07-2025

JOB NO: 22-



CITY COUNCIL CONSIDERATION ITEM

CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Consideration and possible action to approve a resolution amending the Capital Improvements Advisory Committee Rules of Procedure

DATE: November 6, 2025

DEPARTMENT: City Secretary

PRESENTED BY: Amanda Valdez, TRMC, Deputy City Secretary

INTRODUCTION/BACKGROUND:

Under Ordinance No. 145.0, the Fair Oaks Ranch City Council established the City of Fair Oaks Ranch Impact Fee Advisory Committee in 2004 to serve in an advisory capacity. 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 (CIAC).

Pursuant to Local Government Code §395.058(e), the City Council shall adopt procedural rules for the advisory committee to follow in carrying out its duties. The Rules and Procedures were initially adopted for CIAC on March 16, 2006 and revised on May 21, 2009, October 15, 2015, and most recently on October 6, 2022.

The following amendments are being proposed:

Section I - Members

- Senate Bill 1883, effective September 1, 2025, increases the minimum required industry representation on advisory committees from 40% to 50%. The Council has appointed members to vacancies that will fulfill this requirement. This amendment formally revises the governing document in accordance with Government Code §395.058(e).
- Currently, the Chairman and Vice Chairman are appointed by City Council resolution until rescinded or upon resignation. Staff recommends amending the provision to align with other appointed bodies by allowing committee members to select their Chairman and Vice Chairman at the first meeting of the fiscal year following Council appointments and/or reappointments.

Section II – Committee Roles

- The current Rules of Procedure assigns the Council Member liaison a role in preparing CIAC agendas; however, Council Members have not been participating in this process. The proposed amendment, developed in coordination with Council Member Stroup, formally removes this responsibility from the liaison.
- For clarity, staff recommends consolidating the two sections describing the role of the City Secretary and/or their designee into a single provision.

Section III – Meetings

- On March 20, 2025, the Committee voted to change its regular semiannual meeting dates to avoid recurring conflicts with Municipal Court hearings. This amendment formalizes that action by revising the Rules of Procedure to establish regular meetings on the third Tuesday of March and September each year.

The Capital Improvements Advisory Committee voted to recommend approval of the proposed amendments at their October 16, 2025 semiannual meeting.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Complies with Local Government Code Section 395.058
- Supports Pillar 5 of the Strategic Action Plan - Operational Excellence by affording an opportunity for resident engagement and participation
- Provides input from the Committee

LONGTERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

Complies with Local Government Code Section 395.058

RECOMMENDATION/PROPOSED MOTION:

I move to approve a resolution amending the Capital Improvements Advisory Committee Rules of Procedure.

A RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS AMENDING THE CAPITAL IMPROVEMENTS ADVISORY COMMITTEE RULES OF PROCEDURE

WHEREAS, under Ordinance No. 145.0, the Fair Oaks Ranch City Council established the City of Fair Oaks Ranch Impact Fee Advisory Committee; 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, Senate Bill 1883 amended Local Government Code §395.058 (b) to require 50 percent of the membership of the advisory committee must be representatives of the real estate, development, or building industries, as reflected in **Exhibit A**; and

WHEREAS, the Committee also elected to propose amendments to the rules clarifying the roles of the members, how the Committee selects their Chairman and Vice Chairman, and ratifying changes to their regular semiannual meeting schedule as reflected in **Exhibit A**; and

WHEREAS, the City Council deems it is necessary to adopt these Rules of Procedures.

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

- Section 1.** The Fair Oaks Ranch Capital Improvements Advisory Committee Rules of Procedure shall be adopted as set forth in the attached, as "**Exhibit A**."
- Section 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 City Council.
- Section 3.** If any provision of this resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this resolution would have been enacted without such invalid provision.
- Section 4.** That it is officially found, determined, and declared that the meeting at which this resolution is 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.

- Section 5.** All resolutions or parts thereof, which are in conflict or inconsistent with any provision of this resolution are hereby repealed to the extent of such conflict, and the provision of this resolution shall be and remain controlling as to the matters resolved herein.
- Section 6.** This resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.
- Section 7.** This resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED, APPROVED, and ADOPTED on this 6th day of November 2025.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC
City Secretary

Denton Navarro Rodriguez Bernal Santee & Zech
P.C., City Attorney



CITY OF FAIR OAKS RANCH

CAPITAL IMPROVEMENTS ADVISORY COMMITTEE

RULES OF PROCEDURE

Adopted March 16, 2006
Revised May 21, 2009
Revised October 15, 2015
Revised October 6, 2022

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II	Committee Roles	2
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CAPITAL IMPROVEMENTS ADVISORY COMMITTEE RULES OF PROCEDURE

INTRODUCTION

The City of Fair Oaks Ranch Capital Improvements Advisory Committee (CIAC) is established to comply with Section 395.058 Texas Local Government Code – Chapter 395 “Financing Capital Improvements Required by New Development in Municipalities, Counties, and Certain Other Local Governments”.

MISSION STATEMENT

The CIAC is responsible for advising and assisting the City in the following:

- a. in development of Land Use Assumptions and regular update;
- b. by reviewing proposed Capital Improvement Plans;
- c. by providing written comments on those plans;
- d. by monitoring and evaluating implementation of approved plans;
- e. by filing semiannual reports regarding plan progress;
- f. by reporting any perceived inequities in plan implementation;
- g. by reporting any inequities in imposing impact fees; and
- h. by reporting the need to update or revise the land use assumptions, capital improvement plans, and impact fees.

SECTION I – MEMBERS

Chapter 395 – Section 395.058 (b) specifies that the CIAC be composed of no fewer than five (5) members, no fewer than ~~40~~50 percent of the members must be representatives of the real estate, development, or building industries, and the membership must include a representative from the extraterritorial jurisdiction. None shall be an employee or official of a political subdivision or governmental entity.

Committee members shall be appointed by a majority vote of the City Council by Resolution.

The Chairman of the CIAC shall be ~~appointed, by Resolution, by a majority vote of the City Council and shall serve until the appointment is rescinded or member resigns~~ selected from among its members in their first meeting of the fiscal year following new appointments.

The Vice Chairman of the CIAC shall be selected from among its members in their first meeting of the fiscal year following new appointments. ~~appointed, by Resolution, by a majority vote of the City Council and shall serve until the appointment is rescinded or member resigns.~~

By Resolution, an appointed City Council Member and the Public Works Director will attend the meetings and present reports/data on behalf of the City.

SECTION II – COMMITTEE ROLES

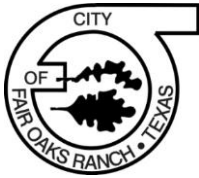
Chairman:	Reviews proposed agenda, approves and/or makes recommendations for changes. Chairman will lead meetings and ensure all agenda items have been addressed. Chairman signs approved minutes and semi-annual reports. Provides meeting update to City Council.
Vice-Chairman:	Assumes Chairman's role when the Chairman is unable to preside over meeting.
Committee Members:	Uphold duties of CIAC in accordance to Mission Statement and in compliance with Section 395.058 Texas Local Government Code.
Council Member:	Reviews proposed agenda, approves and/or makes recommendations for changes. Serves as a liaison between the City and the CIAC.
City Secretary and/or their designee:	Proposes agenda for concurrence by Chairman and City Council Member . Shall provide information and support documentation as it relates to set agenda items. <u>Posts agenda according to the rules specified by the Texas Open Meeting Act. Takes meeting minutes to be approved by committee and signed by Chairman at next committee meeting. Prepares Semi-Annual report for Chairman's signature.</u>
Public Works Director and/or their designee:	Maintains and updates the following data pertinent to CIAC: land use assumptions, building permit issuance, new home valuation, and impact fee payments.
City Secretary and/or their designee:	Posts agenda according to the rules specified by the Texas Open Meeting Act. Takes meeting minutes to be approved by committee and

~~signed by Chairman at next committee meeting. Prepares Semi-Annual report for Chairman's signature.~~

Finance Director Responsible for reconciling impact fee payments with the general
and/or their designee: ledger.

SECTION III - MEETINGS

1. **Regular Meetings** – The CIAC shall meet at 9:00 AM the ~~first Thursday~~third Tuesday in March and September each year or at the call of the Chairman, unless postponed or canceled for valid reason(s).
2. **Special Meetings** – Special meetings may be held on any business day of the week to consider items that require action prior to the next regularly scheduled meeting and may be called upon the request of the committee Chairman.
3. **Work Sessions** – Work sessions will be held as needed and will begin as decided upon by a majority of the committee or unless held as part of a regular or special meeting.
4. **Meeting Rules** – All meetings will be conducted according to Robert's Rules of Order.
5. **Quorum** – All meetings of the CIAC will require a quorum – defined herein as a majority of committee members.
5. **Meeting Notices** – Committee meeting agendas will be posted according to the rules specified by the Texas Open Meeting Act.
6. **Attendees** – Citizens and visitors are welcome to attend all public meetings of the CIAC.
7. **Meeting minutes** – Committee meeting minutes will be taken according to the rules specified by the Texas Open Meeting Act. Minutes shall be approved and signed at the next Committee meeting and shall be retained permanently according to the City's records retention schedule.



CITY COUNCIL CONSIDERATION ITEM

CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Consideration and possible action to approve a resolution appointing the CIAC Chair and Vice Chair

DATE: November 6, 2025

DEPARTMENT: City Secretary

PRESENTED BY: Amanda Valdez, TRMC, Deputy City Secretary

INTRODUCTION/BACKGROUND:

Chair Mebane has notified the City he will no longer serve on the Capital Improvement Advisory Committee effective October 1, 2025. In accordance with the Committee's Rules of Procedures Section I:

"The Chairman of the CIAC shall be appointed, by resolution, by a majority vote of the City Council and shall serve until the appointment is rescinded or member resigns."

"The Vice Chairman of the CIAC shall be appointed, by resolution, by a majority vote of the City Council and shall serve until the appointment is rescinded or member resigns."

At their semiannual meeting, held October 17, 2025, the Committee voted to recommend appointment of Chris Weigand as the CIAC Chair and Gary Miller as the CIAC Vice Chair.

Impact of Proposed Amendments to the CIAC Rules of Procedure

At their October 17, 2025 meeting, the Committee also recommended approval of the proposed amendments to the CIAC Rules of Procedure (Section I – Members). If Council adopts those amendments, the selection process would change. Under the amended rules, the Chair and Vice Chair would be selected internally by the Committee at the first meeting of each fiscal year following Council appointments/reappointments. In that case, Council would no longer need to appoint the Chair and Vice Chair by resolution, and the Committee's selections would become effective at the next meeting of the CIAC without further Council action.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Complies with the CIAC rules of procedure relative to appointing a Committee Chair and a Vice Chair.
- Provides the CIAC an opportunity for their input on Committee Chair appointments.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

Complies with Local Government Code Section 395.058.

RECOMMENDATION/PROPOSED MOTION:

I move to approve a resolution appointing to the Fair Oaks Ranch Capital Improvements Advisory Committee Chris Weigand as the Chair and Gary Miller as the Vice Chair.

A RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS APPOINTING A CHAIR AND A VICE CHAIR TO THE CAPITAL IMPROVEMENTS ADVISORY COMMITTEE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the Capital Improvements Advisory Committee (CIAC) serves in an advisory capacity and is established to follow the duties and functions set forth in Local Government Code §395.058 and of the City of Fair Oaks Ranch Capital Improvements Advisory Committee Rules and Procedures; and

WHEREAS, members have been asked to join CIAC to serve at the pleasure of the City Council to assist in their function in performing duties under Chapter 395 of the Local Government Code and the Committee Rules and Procedures; and

WHEREAS, the Committee's Rules and Procedures states a City Council Liaison, a Committee Chairman, and a Committee Vice Chairman shall be appointed by City Council by Resolution; and

WHEREAS, on September 18, 2025, the City Council appointed new CIAC members, with terms beginning October 1, 2025; and

WHEREAS, on October 16, 2025, the CIAC voted to recommend to the City Council their recommendation of appointing Chris Weigand as Committee Chair and Gary Miller as Committee Vice Chair; and

WHEREAS, the City Council of the City of Fair Oaks Ranch deems it necessary to appoint a Chair and Vice Chair to the Capital Improvements Advisory Committee by resolution.

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

- Section 1.** The City Council of the City of Fair Oaks Ranch hereby appoints Chris Weigand to serve as Chair and Gary Miller as Vice Chair of the Capital Improvements Advisory Committee.
- Section 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 City Council.
- Section 3.** If any provision of this resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this resolution would have been enacted without such invalid provision.
- Section 4.** That it is officially found, determined, and declared that the meeting at which this resolution is 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.

Section 5. All resolutions or parts thereof, which are in conflict or inconsistent with any provision of this resolution are hereby repealed to the extent of such conflict, and the provision of this resolution shall be and remain controlling as to the matters resolved herein.

Section 6. This resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 7. This resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED, APPROVED, and ADOPTED on this 6th day of November 2025.

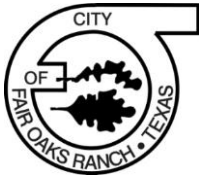
Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC
City Secretary

Denton Navarro Rodriguez Bernal Santee & Zech
P.C., City Attorney



CITY COUNCIL CONSIDERATION ITEM

CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Consideration and possible action to approve a resolution to accept a monetary donation from the Fair Oaks Ranch Homeowners Association (FORHA) in the amount of \$10,000 for the City's Oak Wilt Program

DATE: November 6, 2025

DEPARTMENT: Public Works

PRESENTED BY: Aithne Loeblich, Environmental Program Manager
David Fairhurst, Vice-President, FORHA Board of Directors

INTRODUCTION/BACKGROUND:

Oak Wilt is a serious tree disease that affects all oak tree species, particularly live oaks and red oaks. The disease spreads underground through root systems and above ground through beetle activity, leading to the wilting and death of trees. Our community's oaks are not just a part of our landscape, they are integral to our ecosystem, providing shade, beauty, and habitat for wildlife. Protecting them from oak wilt is crucial to maintaining the health and aesthetic of our environment and the beauty of Fair Oaks Ranch.

In May 2024, Fair Oaks Ranch City Council approved a resolution establishing a Tree Mitigation Fund and creating the Oak Wilt Program. This initiative provides annual funds to incentivize and aid in oak wilt treatment within the city limits through a reimbursement process. Property owners who participate in the program may apply for a reimbursement of up to 50% of the total cost of eligible services, with a maximum reimbursement amount of \$1,500 per property per fiscal year.

Services eligible for reimbursement:

1. Injectable therapeutic and/or preventative treatment
2. Removal of diseased red oak trees
3. Trenching to contain an oak wilt center

In FY 2023-24, the City budgeted \$10,000 for the Oak Wilt Program which was made available to residents from July through September. During that time, ten residents applied for the program and all ten were reimbursed. Due to the success of the program and the growing need to control oak wilt, the City budgeted \$15,000 for the program in FY 2024-25. During that time, seventeen residents applied for the program and of those seventeen, fifteen residents were reimbursed; however, the funds were depleted by February and March of that year. Additional residents contacted the City to submit applications but were turned away due to lack of funding, indicating a greater need for funding to support oak wilt mitigation in the City.

To assist the City in meeting the demand from residents, the FORHA Board of Directors approved a one-time financial donation of \$10,000 to the City's Oak Wilt Program on September 9, 2025. The donation is intended to supplement the Oak Wilt Program's current budget and provide additional reimbursement opportunities for residents.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Supports Priority 2.5 Develop, Implement and Update Environmental Sustainability Programs of the Strategic Action Plan
- Acceptance of the donation provides additional reimbursement opportunities to residents for oak wilt mitigation and treatment, helping to ensure the City's urban forest remains healthy and resilient

LONGTERM FINANCIAL & BUDGETARY IMPACT:

For FY 2025-26, the City budgeted \$25,000 for the Oak Wilt Program. This donation of \$10,000 will bring the total budget to \$35,000. The monetary donations will provide additional reimbursement opportunities to residents, further mitigating the spread of oak wilt in Fair Oaks Ranch. These funds are to be made available immediately and used once the City funds are depleted for the fiscal year.

LEGAL ANALYSIS:

N/A

RECOMMENDATION/PROPOSED MOTION:

I move to approve a resolution to accept a monetary donation from the Fair Oaks Ranch Homeowners Association in the amount of \$10,000 for the City's Oak Wilt Program.

A RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS APPROVING THE ACCEPTANCE OF A MONETARY DONATION FROM THE FAIR OAKS RANCH HOMEOWNERS ASSOCIATION IN THE AMOUNT OF \$10,000 FOR THE CITY'S OAK WILT PROGRAM

WHEREAS, oak wilt is a serious tree disease that affects all oak species, particularly live oaks and red oaks, leading to the wilting and death of trees, and

WHEREAS, the City's Oak Wilt Program was established by City Council on May 2, 2024, to incentivize and aid in oak wilt treatment within the City limits through a reimbursement process, and

WHEREAS, the City annually allocates funds from the Tree Mitigation Fund for the Oak Wilt Program, and

WHEREAS, the Program has grown in popularity and the demand from residents exceeded available funds in FY 2024-25, and

WHEREAS, on September 9, 2025, the Fair Oaks Ranch Homeowners Association (FORHA) Board of Directors approved a one-time financial donation of \$10,000 to the City's Oak Wilt Program to provide additional reimbursement opportunities to residents, and

WHEREAS, the donation will augment the City's oak wilt funding, to further mitigate the spread of oak wilt in Fair Oaks Ranch, and

WHEREAS, the City Council of the City of Fair Oaks Ranch finds it in the best interest of the City to accept the monetary donation to the Oak Wilt Program to treat, protect and preserve the City's urban tree canopy, and maintain the beauty and unique aesthetic of Fair Oaks Ranch.

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

- Section 1.** The City Council hereby approves the acceptance of a monetary donation from the Fair Oaks Ranch Homeowners Association in the amount of \$10,000 and directs it be used towards the City's Oak Wilt Program.
- Section 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 City Council.
- Section 3.** If any provision of this resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this resolution would have been enacted without such invalid provision.
- Section 4.** That it is officially found, determined, and declared that the meeting at which this resolution is 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.

Section 5. All resolutions or parts thereof, which are in conflict or inconsistent with any provision of this resolution are hereby repealed to the extent of such conflict, and the provision of this resolution shall be and remain controlling as to the matters resolved herein.

Section 6. This resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 7. This resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED, APPROVED, and ADOPTED on this 6th day of November 2025.

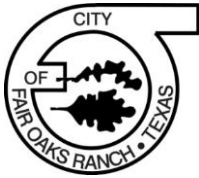
Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, TRMC
City Secretary

Denton Navarro Rodriguez Bernal Santee & Zech
P.C., City Attorney



CITY COUNCIL WORKSHOP

CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: SAWS Emergency Interconnect Project Update

DATE: November 6, 2025

DEPARTMENT: Public Works

PRESENTED BY: Steven Fried, Assistant Director of Public Works

INTRODUCTION/BACKGROUND:

The SAWS Emergency Interconnect, a Capital Improvement Project, aims to improve water system resiliency by establishing an emergency connection to the San Antonio Water System (SAWS). The interconnect will provide the City with a backup water supply source to pressure Zone C in the event of pressure loss, system failure, extended power outage, or other emergencies.

On February 26, 2025, the City entered into a professional services agreement with K Friese & Associates, LLC (now operating as Lochner) for engineering design in the amount of \$49,995.00. During the design phase, the consultant determined that the planned interconnect location at the intersection of Fair Oaks Parkway and the IH-10 Frontage Road was not feasible due to the steel encasement of the SAWS main. It was also determined that utility easements would need to be acquired from Frost Bank. Due to these challenges, the proposed interconnect will now be located at Leslie Pfeiffer Drive within existing utility easements, and closer to the existing SAWS water main. The 12-inch interconnect is appropriately sized to fully support pressure Zone C at its highest elevation during an extended outage. The interconnect also would position the City to become a SAWS wholesale water customer in the future if anticipated GBRA water supply does not materialize.

The new location is along the property line of the new Cinco De Mayo Restaurant and the restaurant needs to upsize a portion of the existing water main to achieve fire flow requirements. Therefore, staff initiated discussions to identify cost-sharing opportunities that could benefit both parties. Preliminary discussions indicate that cost-sharing of the interconnect project could improve project efficiency, reduce duplication of work, and minimize disruption along the construction corridor. The developer has verbally agreed to contribute \$50,000 toward the City's project – approximately equal to the cost they would have incurred to install a separate 6-inch line.

Staff seeks City Council direction regarding the revised project scope and relocation of the 12-inch interconnect to Leslie Pfeiffer Drive. Pending Council direction, staff will:

- Nov 2025 - Execute design contract amendment and continue coordination with SAWS
- Dec 4, 2025 – Present the SAWS Interconnect Agreement and resolution to City Council accepting the restaurant contribution
- Feb 2026 – Publish bid opportunity
- March 2026 – Award of construction agreement

- May 2026 – Construction start
- June 2026 – Construction completes

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Supports Priority 3.1 of the Strategic Action Plan to Enhance and Ensure Continuity of Reliable Water Resources
- Provides a backup source of water in the event of pressure loss, system failure or other emergencies
- Positions the City to become a SAWS wholesale customer in the event that future anticipated water supply from the Guadalupe-Blanco River Authority does not materialize

LONGTERM FINANCIAL & BUDGETARY IMPACT:

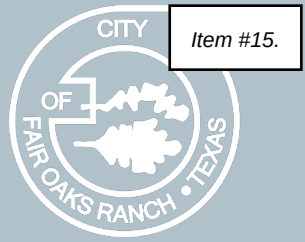
The City budgeted \$30,000 in FY 2024-25 and \$352,340 in FY 2025–26 for this project. The cost for the engineering amendment, including a new survey, water line design, bid and construction phase services, is \$40,695, bringing the total cost for engineering services to \$90,690. The estimated construction cost is \$352,340 which includes 20% contingency. With Cinco De Mayo's financial contribution, the City's total project cost is estimated at \$393,030.00.

The SAWS Interconnect Agreement will provide the terms, each party's responsibilities, and detailed rates and fees. Currently, the estimated monthly meter charge is \$613.72. The water usage rate, as needed, will be billed at the higher of the SAWS or FORU residential water rate, based on total usage.



City Council Workshop

SAWS Emergency Interconnect Project



November 6, 2025

Steven Fried
Assistant Director of Public Works

Project Summary



- Project constructs an emergency interconnect with SAWS to provide a backup water source for Pressure Zone C
- Improves resiliency in the event of extended power outage or other event where FORU is unable to provide adequate flow or pressure
- Initial planned location was near intersection of Fair Oaks Parkway and IH-10 Access Rd (found unfeasible)
- Revised alignment now along Leslie Pfeiffer Drive within existing easements
- Currently in design phase with construction anticipated to start in Spring 2026
- Staff seeks Council direction regarding the new location, revised scope, and estimated costs

Current Status

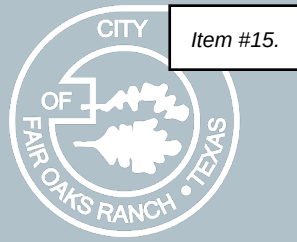


- Feb. 26, 2025 - Agreement executed with K-Friese for design phase engineering only for \$49,995
- During preliminary investigations, KFA discovered that the SAWS water line for the intended connection was in a steel casing, making this location unfeasible, and required additional easements from Frost Bank
- Alternative location was suggested by staff and engineering to utilize existing easements and connect where SAWS already has infrastructure in place
- Additional engineering cost, including new survey, bid and construction phase services, is \$40,695. Estimated construction cost is \$352,340 (includes 20% contingency).
- Cinco De Mayo has verbally agreed to contribute \$50,000 to the project to meet their fire flow requirements

Revised Project Scope

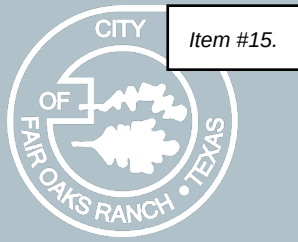
- Interconnect now located near Leslie Pfieffer Drive
- Approximately 700 LF of existing 3-inch and 6-inch mains replaced and upsized to 12-inch
 - Interconnect capable of delivering up to 1,000 GPM (25 acre-feet / 8.1 million gallons)
 - Designed to maintain 42 psi (TCEQ minimum is 35 psi) in Pressure Zone C for 5–6 days under peak demand

Project Benefits



- Enhances system reliability and operational flexibility
- Provides a sustainable backup source of water during emergencies
- Reduces vulnerability during extended power outages
- Supports Strategic Priority 3.1: Reliable Water Resources
- Supports economic development along IH-10 frontage road and ensures adequate fire flow for commercial customers
- Positions the City for wholesale water purchase agreement with SAWS in the event future anticipated GBRA water supply does not materialize

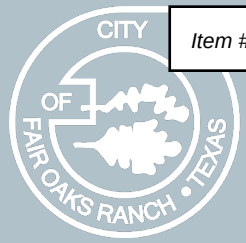
Financial Overview



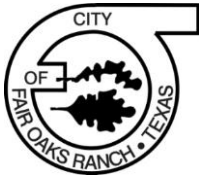
- Total engineering cost: \$90,690
- Estimated construction cost: \$352,340 (includes 20% contingency)
- Developer contribution: \$50,000
- Net city cost: \$393,030
- Current budget: \$382,340

Way Forward

- Staff seeks Council direction regarding the revised project scope and relocation of the 12-inch interconnect to Leslie Pfeiffer Drive
- Pending Council direction, staff will:
 - Nov 2025 - Execute design contract amendment and continue coordination with SAWS
 - Dec 2025 - Present the SAWS Interconnect Agreement and resolution to accept restaurant donation for approval
 - Feb 2026 - Publish bid opportunity
 - March 2026 - Award of construction agreement
 - May 2026 - Construction start
 - June 2026 - Construction complete



Questions?



CITY COUNCIL WORKSHOP

CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Compensation and Classification Study Final Report and Recommendations

DATE: November 6, 2025

DEPARTMENT: Human Resources

PRESENTED BY: Joanna Merrill, Director of Human Resources

INTRODUCTION/BACKGROUND:

The goal of the upcoming City Council workshop is to review and discuss the final report of the Compensation and Classification Study. Staff also seeks the Council's direction on which recommendations should return in a formal resolution for adoption.

To recap the project, in March 2025, the City engaged Evergreen Solutions, LLC to conduct a comprehensive Compensation and Classification Study to modernize the City's compensation systems, strengthen internal equity, enhance external competitiveness, and align workforce practices with long-term sustainability.

The study included a Job Assessment Tool survey with 92 percent employee participation, focus groups, interviews, and a salary and benefits survey of 20 approved peer organizations.

Over the past several months, the City Council has taken incremental actions to support the study, including the adoption of benchmark peer organizations in April, the approval of the 50th percentile as the City's target market placement in July, the adoption of the "Minimum Plus 1 Step" implementation methodology with a 30-step, 1.5% progression structure in August, and the approval of the FY 2025–26 General Government and Public Safety pay schedules in September. The newly adopted pay schedule will address challenges in recruitment and retention with pay ranges that are set within the City's overall peer market.

The final step of the Compensation and Classification and Study is to review the consultant's recommendations to job classification progressions, enhancements to employee benefits, improvements to performance evaluation practices, and administrative guidelines for ongoing plan management.

Benefits

The City's benefits program remains a strong component of the overall compensation package, particularly through the employer-paid employee-only medical coverage, TMRS retirement plan, and generous leave accruals. However, the study found that dependent health coverage, parental leave, and tuition reimbursement lag behind peer organizations.

The study recommends including multiple medical options for employees including an HSA-eligible High-Deductible Health Plan (HDHP). The recommendations also include consideration of paid Parental Leave and Tuition Reimbursement programs and a leave buyback program.

These enhancements could strengthen recruitment and retention by addressing identified benefit gaps while maintaining the City's competitive core offerings.

Job Classifications

The study identified inconsistencies in position titles, FLSA designations, and job descriptions, particularly in administrative and professional roles where career ladders are limited. The Council previously approved multiple job title changes in the FY 2025-26 Adopted Budget for accuracy and compliance. The report also recommends reclassifying certain positions, and creating multi-level progressions (e.g., Finance Specialist I-II, Court Clerk I-III, Inspector I-II) to recognize professional growth and allow for long-term succession planning.

Compensation

The study confirmed that the City's pay structure lagged the market by 5.8 percent at minimums and 2.4 percent at midpoints, with approximately 90 percent of employees positioned below the midpoint of their ranges. To address these gaps, City Council has already taken several key actions, including the selection of benchmark peer cities, the adoption of the 50th percentile as the City's target market placement, and the approval of the "Minimum Plus 1 Step" methodology with a 1.5 percent step progression structure. Council also approved classification title updates for the FY 2025-26 Pay Schedule and established the link between performance evaluations and step progression, which became operational on August 7.

No further action is required from City Council in this category, as adoption of these elements has already established a consistent, transparent, and fiscally sustainable pay structure that reinforces the strong foundation previously approved by Council.

Performance Evaluations

The study recommends modernizing the City's performance evaluation system to align with the adopted step-based pay structure and strengthen the link between performance, development, and advancement. Staff supports incorporating mid-year check-ins and competency-based measures tied to the City's core values beginning in FY 2026-27, along with simplified and standardized evaluation forms to be used starting July 1, 2027. Under the adopted 1.5 percent step progression plan, employee movement through the pay schedule is based on performance results, which became operational with City Council's August 7, 2025, approval. Staff also supports developing a phased approach to integrate technology systems for performance management, professional development, and succession planning in a future budget cycle, while 360-degree feedback for leadership roles is not recommended at this time due to process challenges in smaller departments.

System Administration

The study recommends formalizing the ongoing management of the new classification and compensation systems through clear administrative guidelines. These include conducting targeted market surveys as needed based on retention and vacancy data, completing full classification and compensation studies every three to five years, and adopting a cost-of-living adjustment (COLA) formula that utilizes the Consumer Price Index (CPI).

As proposed, the primary guide for COLAs will be 12-month change in CPI for the Southwest (West South Central) Census region. The Employment Cost Index (ECI) will be used as a secondary measure to compare applied adjustments to actual market movement. The study recommends the following thresholds for incorporating annual COLAs into the budget.

Thresholds

- De minimis: 1.0% (prevents zero movement in mild inflation years)
- Cap: 5.0% (maintains fiscal control – not to exceed unless in conjunction with multiyear budget projects and council approval)
- Rounding: nearest 0.25%

Governance

- **Administratively Apply:** 1.0 to 3.0 percent → proceed administratively
- **Limited Scope Market Check:** 3.0 to 5.0 percent → validate with a limited scope of peer movement (pay plan movement, anticipated movement)
Exception Review: > 5.0 percent → provide council briefing on recommended approach, including any deferred portion or alternative measures.

Staff seeks Council direction on the proposed final recommendations from the comprehensive Compensation and Classification Study. Staff will present formal policies for council adoption at a future City Council meeting. Exhibit A provides a summary of study recommendations.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Advances Strategic Action Plan Goal 5.1.1: Evaluate and Update Compensation and Benefit Plans Inclusive of Public Safety.
- Promotes transparency, consistency, and fairness in the City's compensation system.
- Strengthens staffing sustainability and supports long-term workforce development.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

The proposed adjustments do not impact the recently adopted budget, and any items with potential future financial implications will be brought forward through the regular budget process as required.

“Exhibit A”

Benefits: Chart of Recommendations

Rec. #	Category	Evergreen: Details/Notes	Status	Staff: Recommendation	Proposed Timing
5.1	Healthcare Plan Enhancements	Maintain competitive employee-only coverage; align dependent/family coverage to peer averages; investigate additional plan options include HSA-eligible high-deductible plans	Pending	Support – Staff will research viability for inclusion of alternatives.	Future Budget Cycle
5.2	Health Savings Account (HSA)	Introduce City contributions (peer avg. ≈ \$1,700/yr.) Even a modest contribution would align with peers.	Pending	Support – Staff will research viability for inclusion of alternatives.	Future Budget Cycle
5.3	Paid Parental Leave	Introduce paid parental leave beyond FMLA; nearly half of peers provide this benefit.	Pending	Support – Staff will include a policy for City Council consideration and possible adoption.	December 2025/ January 2026 Resolution
5.4	Tuition Reimbursement	Establish a tuition reimbursement program: • Max reimbursement of up to \$5,000 per year or \$2,500 per semester. • Eligibility: Full-time Employees only; With at least one full year of service at Fair Oaks Ranch. • Must maintain at least a “C” grade. • Commitment Agreement: Minimum of 1 year of service per calendar year of issuance.	Pending	Support – Staff will include a policy for City Council consideration and possible adoption.	December 2025/ January 2026 Resolution
5.5	Life Insurance	Verify per-employee cost.	In Progress	Support	Ongoing Annual Review
5.6	Leave Accruals	Sick leave accrual slightly exceeds the peer average, while vacation leave accrual and maximum balances are substantially higher	Completed	No recommendation.	Adopted by Resolution April 17, 2025
5.7	Leave Buyback	Consider the addition of an annual leave buyback program for vacation and sick leave.	Pending	Support – Staff will review organizational needs to bring back to City Council for consideration.	Future Budget Cycle

Classifications: Chart of Recommendations

Rec. #	Category	Evergreen: Details/Notes	Status	Staff: Recommendation	Proposed Timing
6.1	Reclassify Positions	Align duties and titles with market standards. Update outdated job titles for clarity and accuracy.	Completed	Support	Adopted by Resolution September 18, 2025
6.2	Create Additional Levels	Add job levels where career progression is limited.	Pending	No Recommendation – Staff will review organizational needs to consider bringing back to City Council for future consideration.	Future Budget Cycle
6.3	Update Job Descriptions	Ensure all descriptions reflect current duties, are FLSA compliant, and use modern titling conventions.	Pending	Support – Evergreen will provide draft updates for internal adoption.	Prior to end of calendar year 2025

Compensation: Chart of Recommendations

Rec. #	Category	Evergreen: Details/Notes	Status	Staff: Recommendation	Proposed Timing
6.4	Adopt New Step Structure	30 steps, 1.5% progression between steps.	Completed	Support	Adopted by Resolution August 7, 2025
6.5	Adjust Range Spreads	Adopt range spreads and progressions for better market alignment.	Completed	Support	Adopted by Resolution August 7, 2025
6.6	Adjust Non-Civilian Plan	Add steps, expand longevity, and increase minimums/maximums for public safety schedules.	Completed	Support	Adopted by Resolution September 18, 2025

Rec. #	Category	Evergreen: Details/Notes	Status	Staff: Recommendation	Proposed Timing
6.7	Transition Methodology	Use “Bring-to-Minimum + 1 Step” approach to place employees equitably in the new plan.	Completed	Support	Adopted by Resolution August 7, 2025
6.8	Targeted Adjustments	Apply adjustments for Maintenance, Utilities, and Public Safety where recruitment and retention challenges exist.	Completed	Support	Adopted by Resolution September 18, 2025

Performance Evaluations: Chart of Recommendations

Rec. #	Category	Evergreen: Details/Notes	Status	Staff: Recommendation	Proposed Timing
6.9	Strengthen Evaluation System	Add mid-year check-ins and competency-based measures tied to City values.	Pending	Support – Staff will develop an internal administrative directive for operational implementation.	FY 2026-27
6.10	Streamline Forms	Simplify evaluation forms for consistency and ease of use.	Pending	Support – Staff will update forms to be utilized in the review period beginning July 1, 2027.	FY 2026-27
6.11	Align Pay Progression with Performance	Based on Adoption of the 1.5% Step Progression	Completed	Support	Operational Adoption Tied to Resolution Approved on August 7, 2025
6.12	Technology Integration	Develop a phased approach to integrate technology systems for performance evaluation, professional development, succession planning, and workforce development.	Pending	Support	Future Budget Cycle

Rec. #	Category	Evergreen: Details/Notes	Status	Staff: Recommendation	Proposed Timing
6.13	Leadership Evaluations	Explore phased 360-degree feedback for supervisory and leadership positions.	Pending	Not recommended at this time: Item will remain under staff consideration due to process challenges in small departments.	Ongoing Review

System Administration: Chart of Recommendations

Rec. #	Category	Evergreen: Details/Notes	Status	Staff: Recommendation	Proposed Timing
6.14	Market Surveys	Conduct targeted surveys as needed for hard-to-fill positions.	Pending	Support – Staff currently conducts targets surveys as needed. Staff will develop internal measurable trigger metrics for conducting surveys.	December 2025/ January 2026 Resolution
6.15	Comprehensive Review	Complete full classification, compensation, and benefits studies every 3–5 years.	Ongoing	Support – Staff will develop a policy for City Council consideration and possible adoption.	December 2025/ January 2026 Resolution
6.16	Policy Updates	Update policies and administrative directives for salary placements and movement decisions through the adopted compensation plan structure.	Pending	Support – Staff will develop a policy for City Council consideration and possible adoption.	December 2025/ January 2026 Resolution

Rec. #	Category	Evergreen: Details/Notes	Status	Staff: Recommendation	Proposed Timing
6.17	COLA Adjustments	Adopt Cost of Living Adjustment (COLA) guidelines authorizing the City Manager to: - Automatically include CPI % backed COLA adjustments between 1–3% in the proposed budget. - Validate and recommend adjustments between 3–5% based on additional limited market checks and peer movement comparisons in conjunction with CPI data. - Present an exception review report to City Council with the above CPI backed data and checks along with implementation strategies or alternatives if COLA exceeds 5%.	Pending	Support – Staff will develop a policy for City Council consideration and possible adoption.	December 2025/ January 2026 Resolution

Compensation and Classification Study for Fair Oaks Ranch, TX

FINAL REPORT



Evergreen Solutions, LLC

October 27, 2025

EVERGREEN SOLUTIONS, LLC

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Chapter 1 - Introduction

The leadership of Fair Oaks Ranch, TX (the “City”) in keeping with its commitment to attracting and retaining the employees necessary to provide high quality services determined that its current compensation and classification systems and structures needed to be updated to better reflect best practices. Evergreen Solutions, LLC (“Evergreen”) was selected by the City during March of 2025 as its partner to accomplish this goal. This engagement sought to evaluate the strengths and weaknesses of the City’s current systems, conduct a job and pay grade analysis to study internal equity, collect peer salary and benefit data to study external equity, and adjust the current compensation and classification systems to better reflect the market. This study and the analysis contained within provides City leadership with valuable information related to their employee demographics, opinions, and market data, as well as internal and external equity.

Internal equity relates to the fairness of an organization’s compensation practices among its current employees. Specifically, by reviewing the skills, responsibilities, and duties of each position, it can be determined whether similar positions are being compensated in an equitable manner within the organization. External equity relates to the differences between how an organization’s classifications are valued and the compensation available in the marketplace for the same skills, responsibilities, and duties. This component of the study aims to address how the City is positioned in the market relative to other local area government organizations with similar positions and to develop recommendations that allow the City to recruit and retain quality employees. The classification component of this study resolves any inconsistencies related to job requirements or job titles and ensures that all jobs are appropriately categorized and aligned with the work currently performed.

1.1 STUDY METHODOLOGY

Evergreen Solutions combines qualitative and quantitative data analysis to produce recommendations that maximize the fairness and competitiveness of an organization’s compensation structure and practices. It is important to note that the data utilized in the study represents a snapshot in time. As market conditions can change rapidly, it is important for the City to conduct regular market surveys to ensure their external market position does not decay. A full compensation and classification review is recommended approximately every three to five years. Some examples of project activities included:

- conducting a project kick-off meeting;
- presenting orientation sessions to employees;
- conducting an analysis of current conditions;
- facilitating focus group sessions with employees;
- conducting an external market salary and benefits survey;



- revising classification descriptions based on job analysis;
- developing recommendations for compensation and classification changes and administration;
- reviewing current approach to performance management;
- creating draft and final reports; and
- conducting training sessions with human resources staff in the methodology used to systematically assess job classifications.

Kickoff Meeting

The kickoff meeting provided an opportunity to discuss the areas of concern, finalize the work plan, and begin the data collection process. Data collection included the gathering of relevant background material including existing pay plans, organization charts, policies, procedures, training materials, classification specifications, and other pertinent material.

Employee Outreach

Through the orientation sessions, Evergreen consultants briefed employees on the purpose and major processes of the study. This process addressed employee questions to resolve misconceptions about the study and related tasks and explained the importance of employee participation in the JAT process.

In addition, employees participated in focus group sessions designed to gather input from their varied perspectives as to the strengths and weaknesses of the current system. Feedback received from employees in this context was helpful in highlighting aspects of the organization which needed particular attention and consideration. This information provided some basic perceptual background, as well as a starting point for the research process.

Job Assessment Tool® (JAT) Classification Analysis

Employees were asked to complete individual JAT surveys, where they shared information pertaining to their work in their own words. These JATs were analyzed and compared to the current classification descriptions, and classifications were individually scored based on employee responses to six compensable factor questions. Each of the compensable factors, Management, Processes, Resources, Technology, Errors and Risks, and Knowledge and Experience, were given weighted values based on employee responses, resulting in a point factor score for each classification. The rank order of classes by JAT scores was used to develop a rank order of classes within the proposed compensation structure. Combined with market data, this information formed the foundation of the combined recommendations. The nature of each compensable factor is described below:

- Management – outlines leadership roles, from supervised tasks to independent work, team supervision, and overseeing departments or operations across multiple areas.
- Processes – relates to operational actions, from performing tasks to managing processes within departments or across the entire organization.



- Resources – defines resource responsibilities, from using and monitoring resources to managing budgeting, compliance, and allocation across the organization.
- Technology – describes the application of technology in performing duties, from using basic tools and software to managing complex systems, setting guidelines, and overseeing long-term projects.
- Errors and Risks – identifies the types of errors and risks associated with different roles, ranging from minimal impact to those that could result in significant physical, financial, or legal consequences.
- Knowledge and Experience – indicates the knowledge and experience required for various roles, ranging from basic tasks with on-the-job training to advanced education and strategic planning expertise.

Salary Survey

The external market for this study was defined as identified local government organizations with similar positions as well as similar characteristics, demographics, and service offerings. Specific benchmark positions in the City were surveyed, although not all positions had matching positions at the peer organizations. The data were then analyzed comparing City classifications to the jobs performing the same duties at peer organizations to gain a fuller understanding of their market position.

Benefits Survey

A benefits survey was also conducted as a part of this study. The survey collected information on the benefits provided by peer organizations, including health and retirement plans, paid leave, and other supplemental offerings. This data was then compared to the City's current benefits package to evaluate how Fair Oaks Ranch is positioned relative to its peers. The resulting analysis provided additional insight into the City's overall competitiveness in attracting and retaining employees by examining both compensation and benefits as a complete package.

Recommendations

Drawing on these findings, Evergreen developed recommendations focused on strengthening internal and external equity, improving recruitment and retention, and modernizing the City's compensation and classification practices. Evergreen provided the City with a variety of recommendations for the future at various costs. Plans ranged from minor tweaks to the current compensation and classification system to wholesale changes to the entire organizational structure. These plans were designed to fix the issues identified in this report, while continuing to build on the strengths the City currently exhibits.

Performance Evaluation Review

Evergreen evaluated the current performance evaluation systems and developed recommendations to enhance the recently adopted review process.



1.2 REPORT ORGANIZATION

This report includes the following additional chapters:

- Chapter 2 – Summary of Employee Outreach
- Chapter 3 – Assessment of Current Conditions
- Chapter 4 – Market Summary
- Chapter 5 – Benefits Summary
- Chapter 6 – Recommendations: Classification, Compensation, and Performance Management Process



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Chapter 2 – Summary of Employee Outreach

Evergreen Solutions, LLC conducted a series of focus groups and outreach sessions with employees of the City to gather direct feedback related to compensation, classification, benefits, and workforce dynamics. The purpose of these sessions was to understand employee perspectives, capture organizational culture, and identify both strengths and opportunities for improvement within the City's current systems. These outreach efforts are critical to ensure that the study reflects real employee experiences and provides a foundation for practical, employee-informed recommendations.

The sessions included a diverse cross-section of employees across departments and roles. Feedback was consolidated to maintain anonymity and to highlight themes rather than individual comments. As with all employee outreach, the observations are perceptual in nature and may not necessarily reflect actual policy or structural conditions. However, perceptions strongly influence morale, retention, and employee engagement, making these insights invaluable for shaping a forward-looking compensation strategy. This summary chapter was written using the notes generated from the sessions and any specific reference to an individual employee has been excluded.

2.1 GENERAL FEEDBACK

To begin the survey, employees were asked broad questions about their reasons for choosing to work at the City, why they remain, and what improvements would help the City attract and retain staff. These questions provide important context for understanding employee motivations and perceptions before examining compensation, classification, and benefits in greater detail. Employees expressed pride in working for the City, citing its small-town atmosphere paired with proximity to a major metropolitan area. Many participants noted that they originally joined the City due to its location, stability, benefits, and the opportunity to work in a close-knit environment. The organization was described as family-like, with employees feeling supported by colleagues and management. Staff appreciated opportunities for cross-training and hybrid roles that allow them to gain experience in multiple functional areas.

At the same time, employees noted concerns about workload and expectations tied to the City's growth. Several positions, particularly in public works and public safety, were described as carrying increasing responsibilities without corresponding adjustments in classification or compensation. Employees highlighted a culture of dedication but felt the growing demands were outpacing resources. Career growth, succession planning, and internal equity were recurring themes, with employees desiring clearer progression paths and recognition for expanded duties.

Some of the comments provided when asking why attendees initially sought employment with Fair Oaks Ranch included:



- *“Heard about the good people that work here.”*
- *“Feels like family here.”*
- *“Employee appreciation here is unmatched.”*
- *“Management treats employees well.”*

2.2 CLASSIFICATION AND COMPENSATION FEEDBACK

Concerns around job titles and internal equity were frequently raised. Employees noted that certain positions, such as administrative clerks, utility clerks, and maintenance technicians, carry very different responsibilities despite being grouped into similar classifications. Others, such as IT and communications roles, were said to have evolved significantly beyond the scope described in their original job descriptions. Supervisors in many areas were described as working managers, responsible not only for overseeing day-to-day operations but also for carrying significant administrative, project management, and budgetary responsibilities. Employees expressed concern that compensation has not kept pace with these expanded roles, leaving supervisory salaries misaligned with the level of responsibility required. One comment received seemed to summarize the opportunity related to classification and internal equity improvements, *“The job descriptions are written to a lower end and the expectation is much higher than what is stated. The compensation doesn’t translate.”*

On compensation, employees generally felt that the City lags key competitors in the region. Several participants noted that comparable positions in nearby jurisdictions often command higher pay, making it difficult for Fair Oaks Ranch to remain competitive in the labor market. Employees expressed concern that while the City offers meaningful work and a supportive environment, salaries do not always reflect the scope of responsibilities or the experience required to perform effectively.

Another recurring theme pertains to pay compression and limited opportunities for progression. This was more pronounced for employees with advanced skills or tenure who felt their compensation did not keep pace or align with their contributions. Many suggested the introduction of incentives tied to certifications, licenses, and specialized expertise as a way to recognize professional development and encourage retention.

Employees also raised concerns that in some cases, the level of responsibility and complexity of work had outgrown the associated pay range, leading to a sense that compensation has not kept pace with the evolving demands of certain roles.

2.3 BENEFITS FEEDBACK

Employees expressed satisfaction with the City’s health insurance and retirement offerings, noting that costs were relatively low and the retirement match was competitive. Several emphasized that the five-year vesting schedule was particularly attractive. Fringe benefits, including certification classes and incentive pay for degrees or bilingual ability, were also valued.



Employees also identified areas for improvement. Several participants wanted the ability to contribute more toward retirement, accrue additional vacation or cash-out options, or use comp time in lieu of overtime. Requests were also made for expanded professional development benefits, including tuition reimbursement and additional incentives for advanced degrees or specialized skills

There seems to be a high level of trust among employees when discussing non-compensation and compensation-related benefits. One attendee stating that, *“HR does a good job to keep the costs low”* and *“Cost for insurance is minimal compared to other cities for family and individual.”* High levels of trust and open communication are key identifiers for organizations with a great culture. Fair Oaks could leverage the employee perception of market leading benefits to improve recruitment and retention by creating a total compensation framework that places Fair Oaks at a higher percentile of the market. The competitive advantage that market leading benefits provides should not be eroded by using benefits as the justification to pay a less than market wage.

2.4 RECRUITMENT AND RETENTION CHALLENGES

Recruitment and retention challenges were a recurring theme across all focus groups. Long-term vacancies and staffing shortages in certain areas left employees feeling stretched too thin, often without sufficient time or resources to complete their work effectively. The most commonly mentioned classifications with high turnover rates or long-term vacancies occurred in the areas of:

- maintenance;
- utility;
- water/wastewater technicians; and
- police.

Employees felt that some of these challenges were tied to the lack of advancement opportunities within certain job families, resulting in flat career structures that hinder motivation and long-term retention. Employees also emphasized that the high cost of housing in Fair Oaks Ranch prevents most staff from living within the community they serve, underscoring the need for competitive salaries and benefits to attract and retain talent. Several noted that it is difficult to justify commuting past neighboring jurisdictions offering higher wages for similar work. The local competition places the City at a disadvantage in both recruitment and retention efforts.

Participants offered that the City’s strongest competitors for talent include nearby jurisdictions such as Boerne, Kendall County, Leon Valley, San Marcos, New Braunfels, as well as utilities such as the San Antonio Water System, and other growing regional cities and counties. Employees stated that these organizations offer more competitive pay, specialized roles, or more robust advancement opportunities, making it challenging for Fair Oaks Ranch to compete for experienced candidates.



2.5 KEY ISSUES FOR THE STUDY

At the conclusion of each focus group, participants were asked to identify their top three priorities for the study. This exercise helped clarify the areas where employees believe the City would benefit most from targeted recommendations. Across groups, several consistent themes emerged:

- **Competitive Pay:** Compensation should be brought in line with surrounding jurisdictions to support recruitment and retention.
- **Career Progression:** Development of structured career paths and succession plans to provide clarity for advancement. This is especially important for classification families that require desirable industry certifications and licensure essential to service delivery for Fair Oaks Ranch.
- **Certification Pay:** Recognition for professional licenses and certifications, particularly in maintenance, public works, and utilities.
- **Internal Equity:** Reclassification of positions and review of job titles to align duties with expectations and ensure fairness across roles.
- **Workload Balance/Staffing Levels:** Addressing hybrid roles and increasing specialization where feasible to prevent burnout and enhance service delivery.

2.6 SUMMARY

The outreach sessions revealed that Fair Oaks Ranch employees are deeply committed to their work, value the supportive culture, and appreciate the benefits provided by the City. At the same time, there are pressing concerns around pay competitiveness, career advancement, staffing levels, and internal equity that must be addressed to sustain morale and retain talent.

The concerns expressed and reported above are not unique to the City; similar issues are commonly found in many organizations. What sets the City apart, however, is its commitment to actively seeking employee input and feedback regarding its compensation and classification system. This commitment reflects a meaningful step toward ensuring that the City's practices are equitable, competitive, and responsive to employee needs.

The feedback gathered through this employee outreach process provided valuable insight into the current environment and employee perceptions. These perspectives were carefully considered in the subsequent phases of the study and informed the detailed analyses and recommendations presented in the following chapters.



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Chapter 3 – Assessment of Current Conditions

The purpose of this chapter is to provide a descriptive analysis of the compensation and classification system in place at the City at the start of this study. The assessment is divided into the following sections:

- 3.1 Analysis of Pay Plans
- 3.2 Grade Placement Analysis
- 3.3 Quartile Analysis
- 3.4 Compression Analysis
- 3.5 Summary

This chapter presents a point-in-time analysis based on employee data collected in **April 2025**. It establishes the foundation and baseline for identifying trends, informing and shaping the recommendations in **Chapter 6**. While not a definitive assessment of the City's evolving compensation practices, it offers insights into the structure and methods in place at the study's outset, highlighting key areas for further review and potential improvement.

3.1 ANALYSIS OF PAY PLANS

The purpose of analyzing the pay plans used within the City is to help gain an overview of the compensation philosophy as it existed when the study began. The City had a system in place that categorized classifications by level and type of work. This system used alpha-numeric and numeric pay grades to represent classifications of varying level and responsibility. For the purpose of this report, the various pay plans are being included together in the analysis to provide a wholistic look at the pay ranges available to employees. **Exhibit 3A** displays the City's pay plans summarized for ease of comparison. The exhibit provides the pay plan name; lists each pay grade on the plan; the value of each pay grade at minimum, midpoint, and maximum; the range spread for each pay grade – which is a measure of the distance between the minimum and maximum of the grade; the midpoint progression between grades; and the number of employees per pay grade.

The City maintains a broad 56-grade pay structure; however, only 50 percent of the grades are currently populated, with 80 employees distributed across 28 grades. The pay range spreads fall between 37.8 - 52.2 percent. Pay grades 12, 13, 19, 24, 31, 32, 34, 45, PD62184, PD82080, and PD92080 only have one employee, while pay grade 14 contains the most employees with 15.



**EXHIBIT 3A
PAY PLAN SUMMARY**

Pay Plan	Grade	Minimum	Midpoint	Maximum	Range Spread	Midpoint Progression	Employees
Civilian	12	\$ 35,464	\$ 44,720	\$ 53,976	52%	-	1
Civilian	13	\$ 37,273	\$ 46,301	\$ 55,328	48%	4%	1
Civilian	14	\$ 39,166	\$ 49,379	\$ 59,592	52%	7%	15
Civilian	16	\$ 43,222	\$ 53,695	\$ 64,168	48%	9%	4
Civilian	17	\$ 45,406	\$ 56,410	\$ 67,413	48%	5%	4
Civilian	18	\$ 47,715	\$ 59,270	\$ 70,824	48%	5%	2
Civilian	19	\$ 50,128	\$ 62,265	\$ 74,402	48%	5%	1
Civilian	20	\$ 52,666	\$ 65,416	\$ 78,166	48%	5%	2
Civilian	21	\$ 55,328	\$ 68,723	\$ 82,118	48%	5%	2
Civilian	22	\$ 58,136	\$ 72,207	\$ 86,278	48%	5%	3
Civilian	23	\$ 61,090	\$ 75,868	\$ 90,646	48%	5%	2
Civilian	24	\$ 64,168	\$ 79,706	\$ 95,243	48%	5%	1
Civilian	25	\$ 67,413	\$ 83,730	\$ 100,048	48%	5%	3
Civilian	26	\$ 70,824	\$ 87,963	\$ 105,102	48%	5%	4
Civilian	27	\$ 74,402	\$ 92,404	\$ 110,406	48%	5%	3
Civilian	31	\$ 90,464	\$ 112,489	\$ 134,514	49%	22%	1
Civilian	32	\$ 95,243	\$ 118,290	\$ 141,336	48%	5%	1
Civilian	34	\$ 105,102	\$ 130,551	\$ 156,000	48%	10%	1
Civilian	35	\$ 110,406	\$ 137,155	\$ 163,904	48%	5%	2
Civilian	37	\$ 121,024	\$ 150,971	\$ 180,918	49%	10%	2
Civilian	40	\$ 141,336	\$ 175,562	\$ 209,789	48%	16%	2
Civilian	45	\$ 180,918	\$ 224,723	\$ 268,528	48%	28%	1

Pay Plan	Grade	Minimum	Midpoint	Maximum	Range Spread	Midpoint Progression	Employees
Non-Civilian	PD62080	\$ 59,842	\$ 71,177	\$ 82,512	38%	-	3
Non-Civilian	PD62184	\$ 59,842	\$ 71,177	\$ 82,512	38%	0%	11
Non-Civilian	PD72184	\$ 67,726	\$ 80,535	\$ 93,344	38%	13%	2
Non-Civilian	PD82080	\$ 80,742	\$ 96,020	\$ 111,297	38%	19%	1
Non-Civilian	PD82184	\$ 80,742	\$ 96,020	\$ 111,297	38%	0%	4
Non-Civilian	PD92080	\$ 89,238	\$ 106,121	\$ 123,003	38%	11%	1

Comparing the summary data in **Exhibit 3A** to best practices, the following observations can be made regarding the City's pay plans.

- The City's average salary range spread for the civilian plan is 48 percent and for the non-civilian plan its 38 percent. While this is narrow compared to broader public sector norms, they may not differ significantly from peers in the local market. This provides context that the Town's structure, while conservative, may be consistent with municipalities in close proximity.
- Based on a comparison of the civilian pay plan to the employee data, it was observed that multiple pay grades are not currently utilized. Among the occupied grades, Pay Grade 14 contains the largest concentration of employees, with 15 incumbents, while nine pay grades have only a single incumbent. The non-civilian pay plan includes five



pay grades with differing hourly rates depending on annual hours (2080 or 2184). Within this plan, the majority of employees are placed in Pay Grade PD6/2184 hours.

- The minimum of the pay grades utilized is \$35,464 while the maximum of the utilized pay grades is \$275,246.40 at step 18. The City's minimum rate is \$17.05 per hour.
- The City utilizes a step plan system for both its civilian and non-civilian pay plans. A step plan is defined by a structured pay schedule in which employees advance through predetermined salary increments, typically based on tenure, performance, or a combination of both. The civilian pay plan includes 18 steps, and the non-civilian pay plan includes 14 steps.

3.2 GRADE PLACEMENT ANALYSIS

The Grade Placement Analysis evaluates how employee salaries are distributed across pay grades to identify potential challenges with salary progression, turnover, or market competitiveness. Clustering at the lower end may suggest limited progression or high turnover, while clustering at the upper end may indicate long tenure, experienced employees or outdated pay ranges. The analysis considers employee placement relative to the range minimums, midpoints, and maximums, and includes only pay grades with active incumbents.

Exhibit 3B displays the percentage and number of employees compensated at their pay grade minimum and pay grade maximum. The percentages presented are based on the total number of employees in that grade. As can be seen in the exhibit, 3.8 percent (three total) of all employees are compensated at their pay grade's minimum. The same percentage of employees, 3.8 percent (three total), are compensated at their pay grade's maximum.

EXHIBIT 3B
EMPLOYEES AT MINIMUM AND MAXIMUM BY GRADE

Pay Plan	Grade	Employees	# at Min	% at Min	# at Max	% at Max
Civilian	12	1	0	0.0%	0	0.0%
	13	1	0	0.0%	0	0.0%
	14	15	2	13.3%	0	0.0%
	16	4	0	0.0%	0	0.0%
	17	4	0	0.0%	0	0.0%
	18	2	0	0.0%	0	0.0%
	19	1	0	0.0%	0	0.0%
	20	2	0	0.0%	0	0.0%
	21	2	0	0.0%	0	0.0%
	22	3	0	0.0%	0	0.0%
	23	2	0	0.0%	0	0.0%
	24	1	0	0.0%	0	0.0%
	25	3	0	0.0%	0	0.0%
	26	4	0	0.0%	1	25.0%
	27	3	0	0.0%	0	0.0%
	31	1	0	0.0%	0	0.0%
	32	1	0	0.0%	0	0.0%
	34	1	0	0.0%	0	0.0%
	35	2	0	0.0%	1	50.0%
	37	2	0	0.0%	0	0.0%
	40	2	0	0.0%	0	0.0%
	45	1	0	0.0%	0	0.0%
Non-Civilian	PD62080	3	0	0.0%	0	0.0%
	PD62184	11	1	9.1%	1	9.1%
	PD72184	2	0	0.0%	0	0.0%
	PD82080	1	0	0.0%	0	0.0%
	PD82184	4	0	0.0%	0	0.0%
	PD92080	1	0	0.0%	0	0.0%
Total	-	80	3	3.8%	3	3.8%

In addition to evaluating the number of employees at pay range minimum and maximum, an analysis was conducted to assess employee distribution relative to the midpoint of each pay grade. As shown in **Exhibit 3C**, 90 percent of City employees (72 individuals) are compensated below their pay grade midpoint, while only 10 percent (8 individuals) are compensated above. This distribution highlights a significant concentration of employees on the lower end of their respective salary ranges

EXHIBIT 3C

EMPLOYEES ABOVE AND BELOW MIDPOINT BY PAY GRADE

Pay Plan	Grade	Employees	# < Mid	% < Mid	# > Mid	% > Mid
Civilian	12	1	1	100.0%	0	0.0%
	13	1	1	100.0%	0	0.0%
	14	15	15	100.0%	0	0.0%
	16	4	4	100.0%	0	0.0%
	17	4	4	100.0%	0	0.0%
	18	2	1	50.0%	1	50.0%
	19	1	0	0.0%	1	100.0%
	20	2	2	100.0%	0	0.0%
	21	2	1	50.0%	1	50.0%
	22	3	3	100.0%	0	0.0%
	23	2	2	100.0%	0	0.0%
	24	1	1	100.0%	0	0.0%
	25	3	3	100.0%	0	0.0%
	26	4	3	75.0%	1	25.0%
	27	3	2	66.7%	1	33.3%
	31	1	1	100.0%	0	0.0%
	32	1	1	100.0%	0	0.0%
	34	1	1	100.0%	0	0.0%
	35	2	1	50.0%	1	50.0%
	37	2	2	100.0%	0	0.0%
	40	2	2	100.0%	0	0.0%
	45	1	1	100.0%	0	0.0%
Non-Civilian	PD62080	3	2	66.7%	1	33.3%
	PD62184	11	10	90.9%	1	9.1%
	PD72184	2	2	100.0%	0	0.0%
	PD82080	1	1	100.0%	0	0.0%
	PD82184	4	4	100.0%	0	0.0%
	PD92080	1	1	100.0%	0	0.0%
Total		80	72	90.0%	8	10.0%

3.3 QUARTILE ANALYSIS

The last part of the Grade Placement Analysis is a detailed look at how salaries are distributed through pay grades, through a quartile analysis. This analysis divides each pay grade into four segments of equal width, called quartiles. The quartiles represent 25 percent segments of the pay range. Employees are assigned to a quartile within their pay range based on their current salary.

The quartile analysis identifies where employee salaries are clustered within each pay range and examines the relationship between salary placement and organizational tenure. While not conclusive on its own, this analysis, when considered alongside market data and

employee feedback, provides valuable insight into potential underlying inefficiencies within the City's current compensation and classification structure.

Exhibit 3D shows the number of employees that are in each quartile of each grade, as well as the average overall tenure (i.e. how long an employee has worked for the City) by quartile. Overall, data show that 65.0 percent of employees fall into Quartile 1 of their respective grade; 25.0 percent fall into Quartile 2; 5.0 percent fall into Quartile 3; and 5.0 percent fall into Quartile 4. While this distribution does not lead to a conclusion, data for average tenure does lead to determinations on the relationship between tenure and salary.

Specifically, overall average tenure is relatively low at 4.5 years. Tenure generally increases as quartile increases; the average tenure in Quartile 1 is 3.5 years; in Quartile 2 is 5.3 years; in Quartile 3 is 11.6 years; and in a slight dip in Quartile 4 with 7.4 years. This indicates that employees are moved through their pay grades equitably, or at the very least a positive linear relationship exists between tenure and pay.

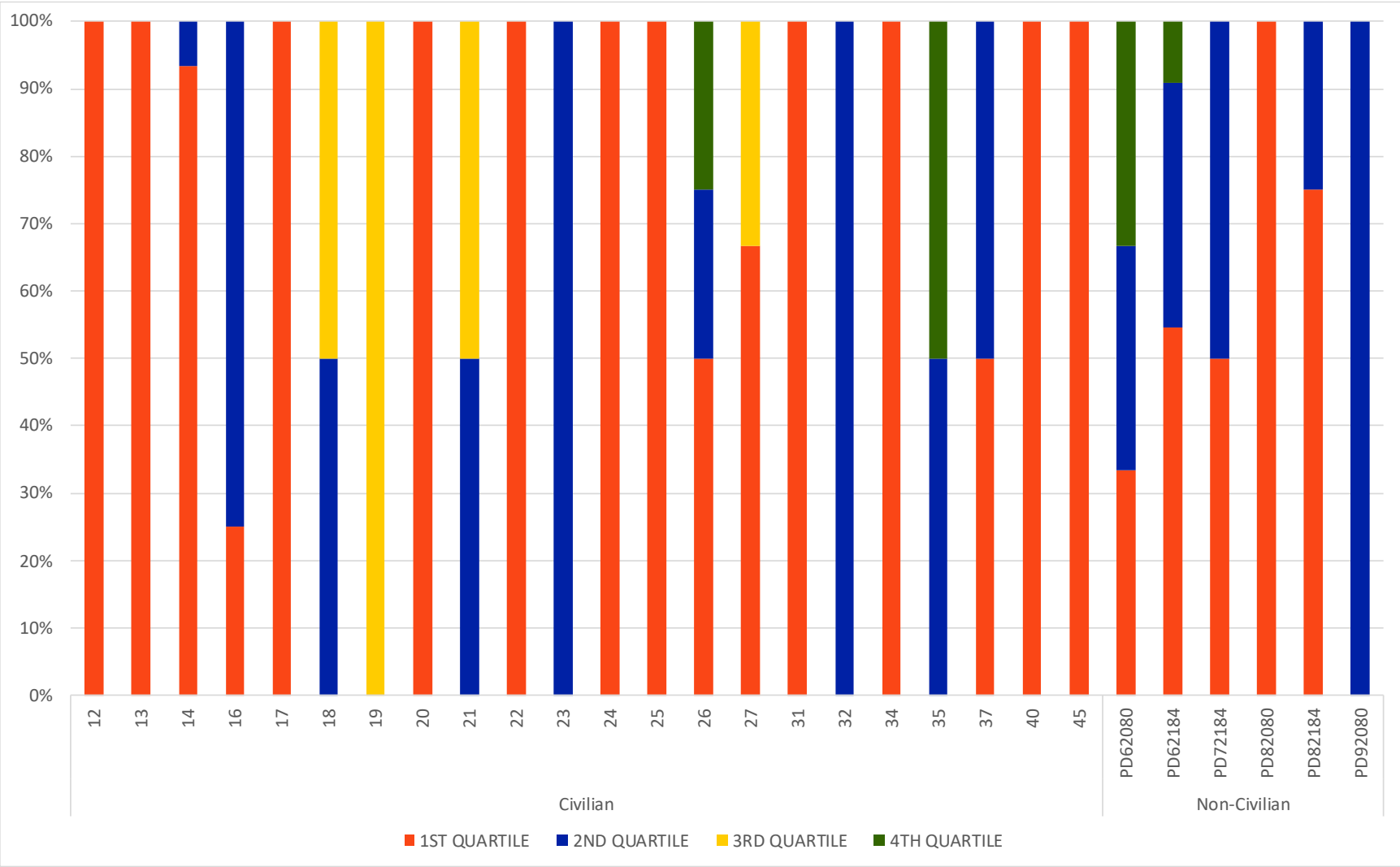
Exhibit 3E displays a graphical representation of the data contained in **Exhibit 3D**. Each pay grade is divided into up to four sections representing the percentage of employees, in that pay grade, who belong in each quartile.

EXHIBIT 3D

QUARTILE ANALYSIS AND TIME WITH THE ORGANIZATION

Pay Plan	GRADE	Total Employees	Average Tenure	1st Quartile		2nd Quartile		3rd Quartile		4th Quartile	
				# Employees	Avg Tenure	# Employees	Avg Tenure	# Employees	Avg Tenure	# Employees	Avg Tenure
Civilian	12	1	6.0	1	6.0	0	-	0	-	0	-
	13	1	0.1	1	0.1	0	-	0	-	0	-
	14	15	1.0	14	0.9	1	1.9	0	-	0	-
	16	4	6.4	1	1.7	3	8.0	0	-	0	-
	17	4	3.4	4	3.4	0	-	0	-	0	-
	18	2	6.2	0	-	1	3.0	1	9.4	0	-
	19	1	5.3	0	-	0	-	1	5.3	0	-
	20	2	2.6	2	2.6	0	-	0	-	0	-
	21	2	9.7	0	-	1	3.1	1	16.3	0	-
	22	3	0.5	3	0.5	0	-	0	-	0	-
	23	2	5.1	0	-	2	5.1	0	-	0	-
	24	1	0.5	1	0.5	0	-	0	-	0	-
	25	3	2.7	3	2.7	0	-	0	-	0	-
	26	4	7.1	2	10.1	1	3.0	0	-	1	5.3
	27	3	7.9	2	4.1	0	-	1	15.4	0	-
	31	1	21.5	1	21.5	0	-	0	-	0	-
	32	1	1.3	0	-	1	1.3	0	-	0	-
	34	1	6.0	1	6.0	0	-	0	-	0	-
	35	2	4.8	0	-	1	6.1	0	-	1	3.6
	37	2	4.0	1	7.8	1	0.2	0	-	0	-
	40	2	13.7	2	13.7	0	-	0	-	0	-
	45	1	3.3	1	3.3	0	-	0	-	0	-
Non-Civilian	PD62080	3	7.0	1	2.2	1	5.6	0	-	1	13.2
	PD62184	11	3.3	6	1.5	4	5.0	0	-	1	7.3
	PD72184	2	5.1	1	4.0	1	6.3	0	-	0	-
	PD82080	1	5.1	1	5.1	0	-	0	-	0	-
	PD82184	4	6.6	3	5.2	1	10.7	0	-	0	-
	PD92080	1	9.7	0	-	1	9.7	0	-	0	-
Overall	-	80	4.5	52	3.5	20	5.3	4	11.6	4	7.4

EXHIBIT 3E
QUARTILE PLACEMENT BY PAY GRADE



Studying the data from the following exhibits can reveal certain patterns. One observation is the percentage of Quartiles is generally consistent through the grades of a given pay plan. However, as evidenced in **Exhibit 3C and 3D**, the majority of employees are in Quartiles 1 and 2, below the range midpoint. There is no conclusive reason why this has occurred; however, a likely explanation is that employee salary increases have coincided with cost-of-living adjustments, with both being applied at similar percentage levels. This maintains the employee's salary in relation to the range minimum as both the plan and salary increased. This could also be the result of a workforce with relatively low tenure due to the recent hiring of new employees. The city average tenure is 4.5 years, which given a 30-year parity would have most employees in the first quartile on a tenure basis. It is impossible to determine why this pattern is occurring without more data.

3.4 COMPRESSION ANALYSIS

Pay compression can be defined as the lack of variation in salaries between employees with significantly different levels of experience and responsibility. Compression can be seen as a threat to internal equity and morale. Two common types of pay compression can be observed when the pay of supervisors and their subordinates are too close, or the pay of highly tenured staff and newly hired employees in the same job are too similar.

According to the Society for Human Resources Management (SHRM), specific examples of actions that may cause pay compression include the following:

- Reorganizations change peer relationships and can create compression if jobs are not reevaluated.
- In some organizations, certain departments or divisions may be relatively liberal with salary increases, market adjustments, and promotions—while others are not.
- Some employers have overlooked their Human Resources policies designed to regulate pay, paying new hires more than incumbents for similar jobs under the mantra of “paying what it takes to get the best talent.”
- Many organizations have found it easy to hire people who had already done the same work for another organization, eliminating the need for training. Rather than hiring individuals with high potential and developing them for the long term, they have opted for employees who could “hit the ground running”—regardless of their potential.

Exhibit 3F indicates the ratio of direct report to supervisor salaries by grade graphically and **Exhibit 3G** displays these results numerically. Employees were grouped into categories reflecting whether their actual salary was less than 80 percent, less than 95 percent, or greater than 95 percent of their supervisor's salary. Less than 80 percent would indicate that the ratio of an employee's salary to his supervisor's salary would yield a result of less than 0.8. For example, an employee with a salary of \$79,000.00 and a supervisor with a salary of \$100,000.00 would yield a ratio of 0.79 and be placed into the Less than 80 percent category.

An analysis of the data reveals that while most positions in the City are appropriately aligned, with no significant evidence of compression between employee and supervisor salaries, there is one instance where an employee’s salary exceeds 100 percent of their supervisor’s pay. Anywhere blue or red appears on **Exhibit 3F** is somewhere that warrants an examination of supervisor vs. employee salary.

EXHIBIT 3F
EMPLOYEE TO SUPERVISOR SALARY RATIO BY PAY GRADE

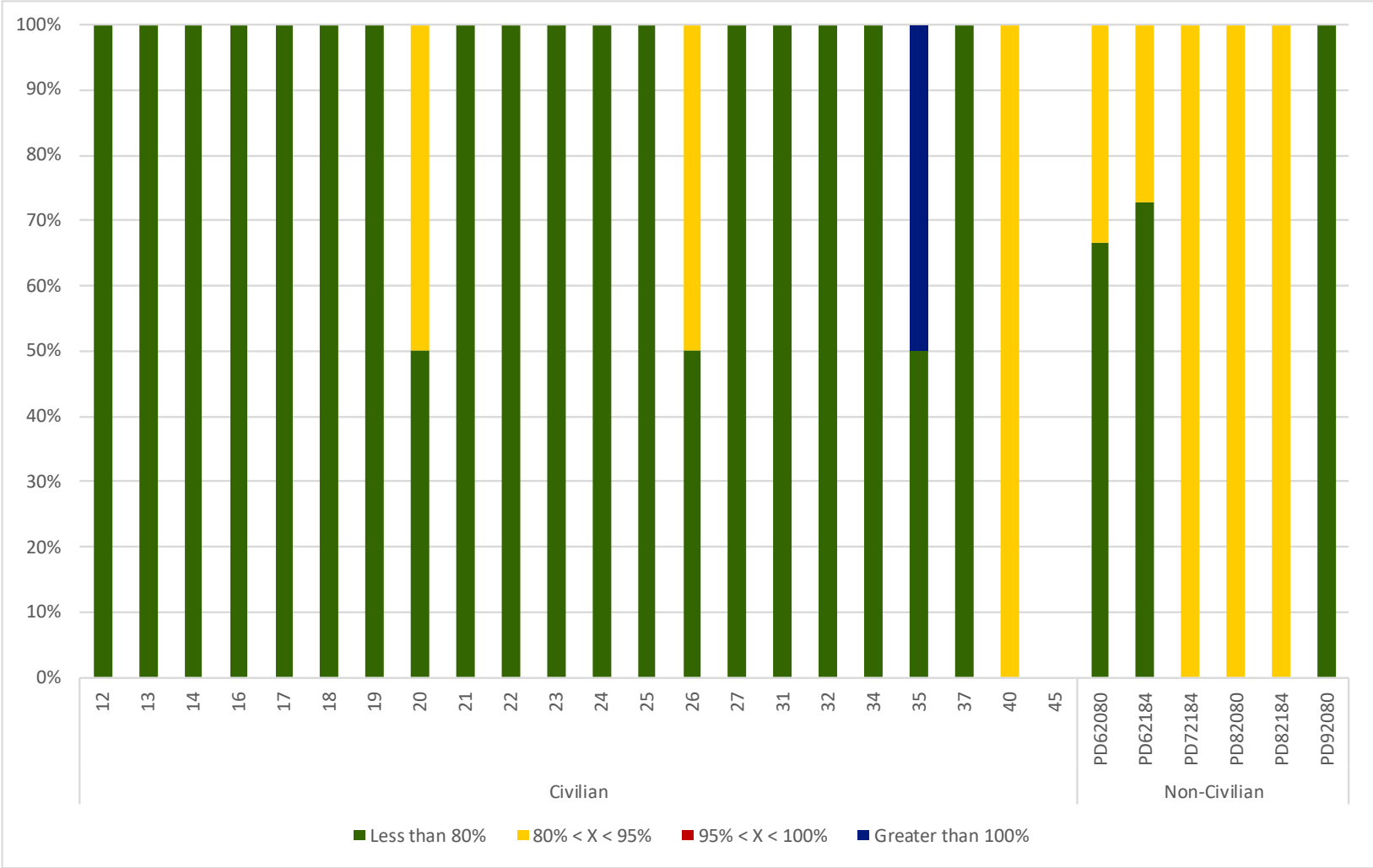


EXHIBIT 3G
EMPLOYEE TO SUPERVISOR SALARY RATIO BY PAY GRADE

Pay Plan	Grade	Less than 80%	80% < X < 95%	95% < X < 100%	Greater than 100%
Civilian	12	1	0	0	0
	13	1	0	0	0
	14	12	0	0	0
	16	4	0	0	0
	17	4	0	0	0
	18	2	0	0	0
	19	1	0	0	0
	20	1	1	0	0
	21	2	0	0	0
	22	3	0	0	0
	23	2	0	0	0
	24	1	0	0	0
	25	3	0	0	0
	26	2	2	0	0
	27	3	0	0	0
	31	1	0	0	0
	32	1	0	0	0
	34	1	0	0	0
	35	1	0	0	1
	37	2	0	0	0
	40	0	2	0	0
	45	0	0	0	0
Non-Civilian	PD62080	2	1	0	0
	PD62184	8	3	0	0
	PD72184	0	2	0	0
	PD82080	0	1	0	0
	PD82184	0	4	0	0
	PD92080	1	0	0	0
Total	-	59	16	0	1



Exhibit 3H and **Exhibit 3I** showcase the actual vs. projected progression of City employees, sorted by pay grade. Progression is projected using a 30-year progression assumption for employees. For example, an employee who had worked at their position for 15 years would be projected to be at the grade midpoint, while an employee with 30 or more class years would be projected to be at the grade maximum. An important distinction between this compression table and the quartile analysis: this compression table utilizes class years, while the Quartile analysis uses tenure. Class years are differentiated from tenure by using the date an employee started working in their current classification as the start date, rather than initial hire date.

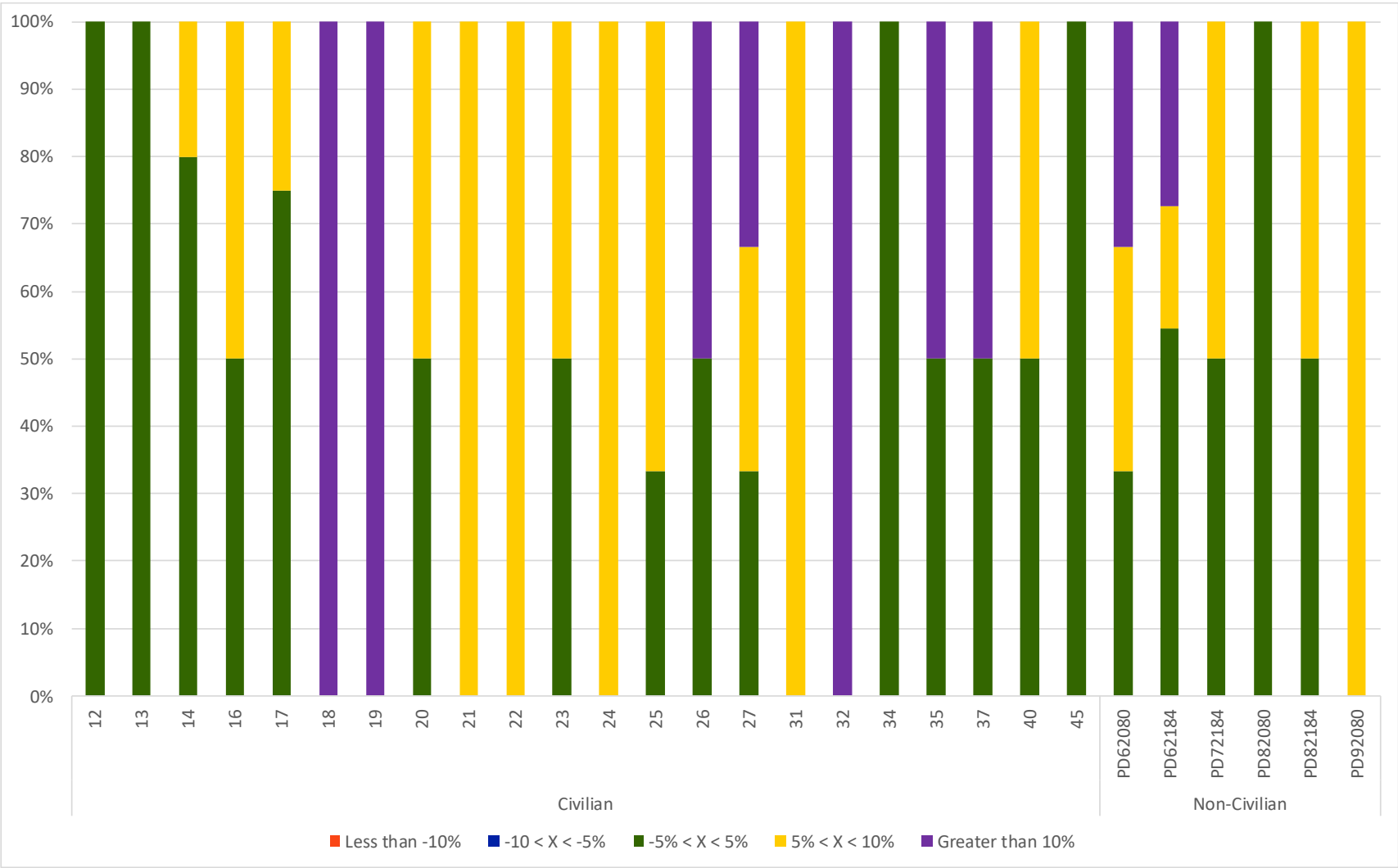
On **Exhibit 3I**, it is easy to discern that most City employees are progressed on par with or ahead of projected, based on their class years. The progression could be a function of a pay plan below market, requiring the City to advance employees more quickly through pay grades to maintain market competitiveness. However, it could just as easily be another indicator of employee advancement or high performance. This could also be an indication of a workforce that possesses value outside of their time spent with the City, such as additional education or experience. This may mean that the employee is hired above their “projected progression” based on class years alone. While the true explanation likely encompasses many of these factors, a definitive answer cannot be determined without more data.

EXHIBIT 3H
ACTUAL VS. PROJECTED PROGRESSION

Pay Plan	Grade	Less than -10%	-10 < X < -5%	-5% < X < 5%	5% < X < 10%	Greater than 10%
Civilian	12	0	0	1	0	0
	13	0	0	1	0	0
	14	0	0	12	3	0
	16	0	0	2	2	0
	17	0	0	3	1	0
	18	0	0	0	0	2
	19	0	0	0	0	1
	20	0	0	1	1	0
	21	0	0	0	2	0
	22	0	0	0	3	0
	23	0	0	1	1	0
	24	0	0	0	1	0
	25	0	0	1	2	0
	26	0	0	2	0	2
	27	0	0	1	1	1
	31	0	0	0	1	0
	32	0	0	0	0	1
	34	0	0	1	0	0
	35	0	0	1	0	1
	37	0	0	1	0	1
	40	0	0	1	1	0
	45	0	0	1	0	0
Non-Civilian	PD62080	0	0	1	1	1
	PD62184	0	0	6	2	3
	PD72184	0	0	1	1	0
	PD82080	0	0	1	0	0
	PD82184	0	0	2	2	0
	PD92080	0	0	0	1	0
Total	-	0	0	41	26	13



EXHIBIT 3I
ACTUAL VS. PROJECTED PROGRESSION



3.5 CLASSIFICATIONS

The City's current classification structure provides the foundation for organizing its workforce, defining roles and responsibilities, and supporting consistent personnel practices. Classifications serve as the framework for recruiting, compensation, performance management, and career progression by grouping similar duties and responsibilities under standardized titles. This initial analysis establishes a baseline understanding of how positions are currently defined and utilized, when paired with the job assessment analysis, will inform recommendations for updates to the class plan.

As shown in **Exhibit 3J**, based on the provided employee data set, the City is currently utilizing 49 classifications.

**EXHIBIT 3J
UTILIZED CLASSIFICATIONS**

Classification	Classification
Accountant I	Human Resources Generalist
Accounting Manager	Infrastructure Inspector
Administrative Assistant	IT Manager
Administrative Clerk	IT Network Specialist
Administrative Clerk-Temp/PT	Maintenance Lead
Administrative Support Special	Maintenance Supervisor
Animal Services Officer	Maintenance Technician
Assistant City Manager	Manager of Engineering Service
Assistant Director of Public Works	Mechanic
Building Inspector	Multimedia Comms. Officer
Building Official	Payroll & AP Specialist
Chief of Police	Police Corporal
City Manager	Police Officer
City Planner	Police Sergeant
City Secretary	Procurement Manager
Civilian Investigator	Project Manager
Code Compliance Officer	School Resource Officer
Court Administrator	Utilities Clerk
Court Clerk	Utility Technician
Custodian/Maintenance Worker	Wastewater Supervisor
Deputy City Secretary	Water Supervisor
Director of Finance	Water/Wastewater Operator I
Director of HR & Communication	Water/Wastewater Operator II
Director of Public Works & Engineering	Water/Wastewater Operator III
GIS Technician	

As of April 2025, the data shows that employees are distributed across 11 departments, reflecting a wide range of operational and administrative functions. As shown in **Exhibit 3K**, the City employed 80 staff members classified into 52 positions. Public Safety represents the



largest share of the workforce, accounting for over one-third (36.3 percent) of all employees, followed by Utilities (17.5 percent) and Maintenance (11.3 percent). Smaller support functions, such as the City Secretary, Municipal Court, and Information Technology, account for fewer than three percent of employees each. This distribution highlights the City's staffing emphasis on service delivery functions while maintaining lean administrative and support operations.

EXHIBIT 3K EMPLOYEE DISTRIBUTION BY DEPARTMENT

Department	Employees	Classes	% of Total
Administration	5	4	6.3%
Building Codes	4	4	5.0%
City Secretary	2	2	2.5%
Engineering Services	6	6	7.5%
Finance	5	5	6.3%
Human Resources & Communications	3	3	3.8%
Information Technology	2	2	2.5%
Maintenance	9	5	11.3%
Municipal Court	1	1	1.3%
Public Safety	29	12	36.3%
Utilities	14	8	17.5%
Total	80	52*	100.0%

*Exceeds the reported 49 classifications due to the same titles used in multiple areas

During outreach, employees shared that they would like to have additional opportunities to grow in their chosen career. It does appear that career ladders exist in specific areas, e.g. Public Safety and Utilities and Maintenance. Public Safety is the largest department (29 employees, 12 classes) and has a natural progression built into its rank structure. This type of class structure supports career development and retention, and it appears to be the clearest example of tiered advancement in the plan. The areas of Utilities and Maintenance also show a range of operational classes (e.g., Utility Technician, Wastewater Operator II/III, Maintenance Technician/Lead/Supervisor), which provide employees opportunities to move up in skill and responsibility without leaving their department.

However, there does appear to be some limitations in administrative and professional support roles with no defined I/II/III or specialist to supervisor type of progressions. The same limitations are observed in both HR and IT.

Employee concerns about limited growth are reflected in the City's current structure. However, given the City's size and organizational structure, a multi-tiered class plan across all departments is likely not warranted.

3.6 SUMMARY

There were many observations made with respect to the City's compensation system in place at the beginning of the study.

- While the City's average salary range spread of 48 percent for the civilian plan appears narrow compared to broader public sector norms, it does not differ significantly from peers in the local market. This provides context that the City's structure, while conservative, may be consistent with municipalities in close proximity. The non-civilian plan has a salary range of 38 percent; this narrow range is not uncommon in public safety.
- The City maintains a broad 56-grade pay structure; however, only 50 percent of the grades are currently utilized. This may reflect an original structure that was more classification based but has resulted in the underutilization of the plan. The City may wish to consolidate the pay plan to have a structure that better aligns with best practices.
- Most employees are compensated within ten percent of their anticipated salary based on a 30-year progression model; indicating that overall pay levels are generally consistent with what the model would predict.
- The employees' overall average tenure is 4.5 years, and approximately 90 percent of employees are compensated below the midpoint of their assigned pay grade. This typically indicates a relatively younger workforce, periods of turnover, loss of a long tenured cohort, or a pay structure designed with a lengthy progression.
- Nearly two-thirds of employees (65.0 percent) are in Quartile 1 of their pay grade. This aligns with the earlier observation regarding employee distribution and suggests a workforce characterized by relatively high turnover and/or recent expansion that has required a significant number of new hires. Further analysis is necessary to determine the underlying cause of this imbalance.
- Most City employees are paid less than 80.0 percent of their supervisors' salaries. This is a good indication that there are not widespread salary compression issues between employees and their supervisors.
- The City's current classification structure reflects its small size and lean staffing model, with clear career paths in Public Safety, Utilities, and Maintenance but limited advancement opportunities in most administrative and professional support roles. Further discussions with City leadership are necessary to determine what adjustments, if any, are warranted once the job assessment is completed.

This analysis acts as a starting point for the development of recommendations in subsequent chapters of this report. Paired with market data, Evergreen can make recommendations that will ensure that the City's compensation system is structurally sound in terms of best practice, competitive with the market, and treats all employees equitably moving forward.

EVERGREEN SOLUTIONS, LLC

Chapter 4 – Market Summary

The purpose of the market summary chapter is to benchmark the City's compensation practices against that of its market peers; to establish how competitive the City is with the market. To complete this market study, Evergreen compared pay ranges of select benchmark positions that the City possesses against the compensation of positions performing those same duties within peer organizations. By aggregating the differences in pay ranges across all the positions, a reasonable determination is made as to the City's competitive position within the market.

It is important to note that individual salaries are not analyzed in this methodology, since individual compensation can be affected by several variables such as experience and job performance. For this reason, Evergreen looked at average pay ranges across the entire classification to make the most accurate comparison. The results of this market study should be considered reflective of the current state of the market at the time of this study; however, market conditions can change rapidly. Consequently, it is necessary to conduct market surveys of peer organizations at regular intervals for an organization to consistently monitor its position within the market. Furthermore, the market results detailed in this chapter provide a foundation for understanding the City's overall structural standing in the market, and the rates reflected in this chapter, while an important factor, are not the sole determinant for how classifications were placed into the proposed salary ranges outlined in **Chapter 6**.

Evergreen conducted a comprehensive market salary survey for the City, which included soliciting 20 target peer organizations (19 cities and one county), approved by City Council, for 49 benchmark positions. Of the 20 total organizations contacted, 16 responded and provided data for the benchmark positions. Target peers were selected based on a few factors, including geographic proximity, number of residents and employees, operating budget, total tax rate, per capita income and identity. Target organizations were also identified for their competition with the City for employee recruitment and retention efforts. The list of targets that provided data for the purpose of this study are included in **Exhibit 4A**.



EXHIBIT 4A RESPONDENT MARKET PEERS

Respondent Organizations
Alamo Heights
Bee Cave
Boerne
Bulverde
Flower Mound
Heath
Helotes
Kyle
New Braunfels
San Antonio
San Marcos
Schertz
Seguin
Selma
Shavano Park
Southlake
Terrell Hills
Trophy Club
University Park
Kendall County

Because the data collected for the market summary was from various regions, it was necessary to adjust peer responses relative to the City based on cost-of-living. For all organizations that fell outside the City's immediate region, a cost-of-living adjustment was applied to the reported pay ranges to ensure a market average was attained in terms of the spending power an employee would have in the City's local area. Evergreen utilizes cost-of-living index information from the Council for Community and Economic Research. The cost-of-living index figures for the City and each of the respondent market peers are in **Exhibit 4B**.



EXHIBIT 4B RESPONDENTS WITH COST-OF-LIVING ADJUSTMENTS

Organization	Cost of Living
City of Fair Oaks Ranch, TX	100.1
Alamo Heights	100.1
Bee Cave	106.6
Boerne	111.0
Bulverde	111.0
Flower Mound	104.0
Heath	103.2
Helotes	100.1
Kyle	94.8
New Braunfels	98.9
San Antonio	100.1
San Marcos	94.8
Schertz	96.0
Seguin	96.0
Selma	100.1
Shavano Park	100.1
Southlake	111.0
Terrell Hills	100.1
Trophy Club	101.5
University Park	109.2
Kendall County	111.0

4.1 MARKET DATA

The results of the market study are displayed in **Exhibit 4C**, which includes the benchmark job titles and the market average salaries for each position at the minimum, midpoint, and maximum points of the pay ranges. Also included within the exhibit are the percentage differentials of the City's pay ranges at each respective point, relative to the market average pay. A positive percent differential is indicative of the City's pay range exceeding that of the average of its market peers; alternatively, a negative percent differential indicates the City's compensation for a given position lagging behind the average of its peers. For those classifications where no differential is shown, this is due to the City not possessing a pay range for comparison to the market. The exhibit also includes the average pay range for the market respondents for each position, as well as how many responses each benchmark received.

While all benchmarks are included in the survey, not every peer organization possesses an appropriate match. Consequently, the benchmarks receive varying levels of response. For this study, any position that would have received fewer than five matches from market peers would not be considered in establishing the City's competitive position. The rationale behind those exclusions is that insufficient response can lead to unreliable averages that may skew the aggregated data, blurring the reality of the City's actual position in the market. Of the 49 positions surveyed, 50 met the criteria for inclusion and none were excluded.



EXHIBIT 4C
MARKET SURVEY RESULTS

ID	Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg Range	# Resp.
		Average	% Diff	Average	% Diff	Average	% Diff		
1	Accountant I	\$58,184.77	-0.1%	\$70,606.15	2.2%	\$83,027.52	3.8%	42.9%	8.0
2	Accounting Manager	\$86,183.33	-15.8%	\$105,878.04	-14.6%	\$125,572.75	-13.7%	46.0%	6.0
3	Administrative Assistant	\$41,886.24	3.1%	\$50,520.83	5.9%	\$59,155.42	7.8%	41.3%	12.0
4	Administrative Clerk	\$38,648.10	1.3%	\$45,776.10	7.3%	\$52,904.10	11.2%	36.8%	9.0
5	Administrative Clerk-Temp/PT	\$38,214.06	2.4%	\$45,125.04	8.6%	\$52,036.02	12.7%	36.1%	9.0
6	Administrative Support Specialist	\$42,237.94	2.3%	\$50,960.85	5.1%	\$59,683.75	7.0%	41.4%	12.0
7	Animal Services Officer	\$41,528.66	-11.4%	\$49,864.13	-7.7%	\$58,199.61	-5.2%	40.2%	11.0
8	Assistant City Manager	\$134,579.12	4.8%	\$166,823.11	5.0%	\$199,067.10	5.1%	48.1%	10.0
9	Asst. Director of Public Works	\$114,517.75	-26.6%	\$142,073.64	-26.3%	\$169,629.53	-26.1%	48.4%	8.0
10	Building Inspector	\$52,086.30	1.1%	\$62,231.51	4.9%	\$72,376.72	7.4%	39.1%	12.0
11	Building Official	\$94,534.14	-27.1%	\$115,183.40	-24.7%	\$135,832.66	-23.0%	43.9%	8.0
12	Chief of Police	\$135,648.30	-12.1%	\$165,853.09	-9.9%	\$196,057.89	-8.4%	44.6%	9.0
13	City Manager	\$199,417.04	-10.2%	\$225,783.69	-0.5%	\$252,150.35	6.1%	26.5%	7.0
14	City Planner	\$64,370.85	4.5%	\$78,830.15	5.9%	\$93,289.45	6.8%	44.9%	7.0
15	City Secretary	\$88,362.90	-18.8%	\$105,348.09	-14.0%	\$122,333.28	-10.8%	38.5%	11.0
16	Civilian Investigator	\$75,977.40	-30.7%	\$87,711.22	-21.5%	\$99,445.04	-15.3%	30.8%	6.0
17	Code Compliance Officer	\$47,088.39	1.3%	\$56,780.32	4.2%	\$66,472.25	6.1%	41.3%	14.0
18	Court Administrator	\$73,298.87	-32.5%	\$90,740.66	-32.0%	\$108,182.46	-31.7%	47.7%	11.0
19	Court Clerk	\$42,798.06	1.0%	\$51,180.53	4.7%	\$59,563.01	7.2%	39.2%	12.0
20	Custodian/Maintenance Worker	\$36,119.09	-1.8%	\$43,214.40	3.4%	\$50,309.72	6.8%	39.5%	12.0
21	Deputy City Secretary	\$63,975.00	-27.6%	\$76,503.76	-22.9%	\$89,032.53	-19.7%	39.5%	8.0
22	Director of Finance	\$128,826.84	-6.4%	\$157,529.93	-4.3%	\$186,233.03	-2.9%	44.7%	13.0
23	Director of HR & Communication	\$124,535.20	-12.8%	\$153,634.15	-12.0%	\$182,733.11	-11.5%	46.9%	11.0
24	Director of Public Works & Eng	\$126,993.37	-15.0%	\$156,055.66	-13.8%	\$185,117.95	-12.9%	45.8%	14.0
25	GIS Technician	\$54,828.63	0.9%	\$67,025.80	2.5%	\$79,222.97	3.5%	44.6%	9.0
26	Human Resources Generalist	\$58,702.89	12.9%	\$71,250.73	14.9%	\$83,798.57	16.2%	42.9%	10.0
27	Infrastructure Inspector	\$57,432.54	6.0%	\$68,868.28	9.2%	\$80,304.02	11.4%	40.1%	10.0
28	Police Lieutenant	\$105,928.42	-18.7%	\$116,579.54	-9.9%	\$127,230.65	-3.4%	20.4%	8.0
29	Police Sergeant	\$90,004.56	-11.5%	\$100,198.28	-4.4%	\$110,391.99	0.8%	22.8%	14.0
30	IT Manager	\$89,741.77	14.6%	\$108,644.05	16.8%	\$127,546.34	18.2%	42.1%	9.0
31	IT Network Specialist	\$58,174.58	4.8%	\$70,392.43	7.2%	\$82,610.29	8.9%	42.1%	9.0
32	Maintenance Lead	\$48,671.36	-7.2%	\$58,034.11	-2.9%	\$67,396.86	0.0%	38.5%	11.0
33	Maintenance Supervisor	\$62,256.70	3.0%	\$75,162.58	5.7%	\$88,068.47	7.5%	41.5%	12.0
34	Maintenance Technician	\$40,299.10	-2.9%	\$47,902.80	3.0%	\$55,506.49	6.9%	37.7%	11.0
35	Manager of Engineering Service	\$98,612.93	-3.5%	\$119,791.80	-1.3%	\$140,970.66	0.3%	43.2%	6.0
36	Mechanic	\$46,080.16	12.5%	\$54,590.18	16.5%	\$63,100.20	19.3%	37.0%	8.0
37	Multimedia Comms. Officer	\$59,720.79	11.4%	\$72,640.26	13.2%	\$85,559.73	14.5%	43.5%	8.0
38	Payroll & AP Specialist	\$50,279.11	-10.7%	\$60,414.96	-7.1%	\$70,550.80	-4.7%	40.6%	12.0
39	Police Corporal	\$80,118.73	-18.3%	\$90,436.87	-12.3%	\$100,755.01	-7.9%	26.0%	5.0
40	Police Officer	\$66,756.45	-11.6%	\$77,629.38	-9.1%	\$88,502.31	-7.3%	32.4%	14.0
41	Police Sergeant	\$90,004.56	-11.5%	\$100,198.28	-4.4%	\$110,391.99	0.8%	22.8%	14.0
42	Procurement Manager	\$81,150.97	-14.6%	\$99,203.52	-12.8%	\$117,256.08	-11.6%	44.6%	8.0
43	Project Manager	\$76,816.77	-8.5%	\$92,956.05	-5.7%	\$109,095.33	-3.8%	42.1%	7.0
44	School Resource Officer	\$67,380.51	-12.6%	\$78,197.28	-9.9%	\$89,014.05	-7.9%	31.9%	11.0
45	Utilities Clerk	\$40,026.78	-2.2%	\$48,224.59	2.3%	\$56,422.40	5.3%	41.0%	9.0
46	Utility Technician	\$42,578.52	-8.7%	\$51,445.61	-4.2%	\$60,312.70	-1.2%	41.8%	9.0
47	Wastewater Supervisor	\$62,402.85	11.9%	\$75,983.02	13.6%	\$89,563.19	14.8%	43.7%	8.0
48	Water Supervisor	\$62,402.85	11.9%	\$75,983.02	13.6%	\$89,563.19	14.8%	43.7%	8.0
49	Water/Wastewater Operator II	\$47,395.53	-4.4%	\$58,214.81	-3.2%	\$69,034.09	-2.4%	45.9%	7.0
50	Water/Wastewater Operator III	\$51,012.63	-6.9%	\$62,570.91	-5.6%	\$74,129.18	-4.7%	45.7%	5.0
Overall Average			-5.8%		-2.4%		-0.1%	39.9%	9.6
Outliers Removed*			-5.8%		-2.4%		-0.1%	39.9%	9.6



4.2 SALARY SURVEY RESULTS

Market Minimums

It is important to assess where an organization is relative to its market minimum salaries, as they are the beginning salaries of employees with minimal qualifications for a given position. Organizations that are significantly below market may experience recruitment challenges with entry-level employees. As seen in **Exhibit 4C**, the City is currently 5.8 percent below the market average minimum, when considering positions with sufficient responses. The City's benchmark positions ranged from 32.5 percent below to 14.6 percent above the market minimum.

The following points are regarding the City's position relative to the market average minimum:

- Of the 49 benchmarked positions, 31 were below market, averaging 13.1 percent below. These 31 classifications represent 62.0 percent of the surveyed positions that met the criteria for inclusion.
- Of the 31 positions below market, 11 were more than 15 percent below the average market minimum. These positions are displayed in **Exhibit 4D**.

EXHIBIT 4D CLASSIFICATIONS MORE THAN 15 PERCENT BELOW THE MINIMUM

Classification	% Diff
Court Administrator	-32.5%
Civilian Investigator	-30.7%
Deputy City Secretary	-27.6%
Building Official	-27.1%
Asst. Director of Public Works	-26.6%
City Secretary	-18.8%
Police Lieutenant	-18.7%
Police Corporal	-18.3%
Accounting Manager	-15.8%
Director of Public Works & Eng	-15.0%

- Of the 49 benchmarked positions, 19 were above the market, averaging 5.9 percent above. These 19 classifications represent 38.0 percent of the surveyed positions that met the criteria for inclusion.
- Of the 19 positions above market, six were more than 10 percent above the average market minimum. These positions are displayed in **Exhibit 4E**.



EXHIBIT 4E
CLASSIFICATIONS MORE THAN 10 PERCENT ABOVE THE MINIMUM

Classification	% Diff
IT Manager	14.6%
Human Resources Generalist	12.9%
Mechanic	12.5%
Wastewater Supervisor	11.9%
Water Supervisor	11.9%
Multimedia Comms. Officer	11.4%

Market Midpoints

The market midpoint is exceptionally important to analyze, as it is often considered the closest estimation of market average compensation. As seen in **Exhibit 4C**, the City is currently 2.4 percent below the market average midpoint, when considering positions with sufficient responses. The City's benchmark positions ranged from 32.0 percent below to 16.8 percent above at the market midpoint.

The following points are regarding the City's position relative to the market average midpoint:

- Of the 49 benchmarked positions, 27 were below the market, averaging 11.1 percent below. These 27 classifications represent 54.0 percent of the surveyed positions that met the criteria for inclusion.
- Of the 27 positions below market, five were more than 15 percent below the average market minimum. These positions are displayed in **Exhibit 4F**.

EXHIBIT 4F
CLASSIFICATIONS MORE THAN 15 PERCENT BELOW THE MIDPOINT

Classification	% Diff
Court Administrator	-32.0%
Asst. Director of Public Works	-26.3%
Building Official	-24.7%
Deputy City Secretary	-22.9%
Civilian Investigator	-21.5%

- Of the 49 benchmarked positions, 23 were above the market, averaging 8.0 percent above. These 23 classifications represent 46.0 percent of the surveyed positions that met the criteria for inclusion.
- Of the 23 positions above market, seven were more than 10 percent above the average market midpoint. These positions are displayed in **Exhibit 4G**.



EXHIBIT 4G
CLASSIFICATIONS MORE THAN 10 PERCENT ABOVE THE MIDPOINT

Classification	% Diff
IT Manager	16.8%
Mechanic	16.5%
Human Resources Generalist	14.9%
Wastewater Supervisor	13.6%
Water Supervisor	13.6%
Multimedia Comms. Officer	13.2%

Market Maximums

The pay range maximum averages, and how they compare to the City's, are also detailed in **Exhibit 4C**. As seen in **Exhibit 4C**, the City is currently 0.1 percent below the market average maximum, when considering positions with sufficient responses. The City's benchmark positions ranged from 31.7 percent below to 19.3 percent above the market maximum.

The following points are regarding the City's position relative to the market average maximum:

- Of the 49 benchmarked positions, 23 were below market, averaging 10.3 percent below. These 23 classifications represent 54.0 percent of the surveyed positions that met the criteria for inclusion.
- Of the 23 positions below market, five were more than 15 percent below the average market maximum. These positions are displayed in **Exhibit 4H**.

EXHIBIT 4H
CLASSIFICATIONS MORE THAN 15 PERCENT BELOW THE MAXIMUM

Classification	% Diff
Court Administrator	-31.7%
Asst. Director of Public Works	-26.1%
Building Official	-23.0%
Deputy City Secretary	-19.7%
Civilian Investigator	-15.3%

- Of the 49 benchmarked positions, 27 were above the market, averaging 9.0 percent above. These 27 classifications represent 54.0 percent of the surveyed positions that met the criteria for inclusion.
- Of the 27 positions above the market, 10 were more than 10 percent above the average market maximum. These positions are displayed in **Exhibit 4I**.



EXHIBIT 4I
CLASSIFICATIONS MORE THAN 10 PERCENT ABOVE THE MAXIMUM

Classification	% Diff
Mechanic	19.3%
IT Manager	18.2%
Human Resources Generalist	16.2%
Wastewater Supervisor	14.8%
Water Supervisor	14.8%
Multimedia Comms. Officer	14.5%
Administrative Clerk-Temp/PT	12.7%
Infrastructure Inspector	11.4%
Administrative Clerk	11.2%

4.3 SALARY SURVEY CONCLUSION

The standing of individual classifications pay range relative to the market should not be considered a definitive assessment of actual employee salaries being similarly above or below the market; however, such differentials can, in part, explain symptomatic issues with recruitment and retention of employees.

The main summary points of the market study are as follows:

- The City's pay ranges are approximately 5.8 percent below the market minimum.
- The City's pay ranges are approximately 2.4 percent below the market midpoint.
- The City's pay ranges are approximately 0.1 percent below the market maximum.
- The City's pay range spread is approximately 47.7 percent, while its peers' pay range spread is 39.9 percent. That means that the City's salary scale is wider than its peers. As a result, even though the City is slightly below the average compared to the market at the minimum, because it has a wider spread it catches up to its peers at the higher end of the spectrum and surpasses the market by a few percentage points at the maximum.

The results of the market summary chapter are pivotal in the formulation of recommendations by Evergreen Solutions. By establishing the City's market position relative to its peers, Evergreen is better able to propose recommendations that enable the City to occupy its desired competitive position.



EVERGREEN SOLUTIONS, LLC

Chapter 5 – Benefits Survey Results

As a component of this study, Evergreen conducted a benefits market analysis. This benefits analysis represents a snapshot in time of what is available in peer organizations. The Benefit Survey can provide the City with an understanding of the total compensation (salary and benefits) offered by its peers. It is important to realize that there are intricacies involved with benefits programs that are not captured by a benefits survey alone.

This information should be used as a cursory overview and not a line-by-line comparison, since benefits can be weighted differently depending on the importance to the City. It should also be noted that benefits are sometimes negotiated and acquired through third parties, so one-to-one comparisons can be difficult. The analysis in this chapter highlights aspects of the benefits survey that provide pertinent information and had high completion rates by target peers.

5.1 RESPONDENT OVERVIEW

Exhibit A provides a list of the 16 target peers from which full or partial benefits data were obtained for this analysis. It is important to note that while these are the peers that provided data, not all peers provided data to all questions that were asked. As a result, not all questions represent data from all listed peers.

EXHIBIT 5A BENEFITS SURVEY RESPONDENTS

Organization
Fair Oaks Ranch
Alamo Heights
Bee Cave
Boerne
Flower Mound
Heath
Helotes
New Braunfels
San Marcos
Schertz
Selma
Shavano Park
Southlake
Terrell Hills
Trophy Club
University Park
Kendall County



5.2 HEALTH PLANS

Exhibit 5B displays data on the types of health plans offered by peers. Summaries of each of the common types of plans offered by peers have been provided in the exhibit, as well as a group that summarizes the data from any other types of plans being offered.

In comparing the City's benefit offerings to those of the peers, the biggest takeaways have been outlined below:

OVERVIEW

Benchmarking of the city's medical plan options against market averages indicates a mixed position. The city's plans are comparatively generous for employee-only coverage, particularly on deductible levels, yet are materially less generous for dependent tiers. Deductible design is bifurcated: the individual in-network deductible is well below market (richer coverage), while dependent and family deductibles are above market for comparable plan types.

PPO COMPARISON

Relative to market averages for PPO plans, the City's employer premium contributions remain above market across all coverage tiers, employee-only (\$591.90 vs. \$522.70), employee + child (\$839.29 vs. \$765.66), employee + spouse (\$927.21 vs. \$794.39), and employee + family (\$1,226.68 vs. \$1,032.48). These higher employer contributions result in lower employee premium shares at every level; for example, the employee + child tier requires a \$263 employee premium compared to the \$369 market average.

The City's PPO plan, however, features higher deductibles and out-of-pocket maximums relative to peer averages, indicating less-rich cost sharing at the point of service. The in-network individual maximum out-of-pocket is \$2,500 compared to a \$2,236 market average, and the out-of-network maximum (\$10,000 vs. \$6,026) is significantly higher. These differences persist across all dependent tiers, reflecting a design that emphasizes lower monthly cost and higher cost exposure upon utilization.

In practical terms, the City's PPO structure exchanges stronger employer premium support and monthly affordability for greater up-front out-of-pocket exposure when care is used. This balance enhances predictability for the City's financial planning while maintaining a competitive total value for employees.

OVERALL COMPARISON

When comparing "other" plan types to the City's EPO plan, the City's employer premium contributions are lower across all tiers. As in the PPO, in-network deductibles are higher than the market average, signifying comparatively leaner cost sharing.

Despite this, the EPO maintains a favorable position relative to the market's HDHP and HMO benchmarks. The City's EPO offers more generous premiums and lower deductibles than the market HDHP averages, and while its employee-only deductible is slightly higher than the HMO



average, its dependent-level deductibles are lower. This places the EPO plan between an HMO and HDHP in benefit richness—offering moderate flexibility at a reasonable cost.

A key distinction in the City’s benefit structure is plan variety. Peer employers typically provide three or more medical options, such as a PPO “buy-up,” PPO “base,” and HDHP/HSA option, often paired with an HMO or narrow-network plan. This broader portfolio enables employees to self-select along cost and network dimensions. In contrast, the City currently offers two medical plans (PPO and EPO).

Several peer entities included in the market comparison participate in the Texas Health Benefits Pool (THBP). These pooled-risk programs are fully insured and operate with standardized plan designs, typically featuring set out-of-pocket maximums (e.g., \$2,000 individual / \$6,000 family) and limited ability to customize benefits. In contrast, the City and several larger peer jurisdictions are self-insured, allowing for greater flexibility in plan design, funding, and cost management. This distinction materially impacts comparison: THBP participants benefit from pooled risk and standardized costs but cannot adjust contribution strategies or cost-sharing levels, plan offerings or providers. Therefore, when benchmarked specifically against other self-insured peers, the City’s plans are competitive or stronger in all major areas, including employer contribution levels, premium affordability, and overall plan value.

HEALTH PLAN SUMMARY

The City’s medical offerings reflect a mixed position relative to market averages. Under the PPO, employer premium contributions exceed the market across all tiers, resulting in lower employee premium shares. Plan design differences are most evident in deductibles. In-network deductibles under the PPO are higher than market PPO averages at all levels, and EPO deductibles are likewise higher than the “Other” market. Overall, the PPO improves monthly affordability through stronger employer premium support while increasing front-end cost at the point of service; the EPO also has low premiums and beats the “Other” market in two out of three of the plan types for deductibles, albeit at the price of flexibility in service and coverage.



EXHIBIT 5B
OVERVIEW OF HEALTH PLANS

Question	Market Avg	Fair Oaks Ranch	Market Avg	Market Avg	Market Avg	Fair Oaks Ranch
Health Plan Type (HMO, PPO, etc.)	PPO	PPO	HDHP	HMO	Other	EPO
Covered Employee/Bargaining Groups	Full-Time	Full-Time	Full-Time	Full-Time	Full-Time	Full-Time
Employee Premium (Employer)	\$ 522.70	\$ 591.90	\$ 581.89	\$ 608.03	\$ 790.69	\$ 591.89
Employee Premium (Employee)	\$ 35.61	\$ 34.78	\$ 16.88	\$ -	\$ 19.66	\$ -
Employee + Child Premium (Employer)	\$ 765.66	\$ 839.29	\$ 723.93	\$ 876.52	\$ 1,225.84	\$ 839.30
Employee + Child Premium (Employee)	\$ 368.66	\$ 263.64	\$ 361.04	\$ 416.85	\$ 244.40	\$ 202.43
Employee + Spouse Premium (Employer)	\$ 794.39	\$ 927.21	\$ 743.71	\$ 902.62	\$ 1,297.95	\$ 927.21
Employee + Spouse Premium (Employee)	\$ 454.62	\$ 344.93	\$ 411.10	\$ 484.08	\$ 345.71	\$ 274.34
Employee + Family Premium (Employer)	\$ 1,032.48	\$ 1,226.68	\$ 1,054.43	\$ 1,060.75	\$ 1,651.53	\$ 1,226.68
Employee + Family Premium (Employee)	\$ 778.00	\$ 621.96	\$ 597.69	\$ 978.60	\$ 685.79	\$ 519.37
Individual Max Out of Pocket (In Network)	\$ 2,236.84	\$ 2,500.00	\$ 3,188.89	\$ 2,000.00	\$ 1,518.75	\$ 2,500.00
Individual Max Out of Pocket (Out of Network)	\$ 6,026.32	\$ 10,000.00	\$ 6,388.89	\$ 2,280.00	\$ 1,831.25	-
Child Max Out of Pocket (In Network)	\$ 5,289.47	\$ 5,000.00	\$ 6,533.33	\$ 6,000.00	\$ 3,037.50	\$ 5,000.00
Child Max Out of Pocket (Out of Network)	\$ 11,000.00	\$ 20,000.00	\$ 12,555.56	\$ 5,260.00	\$ 3,662.50	-
Spouse Max Out of Pocket (In Network)	\$ 5,447.37	\$ 5,000.00	\$ 6,533.33	\$ 6,000.00	\$ 3,037.50	\$ 5,000.00
Spouse Max Out of Pocket (Out of Network)	\$ 11,000.00	\$ 20,000.00	\$ 12,555.56	\$ 5,260.00	\$ 3,662.50	-
Family Max Out of Pocket (In Network)	\$ 5,447.37	\$ 5,000.00	\$ 6,033.33	\$ 6,000.00	\$ 3,037.50	\$ 5,000.00
Family Max Out of Pocket (Out of Network)	\$ 11,000.00	\$ 20,000.00	\$ 12,555.56	\$ 5,260.00	\$ 3,662.50	-



In addition to health care, peers were surveyed about HSA contributions and matching. As demonstrated in **Exhibit 5C**, 56.3 percent of respondent organizations indicated that they do provide contributions. The majority of peers are using a flat contribution, averaging approximately \$1,726.85. It is worth pointing out that that average figure only accounts for those who do contribute, and is not including the \$0 contributions from the others.

**EXHIBIT 5C
HSA CONTRIBUTIONS**

Question	Market Avg	Fair Oaks Ranch
Employer contribution to HSA?	56.3%	No
If yes, amount?	\$ 1,726.85	0

In addition to questions regarding health care coverages, Evergreen asked peers to provide information on dental, vision, short-term disability, long-term disability, and life coverages.

Exhibit 5D shows that Fair Oaks Ranch's dental insurance offering is competitive and consistent with common practice among peer cities. Like the majority of peers, the City provides employer-paid dental coverage, which ensures no cost to employees for employee-only coverage and places the plan in a favorable position compared to peers. While the City's employer contribution of \$24.74 is slightly below the peer average of \$28.56, employees benefit from lower out-of-pocket expenses, reinforcing the competitiveness of Fair Oaks Ranch's dental benefits.

**EXHIBIT 5D
DENTAL COVERAGE QUESTIONS**

Question (All Plans)	Employer Paid Dental	Fair Oaks Ranch	Employee Paid Dental	Fair Oaks Ranch
Insurance Offered?	93.3%	Yes	6.7%	No
# of Plans Offered	1	1	2	0
Avg Employee-Only Premium (Employee)	\$ 7.19	\$ -	-	-
Avg Employee + Dependent Premium (Employee)	\$ 52.82	\$ 32.33	-	-
Avg Employee-Only Premium (Employer)	\$ 28.56	\$ 24.74	-	-
Avg Employee + Dependent Premium (Employer)	\$ 54.91	\$ 64.26	-	-

As shown in **Exhibit 5E**, Fair Oaks Ranch's vision insurance is competitive when compared to peer averages. The City aligns with the majority of peers by offering an employer-paid vision plan and does not provide an employee-paid option. Employees benefit from lower-than-average costs, paying nothing for employee-only coverage and slightly less than peers for employee plus dependent coverage. On the employer side, the City contributes slightly below



average for employee-only coverage but provides a more generous contribution for dependent coverage. Overall, the City's approach balances affordability for employees with a competitive employer contribution, positioning its vision benefits favorably among comparable entities.

EXHIBIT 5E VISION COVERAGE QUESTIONS

Question (All Plans)	Employer Paid Vision	Fair Oaks Ranch	Employee Paid Vision	Fair Oaks Ranch
Insurance Offered?	66.7%	Yes	35.7%	No
# of Plans Offered	1	1	1	0
Avg Employee-Only Premium (Employee)	\$ 0.96	\$ -	\$ 7.98	-
Avg Employee + Dependent Premium (Employee)	\$ 8.78	\$ 6.78	\$ 17.07	-
Avg Employee-Only Premium (Employer)	\$ 7.55	\$ 7.06	\$ -	-
Avg Employee + Dependent Premium (Employer)	\$ 12.46	\$ 15.34	\$ -	-

The findings from short and long-term disability offerings have been summarized in **Exhibit 5F**. Fair Oaks Ranch's disability insurance benefits compare favorably to peers, particularly in short-term disability. While relatively few peers offer employer-paid short-term disability, the City provides this benefit and at a more generous replacement rate of 66.7 percent of salary compared to the 60 percent peer average. For long-term disability, Fair Oaks Ranch aligns with the majority of peers by offering employer-paid coverage at 60 percent of salary, consistent with the benchmark. Although the City does not provide employee-paid options for either short- or long-term disability, its combination of employer-paid offerings ensures solid coverage and positions its benefits competitively overall.

EXHIBIT 5F DISABILITY COVERAGE QUESTIONS

Question	Employer Paid Short Term	Fair Oaks Ranch	Employee Paid Short Term	Fair Oaks Ranch	Employer Paid Long Term	Fair Oaks Ranch	Employee Paid Long Term	Fair Oaks Ranch
Insurance Offered?	26.7%	Yes	20.0%	No	73.3%	Yes	6.7%	No
# of Plans Offered	1.0	1	1.5	-	1.0	1	1.0	-
% of Salary Employee Receives	60.0%	66.7%	60.0%	0.0%	60.0%	60.0%	60.0%	0.0%

Exhibit 5G summarizes the life insurance offerings of responding peers and the City. Fair Oaks Ranch's life insurance benefits are generally consistent with market practices but show some variation in cost and coverage. Like all peers, the City offers employer-paid life insurance, with a monthly cost of \$6.75 per employee, which is slightly higher than the market average of \$5.43. The City's benefit amount of \$50,000 or one times annual salary exceeds the market average of \$43,125, providing employees with stronger baseline protection. However, unlike most peers (86.7 percent), Fair Oaks Ranch does not offer optional dependent coverage. Employees do have the opportunity to purchase additional life insurance, consistent with the 87.5 percent of peers that provide this option. The City also includes accidental death



insurance, which aligns with the 86.7 percent of market peers offering this benefit. Overall, Fair Oaks Ranch's life insurance program is competitive, offering higher-than-average death benefits and standard supplemental options, though it falls short of peers in not extending dependent coverage.

EXHIBIT 5G LIFE INSURANCE

Question	Market Avg	Fair Oaks Ranch
Employer-Paid Life Insurance Offered?	100.0%	yes
Monthly Cost to Employer (Individual Coverage)	\$5.43	\$6.75
Death Benefit Amount	\$43,125.00	50K or 1x annual salary
Optional Dependent Coverage Offered?	86.7%	No
Employee Purchase Additional Life Insurance?	87.5%	Yes
Accidental Death Insurance Provided?	86.7%	Yes

(The City's individual cost was calculated based on the employer rate of \$0.135 per \$1,000 coverage at the benefit amount of \$50,000)

5.3 TIME OFF

Exhibit 5H provides the average minimum and maximum accrual rates showing the average number years of service required to achieve the maximum accrual rate for Sick Leave, Annual/Vacation Leave, and Personal Leave. All leave amounts are shown in hours. In addition to the exhibit, some other points of interest have been summarized below:

- In the case of sick leave, the majority of peers indicated the same minimum and maximum accrual rate, indicating there is no progression in sick leave accrual. The maximum annual accrual rate for the City is 13 days but, consistent with responding peers, there is no total maximum accrual.
- The City typically refers to annual leave accruals in terms of hours per year. The exhibit converts those hours per year to monthly earnings. To provide the numbers in familiar wording, the City's website describes its annual leave benefits as, "Paid vacation: 120 hours per year for the first five years; 160 per year for 6 to 10 years; 200 hours for 11 to 15 years of service; 240 hours for 16-20 years of service; 280 hours for 21+ years of service." As can be seen in the comparison, the City offers a higher monthly accrual rate than peer organizations.
- Most peers do not offer personal time (differentiated from annual/ vacation time); only one peer did not offer sick leave differentiated from vacation/annual, and they offered a PTO approach with all leave combined into a single bucket.
- On average, the peers offer 13.0 holidays off per year, whereas the City offers 14 (13 holidays and one personal day).



Overall, the City's leave benefits are more generous than market averages in both sick and vacation leave. Sick leave accrual slightly exceeds the peer average, while vacation leave accrual and maximum balances are substantially higher, offering employees greater flexibility and time off. Fair Oaks Ranch's leave program is competitive and particularly strong in vacation leave offerings.

EXHIBIT 5H LEAVE TIME ACCRUAL

Question	Sick	Fair Oaks Ranch	Annual/ Vacation	Fair Oaks Ranch	Personal Time Off	Fair Oaks Ranch
Offered? (Yes/No)	86.7%	Yes	100.0%	Yes	13.3%	No
Min Accrual Rate (Monthly)	8.2	8.7	8.5	10.0	0.0	0
Years to Min Accrual	0.0	0.0	0.2	0.0	0.0	0
Max Accrual Rate (Monthly)	8.2	8.7	14.7	23.3	3.3	0
Years to Max Accrual	0.0	0.0	14.8	21.0	3.0	0
Annual Max Accrual	98.7	104.0	184.9	280.0	40.0	0
Total Max Accrual	N/A	N/A	309.3	560.0	40.0	0

Exhibit 5I summarizes the peers' and the City's parental leave policies. The City offers parental leave benefits that are less generous than the market average, although given that less than half of the market offers this benefit beyond the legally mandated FMLA, the City is not significantly out of line with the market in its positioning. The market averages approximately 13.2 weeks of total time off, while the City offers zero weeks beyond the legally mandated FMLA time off (12 weeks total).

EXHIBIT 5I PARENTAL LEAVE POLICIES

Question	Market Avg	Fair Oaks Ranch
Parental Leave Beyond Mandated (FMLA)?	40.0%	No
Maternity Leave Beyond Mandated (FMLA)?	30.8%	No
Paternity Leave Beyond Mandated (FMLA)?	30.8%	no
Max Time Off for Parents (Paid/Unpaid)?	13.2 weeks	12 weeks
Are both parents eligible?	83.3%	0
Eligible Parent Types (Biological, Adoptive, Foster)?	100.0%	0
Can FMLA and Parental Leave Be Taken Separately?	0.0%	0
Policy Covers All Employees (Full-Time, Part-Time, etc.)?	28.6%	0
Eligibility Requirements for Benefits (Tenure, Exempt)?	Varies	0
Any other Benefits Affected by Parental Leave?	14.3%	0
Adoption Assistance Offered?	0.0%	No
Daycare Subsidy Offered?	0.0%	No
Onsite/Offsite Childcare Offered?	0.0%	no



5.4 OTHER BENEFITS

Exhibit 5J provides an overview of primary retirement options provided by the peers, as well as the City. The City utilizes TMRS retirement, as do the vast majority of its peer agencies. All of the peers who participate in TMRS utilize the exact same formula, with 14.0 percent contribution by the organization and 7.0 percent contribution by employees.

**EXHIBIT 5J
RETIREMENT DETAILS**

Question	Market Avg	Fair Oaks Ranch
How many retirement plans?	1.00	1
Are you using TMRS retirement?	87.5%	Yes

Exhibit 5K shows some common supplemental retirement plans. The aggregate peer group indicated providing 457 and “other” plans including Roth and traditional IRAs, while the City provides a 457(b) option.

**EXHIBIT 5K
RETIREMENT OPTIONS**

Question	Market Avg	Fair Oaks Ranch
D.R.O.P	0.0%	No
401k	0.0%	No
401a	0.0%	No
403(b)	0.0%	No
457(b)	100.0%	Yes
Other	33.3%	0

Exhibit 5L displays questions regarding Employee Assistance Programs. As shown, 75.0 percent of participating peers offer EAP. All peers that offered an EAP benefit also provide benefits to family members in addition to the employee. On average, peers provide 5.3 EAP visits per incident. While the majority of peers offered the same six visits the City offered, there was a low of three visits and a high of eight visits offered.



EXHIBIT 5L EMPLOYEE ASSISTANCE PROGRAMS

Question	Market Avg	Fair Oaks Ranch
Employer-Paid EAP Offered?	75.0%	Yes
Benefits for Family Members?	100.0%	Yes
Annual Visits Provided?	5.33	6
Long-Term Care Insurance for New Hires?	0.0%	no
Transportation/Commuter Benefits Offered?	0.0%	no

Exhibit 5M displays information regarding wellness programs from respondent peers. The majority of respondent peers do not provide a wellness program of some sort to employees. Of the few that do offer wellness programs, all indicated monetary incentives for participants. The City doesn't offer its own wellness pledge, but there is a monetary incentive available for employees through the City's Cigna Wellness Program.

EXHIBIT 5M WELLNESS PROGRAMS

Question	Market Avg	Fair Oaks Ranch
Wellness Pledge Offered?	12.5%	No
Monetary Incentives for Participants?	100.0%	yes
Penalties for Incomplete Wellness Pledge?	50.0%	No
Health Plan Enrollment Required for Wellness?	50.0%	No

Exhibit 5N displays questions regarding Tuition Reimbursement. Approximately 60 percent of respondent peers reported offering some form of tuition reimbursement for employees. Although the specific policies differ considerably, the typical reimbursement amount ranges between \$2,000 and \$5,000, with one peer providing as little as \$600. It is important to note that this average reflects only those peers that offer tuition reimbursement; therefore, by providing any level of reimbursement, the City would already be positioned ahead of the 40 percent of peers that do not offer this benefit.



EXHIBIT 5N TUITION REIMBURSEMENT

Question	Market Avg	Fair Oaks Ranch
Is tuition reimbursement offered?	60.0%	No
Plan limit	\$2,720.00	-
Do you offer a student loan repayment program?	0.0%	No
Plan limit	-	-

5.5 SUMMARY

The City's benefits program presents a mixed market position with some areas exceeding the market handily and others falling behind. Medical coverage is strongest for employee-only enrollment, while dependent tiers are less competitive due to higher child, spouse, and family deductibles. Time-off benefits are generally aligned with or modestly ahead of peers, and the retirement program mirrors common practice among Texas municipalities.

From an employee experience standpoint, the PPO is the clearest lens for comparison. The City's PPO is more favorable than the market for individual coverage but presents higher out-of-pocket exposure for dependents due to elevated deductible levels. In practice, this structure makes coverage attractive to single employees but can dampen perceived value for those enrolling spouses or children. The EPO follows a similar pattern, offering competitive premiums with no out-of-network coverage and lower individual deductibles, but higher dependent deductibles.

Time off is broadly competitive, with the City offering more vacation and sick leave and one additional holiday than the average peer. The most notable gap is in paid parental leave, which many peers now use as a differentiator even when not universally provided. Retirement is aligned with Texas municipal practice, supporting long-term retention without creating atypical fiscal commitments. Supplemental programs (dental/vision, disability, life, EAP, wellness, tuition) round out the package at levels that are competitive with market practice; they enhance the overall program but are not primary drivers of competitiveness relative to medical, time off, and retirement.

BENEFIT CONSIDERATIONS

The City's benefits program is anchored by several competitive elements, but gaps remain that affect families and employees seeking greater flexibility. The current structure creates an imbalance in how value is distributed across the workforce, with single coverage positioned more favorably than dependent coverage due to higher deductibles. In addition, the absence of paid parental leave and the limited range of medical plan options place the City behind some of its peers in areas that increasingly influence employee decision-making and retention.



Areas that the City may wish to consider include:

- Tuition reimbursement or student loan payback support: The City should review the terms of the Public Service Loan Forgiveness (PSLF) program to determine if employees are eligible and evaluate whether offering supplemental tuition reimbursement could strengthen talent development.
- Life insurance costs: The City's life insurance program is provided at a higher cost than the peer average. Reviewing plan design and options may identify opportunities to reduce costs while maintaining competitive coverage.
- Leave sell-back or rollover: A common practice among public sector organizations is to allow employees to either sell back unused leave or transfer annual leave that exceeds the maximum cap into sick leave. While financial implications would need to be carefully evaluated, employees often identify this option as highly valued during outreach efforts.
- Paid parental leave: Adding even a modest parental leave program (e.g., 4–6 weeks) would align the City with emerging best practices and signal a commitment to family-supportive policies.
- Wellness and mental health resources: Expanding wellness offerings (e.g., preventive care incentives, stress management, telehealth for behavioral health) reflects growing expectations in the workforce and can reduce longer-term medical costs.
- Flexible or hybrid benefit structures: Some municipalities are adopting cafeteria-style or flexible benefit credits, allowing employees to allocate dollars to the programs that best meet their personal or family needs. This type of design can increase perceived value without substantially raising costs.

In short, while the program provides a solid foundation with competitive insurance and basic leave practices, it does not fully address the needs of all segments of the workforce. Strengthening affordability for families, enhancing flexibility in plan design, and considering family-supportive policies would improve the City's ability to compete for and retain talent



Chapter 6 - Recommendations

After careful deliberation and review of the study findings detailed in the previous chapters of this report, Evergreen developed recommendations for the City to consider. These recommendations follow a thorough, data driven process with the goal of providing stakeholders with actionable information that could facilitate the modernization of the City's compensation structure. The recommendations, as well as the findings that led to each recommendation, are discussed in detail in this section. The recommendations are organized into the following sections: classification, compensation, administration of the system, performance evaluation policy review and executive summary.

6.1 CLASSIFICATION RECOMMENDATIONS

The classification recommendations in this chapter are the result of robust employee participation and detailed data analysis. One of the key deliverables for this study, and a unique characteristic of Evergreen's process, is the prioritization of a multi-faceted employee participation process. Employees were asked to participate via an online employee survey questionnaire and by attending in-person focus group sessions led by Evergreen consultants. In addition to the initial employee outreach efforts, more than a dozen additional meetings were conducted with City stakeholders at different stages of the study. This included meetings with City Council for each of the key milestones of the engagement. As requested, Evergreen waited to receive feedback and approval from Council before moving forward to the next set of tasks, which resulted in a collaborative and deliberate process throughout. Along with the City Council, the City Manager, HR staff, and the balance of the senior leadership team were engaged throughout this very transparent process.

While the total number of classifications remains unchanged under these recommendations, 10 positions, or roughly 19 percent of all job titles, are recommended for reclassification to ensure alignment with organizational needs and market standards. This need for modernization is particularly important when viewed in historical context. The City of Fair Oaks Ranch's last comprehensive update to its classification and compensation structure occurred in late 2020. In the years following the pandemic, wages and inflation have increased at historical rates, leaving municipalities around the nation trying to stay competitive in a rapidly changing labor market. Since the last study, the City has relied largely on incremental or ad hoc adjustments to address immediate workforce needs. While such measures offered temporary solutions, or short-term financial benefit, they did not fully account for shifts in the regional labor market, the evolution of job responsibilities, or needed changes in overall compensation structure to provide the best opportunity for the City to stay competitive. As a result, the City entered this study with a structure that had become misaligned with both organizational needs and external competitiveness. The reclassifications and structural changes recommended in this study are necessary to modernize the system and align it with contemporary standards.



For an organization to achieve a balanced compensation structure, it must strive to be equitable internally and competitive externally. To achieve that requires a defined compensation philosophy with supporting employment policies to ensure the plan can be consistently maintained.

An organization's classification system is equally as important as the compensation offered to employees. The classification system establishes how its human resources are employed to perform its core services and deliver the desired outcomes set by policymakers. The classification system consists of the titles and descriptions of the different job classifications, which define how work is organized and assigned. It is essential the titles and descriptions of an organization's classifications accurately depict the work being performed by employees in order to ensure equity within the organization and to enable comparisons with positions at peer organizations. The purpose of a classification analysis is to identify such issues as incorrect or duplicate titles, outdated job descriptions, and inconsistent titles across departments. Recommendations are then made to remedy the identified concerns based on human resources best practices.

In the analysis of the City's classification system, Evergreen Solutions collected classification data through focus groups, interviews, and the Job Assessment Tool (JAT) employee survey process. The JATs, which were completed by employees and reviewed by their supervisors, provided information about the type and level of work being performed for each of the City's classifications. Evergreen reviewed the data provided in the JATs and used the information as the initial basis for classification recommendations. Once initial recommendations were developed, they were reviewed and refined through multiple meetings with the City project leadership team, then submitted to senior leaders across the organization, and ultimately to the City Council for consideration.

The JAT employee survey concluded with 92 percent participation from employees and 91 percent of all job classifications represented. The participation summaries are shown in **Exhibits 6A and 6B**. This strong employee response, along with the collaboration from the City project leadership team, helped provide a solid foundation for the classification recommendations. This high level of employee participation would not have been possible without the diligent efforts of the City Human Resources Department, who were engaged throughout the process. They assisted in communication and facilitating equitable access for all City employees.



EXHIBIT 6A
EMPLOYEE JOB ASSESSMENT TOOL PARTICIPATION

Employee Summary		Supervisor Summary	
# Of Employee Surveys Complete	# Of Employee Surveys Incomplete	# Of Supervisor Reviews Complete	# Of Supervisor Reviews Incomplete
% Complete	% Incomplete	% Complete	% Incomplete
91.57%	8.43%	88.16%	11.84%

EXHIBIT 6B
JOB CLASSIFICATIONS PARTICIPATION SUMMARY

Classification Summary	
# of Classifications with a JAT	# of Classifications without a JAT
% Complete	% Incomplete
90.57%	9.43%

FINDING

The City's compensation system has evolved through incremental adjustments approved with each annual budget cycle. However, the study identified that several job titles are not aligned with the duties employees perform and do not reflect regional labor market standards. If left unaddressed, these misalignments could place the City at a competitive disadvantage relative to its peers.

RECOMMENDATION 1: Adopt the proposed reclassifications to standardize the City pay plan structure and reestablish internal equity.

The recommended classification title changes can be seen in **Exhibit 6C**. The recommendations will realign the job title with the essential functions being performed and best practices.

EXHIBIT 6C RECOMMENDED CLASSIFICATION CHANGES

Department	Current Class Title	Recommended Class Title
Multiple	Administrative Clerk	Administrative Assistant
Utilities	Administrative Support Specialist	Administrative Assistant
Maintenance	Custodian/Maintenance Worker	Custodian
Human Resources and Communication	Director of HR and Communications	Director of Human Resources
Engineering Services	Director of Public Works and Engineering	Director of Public Works
Engineering Services	Manger of Engineering Services	Engineering Manager
Human Resources and Communication	Multimedia Communications Officer	Communications Officer
Finance	Payroll and AP Specialist	Financial Specialist I

CLASSIFICATION CAREER PROGRESSION

Evergreen reviewed the City’s existing classification plan and based on an analysis of class levels, employee feedback, and market alignment, recommends targeted adjustments to strengthen career progression and ensure sustainable succession planning within job families. Updating the classification structure provides employees with clearly defined career levels, transparent growth opportunities, and pathways for advancement. This not only improves retention and recruitment but also equips the City to identify and develop future leaders, ensuring continuity of operations as workforce transitions occur. By aligning positions with a logical progression, the City can better support employee development, address staffing needs over time, and maintain competitiveness in a changing labor market. Please keep in mind, this study did not include a staffing review component. The creation of new classification levels should not be interpreted as a need for additional staff at this time.

Exhibit 6D illustrates the updated career progression for all job classifications, organized by pay grade. Civilian classifications are assigned to grades 101 through 130, while public safety classifications are assigned to grades 201 through 205. The first pay grade utilized within the plan is 104 and ungraded positions are designated as “UNG.”

EXHIBIT 6D RECOMMENDED CLASSIFICATION PROGRESSION – Pay Grades 101-130, UNG

Proposed Pay Grade	Recommended Class Title
104	Custodian
106	Administrative Clerk Animal Services Officer
107	Administrative Assistant Court Clerk I* Utilities Clerk
108	Human Resources Assistant* Maintenance Technician Utility Technician
109	Court Clerk II* Financial Specialist I* Maintenance Lead Senior Utilities Clerk* Water/Wastewater Operator I
110	Code Compliance Officer IT Technician*
111	Court Clerk III* Financial Specialist II* Mechanic
112	Building Inspector I* Water/Wastewater Operator II
113	GIS Technician
114	Accountant Building Inspector II* Deputy City Secretary Environmental Program Manager IT Network Specialist Water/Wastewater Operator III
115	Infrastructure Inspector I* Master Level Maintenance Specialist*
116	Maintenance Supervisor
117	City Planner Civilian Investigator Communications Officer Human Resources Generalist Infrastructure Inspector II* IT Analyst*



EXHIBIT 6D (CONTINUED)
RECOMMENDED CLASSIFICATION PROGRESSION – Pay Grades 101-130, UNG

Proposed Pay Grade	Recommended Class Title
118	Court Administrator Wastewater Supervisor Water Supervisor
119	Procurement Manager Project Manager
121	Accounting Manager City Secretary
123	Building Official
124	Engineering Manager
125	IT Manager Police Lieutenant
126	Assistant Director of Public Works
127	Director of Human Resources Director of Public Works
128	Director of Finance
129	Chief of Police
130	Assistant City Manager
UNG	City Manager

* Proposed classifications for future career levels and succession

EXHIBIT 6D (CONTINUED)
RECOMMENDED CLASSIFICATION PROGRESSION - PAY GRADES 201-205

Proposed Pay Grade	Recommended Class Title
201	Police Cadet
202	Police Officer School Resource Officer
203	Police Corporal
204	Police Sergeant
125	Police Lieutenant**
129	Police Chief**

**Police Lieutenant and Police Chief are shown here for continuity of rank structure

Exhibit 6E provides a career matrix for each career family, illustrating progression through the classification series and identifying proposed updates. The matrices are designed to increase transparency for both the organization and employees by clearly showing available career paths, expected progression within each series, and opportunities for succession planning. This structure supports employee development, helps managers plan for future workforce needs, and ensures consistency in how career growth is communicated across the City. It



should be noted that matrices are not intended to include every classification that the City may utilize, such as executive leadership classifications, but they do include those areas with defined levels and career progression, illustrating how employees could expect to advance within their chosen career path. As this study did not include a staffing study or organizational review, the recommended classification levels are provided for consideration only, not intended to suggest the creation of additional budgeted positions at this time. These recommendations are based on a combination of employee input and common practices in municipal governments to support career growth and succession planning.



EXHIBIT 6E
CAREER FAMILY: ADMINISTRATIVE SUPPORT

Title/Categories	Administrative Clerk	Administrative Assistant	Deputy City Secretary	City Secretary
Job Summary	Performs clerical, administrative, and customer service duties for City departments. Handles records, licensing, permits, bookkeeping, facility reservations, and reception duties. Provides support to staff and public inquiries	Provides administrative and technical support including permit processing, records management, bookkeeping, scheduling, and customer service. Assists in preparing reports, correspondence, and supporting department operations	Supports the City Secretary's office by managing official records, council agendas, public notices, and elections. Assists with meeting documentation, open records requests, and compliance with Texas statutes. May act as City Secretary when required	Provides complex administrative and professional support to City Council and management. Serves as custodian of records, oversees codification of ordinances, manages elections, prepares council agendas and minutes, issues permits/licenses, and supervises clerical staffs
FLSA Status	Non-Exempt	Non-Exempt	Exempt	Exempt
Minimum Education	High School diploma or GEDs	High School diploma or GEDs	Associate degree in Public Administration, Business Management, or related fields	Bachelor's degree in Business Management, Records Management, Public Administration, or related fields
Minimum Experience	2 years of office administration or related clerical experience	3 years of office administration, permitting, or related field experience	2 years of municipal government experience; Texas Registered Municipal Clerk certification within 3 years	4 years of municipal government experience; Texas Registered Municipal Clerk certification required
Pay Grade	106	107	114	121



EXHIBIT 6E CAREER FAMILY: BUILDING CODES

Title/Categories	Code Compliance Officer	Building Inspector I	Building Inspector II (proposed)	Building Official
Job Summary	Protects community welfare through education, outreach, and enforcement of zoning, nuisance, land use, and safety codes. Conducts inspections, investigates complaints, and promotes voluntary compliance.	Performs inspections and plan reviews of residential and commercial construction for compliance with codes and ordinances. Advises contractors and maintains records.	Advanced inspection and plan review role. Handles more complex inspections, provides technical guidance to junior inspectors, and may specialize in structural, electrical, plumbing, or mechanical codes. Assists Building Official in code interpretation and compliance.	Leads the Building Codes division, supervises staff, and enforces building and life safety codes. Oversees plan reviews, inspections, code enforcement, ordinance development, and budget administration.
FLSA Status	Non-Exempt	Non-Exempt	Non-Exempt	Exempt
Minimum Education	High School diploma or equivalent. Texas Code Enforcement Officer Registration required within 2 years.	High School diploma. Must obtain Texas State Plumbing Inspector License within 12 months.	High School diploma. ICC certification as Plans Examiner preferred. Bachelor's degree in related field desirable.	High School diploma or GED. Must obtain ICC Residential Building Inspector and Texas State Plumbing Inspector License within 6 months.
Minimum Experience	1 year of municipal code inspection, compliance, or outreach experience.	3 years of building inspection or plan review experience, or equivalent combination of education and experience.	5 years of building inspection experience with progressively increasing responsibility. Supervisory or lead inspector experience preferred.	10 years of progressively responsible experience in building codes, including 2 years in administration or supervision.
Pay Grade	110	112	114	123

The Building Inspector II would allow for employee growth as additional experience and certifications are achieved. A move to an Inspector II would not be automatic but would ensure that employees that meet the minimum qualifications are eligible for consideration should the City determine that class levels or operational needs warrant advancement to the higher classification.

EXHIBIT 6E CAREER FAMILY: ENGINEERING

Title/Categories	GIS Technician	Environmental Program Manager	Infrastructure Inspector I	Infrastructure Inspector II (proposed)
Job Summary	Creates and maintains geospatial data and maps to support City operations. Provides technical support for GIS users, manages asset data, and assists with infrastructure planning.	Manages environmental programs including stormwater, water conservation, backflow prevention, hazardous waste, and tree preservation. Ensures compliance with state and federal regulations.	Performs inspections of public works infrastructure projects such as water, sewer, stormwater, and street systems. Ensures construction complies with approved plans and codes.	Advanced inspection role handling complex infrastructure projects. Provides guidance to Inspector I, reviews technical compliance, and manages more specialized or large-scale inspections.
FLSA Status	Non-Exempt	Exempt	Non-Exempt	Non-Exempt
Minimum Education	High School diploma or GED; training in GIS or related field desirable.	Bachelor's degree in natural/physical science, engineering, or environmental studies.	Associate's degree in related field or equivalent training.	Associate's degree in construction, engineering, or related field. Bachelor's degree preferred. Experience and appropriate certifications may apply.
Minimum Experience	Some GIS or technical mapping experience; 1 years.	4 years of program management or related environmental compliance experience.	2 years of construction inspection or related public works experience.	4 years of progressively responsible infrastructure inspection experience; supervisory or lead inspector experience preferred.
Pay Grade	113	114	115	117

The Infrastructure Inspector II would allow for employee growth as additional experience and certifications are achieved. A move to an Inspector II would not be automatic but would ensure that employees that meet the minimum qualifications are eligible for consideration should the City determine that class levels or operational needs warrant advancement to the higher classification.

EXHIBIT 6E
CAREER FAMILY: ENGINEERING (CONTINUED)

Title/Categories	City Planner	Project Manager	Engineering Manager	Director of Public Works
Job Summary	Performs professional planning work including research, zoning analysis, land use studies, and review of development applications. Advises City Council, Boards, and Commissions on planning issues.	Oversees capital and non-capital improvement projects from concept to completion. Manages budgets, schedules, compliance, and stakeholder engagement.	Supervises engineering staff and operations, ensuring compliance with municipal engineering standards. Manages design reviews, infrastructure planning, and capital projects.	Leads Public Works and Engineering Services. Oversees utilities, stormwater, streets, environmental compliance, planning, and capital improvement programs. Provides strategic leadership and manages departmental budgets.
FLSA Status	Exempt	Exempt	Exempt	Exempt
Minimum Education	Bachelor's degree in Urban Planning, Architecture, Geography, or related field.	Bachelor's degree in Civil Engineering, Construction Management, Environmental Sciences, Planning, or related field.	Bachelor's degree in Civil Engineering or related field. Professional Engineer (PE) license preferred.	Bachelor's degree in Civil or Environmental Engineering. Texas PE license required.
Minimum Experience	4 years of planning or related municipal experience.	4 years of project or construction management experience.	7 years of engineering experience, including supervisory responsibilities.	10 years of professional engineering experience, including 2+ years in management.
Pay Grade	117	119	124	127

EXHIBIT 6E CAREER FAMILY: FINANCE

Title/Categories	Financial Specialist I	Financial Specialist II (proposed)	Accountant	Procurement Manager	Accounting Manager	Director of Finance
Job Summary	Entry-level role assisting with financial recordkeeping, reconciliations, accounts payable/receivable, payroll, and budget monitoring. Works under close supervision.	Intermediate-level role performing reconciliations, reviewing and posting payroll, journal entries, and preparation of financial schedules. Provides support across departments and ensures compliance with procedures.	Professional accounting role preparing reports, reconciliations, journal entries, and audit support. Assists with budget preparation and internal controls.	Designs, implements, and administers procurement operations, oversees contracts, ensures compliance with municipal procurement laws, and manages vendor relationships.	Supervises accounting division including payroll, accounts payable, audits, and reporting. Ensures compliance with GAAP/GASB and internal controls. Acts as interim Finance Director as needed.	Executive leadership of the Finance Department, overseeing accounting, procurement, treasury, payroll, debt, and financial reporting. Advises City leadership on financial matters.
FLSA Status	Non-Exempt	Non-Exempt	Exempt	Exempt	Exempt	Exempt
Minimum Education	Some college coursework in accounting, finance, or related field. Experience in lieu of may apply.	Associate's degree in Accounting, Finance, or related field. Experience in lieu of may apply.	Bachelor's degree in Accounting or related field (Governmental accounting experience preferred).	Bachelor's degree in Business, Accounting, or related field. CPPO certification preferred. Experience in lieu of may apply.	Bachelor's degree in Accounting, Finance, or Business Administration.	Bachelor's degree in Public Finance, Accounting, or related field; CPA or Certified Government Finance Officer require.
Minimum Experience	1 year of related experience (internship or clerical financial support preferred).	2 years of experience in accounting or financial support.	3 years of professional accounting experience.	5 years of procurement experience.	5 years of accounting/finance experience, including supervisory responsibilities.	10+ years of finance/accounting experience including 5+ years in management.
Pay Grade	109	111	114	119	121	128

The Financial Specialist II would allow for employee growth as additional experience and certifications are achieved. A move to an Inspector II would not be automatic but would ensure that employees that meet the minimum qualifications are eligible for consideration should the City determine that class levels or operational needs warrant advancement to the higher classification.

EXHIBIT 6E
CAREER FAMILY: HUMAN RESOURCES

Title/Categories	Human Resource Assistant (proposed)	Human Resources Generalist	Director of Human Resources
Job Summary	Entry-level HR role providing administrative and technical support in recruitment, onboarding, benefits, recordkeeping, and employee assistance. Ensures compliance with HR policies and procedures while supporting staff and supervisors.	Performs professional-level HR duties including recruitment, onboarding, benefits administration, compliance reporting, employee relations, training, and policy interpretation. Provides guidance to departments and supports HR programs.	Leads the Human Resources Department, managing employee relations, classification, compensation, recruiting, benefits, grievance management, training, compliance, and HR policy development. Provides strategic HR guidance to city leadership while ensuring compliance with federal and state employment laws.
FLSA Status	Non-Exempt	Exempt	Exempt
Minimum Education	Associate's degree in Human Resources, Business Administration, or related field. Experience in lieu of may apply.	Bachelor's degree in HR, Business Administration, or related field. Experience in lieu of may apply.	Bachelor's degree in HR Management or related field.
Minimum Experience	1 year of HR or administrative support experience.	3 years of progressively responsible HR management experience.	7+ years of progressive HR experience, preferably in municipal government.
Pay Grade	108	117	127

The Human Resource Assistant would allow for an entry into the series and support succession in the series. The City may also wish to consider a HR Specialist classification to support specific areas such as workman's compensation, benefits, compensation and classification data analysis, recruiting, etc.

EXHIBIT 6E CAREER FAMILY: INFORMATION TECHNOLOGY

Title/Categories	IT Technician (proposed)	IT Network Specialist	IT Analyst (proposed)	IT Manager
Job Summary	Front-line IT support role providing customer service and help desk functions. Handles troubleshooting, hardware/software support, system setup, and resolves user issues in person and remotely. Escalates complex issues as needed.	Mid-level, providing support for the City's network infrastructure including switches, routers, servers, and security appliances. Performs help desk, system maintenance, and assists with network design, implementation, and security monitoring.	Mid-level IT role supporting network, enterprise management, and security functions. Provides technical analysis, system monitoring, and assists with implementations of new technologies. Bridges daily operations with specialized IT needs.	Oversees IT infrastructure and systems including applications, servers, networks, security, and end-user support. Manages IT policies, system security, disaster recovery, vendor relationships, and strategic IT planning
FLSA Status	Non-Exempt	Non-Exempt	Exempt	Exempt
Minimum Education	High School diploma or GED. CompTIA A+ certification preferred.	Associate's degree in computer-related field preferred. A+ certification required. Net+ and/or Sec+ preferred	Bachelor's degree in Information Technology, Computer Science, or related field. Specialized certifications may qualify in lieu of degree.	Bachelor's degree in Information Technology, Computer Science, or related field. Specialized certifications may qualify in lieu of degree.
Minimum Experience	1 year of IT support or help desk experience.	5 years of related IT experience	5 years of experience in IT support, systems, or network administration.	7 years of IT experience with expertise in systems, networking, and security
Pay Grade	110	114	117	125

The City currently relies on a two-person IT team to manage all technology needs across all departments/employees. While this structure has provided baseline coverage, it may place significant demands on the IT Manager and Network Specialist to address both front-line help desk requests and complex network/system issues. This may limit the City's ability to focus on proactive infrastructure improvements, cybersecurity, and long-term strategic planning. The IT Technician would be prioritized since the addition of this position would provide dedicated front-line support, including help desk coverage, troubleshooting, system setup, and end-user training. This position ensures that day-to-day technology needs are met promptly while freeing the Network Specialist and IT Manager to concentrate on higher-level infrastructure, security, and strategic initiatives. By prioritizing this role, the City addresses its most immediate need: ensuring reliable, responsive support to its employees.

EXHIBIT 6E CAREER FAMILY: MAINTENANCE

Title/Categories	Custodian	Maintenance Technician	Maintenance Lead	Mechanic	Master Level Maintenance Specialist (proposed)	Maintenance Supervisor
Job Summary	Performs custodial and light maintenance duties for City facilities including cleaning, sanitizing, minor plumbing/electrical, and preventive equipment care. Assists with facility setup and field work as needed.	Performs general and semi-skilled maintenance and repair of City facilities, streets, and drainage systems. Operates equipment, assists skilled trades, and responds to emergencies.	Coordinates assigned maintenance projects and oversees tasks to ensure timely completion. Operates equipment, manages inventory, supports supervisor in scheduling, and serves as backup during emergencies	Responsible for maintenance and repair of City vehicles and fleet equipment, including diagnostics, preventive maintenance, inspections, and recordkeeping. Ensures compliance with safety and inspection standards.	Advanced maintenance specialist responsible for highly skilled repair, diagnostics, and specialized projects in multiple trades (mechanical, electrical, plumbing, HVAC, or heavy equipment). Provides technical guidance and mentors junior staff.	Leads maintenance operations including facilities, vehicles, and infrastructure upkeep. Supervises staff, manages budgets, coordinates projects, and oversees compliance with safety and operational standards
FLSA Status	Non-Exempt	Non-Exempt	Non-Exempt	Non-Exempt	Exempt	Exempt
Minimum Education	High School diploma or equivalent.	High School diploma or GED.	High School diploma or GED	High School diploma or GED; Industry Certifications based on type of primary type of equipment.	High School diploma or GED. Technical certifications in specialized trade(s).	High School diploma or GED. Appropriate technical/trade certifications.
Minimum Experience	1 year of custodial and maintenance experience.	2 years of construction, maintenance, or heavy equipment operation - demonstrated experience.	4 years of construction/maintenance experience, with 1 year in a lead role preferred	5 years of verifiable automotive and equipment repair experience, or equivalent combination of training and certification	7 years of progressively responsible maintenance or skilled trade experience, including advanced technical expertise.	7 years of construction/maintenance experience including supervisory responsibility
Pay Grade	104	108	110*	111	115	116

The Master Trades classification would serve as a senior-level technical expert, to recognize advanced certifications, specialized skills, and significant field experience. Establishing this level would provide employees with a clear pathway for advancement and enhance succession. * Recommend pay grade adjustment from 109 to 110 in future evaluation.

EXHIBIT 6E
CAREER FAMILY: COURT CLERK

Title/Categories	Court Clerk I	Court Clerk II (proposed)	Court Clerk III (proposed)
Job Summary	Supports Municipal Court operations by assisting with filings, processing citations, scheduling hearings, preparing records, and coordinating with judges, prosecutors, and police. Handles financial transactions and provides customer service.	Performs more complex clerical, administrative, and technical tasks for the Municipal Court, including processing filings, issuing warrants, handling payments, preparing dockets, and coordinating with justice system partners. Provides guidance to entry-level clerks.	Performs advanced clerical and administrative work for the Municipal Court, including preparing and maintaining court records, ensuring compliance with statutory requirements, training and mentoring junior clerks, and serving as a lead resource for judges, attorneys, and justice system partners. May supervise daily workflow of lower-level clerks.
FLSA Status	Non-Exempt	Non-Exempt	Non-Exempt
Minimum Education	High School diploma or GED Completion of TMCEC Court Clerk Level I education within 18 months of hire	High School diploma or GED Level I Court Clerk Certification required; Level II Court Clerk Certification must be obtained within 24 months of promotion/hire	High School diploma or GED Level II Court Clerk Certification required; Level III Court Clerk Certification required or must be obtained within 36 months of promotion/hire
Minimum Experience	1 year of clerical or court-related experience preferred	1 years municipal court clerical experience, including at least one year as a Court Clerk I or equivalent	5 years of progressively responsible municipal court clerical experience, including at least one year at the Court Clerk II level
Pay Grade	107	109	111

The addition of Court Clerk II and III classifications create a clear career path for employees as they gain experience, certifications, and advanced skills. These levels do not add positions but recognize increased responsibility, support professional growth, and strengthen the overall effectiveness of Municipal Court operations.



EXHIBIT 6E CAREER FAMILY: PUBLIC SAFETY

Title/Categories	Police Cadet	Police Officer	School Resource Officer	Police Corporal	Police Sergeant	Police Lieutenant	Chief of Police
Job Summary	A trainee position providing exposure to law enforcement through classroom instruction, structured training, and supervised field activities. Assists with non-enforcement duties, community outreach, and administrative support.	Performs law enforcement duties including patrol, crime prevention, emergency response, traffic enforcement, investigations, and arrests. Prepares reports, testifies in court, and supports community policing support.	Assigned to a school campus, providing law enforcement, student engagement, and safety services. Handles investigations, juvenile issues, prevention programs, and campus events. Performs duties of a Police Officer	Acts as a field training officer and shift leader, mentoring officers, coordinating patrol activities, conducting investigations, and serving as liaison between officers and supervisors	Supervises officers, assigns patrols, manages incidents, oversees training, and ensures compliance with policies. Provides leadership and guidance to corporals and officers	Oversees sergeants and divisions, manages operations, implements policies, and supports the Chief of Police in departmental strategy and emergency response	Serves as executive leader of the Police Department, responsible for overall strategy, operations, budgeting, and community engagement. Represents the City in law enforcement matters
FLSA Status	Non-Exempt	Non-Exempt	Non-Exempt	Non-Exempt	Non-Exempt	Exempt	Exempt
Minimum Education	High School diploma or GED.	High School diploma or GED.	High School diploma or GED.	High School diploma or GED.	Associate or Bachelor's degree preferred.	Bachelor's degree in Criminal Justice or related field.	Bachelor's degree in Criminal Justice, Public Administration, or related field.
Minimum Experience	0 years; intent to apply to police academy	TCOLE Peace Officer License required	TCOLE Peace Officer License and TASRO SRO Certification (within 180 days)	2 years progressive law enforcement experience with leadership skills; TCOLE Intermediate Peace Officer License required.	5 years progressive law enforcement experience with supervisory experience; Advanced Peace Officer Certification preferred.	7 years progressive experience, 3 years supervisory; Advanced Peace Officer License required	10 years progressive law enforcement experience, 5 in command; TCOLE Master Peace Officer License required
Pay Grade	201	202	202	203	204	125	129



EXHIBIT 6E CAREER FAMILY: UTILITIES

Title/Categories	Utilities Clerk	Utility Technician	Senior Utilities Clerk (proposed)	Water/Wastewater Operator I	Water/Wastewater Operator II
Job Summary	Handles billing, account management, customer service, and clerical support for utility services. Processes meter readings, billing reports, payments, delinquent accounts, and responds to customer inquiries	Performs unskilled and semi-skilled maintenance, construction, and repair work for water and wastewater facilities. Operates equipment, assists in distribution and treatment systems, and supports emergency response	Handles billing, account management, customer service, and clerical support for utility services. Responsible for handling complex issues. Processes meter readings, billing reports, payments, delinquent accounts, and responds to customer inquiries. Identifies anomalies in reports and coordinates with utility technicians to resolve.	Entry-level operator performing maintenance and repair of City water supply, treatment, and wastewater collection systems. Assists in inspections, sampling, and basic operations of facilities	Intermediate operator responsible for performing inspections, water quality sampling, facility maintenance, and operation of water and wastewater systems. Ensures compliance with state and federal standards.
FLSA Status	Non-Exempt	Non-Exempt	Non-Exempt	Non-Exempt	Non-Exempt
Minimum Education	High School diploma or GED	High School diploma or GED	High School diploma or GED	High School diploma or GED	High School diploma or GED
Minimum Experience	2 years of office administration or utility billing experience	2 years of maintenance, construction, or repair experience	3 years of utility billing experience	2 years of construction, maintenance, or repair experience; TCEQ Class C Water/Wastewater license within 2 years	2 years of related experience; TCEQ Class C licenses required
Pay Grade	107	108	109	109	112

The City may wish to consider a Senior Utilities Clerk classification to provide a defined advancement opportunity for employees who have developed greater expertise in utility billing and customer service. This level recognizes the ability to handle complex account issues, identify reporting anomalies, and coordinate with field staff, ensuring stronger integration between customer service and technical operations.

EXHIBIT 6E
CAREER FAMILY: UTILITIES (CONTINUED)

Title/Categories	Water/Wastewater Operator III	Wastewater Supervisor	Water Supervisor	Assistant Director of Public Works
Job Summary	Advanced operator with supervisory duties over Technicians and Operators I & II. Oversees operations, performs troubleshooting, sampling, and quality control for water and wastewater facilities	Oversees wastewater division operations, including treatment plants, lift stations, and collection systems. Manages staff, ensures compliance with permits, and supports capital projects	Supervises City water systems including treatment, distribution, and compliance activities. Oversees staff, performs inspections, and ensures safe drinking water production	Provides executive leadership for Public Works operations, including utilities, streets, facilities, and capital projects. Oversees supervisors, manages budgets, and ensures compliance with municipal, state, and federal standards.
FLSA Status	Non-Exempt	Exempt	Exempt	Exempt
Minimum Education	High School diploma or GED	High School diploma or GED	High School diploma or GED	Bachelor's degree in Civil/Environmental Engineering, Public Administration, or related field.
Minimum Experience	2 years of progressive experience; TCEQ Class C and Operator II license required	8 years of wastewater systems experience with 3 years in supervision; Class B Wastewater License required	8 years of utility construction or water operations experience; TCEQ Class B Ground Water License required	10 years of municipal operations experience including 3 years in a supervisory capacity.
Pay Grade	114	118	118	126

FINDING

Many of the current job descriptions require updating to accurately reflect the new titling and job duties being performed by the employee. Updating these descriptions will help ensure internal equity, compliance with FLSA standards, and consistency with regional labor market practices.

RECOMMENDATION 2: Update existing class descriptions to reflect the new classification system and review all updated descriptions for FLSA status.

During the internal equity assessment, consideration of the relationships between and the type of work being performed by the City's employees in their classifications was reviewed and analyzed. Evergreen recommends that classifications be updated to ensure job descriptions accurately reflect the work being carried out by employees. The job description update is ongoing as of the writing of this report, and updates to existing job descriptions will be provided under separate cover.

6.2 COMPENSATION RECOMMENDATIONS

The compensation analysis consisted of two parts: an external market assessment and an internal equity assessment. During the external market assessment, the City's compensation for selected benchmark classifications was compared to the average compensation offered in the regional labor market. The external assessment described in detail in **Chapter 4** of this report revealed the City is currently lagging the market at the minimum and midpoint of the range. A defined policy is needed to ensure the pay plan remains aligned with market changes and adjusts for inflation, providing a framework for effective, ongoing compensation maintenance.

FINDING

The City currently maintains two pay plans, a general plan and a non-exempt public safety plan. The City's current general pay plan includes 51 pay groups with 18 steps each; however, only 22 of these grades are currently in use. Maintaining nearly 30 unused grades creates unnecessary complexity and reduces transparency for employees. In addition, given that the City has modified its compensation philosophy to emphasize merit-based salary progression, the current step progression should be modified to accommodate the new updated approach.

The non-exempt public safety pay plan ranges from PD-201 (Cadet) through PD-9 (Sergeant). Each grade contains 14 steps with a 2.5 percent step progression. All grades have a consistent percent range spread, midpoint progression between grades that varies from 11 percent to 19 percent, with higher percentages reflecting the increased responsibility and leadership expectations of advanced roles.



RECOMMENDATION 3: Adopt a new, market-responsive compensation structure with a 30-step plan and a 1.5 percent step progression and assign all positions to it equitably.

The City's general pay plan requires revision to ensure that it both rewards strong employee performance and maintains competitiveness with the market. Under the current structure, employees can advance to the maximum of their pay range too quickly, leaving limited room to recognize performance and creating the potential for added budget pressures.

To better support the City's performance-based compensation philosophy, Evergreen recommends implementing a revised structure with 30 steps and 1.5 percent increases between steps. Pay ranges are adjusted to 54 percent to accommodate the additional steps. This framework continues to recognize tenure by providing a 1.5 percent annual adjustment for employees who receive favorable performance evaluations. At the same time, it introduces a mechanism for higher-performing employees to be recognized, allowing multiple-step advancements for those who exceed expectations. To minimize the number of pay grades, the progression between grades 125 and 130 has been set slightly higher to reflect the increased level of responsibility and risk associated with leadership classifications. Over time as the City grows, leadership may elect to expand the number of pay grades and standardize the progression to five percent between all grades. Details of the proposed pay plans are provided in **Exhibit 6F**.

The non-civilian pay plan has been updated in a similar manner to ensure alignment and consistency across the organization. The structure now includes seven additional steps, one new pay grade, and greater longevity within the ranges. Grade progressions have been increased to align with market standards and to reflect the expanding scope of responsibility at higher ranks. Minimum and maximum salaries have also been raised to strengthen competitiveness with peer organizations.



EXHIBIT 6F
PROPOSED GENERAL PAY PLAN

Grade	Minimum	Maximum	Range Spread	Midpoint Progression
101	\$ 31,200.00	\$ 48,047.39	54.0%	-
102	\$ 32,003.00	\$ 49,284.00	54.0%	2.6%
103	\$ 33,603.15	\$ 51,748.20	54.0%	5.0%
104	\$ 35,283.31	\$ 54,335.61	54.0%	5.0%
105	\$ 37,047.47	\$ 57,052.39	54.0%	5.0%
106	\$ 38,899.85	\$ 59,905.01	54.0%	5.0%
107	\$ 40,844.84	\$ 62,900.26	54.0%	5.0%
108	\$ 42,887.08	\$ 66,045.27	54.0%	5.0%
109	\$ 45,031.43	\$ 69,347.53	54.0%	5.0%
110	\$ 47,283.01	\$ 72,814.91	54.0%	5.0%
111	\$ 49,647.16	\$ 76,455.65	54.0%	5.0%
112	\$ 52,129.51	\$ 80,278.44	54.0%	5.0%
113	\$ 54,735.99	\$ 84,292.36	54.0%	5.0%
114	\$ 57,472.79	\$ 88,506.98	54.0%	5.0%
115	\$ 60,346.43	\$ 92,932.33	54.0%	5.0%
116	\$ 63,363.75	\$ 97,578.94	54.0%	5.0%
117	\$ 66,531.94	\$ 102,457.89	54.0%	5.0%
118	\$ 69,858.54	\$ 107,580.78	54.0%	5.0%
119	\$ 73,351.46	\$ 112,959.82	54.0%	5.0%
120	\$ 77,019.04	\$ 118,607.81	54.0%	5.0%
121	\$ 80,869.99	\$ 124,538.20	54.0%	5.0%
122	\$ 84,913.49	\$ 130,765.11	54.0%	5.0%
123	\$ 89,159.16	\$ 137,303.37	54.0%	5.0%
124	\$ 93,617.12	\$ 144,168.54	54.0%	5.0%
125	\$ 102,978.83	\$ 158,585.39	54.0%	10.0%
126	\$ 110,187.35	\$ 169,686.37	54.0%	7.0%
127	\$ 117,900.46	\$ 181,564.42	54.0%	7.0%
128	\$ 126,153.50	\$ 194,273.92	54.0%	7.0%
129	\$ 132,461.17	\$ 203,987.62	54.0%	5.0%
130	\$ 141,733.45	\$ 218,266.75	54.0%	7.0%



EXHIBIT 6F (CONTINUED)
PROPOSED GENERAL PAY PLAN – STEPS 1-10

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
101	\$31,200.00	\$31,668.00	\$32,143.02	\$32,625.17	\$33,114.54	\$33,611.26	\$34,115.43	\$34,627.16	\$35,146.57	\$35,673.77
102	\$32,003.00	\$32,483.05	\$32,970.29	\$33,464.85	\$33,966.82	\$34,476.32	\$34,993.46	\$35,518.37	\$36,051.14	\$36,591.91
103	\$33,603.15	\$34,107.20	\$34,618.81	\$35,138.09	\$35,665.16	\$36,200.14	\$36,743.14	\$37,294.29	\$37,853.70	\$38,421.50
104	\$35,283.31	\$35,812.56	\$36,349.75	\$36,894.99	\$37,448.42	\$38,010.14	\$38,580.29	\$39,159.00	\$39,746.38	\$40,342.58
105	\$37,047.47	\$37,603.18	\$38,167.23	\$38,739.74	\$39,320.84	\$39,910.65	\$40,509.31	\$41,116.95	\$41,733.70	\$42,359.71
106	\$38,899.85	\$39,483.34	\$40,075.59	\$40,676.73	\$41,286.88	\$41,906.18	\$42,534.78	\$43,172.80	\$43,820.39	\$44,477.69
107	\$40,844.84	\$41,457.51	\$42,079.37	\$42,710.56	\$43,351.22	\$44,001.49	\$44,661.51	\$45,331.44	\$46,011.41	\$46,701.58
108	\$42,887.08	\$43,530.39	\$44,183.34	\$44,846.09	\$45,518.78	\$46,201.57	\$46,894.59	\$47,598.01	\$48,311.98	\$49,036.66
109	\$45,031.43	\$45,706.91	\$46,392.51	\$47,088.40	\$47,794.72	\$48,511.64	\$49,239.32	\$49,977.91	\$50,727.58	\$51,488.49
110	\$47,283.01	\$47,992.25	\$48,712.14	\$49,442.82	\$50,184.46	\$50,937.23	\$51,701.29	\$52,476.80	\$53,263.96	\$54,062.92
111	\$49,647.16	\$50,391.86	\$51,147.74	\$51,914.96	\$52,693.68	\$53,484.09	\$54,286.35	\$55,100.64	\$55,927.15	\$56,766.06
112	\$52,129.51	\$52,911.46	\$53,705.13	\$54,510.71	\$55,328.37	\$56,158.29	\$57,000.67	\$57,855.68	\$58,723.51	\$59,604.36
113	\$54,735.99	\$55,557.03	\$56,390.39	\$57,236.24	\$58,094.79	\$58,966.21	\$59,850.70	\$60,748.46	\$61,659.69	\$62,584.58
114	\$57,472.79	\$58,334.88	\$59,209.91	\$60,098.05	\$60,999.52	\$61,914.52	\$62,843.24	\$63,785.88	\$64,742.67	\$65,713.81
115	\$60,346.43	\$61,251.63	\$62,170.40	\$63,102.96	\$64,049.50	\$65,010.24	\$65,985.40	\$66,975.18	\$67,979.81	\$68,999.50
116	\$63,363.75	\$64,314.21	\$65,278.92	\$66,258.10	\$67,251.98	\$68,260.76	\$69,284.67	\$70,323.94	\$71,378.80	\$72,449.48
117	\$66,531.94	\$67,529.92	\$68,542.87	\$69,571.01	\$70,614.57	\$71,673.79	\$72,748.90	\$73,840.13	\$74,947.74	\$76,071.95
118	\$69,858.54	\$70,906.41	\$71,970.01	\$73,049.56	\$74,145.30	\$75,257.48	\$76,386.35	\$77,532.14	\$78,695.12	\$79,875.55
119	\$73,351.46	\$74,451.73	\$75,568.51	\$76,702.04	\$77,852.57	\$79,020.36	\$80,205.66	\$81,408.75	\$82,629.88	\$83,869.33
120	\$77,019.04	\$78,174.32	\$79,346.94	\$80,537.14	\$81,745.20	\$82,971.37	\$84,215.95	\$85,479.18	\$86,761.37	\$88,062.79
121	\$80,869.99	\$82,083.04	\$83,314.28	\$84,564.00	\$85,832.46	\$87,119.94	\$88,426.74	\$89,753.14	\$91,099.44	\$92,465.93
122	\$84,913.49	\$86,187.19	\$87,480.00	\$88,792.20	\$90,124.08	\$91,475.94	\$92,848.08	\$94,240.80	\$95,654.41	\$97,089.23
123	\$89,159.16	\$90,496.55	\$91,854.00	\$93,231.81	\$94,630.28	\$96,049.74	\$97,490.48	\$98,952.84	\$100,437.13	\$101,943.69
124	\$93,617.12	\$95,021.38	\$96,446.70	\$97,893.40	\$99,361.80	\$100,852.22	\$102,365.01	\$103,900.48	\$105,458.99	\$107,040.88
125	\$102,978.83	\$104,523.51	\$106,091.37	\$107,682.74	\$109,297.98	\$110,937.45	\$112,601.51	\$114,290.53	\$116,004.89	\$117,744.96
126	\$110,187.35	\$111,840.16	\$113,517.76	\$115,220.53	\$116,948.84	\$118,703.07	\$120,483.61	\$122,290.87	\$124,125.23	\$125,987.11
127	\$117,900.46	\$119,668.97	\$121,464.00	\$123,285.96	\$125,135.25	\$127,012.28	\$128,917.47	\$130,851.23	\$132,814.00	\$134,806.21
128	\$126,153.50	\$128,045.80	\$129,966.49	\$131,915.98	\$133,894.72	\$135,903.14	\$137,941.69	\$140,010.82	\$142,110.98	\$144,242.64
129	\$132,461.17	\$134,448.09	\$136,464.81	\$138,511.78	\$140,589.46	\$142,698.30	\$144,838.77	\$147,011.36	\$149,216.53	\$151,454.77
130	\$141,733.45	\$143,859.45	\$146,017.35	\$148,207.61	\$150,430.72	\$152,687.18	\$154,977.49	\$157,302.15	\$159,661.68	\$162,056.61

EXHIBIT 6E PROPOSED GENERAL PAY PLAN – STEPS 11-20

Grade	Step 11	Step 12	Step 13	Step 14	Step 15	Step 16	Step 17	Step 18	Step 19	Step 20
101	\$36,208.87	\$36,752.01	\$37,303.29	\$37,862.84	\$38,430.78	\$39,007.24	\$39,592.35	\$40,186.23	\$40,789.03	\$41,400.86
102	\$37,140.79	\$37,697.90	\$38,263.37	\$38,837.32	\$39,419.88	\$40,011.18	\$40,611.34	\$41,220.51	\$41,838.82	\$42,466.40
103	\$38,997.83	\$39,582.79	\$40,176.54	\$40,779.18	\$41,390.87	\$42,011.74	\$42,641.91	\$43,281.54	\$43,930.76	\$44,589.72
104	\$40,947.72	\$41,561.93	\$42,185.36	\$42,818.14	\$43,460.42	\$44,112.32	\$44,774.01	\$45,445.62	\$46,127.30	\$46,819.21
105	\$42,995.10	\$43,640.03	\$44,294.63	\$44,959.05	\$45,633.44	\$46,317.94	\$47,012.71	\$47,717.90	\$48,433.67	\$49,160.17
106	\$45,144.86	\$45,822.03	\$46,509.36	\$47,207.00	\$47,915.11	\$48,633.84	\$49,363.34	\$50,103.79	\$50,855.35	\$51,618.18
107	\$47,402.10	\$48,113.13	\$48,834.83	\$49,567.35	\$50,310.86	\$51,065.53	\$51,831.51	\$52,608.98	\$53,398.12	\$54,199.09
108	\$49,772.21	\$50,518.79	\$51,276.57	\$52,045.72	\$52,826.41	\$53,618.80	\$54,423.09	\$55,239.43	\$56,068.02	\$56,909.04
109	\$52,260.82	\$53,044.73	\$53,840.40	\$54,648.01	\$55,467.73	\$56,299.74	\$57,144.24	\$58,001.40	\$58,871.42	\$59,754.50
110	\$54,873.86	\$55,696.97	\$56,532.42	\$57,380.41	\$58,241.11	\$59,114.73	\$60,001.45	\$60,901.47	\$61,815.00	\$62,742.22
111	\$57,617.55	\$58,481.82	\$59,359.04	\$60,249.43	\$61,153.17	\$62,070.47	\$63,001.52	\$63,946.55	\$64,905.75	\$65,879.33
112	\$60,498.43	\$61,405.91	\$62,327.00	\$63,261.90	\$64,210.83	\$65,173.99	\$66,151.60	\$67,143.87	\$68,151.03	\$69,173.30
113	\$63,523.35	\$64,476.20	\$65,443.34	\$66,425.00	\$67,421.37	\$68,432.69	\$69,459.18	\$70,501.07	\$71,558.58	\$72,631.96
114	\$66,699.52	\$67,700.01	\$68,715.51	\$69,746.24	\$70,792.44	\$71,854.33	\$72,932.14	\$74,026.12	\$75,136.51	\$76,263.56
115	\$70,034.50	\$71,085.01	\$72,151.29	\$73,233.56	\$74,332.06	\$75,447.04	\$76,578.75	\$77,727.43	\$78,893.34	\$80,076.74
116	\$73,536.22	\$74,639.26	\$75,758.85	\$76,895.23	\$78,048.66	\$79,219.39	\$80,407.68	\$81,613.80	\$82,838.01	\$84,080.58
117	\$77,213.03	\$78,371.23	\$79,546.79	\$80,740.00	\$81,951.10	\$83,180.36	\$84,428.07	\$85,694.49	\$86,979.91	\$88,284.61
118	\$81,073.68	\$82,289.79	\$83,524.13	\$84,777.00	\$86,048.65	\$87,339.38	\$88,649.47	\$89,979.21	\$91,328.90	\$92,698.84
119	\$85,127.37	\$86,404.28	\$87,700.34	\$89,015.85	\$90,351.08	\$91,706.35	\$93,081.95	\$94,478.17	\$95,895.35	\$97,333.78
120	\$89,383.73	\$90,724.49	\$92,085.36	\$93,466.64	\$94,868.64	\$96,291.67	\$97,736.04	\$99,202.08	\$100,690.11	\$102,200.47
121	\$93,852.92	\$95,260.72	\$96,689.63	\$98,139.97	\$99,612.07	\$101,106.25	\$102,622.84	\$104,162.19	\$105,724.62	\$107,310.49
122	\$98,545.57	\$100,023.75	\$101,524.11	\$103,046.97	\$104,592.67	\$106,161.56	\$107,753.99	\$109,370.30	\$111,010.85	\$112,676.01
123	\$103,472.85	\$105,024.94	\$106,600.31	\$108,199.32	\$109,822.31	\$111,469.64	\$113,141.69	\$114,838.81	\$116,561.39	\$118,309.81
124	\$108,646.49	\$110,276.19	\$111,930.33	\$113,609.28	\$115,313.42	\$117,043.12	\$118,798.77	\$120,580.75	\$122,389.46	\$124,225.31
125	\$119,511.14	\$121,303.80	\$123,123.36	\$124,970.21	\$126,844.76	\$128,747.44	\$130,678.65	\$132,638.83	\$134,628.41	\$136,647.84
126	\$127,876.92	\$129,795.07	\$131,742.00	\$133,718.13	\$135,723.90	\$137,759.76	\$139,826.15	\$141,923.55	\$144,052.40	\$146,213.18
127	\$136,828.30	\$138,880.73	\$140,963.94	\$143,078.40	\$145,224.57	\$147,402.94	\$149,613.98	\$151,858.19	\$154,136.07	\$156,448.11
128	\$146,406.28	\$148,602.38	\$150,831.41	\$153,093.88	\$155,390.29	\$157,721.15	\$160,086.96	\$162,488.27	\$164,925.59	\$167,399.48
129	\$153,726.60	\$156,032.50	\$158,372.98	\$160,748.58	\$163,159.81	\$165,607.20	\$168,091.31	\$170,612.68	\$173,171.87	\$175,769.45
130	\$164,487.46	\$166,954.77	\$169,459.09	\$172,000.98	\$174,580.99	\$177,199.71	\$179,857.70	\$182,555.57	\$185,293.90	\$188,073.31

EXHIBIT 6E (CONTINUED)
PROPOSED GENERAL PAY PLAN – STEPS 21-30

Grade	Step 21	Step 22	Step 23	Step 24	Step 25	Step 26	Step 27	Step 28	Step 29	Step 30
101	\$42,021.88	\$42,652.20	\$43,291.99	\$43,941.37	\$44,600.49	\$45,269.50	\$45,948.54	\$46,637.77	\$47,337.33	\$48,047.39
102	\$43,103.40	\$43,749.95	\$44,406.20	\$45,072.29	\$45,748.38	\$46,434.60	\$47,131.12	\$47,838.09	\$48,555.66	\$49,284.00
103	\$45,258.57	\$45,937.45	\$46,626.51	\$47,325.91	\$48,035.80	\$48,756.33	\$49,487.68	\$50,229.99	\$50,983.44	\$51,748.20
104	\$47,521.50	\$48,234.32	\$48,957.84	\$49,692.20	\$50,437.59	\$51,194.15	\$51,962.06	\$52,741.49	\$53,532.62	\$54,335.61
105	\$49,897.57	\$50,646.04	\$51,405.73	\$52,176.81	\$52,959.47	\$53,753.86	\$54,560.17	\$55,378.57	\$56,209.25	\$57,052.39
106	\$52,392.45	\$53,178.34	\$53,976.01	\$54,785.66	\$55,607.44	\$56,441.55	\$57,288.17	\$58,147.50	\$59,019.71	\$59,905.01
107	\$55,012.08	\$55,837.26	\$56,674.82	\$57,524.94	\$58,387.81	\$59,263.63	\$60,152.58	\$61,054.87	\$61,970.70	\$62,900.26
108	\$57,762.68	\$58,629.12	\$59,508.56	\$60,401.18	\$61,307.20	\$62,226.81	\$63,160.21	\$64,107.62	\$65,069.23	\$66,045.27
109	\$60,650.81	\$61,560.58	\$62,483.98	\$63,421.24	\$64,372.56	\$65,338.15	\$66,318.22	\$67,313.00	\$68,322.69	\$69,347.53
110	\$63,683.35	\$64,638.60	\$65,608.18	\$66,592.31	\$67,591.19	\$68,605.06	\$69,634.13	\$70,678.65	\$71,738.83	\$72,814.91
111	\$66,867.52	\$67,870.53	\$68,888.59	\$69,921.92	\$70,970.75	\$72,035.31	\$73,115.84	\$74,212.58	\$75,325.77	\$76,455.65
112	\$70,210.90	\$71,264.06	\$72,333.02	\$73,418.02	\$74,519.29	\$75,637.08	\$76,771.63	\$77,923.21	\$79,092.06	\$80,278.44
113	\$73,721.44	\$74,827.26	\$75,949.67	\$77,088.92	\$78,245.25	\$79,418.93	\$80,610.22	\$81,819.37	\$83,046.66	\$84,292.36
114	\$77,407.51	\$78,568.63	\$79,747.16	\$80,943.36	\$82,157.51	\$83,389.88	\$84,640.73	\$85,910.34	\$87,198.99	\$88,506.98
115	\$81,277.89	\$82,497.06	\$83,734.51	\$84,990.53	\$86,265.39	\$87,559.37	\$88,872.76	\$90,205.85	\$91,558.94	\$92,932.33
116	\$85,341.79	\$86,621.91	\$87,921.24	\$89,240.06	\$90,578.66	\$91,937.34	\$93,316.40	\$94,716.15	\$96,136.89	\$97,578.94
117	\$89,608.87	\$90,953.01	\$92,317.30	\$93,702.06	\$95,107.59	\$96,534.21	\$97,982.22	\$99,451.95	\$100,943.73	\$102,457.89
118	\$94,089.32	\$95,500.66	\$96,933.17	\$98,387.17	\$99,862.97	\$101,360.92	\$102,881.33	\$104,424.55	\$105,990.92	\$107,580.78
119	\$98,793.78	\$100,275.69	\$101,779.83	\$103,306.52	\$104,856.12	\$106,428.96	\$108,025.40	\$109,645.78	\$111,290.47	\$112,959.82
120	\$103,733.47	\$105,289.48	\$106,868.82	\$108,471.85	\$110,098.93	\$111,750.41	\$113,426.67	\$115,128.07	\$116,854.99	\$118,607.81
121	\$108,920.15	\$110,553.95	\$112,212.26	\$113,895.44	\$115,603.87	\$117,337.93	\$119,098.00	\$120,884.47	\$122,697.74	\$124,538.20
122	\$114,366.15	\$116,081.65	\$117,822.87	\$119,590.21	\$121,384.07	\$123,204.83	\$125,052.90	\$126,928.69	\$128,832.63	\$130,765.11
123	\$120,084.46	\$121,885.73	\$123,714.01	\$125,569.73	\$127,453.27	\$129,365.07	\$131,305.55	\$133,275.13	\$135,274.26	\$137,303.37
124	\$126,088.69	\$127,980.02	\$129,899.72	\$131,848.21	\$133,825.93	\$135,833.32	\$137,870.82	\$139,938.89	\$142,037.97	\$144,168.54
125	\$138,697.55	\$140,778.02	\$142,889.69	\$145,033.03	\$147,208.53	\$149,416.66	\$151,657.91	\$153,932.77	\$156,241.77	\$158,585.39
126	\$148,406.38	\$150,632.48	\$152,891.97	\$155,185.34	\$157,513.13	\$159,875.82	\$162,273.96	\$164,708.07	\$167,178.69	\$169,686.37
127	\$158,794.83	\$161,176.75	\$163,594.40	\$166,048.32	\$168,539.04	\$171,067.13	\$173,633.14	\$176,237.63	\$178,881.20	\$181,564.42
128	\$169,910.47	\$172,459.12	\$175,046.01	\$177,671.70	\$180,336.78	\$183,041.83	\$185,787.46	\$188,574.27	\$191,402.88	\$194,273.92
129	\$178,405.99	\$181,082.08	\$183,798.31	\$186,555.29	\$189,353.62	\$192,193.92	\$195,076.83	\$198,002.98	\$200,973.03	\$203,987.62
130	\$190,894.41	\$193,757.83	\$196,664.19	\$199,614.16	\$202,608.37	\$205,647.49	\$208,732.21	\$211,863.19	\$215,041.14	\$218,266.75

EXHIBIT 6F (CONTINUED)
PROPOSED PAY PLAN PUBLIC SAFETY

Grade	Minimum	Maximum	Range Spread	Midpoint Progression
201	\$ 56,000.00	\$ 75,423.88	34.7%	
202	\$ 67,000.00	\$ 90,239.29	34.7%	20%
203	\$ 77,786.00	\$ 104,766.46	34.7%	16%
204	\$ 89,454.00	\$ 120,481.57	34.7%	15%

**The Lieutenant and Chief of Police are placed on the general plan, calculated at 2080 rather than the modified police calendar.*

EXHIBIT 6E (CONTINUED)
PROPOSED PAY PLAN – PUBLIC SAFETY STEPS 1-21

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
201	\$56,000.00	\$56,840.00	\$57,692.60	\$58,557.99	\$59,436.36	\$60,327.90	\$61,232.82	\$62,151.32	\$63,083.58	\$64,029.84
202	\$67,000.00	\$68,005.00	\$69,025.08	\$70,060.45	\$71,111.36	\$72,178.03	\$73,260.70	\$74,359.61	\$75,475.00	\$76,607.13
203	\$77,786.00	\$78,952.79	\$80,137.08	\$81,339.14	\$82,559.23	\$83,797.61	\$85,054.58	\$86,330.40	\$87,625.35	\$88,939.73
204	\$89,454.00	\$90,795.81	\$92,157.75	\$93,540.11	\$94,943.22	\$96,367.36	\$97,812.87	\$99,280.07	\$100,769.27	\$102,280.81

Grade	Step 11	Step 12	Step 13	Step 14	Step 15	Step 16	Step 17	Step 18	Step 19	Step 20	Step 21
201	\$64,990.29	\$65,965.14	\$66,954.62	\$67,958.94	\$68,978.32	\$70,013.00	\$71,063.19	\$72,129.14	\$73,211.08	\$74,309.24	\$75,423.88
202	\$77,756.24	\$78,922.58	\$80,106.42	\$81,308.01	\$82,527.63	\$83,765.55	\$85,022.03	\$86,297.36	\$87,591.82	\$88,905.70	\$90,239.29
203	\$90,273.83	\$91,627.94	\$93,002.36	\$94,397.39	\$95,813.35	\$97,250.55	\$98,709.31	\$100,189.95	\$101,692.80	\$103,218.19	\$104,766.46
204	\$103,815.02	\$105,372.24	\$106,952.83	\$108,557.12	\$110,185.48	\$111,838.26	\$113,515.83	\$115,218.57	\$116,946.85	\$118,701.05	\$120,481.57



Implementation of the new compensation structure requires two steps. First, all positions were assigned to an appropriate pay grade within the plan. To determine what pay grade each position was assigned, Evergreen used the following factors: the results of the JAT employee survey analysis, the results of the market study, as well as consideration for both existing and newly created internal relationships between classifications. Included with this analysis were extensive interviews with the Project Leadership Team and feedback from each of the key service areas in the City. Assigning pay grades to classifications requires a balance of internal equity and desired market position, and recruitment and retention concerns also played a role in the process. Thus, the external market analysis results discussed in Chapters 4 and 5 were not the sole criteria for the proposed pay ranges.

Employee benefits are a critical component of the City's total compensation package and play a central role in attracting, retaining, and supporting a high-quality workforce. While Fair Oaks Ranch's benefits program is competitive in many areas, Evergreen's analysis identified targeted opportunities to enhance employee value and strengthen alignment with peer practices. Detailed recommendations are provided in **Chapter 5**; a summary is included here for reference.

RECOMMENDATION 4: Reinforce benefit competitiveness while addressing identified gaps.

As outlined in Chapter 5, the City's benefits program is competitive in several key areas, including healthcare premiums for employee-only coverage and leave accruals. However, opportunities remain to strengthen recruitment and retention outcomes by refining plan design and modernizing the overall benefits mix. Specifically, recommendations include addressing high dependent deductibles and considering annual leave payback. In addition, introducing targeted enhancements such as paid parental leave and tuition reimbursement would align the City with peer practices and evolving workforce expectations. By implementing these refinements, the City can build on its existing strengths while better supporting employees and their families.

RECOMMENDATION 5: Evergreen recommends the City adopt a methodology to transition employee salaries into the proposed pay plan that aligns with its established compensation philosophy and meets the available financial resources of the City.

After all classifications are assigned a new pay grade, a methodology must be selected to place the employees who occupy these job classifications into those market-competitive pay ranges. This step can be done via a variety of methods, each with its own strengths and drawbacks; Evergreen discussed several options to value employee tenure, simplify employee progression moving forward, help reduce wage compression, and bring employees closer to a competitive position in the market. Ultimately, a modified approach was selected for all employees. This option is outlined below, and the costs are shown in **Exhibit 6G**.



EXHIBIT 6G IMPLEMENTATION OPTION AND COST SUMMARY

All Employees Implementation Option	Total Salary-Only Cost	Number of Employees Adjusted	Average Adjustment for Impacted Employees	% of Payroll
Bring to Min + 1 Step	\$ 247,054.69	79	\$ 3,127.27	4.5%

Modified Bring to Minimum + Step

The City should consider implementation of the new pay plan using a Modified Bring to Minimum + Step approach. This method ensures an equitable transition for all employees while addressing internal alignment and market competitiveness.

Under this approach, all employees are placed on the updated pay schedule according to their current annual salary and the corresponding proposed pay range. Placement follows these criteria:

- Employees currently above the new minimum of their respective pay range will be placed at the closest step that does not reduce their current pay and then advanced one additional step.
- Employees currently below the new minimum of their proposed pay range will be placed at the range minimum and then advanced one additional step.

This method promotes fairness and consistency by aligning all employees with the new pay structure while recognizing their current position within the range. This approach is intended to consider the following:

- Reduces wage compression between existing employees and new hires.
- Ensures that all employees receive a tangible benefit from implementation.
- Provides slightly greater penetration into the pay range based on each employee's current salary level.
- Maintains internal equity while moving the organization closer to market competitiveness.

6.3 PERFORMANCE EVALUATION REVIEW

One of the deliverables of this study was to evaluate the current performance evaluation system in use by the City and provide recommendations for improvement. Performance management is a critical component of a modern compensation and classification system, as it links employee contributions to organizational outcomes, provides accountability for



supervisors, and creates opportunities for employee development. It is understood that any change to the current process may require an ordinance review and approval. Evergreen was provided with the current performance evaluation policies in response to the initial data request for the study. An important consideration is that job evaluation is distinct from employee performance appraisal. While job evaluation determines the internal worth of that role relative to other positions within the City, a performance evaluation measures how well an employee performs in a given role. The organizations with the best in brand culture and high-performing teams have a clear policy and process for delivering accurate and relevant job and performance evaluations.

Historical Context

The City has traditionally relied on a supervisor-driven evaluation system utilizing separate forms for managerial and non-managerial employees. These forms measured competencies such as customer service, communication, problem solving, and reliability. The system emphasized fairness, documentation, and goal setting, with ratings ranging from *Fails to Meet Expectations* to *Consistently and Substantially Exceeds Expectations*. Historically, performance evaluations were seen primarily as compliance tools to document employee performance rather than as active workforce development mechanisms. The City Council's policy priorities of including an element of outcomes-based compensation show a clear progression from the legacy evaluation to the one being used today.

Recent Changes

In 2024, the City introduced new performance evaluation templates and processes. Key changes included:

- Adoption of updated forms for both supervisory and non-supervisory staff.
- Establishment of a uniform review cycle (July 1 – June 30), with evaluations due to Human Resources by August 31.
- Expanded Human Resources oversight, including training for supervisors, Q&A sessions with staff, and structured review deadlines to ensure accountability.

Overview of the Current Performance Evaluation Process

The City currently operates with two evaluation tracks:

- Managerial Evaluations: Focus on leadership, decision-making, supervisory accountability, and departmental performance.
- Non-Managerial Evaluations: Focus on job knowledge, reliability, stakeholder satisfaction, professionalism, and teamwork.

Both forms require self-ratings, manager ratings, comments, and goal setting, with overall ratings tied to merit eligibility. Supervisors are instructed to avoid rating inflation, provide written justification for ratings, and use the evaluation process to set measurable goals.



Positions are rated against each factor, with point values assigned at varying levels of complexity. These points are then summed to determine the relative placement of the classification in the City's pay structure. The system was designed to maximize objectivity, reliability, and comparability across jobs

Benefits to the City

The original performance evaluation process offered several important benefits for Fair Oaks Ranch:

- Equity – ensure positions with similar employee performance were compensated consistently.
- Transparency – provided a documented, structured approach that reduced ad hoc decision-making.
- Administrative Efficiency – offered guidelines that standardized the process.
- Strategic Alignment – allows pay to be aligned with operational and organizational priorities at the time.

Comparison to Modern HR Best Practices

- Competency-Based Models – Many cities now integrate competencies (e.g., leadership, communication, adaptability) alongside traditional point factors to capture broader aspects of value.
- Market Responsiveness – Best practice models incorporate ongoing market data rather than relying solely on internal equity.
- Technology Integration – Modern evaluation systems leverage online job analysis tools, dashboards, and HRIS integration to improve efficiency and transparency.
- Employee Engagement – Today's best practices emphasize employee and supervisor participation throughout the process, building trust and buy-in.
- Equity and Inclusion – Modern approaches pay greater attention to reducing bias and ensuring systems support diversity, equity, and inclusion objectives.

Relative to these trends, Fair Oaks Ranch's legacy job evaluation system remains strong in its structured multi-factor methodology, but it could benefit from modernization that incorporates competencies, automation, and regular recalibration with internal priorities and external benchmarks.



Performance Evaluation Recommendations

Based on best practices observed across public sector organizations and review of the current City policy, Evergreen recommends the following improvements to the City's performance evaluation process:

RECOMMENDATION 6: Continue the implemented established process of evaluating, measuring, and reporting on performance metrics aligned with organizational outcomes.

The City has already implemented a performance evaluation system that balances recognition of tenure with measurable improvements in service delivery. Continuing this practice ensures that loyalty and institutional knowledge are valued while reinforcing accountability and high performance. To strengthen alignment, annual employee performance and professional goals should be directly tied to departmental objectives, the City's strategic plan, and other guiding documents. Progress should be reviewed at regular intervals to ensure consistency, transparency, and a clear connection between individual contributions and organizational priorities.

RECOMMENDATION 7: Introduce mid-year check-ins to supplement the annual evaluation.

The evaluation process should function as a continuous cycle rather than a once-per-year event. A formal mid-year check-in should be required for all employees to review progress on established goals, address performance concerns, and adjust as needed. In addition, supervisors should hold informal quarterly conversations, where appropriate, to provide timely feedback, reinforce expectations, and ensure ongoing alignment with departmental and Citywide objectives. These structured touchpoints will help prevent surprises during annual reviews and foster a culture of continuous improvement and accountability.

RECOMMENDATION 8: Continue the streamlined evaluation forms to focus on fewer, more clearly defined competencies that align with City values (e.g., service, accountability, teamwork, innovation).

The City has already simplified evaluation forms to focus on core competencies such as service, accountability, teamwork, innovation, communication, and customer service. This practice should be maintained to ensure consistency and reduce administrative burden. Moving forward, the City should also ensure that the selected competencies are appropriately applied at the position level, so that expectations reflect the specific responsibilities of each role while still reinforcing organizational values. This approach supports fairness, relevance, and alignment between individual performance and Citywide priorities.

RECOMMENDATION 9: Integrate technology support for evaluations.

An electronic performance management system enhances efficiency, ensures timeliness, and allows better tracking of goals, documentation, and employee development over time. Best practices also include features such as automated reminders for supervisors and employees, standardized evaluation templates tied to Citywide competencies, and dashboards that allow both managers and employees to monitor progress throughout the year. The system should also provide space to document professional development activities, training, and



certifications, creating a comprehensive record that supports succession planning and long-term workforce development. In addition, integrating evaluation data with HR and payroll systems improves consistency, reduces administrative burden, and ensures that performance outcomes can be more directly connected to merit-based pay decisions.

RECOMMENDATION 10: Evergreen recommends a performance evaluation process that would allow employees to move one step each year based on performance that meets defined expectations.

The City's updated pay structure, with 30 steps and smaller 1.5 percent increments, provides the flexibility to more closely link compensation to performance. Under the new five-point evaluation system, employees who meet expectations would advance by one step (1.5 percent). Employees who exceed expectations could be eligible for two steps (3 percent), while those with exemplary ratings could advance by up to three steps (4.5 percent) if budget allows. To reinforce accountability and recognition, Evergreen recommends that exemplary performance also be acknowledged publicly, with additional step increases reserved for significant and measurable achievements that contribute meaningfully to the City's success. This approach ensures that the evaluation process supports the City's merit-based philosophy while maintaining fiscal responsibility.

RECOMMENDATION 11: Consider Phased Implementation of 360-Degree Feedback.

The City should explore adding elements of a 360-degree evaluation process, particularly for leadership positions. This could begin with upward feedback (direct reports evaluating supervisors) on a pilot basis, with all feedback kept confidential and focused on professional growth. The intent of the 360 review is to inform and strengthen individual development plans rather than directly influence annual performance ratings. If successful, the program could later expand to a broader 360-degree process.

- Pros: Provides a fuller picture of performance, enhances leadership accountability, and strengthens employee engagement.
- Cons: Requires additional training, administrative support, and cultural readiness to avoid bias and misuse.

By implementing these recommendations, the City will strengthen its performance evaluation framework, making it more consistent, development-focused, and aligned with modern public sector practices. To be effective, the process must remain objective and directly tied to City-approved strategic documents with defined goals and public service outcomes. Employees should have clearly defined roles, responsibilities, and measurable goals so they understand “what a win looks like” and can identify areas for improvement. Evaluations must be based on agreed-upon, clearly defined metrics and aligned with the City's compensation philosophy to ensure that employee development, career progression, and pay progression are meaningfully connected. Performance ratings should inform compensation adjustments, professional development opportunities, and career pathing. For the system to succeed, implementation must be consistent and equitable, and supervisors must receive regular training to apply evaluation tools fairly, deliver constructive feedback, and actively support employee growth.



6.4 COMPENSATION AND CLASSIFICATION SYSTEM ADMINISTRATION

Any organization's compensation and classification system will need periodic maintenance. The goal is to maintain internal and external equity as organization priorities shift, desired service level outcomes adjust, and compensation philosophy changes occur organically with the approval and implementation of each subsequent fiscal budget. However, the overall consistency and integrity of the compensation structure should remain intact. One of the key issues impacting the City today is the publicly stated desire to provide best-in-brand service with high levels of accountability at a market-average wage. This disconnect in compensation philosophy will need to be evaluated to arrive at a linkage between rhetoric and the budget. The recommendations provided in this chapter were developed based on conditions at the time the study was conducted that were the result of incremental changes to the overall compensation structure. Without proper upkeep of the system, the potential for recruitment and retention issues may increase as the compensation and classification system becomes dated and less competitive.

RECOMMENDATION 12: Conduct small-scale salary surveys as needed to assess the market competitiveness of hard-to-fill classifications and/or classifications with retention issues and adjust pay grade assignments if necessary.

While it is unlikely that the pay plan as a whole will need to be adjusted for several years, a small number of classifications' pay grades may need to be reassigned more frequently. If one or more classifications are exhibiting high turnover or are experiencing difficulty with recruitment, the City should collect salary range data from peer organizations to determine whether an adjustment to the pay plan is needed. Caution should be exercised to avoid making adjustments in isolation, as changes to one classification can create unintended internal equity or compression issues across related positions. Additional guidance on managing the plans and implementing pay grade adjustments is provided in Recommendation 14.

RECOMMENDATION 13: Preserve the practice of conducting a comprehensive classification and compensation study every three to five years.

While small-scale salary surveys can improve the market position of specific classifications impacted by new or short-term market forces, it is recommended that a full classification and compensation study be conducted every three to five years to preserve both internal and external equity for the City. Changes to classification and compensation do occur, and while the increments of change may seem minor, they can compound over time. This is evident when comparing the current system to the structure and needs of a pre-pandemic and post-pandemic labor market.

While the previous two recommendations intend to maintain the competitiveness over time of the classification and compensation structure as a whole, it is also necessary to establish procedures for determining equitable pay practices for individual employees.

RECOMMENDATION 14: Where necessary, revise ordinances, policies, and practices for moving employees' salaries through the pay plan, including procedures for performance



evaluation, determining salaries of newly hired employees, and employees who have been promoted, demoted, or transferred to a different classification.

As a result of the recommendations included in this report, it may be necessary to modify ordinances and employee policy's currently in place to fully implement the proposed plan. Some of these changes may impact the method of moving salaries through the pay plan and setting new salaries for new hires, promotions, demotions, and transfers to maintain alignment with the evolving compensation philosophy. It is important for the City to have established guidelines for each of these situations, and that they are followed consistently for all employees. Common practices, observation, and recommendations for progressing and establishing employee salaries are outlined below for the City to consider when formulating ordinance and/or policy updates.

Salary Progression

As outlined above, Evergreen recommends that the City enact the second phase of implementing the new pay plan, which would involve a one-time salary adjustment for employees to ensure they are placed in the proper percentile of their salary range. While this major adjustment should be performed when the City has the financial resources to do so, the City should continue to adjust salaries annually when financially feasible.

Based on the feedback from employees and City leadership, Evergreen recommends that the basis of salary adjustment in the future be done at three distinct levels. Structural, Classification, and Individual, with the individual providing for an increase for each year of service and an additional amount for high or extraordinary performance.

- **Structural/Cost of Living:** Adjustments to pay ranges should occur annually to account for changes in the cost of living. Evergreen recommends that the City bases its annual structural adjustments on the 12-month percentage change in the Consumer Price Index (CPI) for the Southwest Region. This approach will help ensure the City's pay structure remains aligned with market conditions and regional economic trends. To further ensure long-term market competitiveness, the City should also monitor pay plan movement among peer organizations during annual market reviews.

During periods of elevated or rapidly changing inflation, the City may wish to consider using a lagging measure, such as the Southwest Employment Cost Index (ECI), to compare applied adjustments to actual market movement. This comparison can help determine whether additional pay structure adjustments are warranted, if budget allows. Evergreen offers the following thresholds for consideration:

Thresholds

- **De minimis :** 1.0% (prevents zero movement in mild inflation years)
- **Cap:** 5.0% (maintains fiscal control – not to exceed unless in conjunction with multiyear budget projects and board approval)
- **Rounding:** nearest 0.25%



Governance Thresholds (for workflow, not policy)

- Administratively Apply: 1.0 to 3.0 percent → proceed administratively
- Limited Scope Market Check: >3.0 to 5.0 percent → validate with a limited scope of peer movement (pay plan movement, anticipated movement).
- Exception Review: if >5.0 percent, provide leadership briefing on recommended approach, including any deferred portion or alternative measures.

Optional During High Inflation Years

If capped at 5.0 percent and CPI reflects a greater percent change, bank the difference and add 0.5–1.0 percent to next year's floor (one-time only) to avoid falling behind the market.

This model ties annual structure movement to transparent, Southwest-specific indicators, smooths short-term spikes, and builds in governance thresholds so adjustments are timely, market-aware, and fiscally sustainable.

- **Classification/Market:** Based on market surveys, the City may identify classifications or job families experiencing significant market movement, which may warrant reassignment to higher pay grades. Similarly, if the City finds certain classifications are difficult to recruit or retain, reassignment should be considered to improve competitiveness and ensure the City can attract and keep qualified employees. However, adjustments to pay grades should be approached with caution. Changes can have both intended and unintended consequences, including potential internal equity issues, compression concerns, or misalignment with career progression paths. Before implementing any adjustment, the City should carefully evaluate the broader impacts on related classifications, succession planning, and organizational consistency to ensure changes are sustainable, equitable, and aligned with long-term workforce needs. The following checklist provides a list of items to consider prior to making pay grade adjustments.

Framework for Evaluating Pay Grade Adjustments:**1. Market Alignment**

- Does the market survey clearly support a pay grade adjustment (e.g., movement of 10 percent or more)?
- Are peers making similar adjustments for comparable classifications?

2. Recruitment and Retention

- Is the classification experiencing recruitment difficulties (e.g., low applicant pools, extended vacancy durations)?



- Are retention issues evident (e.g., turnover rates above organizational averages)?
3. Internal Equity
 - Would the adjustment disrupt pay relationships with similar or related classifications?
 - Could it create compression issues between levels in a career family?
 4. Succession and Career Progression
 - How would the adjustment impact career ladders and promotional opportunities?
 - Does it maintain logical progression between entry, mid, and senior roles?
 5. Fiscal Impact
 - What are the short- and long-term budgetary implications of the adjustment?
 - Could this trigger unintended ripple effects (e.g., pressure to adjust other grades)?
 6. Sustainability and Consistency
 - Does the adjustment align with the City's compensation philosophy?
 - Will the change remain defensible and sustainable in future market reviews?
 7. Alternative Strategies
 - Before adjusting pay grades, could short-term solutions address the issue more effectively? Options include:
 - Hiring or sign-on bonuses
 - Short-term retention or performance incentives
 - Hiring above the base step within the grade
 - Targeted adjustments for critical positions

Only proceed with grade adjustments when the majority of these factors support the change and short-term alternatives have been evaluated. Document the rationale for any decision to ensure transparency with employees and leadership.

- Individual Performance: Individual salary progression should be directly tied to the City's performance evaluation system. As discussed previously, under the new five-point evaluation system, employees who meet expectations would advance by one step (1.5 percent). Those who exceed expectations could be eligible for two steps (3



percent), while employees receiving exemplary ratings may advance by up to three steps (4.5 percent), contingent upon available funding. This performance-based progression reinforces accountability and recognition by rewarding meaningful contributions to the City's success.

New Hires

A new employee's starting step placement should depend primarily on the amount of education, training, and experience the individual possesses beyond the minimum requirements for the classification. Because the City's pay philosophy emphasizes performance-based progression, careful step placement at hire is critical to maintaining fairness, internal equity, and the integrity of the step system. Evergreen recommends that the City develop policy and guidelines that include the following:

- Minimum Qualifications:
 - Candidates who meet only the minimum education and experience requirements for a position should generally be placed at Step 1 of the pay plan.
- Upper Limits Without Approval:
 - The City should establish an upper step limit for new hires who meet only minimum qualifications. In limited cases, placement may be allowed up to step three to account for competitive hiring conditions, but anything beyond this level should require formal approval by the Human Resources Director and the City Manager. Exceptions may be considered for critical needs (e.g., difficulty filling a position, urgent staffing requirements), hard-to-recruit positions, or when the applicant possesses specialized certifications or skills in high demand.
- Advanced Qualifications:
 - For candidates with considerable directly relevant education and/or prior experience, the City should establish a maximum step that can be offered without special approval. In most cases, placement up to the midpoint step of the range should be the highest starting salary allowed.
- Internal Equity Consideration:
 - Once current employees have been adjusted under the implementation plan, the City must consider internal equity in new hire placement. In most cases, placement should not exceed the midpoint of the pay grade. New employees should not be placed at a step above existing employees with equal or greater education and experience unless an equity adjustment plan is approved.

RECOMMENDATION 15: Review and update policies regarding promotions, demotions, transfers, and pay grade caps to align with the new compensation structure.

Evergreen recommends that the City review and update its personnel policies to reflect the revised step compensation structure where performance is a key factor in step progression.



Adjustments for promotions, transfers, and demotions should be clearly defined to ensure fairness, transparency, and consistency across the organization.

Promotions

Evergreen recommends that employees promoted to a higher pay grade receive an adjustment to the minimum of the new range or a 10 percent increase to their current salary, whichever results in the greater amount. In all cases, the employee's salary should be set no lower than the minimum of the new pay grade. When determining promotional adjustments, the City should maintain internal equity to ensure that newly promoted employees are not placed above longer-tenured employees with comparable performance, experience, and qualifications. This helps preserve fairness and consistency across the organization.

The City should evaluate and adopt a promotional adjustment strategy that aligns with its broader compensation philosophy, balancing competitiveness with fiscal responsibility and equity across departments and classifications.

Demotions for Cause

Evergreen recommends that an employee's salary be decreased by at least the percentage difference between the current grade and the new, lower grade, except in cases where this adjustment would place the salary below the minimum of the new pay range. In cases where an employee's salary remains above the maximum of the new range, the salary should be red-circled (capped) until market or structural adjustments bring the range back into alignment, at which time the employee would again be eligible for increases.

Transfers

An employee transfer occurs when an employee is reassigned to a classification at the same pay grade as their current classification or when an employee's classification stays the same, but their department changes. In either of these cases, it is likely that no adjustment is necessary to the employee's salary. The only situation in which a salary adjustment would be needed for a transferred employee would be if their current salary is not aligned with the salaries of employees in the new classification or department. If that occurs, it may be necessary to adjust the salary of the employee or the incumbents of the classification to ensure salary equity within the new classification.

Employees at Pay Grade Cap

Employees whose base salaries have reached the maximum of their assigned pay grade will not be eligible for additional step increases within their defined salary range. However, to recognize and reward continued strong performance, the City may provide a lump-sum payment equivalent to the merit percentage the employee would have received if their salary had not reached the range cap.



This approach allows the City to maintain internal equity within the classification and pay plan system by ensuring that all classifications remain appropriately aligned and that base pay does not exceed the established range maximums. At the same time, it continues to reward performance and retain experienced employees whose contributions remain valuable to the organization.

If a cost-of-living adjustment (COLA) is applied to the overall pay plan, the employee's base salary may be adjusted accordingly, even if they were previously at the cap. This ensures that capped employees remain aligned with structural adjustments applied across the pay system.

By clearly defining promotion, demotion, transfer and cap policies in the context of a performance-driven step system, the City will ensure that progression remains transparent, equitable, and aligned with both organizational needs and its compensation philosophy.

6.5 SUMMARY

The City of Fair Oaks Ranch has demonstrated a strong commitment to building a modern, fair, competitive compensation system with high levels of accountability. City leadership has embraced this study as an opportunity to move beyond a “cookie-cutter” solution and implement a system that reflects the realities of today's workforce. The recommendations outlined in this report establish a market-driven pay plan, an internally equitable classification structure, and strategic system administration practices that will ensure Fair Oaks Ranch remains a competitive and desirable employer for years to come.

This study represents a significant step forward in modernizing the City's approach to compensation and classification by providing a roadmap to a competitive system that serves both employees and the community. The collaboration and dedication of the City's leadership, including the City Manager, HR Director, and staff, have been instrumental in ensuring a transparent, data-driven process. Their commitment to fairness, equity, and fiscal sustainability has resulted in recommendations that enhance the City's ability to attract, retain, and reward talented employees while supporting long-term workforce stability.

Once implemented, these changes will improve internal equity and pay consistency, strengthen the City's ability to deliver high-quality services, and position the organization to proactively address future workforce challenges. A fairly compensated and motivated workforce will foster employee engagement, reduce turnover, and ultimately enhance service delivery for residents and businesses. Importantly, the recommendations also establish a sustainable framework for maintaining competitiveness through structured market reviews, performance-based progression, and proactive compensation adjustments.

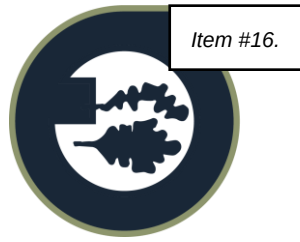
The City's leadership should take great pride in completing this comprehensive study, which will have a lasting positive impact on employees and the community alike. By adopting and consistently applying these recommendations, Fair Oaks Ranch is making a clear statement that it is modernizing its approach to compensation, prioritizing a workforce strategy that values employees, and positioning the City for long-term organizational success.





Compensation and Classification Study

FY 2025-26 Final Report and Recommendations Workshop



Joanna Merrill, PSHRA-SCP
Director of Human Resources

Recommendations: Benefits



5.1 – Healthcare Plan
Enhancements
(Future Budget Cycle)

5.2 – Health Savings
Account (HSA)
(Future Budget Cycle)

5.3 – Paid Parental
Leave
(December 2025/January
2026 Resolution)

5.4 – Tuition
Reimbursement
(December 2025/January
2026 Resolution)

5.5 – Life Insurance
(Ongoing Annual Review)

5.6 – Leave Accruals
(Adopted April 18, 2025)

5.7 – Leave Buyback
Program
(Future Budget Cycle)

Recommendations: Classifications



6.1 – Reclassify Positions

(Adopted September 18, 2025)

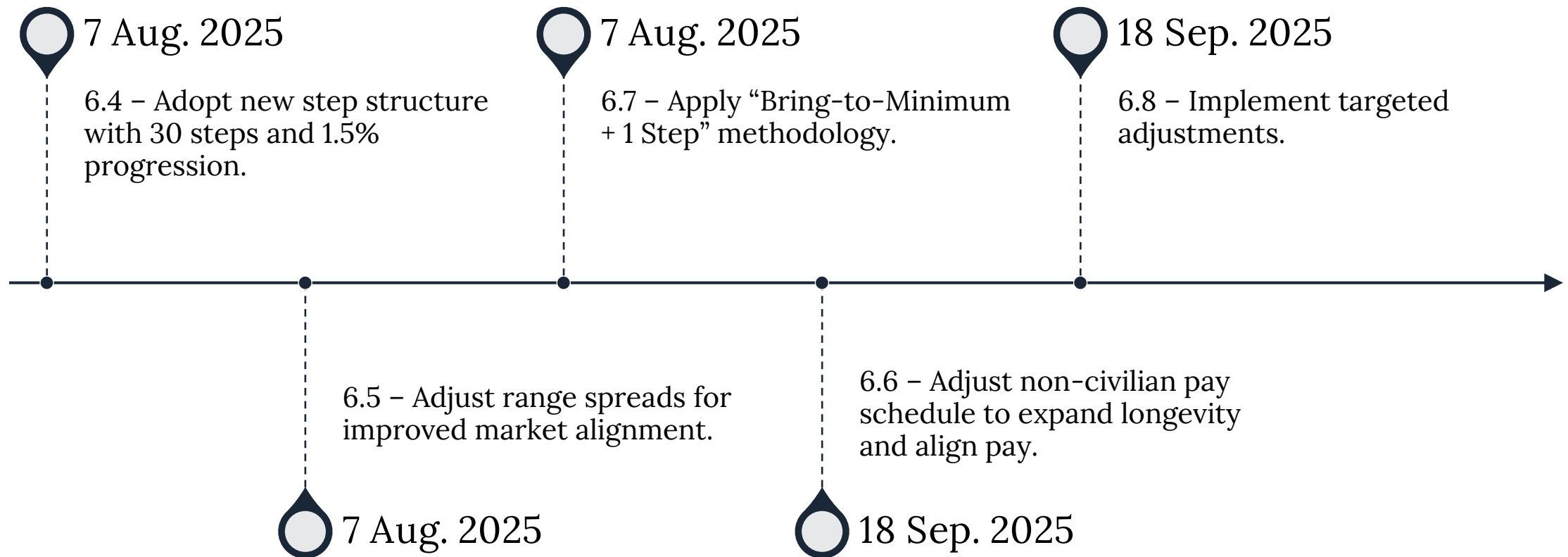
6.2 – Create Additional Classification Levels

(Future Budget Cycle)

6.3 – Update Job Descriptions

(End of Calendar Year 2025)

Recommendations: Compensation



Recommendations: Performance Evaluations



6.9 – Strengthen evaluation system with mid-year check-ins and competency-based measures. (FY 2026-27)



6.10 – Streamline evaluation forms for consistency and ease of use. (FY 2026-27)



6.11 – Tie pay progression to performance using the adopted step structure. (Operational August 7, 2025)



6.12 – Integrate technology systems to support performance management and workforce development.(Future Budget Cycle)

Recommendations: System Administration



6.14 – Conduct targeted market surveys for hard-to-fill positions and establish measurable triggers. (December 2025/January 2026 Resolution)

6.15 – Conduct a comprehensive classification and compensation review every 3–5 years. (December 2025/January 2026 Resolution)

6.16 – Update policies and administrative directives for salary placements and movement decisions. (December 2025/January 2026 Resolution)

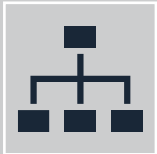
6.17 – Adopt cost-of-living adjustment (COLA) thresholds and administrative guidelines. (December 2025/January 2026 Resolution)

6.18 – Establish City Manager authority for placements, promotions, demotions, and transfers within adopted guidelines. (December 2025/January 2026 Resolution)

Next Steps



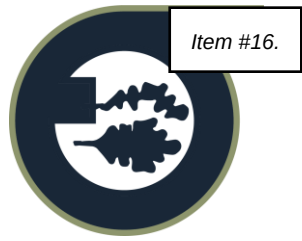
Draft and present resolutions for Council adoption.



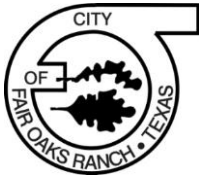
Create administrative directives supporting implementation.



Integrate into FY 2026–27 budget planning.



Questions



CITY COUNCIL WORKSHOP CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Post Oak Trail and Silver Spur Trail Speed Limit
 DATE: November 6, 2025
 DEPARTMENT: City Council
 PRESENTED BY: Council Member Ruben Olvera
 Carole Vanzant, CPM, ICMA-CM, Assistant City Manager

INTRODUCTION/BACKGROUND:

Last month, the City Council unanimously approved an ordinance to reduce the speed limit on Rolling Acres Trail from 35 miles per hour (mph) to 30 mph. During discussion of the item, Council Member Olvera observed that with both Meadow Creek Trail and Rolling Acres Trail now limited to 30 mph, motorists may begin using Post Oak Trail and Silver Spur Trail—currently posted at 35 mph—as alternate routes to access Ammann Road. He requested a discussion at a future Council meeting.

For Council's discussion staff provides the following (Note - Silver Spur Trail runs between Ralph Fair Road and Wild Oak Hill. Post Oak Trail runs between Silver Spur Trail and Rolling Acres Trail):

1. **City Road Speed Limit Map (Exhibit A).** The adopted speed limit for both streets is 35 miles per hour. On June 27, 1989, the City Council adopted the State of Texas prima facie maximum speed limit of 30 mph on all streets within the City except for Fair Oaks Parkway. Since then, Council has adopted or re-adopted, by ordinance, the maximum, prudent speed limit for Silver Spur Trail and for Post Oak Trail, as follows:
 - October 1989 – adopted 40 mph on Silver Spur Trail from Ralph Fair Road to Intrepid
 - June 1995 – adopted 35 mph on Silver Spur Trail and on Post Oak Trail
 - January 2009 – re-adopted 35 mph on Silver Spur Trail and on Post Oak Trail
2. The City Comprehensive Plan identifies and categorizes several types of city streets. As shown in the **Transportation Map (Exhibit B)**, Silver Spur Trail is designated as a connector street while Post Oak Trail is designated as a local street. The Plan provides the following definitions:
 - Connector Street – for minor circulation within developments and neighborhoods and carrying moderate traffic. They collect traffic from larger areas, or from multiple local streets
 - Local Rural Residential – serving lower density neighborhoods or estate neighborhoods
3. Total speed citations and warnings between October 1, 2024 - September 30, 2025:
 - Silver Spur Trail – 5 citations and warnings
 - Post Oak Trail – 51 citations and warnings

4. Total reported vehicle accidents between July 25, 2016 and October 3, 2025, there were:
 - On Silver Spur Trail, seven reported vehicle accidents – three involving mailboxes, one involving another fixed object, one involving a tree and shrub, and two involving driver inattention
 - On Post Oak Trail, one reported vehicle accident involving a fence
5. Potential options in addressing the possibility of increased drivers utilizing Silver Spur Trail and Post Oak Trail:
 - Status quo: no speed limit changes
 - Submit the item to the Transportation Safety Advisory Committee for consideration and recommendation, in accordance with their bylaws
 - Authorize a vehicle count and speed study now, at 6 months and at the 1-year marks to provide the City with an ongoing comparison
 - Request staff provide a proposed ordinance reducing the speed limit on one or both streets to 30 mph at a future meeting for City Council's consideration
 - Other

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Provides the continued improvement of the residents' quality of life relative to transportation safety.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

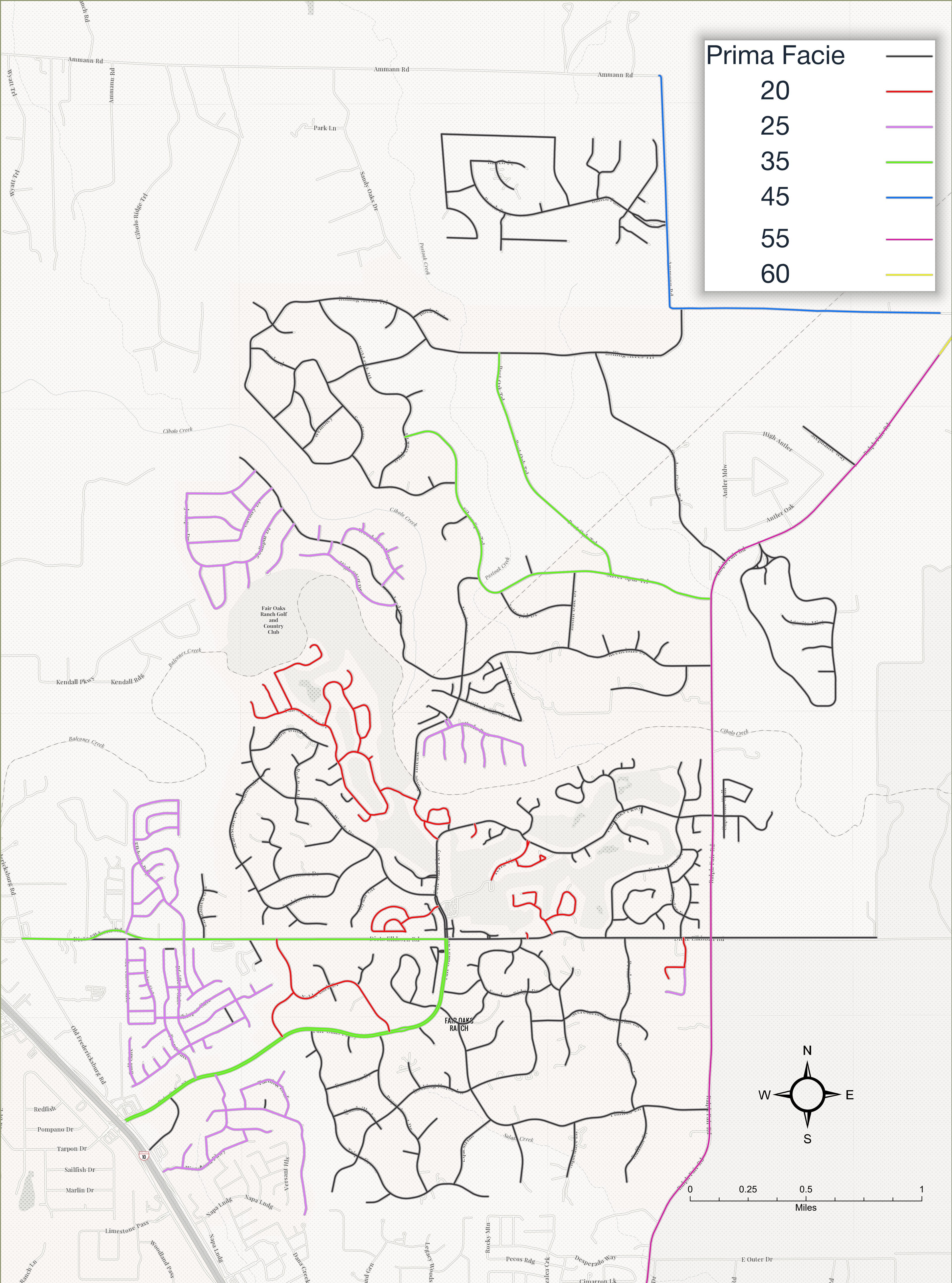
Currently not applicable.

Exhibit A

Road Speed Limits In

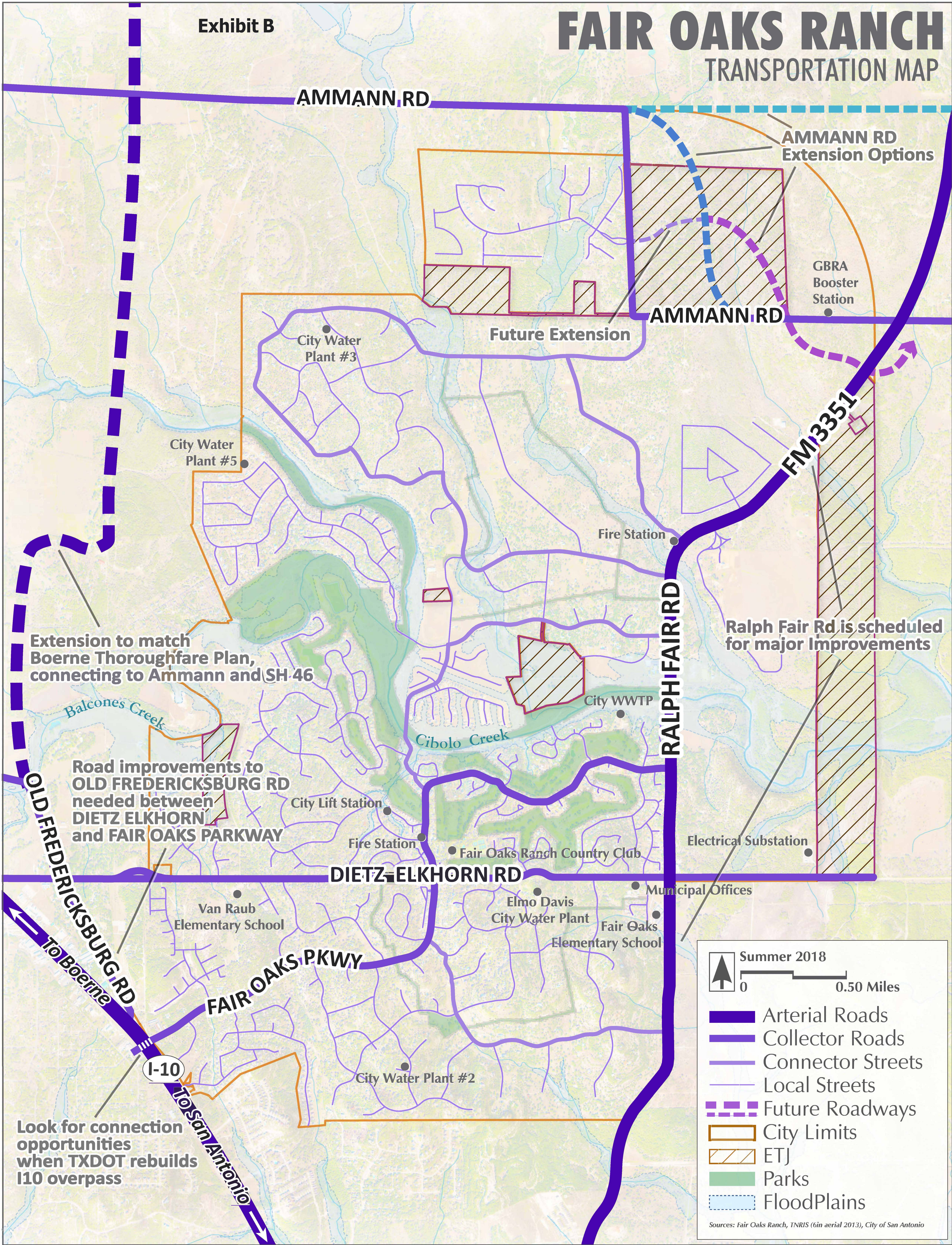
The City of Fair Oaks Ranch

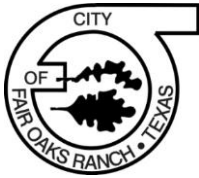
Prima Facie: 30 mph speed limit is the statutory speed that applies when no specific ordinance has been established. They serve as a reasonable and prudent default speed based on general traffic safety principles.
Sec. 12.01.003 in the city's code of ordinances.



FAIR OAKS RANCH

TRANSPORTATION MAP





CITY COUNCIL REPORT CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: FY 2024-25 Preliminary Year-End Results and Quarterly Investment Report
 DATE: November 6, 2025
 DEPARTMENT: Finance
 PRESENTED BY: Summer Fleming, CGFO, Director of Finance

INTRODUCTION/BACKGROUND:

Best practices in financial transparency and reporting recommend at least quarterly reporting on the financial position of the City compared to the budget. This report provides preliminary year-end results for the fiscal year ended September 30, 2025.

Pursuant to Texas Government Code Section 2256.023 and the City's Investment Policy Section 12, the Investment Officer is required, on a quarterly basis, to 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. The attached Investment Report complies with the reporting requirements for the quarter ended September 30, 2025.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Priority 1.5 of the Strategic Action Plan is to ensure continuity and excellence of financial reporting reliability. Frequent review and reporting of the City's investments is both prudent and necessary to confirm the City's investment portfolio is being managed according to the Investment Policy. Fiscal transparency informs City Council and citizens how the City spent tax revenues and is a critical element of effective public financial management.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

The preliminary financial results for FY 2024-25 showed strong outcomes in the General Fund in most revenue categories. Property tax, the City's largest revenue source, exceeded budget by \$160,454, with a 99.5% collection rate on the 2024 levy. Sales tax outperformed expectations, ending 5.2% higher than last year and \$48,758 above budget.

Other revenues also exceeded projections, including:

- Interest earnings - \$91,869 above budget
- Permits - \$34,797 above budget
- Fees and services - \$33,412 above budget

Court fines and fees fell short by about \$85,000 due to fewer citations.

General fund expenditures were about \$760,000 under budget, including \$466,000 in personnel savings from vacancies. Additional savings come from software maintenance, contracted services, and training costs. Overall, the General Fund is projected to end the year \$1.07 million under

budget, adding \$964,359 to fund balance for a projected ending balance of \$8.63 million. Encumbrances totaling \$132,890 for outstanding contracts and purchase orders will remain reserved in fund balance until fulfilled.

The Utility fund shows mixed results. Operating revenues total \$6.09 million, \$81,255 above budget, while operating expenditures are \$147,189 below budget. After accounting for depreciation, a non-cash expense representing the wear and tear on the utility's assets, the Utility is projected to show an operating loss of approximately \$508,364.

Non-operating revenues total \$2.22 million, about \$14,000 below budget. Despite the operating loss, the utility is still expected to increase its net position by \$1.31 million, driven largely by investment in capital assets that support long-term infrastructure.

The utility's net position is projected at \$20.0 million, including \$10.87 million invested in capital assets. The remaining balance includes \$2.6 million in operating reserves, \$1.36 million reserved for debt service, and \$5.18 million reserved for capital projects and asset replacement.

Investments Summary:

The City's investments are held in Frost Bank and three local government investment pools - TexPool, TexPool Prime, and Texas Class. Fiscal year interest earnings totaled \$1.26 million. Investments earned \$310,392 in interest during the last quarter and totaled \$33.42 million on September 30, 2025. Investment balances increased \$6.16 million during the quarter, primarily from Certificates of Obligation proceeds for FY 2025-26 utility capital projects.



Preliminary Year End Financial Report

**For the fiscal year ended
September 30, 2025**

Prepared by
Finance Department
November 6, 2025

City of Fair Oaks Ranch
General Fund
Statement of Revenues & Expenditures
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	FY 2025 Encumbered Funds	12-Month Variance Positive (Negative)
Beginning Fund Balance	6,628,607	7,668,789	7,668,789		
<u>Revenue</u>					
Taxes	8,631,247	8,482,329	8,691,541	-	209,212
Franchise Fees	743,231	762,350	781,864	-	19,514
Permits	232,138	168,200	202,997	-	34,797
Fines & Fees	191,584	207,300	122,468	-	(84,832)
Fees & Services	521,604	361,910	395,322	-	33,412
Interest Earnings	683,555	450,000	541,869	-	91,869
Grants & Contributions	141,826	313,440	327,407	-	13,967
Other Revenues	358,645	143,880	243,556	-	99,676
Transfers from other funds	222,254	155,285	50,700	-	(104,585)
Total Revenue	11,726,083	11,044,694	11,357,724	-	313,030
<u>Expenditures</u>					
Personnel	5,478,855	6,247,754	5,781,791	-	465,963
Supplies, Maintenance & Operations	1,162,375	1,365,281	1,208,291	63,133	93,857
Services	1,793,865	2,144,202	1,935,137	28,396	180,669
Shared Services	197,471	265,101	244,298	-	20,803
Capital Outlay	937,864	523,666	457,215	41,362	25,089
Transfers to other funds	1,115,471	743,138	766,634	-	(23,496)
Total Expenditures	10,685,901	11,289,142	10,393,365	132,890	762,886
Revenue over/(under) Expenditures	1,040,182	(244,448)	964,358		1,075,915
Ending Fund Balance	7,668,789	7,424,342	8,633,147		

City of Fair Oaks Ranch
General Fund
Fund Balance Detail
For the fiscal year ended September 30, 2025

	<u>Actual</u> <u>9/30/2024</u>	<u>Projected</u> <u>FY 2024-25</u>	<u>Projected</u> <u>9/30/2025</u>
<u>Non-spendable</u>	85,344	57,732	143,076
<u>Restricted</u>			
Court Technology	21,707	(3,314)	18,393 ¹
Court Security Building	17,531	1,969	19,501 ¹
Court Efficiency	1,681	(1,681)	- ²
Court Truancy Prevention Fund	21,534	(21,534)	- ²
Municipal Court Jury Fund	281	(281)	- ²
Felony Forfeiture	43,275	5,279	48,553
LEOSE Funds	20,239	4,189	24,427
PEG Fees	4,319	-	4,319
Total Restricted	<u>130,566</u>	<u>(15,373)</u>	<u>115,193</u>
<u>Committed</u>	-	-	-
<u>Assigned</u>			
Tree Mitigation	149,600	5,336	154,936
Operating Reserve	4,738,119	110,000	4,848,119
Total Assigned	<u>4,887,719</u>	<u>115,336</u>	<u>5,003,055</u>
<u>Unassigned</u>			
FY 2024 Budget	30,493	(30,493)	-
Encumbered Funds	350,745	(217,855)	132,890
Unallocated	2,183,923	1,055,011	3,238,934
Total Unassigned	<u>2,565,161</u>	<u>806,663</u>	<u>3,371,824</u>
General Fund Balances	<u><u>7,668,789</u></u>	<u><u>964,358</u></u>	<u><u>8,633,147</u></u>

¹ Effective May 29, 2025, the Court Technology and Court Security Funds were merged into a single combined fund, separate from the General Fund, in accordance with HB1950. Prior balances will remain segregated until expended.

² Court Funds have been transferred out of the General Fund and into their own respective funds for accounting purposes.

City of Fair Oaks Ranch
General Fund
Statement of Revenues
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	12-Month Variance Positive (Negative)
Taxes				
General Property	6,744,102	6,557,107	6,674,068	116,961 ¹
Delinquent Property	47,128	30,000	66,251	36,251
Penalty & Interest	22,732	25,000	32,242	7,242
Mixed Beverage	28,961	25,000	36,817	11,817
Local Sales	1,192,216	1,230,148	1,254,776	24,628
Street Maintenance	298,054	307,537	313,694	6,157
Property Reduction	298,054	307,537	313,694	6,157
Total Taxes	8,631,247	8,482,329	8,691,541	209,212
Franchise Fees				
Time Warner Cable	59,395	60,900	56,491	(4,409)
GVTC Cable/Telephone	60,270	65,000	57,733	(7,267)
AT&T Cable/Television	1,677	2,500	1,427	(1,073)
Miscellaneous Telecom	315	700	300	(400)
City Public Service	448,951	470,000	448,673	(21,327)
Pedernales Electric	109,431	105,000	114,891	9,891
Grey Forest Utility	26,496	23,500	29,878	6,378
Garbage	36,696	34,000	72,471	38,471
Recycling	-	750	-	(750)
Total Franchise Fees	743,231	762,350	781,864	19,514
Interest Earnings				
Bank/Investment Interest	683,555	450,000	541,869	91,869 ²
Total Interest Earnings	683,555	450,000	541,869	91,869
Permits				
New Residential	145,757	80,000	91,851	11,851
New Commercial	-	5,000	5,326	326
Remodeling/Additions	30,950	20,000	47,246	27,246
Other	41,436	50,000	43,673	(6,327)
Contactor Registration	9,450	9,000	10,505	1,505
Food/Health	4,545	4,200	4,395	195
Total Permits	232,138	168,200	202,997	34,797
Fines & Fees				
Municipal Court Fines	174,829	190,000	116,971	(73,029) ³
Municipal Court Security	5,665	6,000	3,011	(2,989)
Municipal Court Technology	4,648	5,000	2,486	(2,514)
Municipal Court Efficiency	603	450	-	(450) ⁴
Municipal Court Truancy Prevention	5,725	5,700	-	(5,700) ⁴
Municipal Court Jury	114	150	-	(150) ⁴
Total Fines & Fees	191,584	207,300	122,468	(84,832)

City of Fair Oaks Ranch
General Fund
Statement of Revenues
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	12-Month Variance Positive (Negative)
Fees & Services				
FORU Management Fee	289,039	292,365	295,847	3,482
Special Fees	30,749	25,000	60,743	35,743 ⁵
FORMDD Management Fee	30,150	30,150	30,150	-
Tree Mitigation Fees	159,600	-	-	-
Credit Card Service Fee	9,682	12,900	6,522	(6,378)
Pet Licenses	1,050	1,000	1,380	380
Pet Impound	1,334	495	681	186
Total Fees & Services	521,604	361,910	395,322	33,412
Other				
Miscellaneous	117,343	127,280	158,749	31,469 ⁶
City Event Sponsorship	1,480	1,200	-	(1,200)
Sale of Assets	-	-	56,288	56,288 ⁷
School Guard Crossing Fund	15,729	13,500	15,533	2,033
LEOSE Proceeds	4,234	1,900	4,189	2,289
Police Seized Proceeds	-	-	8,798	8,798
Other Sources - SBITA's	202,767	-	-	-
Other Sources - Leases	17,092	-	-	-
Total Other	358,645	143,880	243,556	99,676
Grants & Contributions				
Donations/Grants	141,826	313,440	327,407	13,967 ⁸
Total Grants & Contributions	141,826	313,440	327,407	13,967
Transfers				
Project Allocations	-	98,585	-	(98,585) ⁹
Capital Replacement Fund	222,254	56,700	50,700	(6,000)
Total Transfers	222,254	155,285	50,700	(104,585)
Total Revenue	11,726,083	11,044,694	11,357,724	313,030

¹ Increase in the tax levy due to appraisal review board action.

² Increased investment earnings due to higher than expected rates.

³ Decreased court fines due to a decrease in citations issued.

⁴ Restricted Court Revenues moved to their own fund.

⁵ Increase in fees for PID application fee.

⁶ Received a refund from TxDOT for the Post Oak street project.

⁷ Auctioned surplus property.

⁸ Cyber security grant received from the Office of the Governor.

⁹ Project allocations are recorded as contra-expense in each department.

General Fund Expenditures by Department
Mayor & Council
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	FY 2025 Encumbered Funds	12-Month Variance Positive (Negative)
Personnel					
Salaries	-	-	-	-	-
Overtime	-	-	-	-	-
Taxes - Social Security	-	-	-	-	-
Taxes - Medicare	-	-	-	-	-
Taxes SUTA/FUTA	-	-	-	-	-
Workers' Compensation Insurance	-	-	-	-	-
Retirement	-	-	-	-	-
Health Insurance	-	-	-	-	-
Uniform Allowance	-	-	-	-	-
Allowance for Vacancies	-	-	-	-	-
Total Personnel	-	-	-	-	-
Supplies, Maintenance & Operations					
Supplies and Consumables	-	-	-	-	-
Minor Equipment and Furniture	-	-	-	-	-
Fuel	-	-	-	-	-
Uniforms	284	350	593	-	(243)
Committee - Branding	-	500	-	-	500
Committee - Planning & Zoning	248	500	-	-	500
Committee - Board of Adj	-	500	-	-	500
Committee - Audit	-	500	-	-	500
Committee - TSAC	-	-	266	-	(266)
Committee - Urban Wildlife	720	500	-	-	500
Donations & Grants	-	-	-	-	-
Total Supplies, Maintenance & Operations	1,252	2,850	859	-	1,991
Services					
Professional Services	-	-	-	-	-
Dues/Subscriptions	2,716	3,245	3,280	-	(35)
Training/Seminars & Related Travel	-	7,000	770	-	6,230
Meetings and Related Travel	2,298	11,800	4,743	-	7,057 ¹
Public Relations	235	5,250	411	-	4,839 ²
Employee Appreciation	-	-	-	-	-
Recording/Reporting/History	-	-	-	-	-
Total Services	5,249	27,295	9,205	-	18,090
Total Mayor & Council	6,500	30,145	10,063	-	20,082

¹ Budgeted Strategic Planning Workshop funds were not necessary.

² Volunteer Appreciation Event not held.

General Fund Expenditures by Department
Administration
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	FY 2025 Encumbered Funds	12-Month Variance Positive (Negative)
Personnel					
Salaries	309,218	453,486	437,101	-	16,385
Overtime	142	123	4	-	119
Taxes - Social Security	18,155	26,853	26,198	-	655
Taxes - Medicare	4,451	6,577	6,398	-	179
Taxes SUTA/FUTA	399	398	214	-	184
Workers' Compensation Insurance	1,260	982	853	-	129
Retirement	38,637	57,858	55,768	-	2,090
Health Insurance	22,969	33,434	34,767	-	(1,333)
Uniform Allowance	-	-	-	-	-
Car Allowance	7,200	7,200	7,200	-	-
Allowance for Vacancies	-	(6,023)	-	-	(6,023)
Total Personnel	402,431	580,888	568,503	-	12,385
Supplies, Maintenance & Operations					
Supplies and Consumables	513	850	302	-	548
Minor Equipment and Furniture	1,236	1,250	197	-	1,053
Fuel	61	150	116	-	34
Uniforms	133	360	382	-	(22)
Total Supplies, Maintenance & Operations	1,944	2,610	998	-	1,612
Services					
Professional Services	213,112	140,000	137,828	-	2,172
Dues/Subscriptions	3,330	4,318	4,562	-	(244)
Training/Seminars & Related Travel	8,181	2,875	2,650	-	225
Meetings and Related Travel	1,875	1,840	1,807	-	33
Employee Appreciation	-	300	-	-	300
Tech/Internet/Software	-	-	-	-	-
Total Services	226,499	149,333	146,847	-	2,485
Capital Outlay					
Furniture, Equipment & Vehicles	-	-	-	-	-
Total Capital Outlay Costs	-	-	-	-	-
Total Administration	630,873	732,831	716,348	-	16,483

General Fund Expenditures by Department
City Secretary
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	FY 2025 Encumbered Funds	12-Month Variance Positive (Negative)
Personnel					
Salaries	161,133	167,674	169,457	-	(1,783)
Overtime	-	-	-	-	-
Taxes - Social Security	9,622	10,396	10,316	-	81
Taxes - Medicare	2,250	2,431	2,412	-	19
Taxes SUTA/FUTA	234	234	126	-	108
Workers' Compensation Insurance	428	363	315	-	48
Retirement	19,807	21,387	21,449	-	(62)
Health Insurance	14,928	18,315	17,961	-	354
Uniform Allowance	-	-	-	-	-
Total Personnel	208,402	220,800	222,036	-	(1,236)
Supplies, Maintenance & Operations					
Supplies and Consumables	953	950	659	-	291
Minor Equipment and Furniture	1,175	200	446	-	(246)
Fuel	-	-	-	-	-
Uniforms	100	100	124	-	(24)
Total Supplies, Maintenance & Operations	2,229	1,250	1,229	-	21
Services					
Professional Services	4,038	7,039	6,648	-	391
Dues/Subscriptions	803	1,000	803	-	197
Training/Seminars & Related Travel	5,421	6,400	7,210	-	(810)
Meetings and Related Travel	325	1,500	276	-	1,224
Elections	32,687	16,500	16,456	-	44
Employee Appreciation	-	100	30	-	70
Recording/Reporting/History	12,037	10,000	8,681	-	1,319
Tech/Internet/Software	4,128	10,930	11,613	-	(683)
Total Services	59,440	53,469	51,716	-	1,753
Capital Outlay					
Furniture, Equipment & Vehicles	-	-	-	-	-
Total Capital Outlay Costs	-	-	-	-	-
Total City Secretary	270,071	275,519	274,981	-	538

General Fund Expenditures by Department
Human Resources and Communications
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	FY 2025 Encumbered Funds	12-Month Variance Positive (Negative)
Personnel					
Salaries	133,344	136,408	137,087	-	(679)
Overtime	-	-	-	-	-
Taxes - Social Security	7,895	8,457	8,428	-	29
Taxes - Medicare	1,847	1,978	1,971	-	7
Taxes SUTA/FUTA	176	176	95	-	82
Workers' Compensation Insurance	346	295	256	-	39
Retirement	16,380	17,399	17,410	-	(11)
Health Insurance	9,236	10,998	9,920	-	1,078
Uniform Allowance	-	-	-	-	-
Total Personnel	169,222	175,711	175,167	-	544
Supplies, Maintenance & Operations					
Supplies and Consumables	1,774	1,700	989	-	711
Minor Equipment and Furniture	1,755	8,700	8,650	-	50
Fuel	-	-	-	-	-
Uniforms	118	150	102	-	48
Total Supplies, Maintenance & Operations	3,647	10,550	9,741	-	809
Services					
Professional Services	540	1,625	1,858	-	(233)
Dues/Subscriptions	4,755	2,175	2,102	-	73
Training/Seminars & Related Travel	11,343	5,075	4,927	-	148
Meetings and Related Travel	296	1,000	866	-	134
Public Relations	43,551	41,550	11,379	17,696	12,475 ¹
Employee Appreciation	11,839	11,260	11,285	-	(25)
Employment Costs	2,795	10,475	10,446	-	29
Recording/Reporting/History	-	-	-	-	-
Tech/Internet/Software	7,160	18,402	18,391	-	11
Total Services Costs	82,279	91,562	61,254	17,696	12,612
Capital Outlay					
Furniture, Equipment & Vehicles	-	-	-	-	-
Total Capital Outlay Costs	-	-	-	-	-
Total Human Resources & Communications	255,147	277,823	246,162	17,696	13,966

¹ Budget savings for State of the City event and mailouts for residents.

General Fund Expenditures by Department
Finance
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	FY 2025 Encumbered Funds	12-Month Variance Positive (Negative)
Personnel					
Salaries	187,971	217,318	218,448	-	(1,130)
Overtime	22	163	-	-	163
Taxes - Social Security	10,794	13,484	13,164	-	320
Taxes - Medicare	2,524	3,153	3,079	-	74
Taxes SUTA/FUTA	293	293	158	-	136
Workers' Compensation Insurance	580	470	408	-	62
Retirement	23,024	27,740	27,750	-	(10)
Health Insurance	26,552	35,063	31,117	-	3,946
Uniform Allowance	-	-	-	-	-
Allowance for Vacancies	-	-	-	-	-
Total Personnel	251,761	297,684	294,125	-	3,559
Supplies, Maintenance & Operations					
Supplies and Consumables	1,206	1,300	1,101	-	199
Minor Equipment and Furniture	286	500	268	-	232
Fuel	-	-	-	-	-
Uniforms	106	250	74	-	176
Total Supplies, Maintenance & Operations	1,598	2,050	1,443	-	607
Services					
Professional Services	79,202	102,085	102,087	-	(2)
Dues/Subscriptions	573	605	536	-	69
Training/Seminars & Related Travel	4,558	3,900	3,885	-	15
Meetings and Related Travel	32	400	133	-	267
Employee Appreciation	324	250	221	-	29
Tech/Internet/Software	299	11,583	11,485	-	98
Total Services	84,988	118,823	118,347	-	476
Capital Outlay					
Furniture, Equipment & Vehicles	-	-	-	-	-
Total Capital Outlay Costs	-	-	-	-	-
Total Finance	338,347	418,557	413,915	-	4,641

General Fund Expenditures by Department
Information Technology
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	FY 2025 Encumbered Funds	12-Month Variance Positive (Negative)
Personnel					
Salaries	91,519	95,350	95,194	-	156
Taxes - Social Security	5,250	5,912	5,719	-	193
Taxes - Medicare	1,228	1,383	1,338	-	45
Taxes SUTA/FUTA	117	117	63	-	54
Workers' Compensation Insurance	243	206	179	-	27
Retirement	11,254	12,162	12,017	-	145
Health Insurance	12,840	15,083	10,209	-	4,874
Total Personnel	122,451	130,213	124,719	-	5,494
Supplies, Maintenance & Operations					
Supplies and Consumables	142	200	335	-	(135)
Minor Equipment and Furniture	1,927	200	242	-	(42)
Uniforms	-	100	120	-	(20)
Total Supplies, Maintenance & Operations	2,070	500	697	-	(197)
Services					
Professional Services	440	81,788	71,649	-	10,139
Dues/Subscriptions	175	388	278	-	110
Training/Seminars & Related Travel	1,606	6,250	2,343	-	3,907
Meetings and Related Travel	-	350	206	-	144
Employee Appreciation	95	100	85	-	15
Tech/Internet/Software	132,186	240,155	208,536	-	31,619 ¹
Total Services	134,502	329,031	283,097	-	45,934
Shared Services					
Facility Contracts & Services	3,147	18,991	16,873	-	2,118
Phone/Cable/Alarms	35,985	32,996	32,010	-	986
Total Shared Services	39,132	51,987	48,883	-	3,104
Capital Outlay					
Furniture, Equipment & Vehicles	222,815	146,412	106,629	31,362	8,421
Lease Principal	13,707	-	-	-	-
Lease Interest	2,226	-	-	-	-
SBITA Principal	95,160	-	-	-	-
SBITA Interest	7,292	-	-	-	-
Total Capital Outlay	341,200	146,412	106,629	31,362	8,421
Total Information Technology	639,353	658,143	564,025	31,362	62,756

¹ Various savings in information technology software maintenance subscriptions.

General Fund Expenditures by Department
Municipal Court
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	FY 2025 Encumbered Funds	12-Month Variance Positive (Negative)
Personnel					
Salaries	108,130	112,693	114,267	-	(1,574)
Overtime	181	360	29	-	331
Taxes - Social Security	5,931	7,009	6,506	-	503
Taxes - Medicare	1,387	1,639	1,522	-	117
Taxes SUTA/FUTA	234	234	126	-	108
Workers' Compensation Insurance	288	244	212	-	32
Retirement	13,308	14,420	14,479	-	(59)
Health Insurance	24,749	29,484	27,202	-	2,282
Uniform Allowance	-	-	-	-	-
Total Personnel	154,207	166,083	164,343	-	1,740
Supplies, Maintenance & Operations					
Supplies and Consumables	1,659	1,700	1,593	-	107
Minor Equipment and Furniture	1,905	4,600	4,637	-	(37)
Fuel	-	-	-	-	-
Uniforms	129	150	121	-	29
Court Technology	1,529	10,823	5,800	-	5,023
Court Security Building	43,658	6,180	2,722	-	3,458
Total Supplies, Maintenance & Operations	48,880	23,453	14,873	-	8,580
Services					
Professional Services	63,068	68,640	58,284	-	10,356 ¹
Dues/Subscriptions	131	800	397	-	403
Training/Seminars & Related Travel	1,458	6,650	6,215	-	435
Meetings and Related Travel	206	300	40	-	260
Employee Appreciation	100	100	99	-	1
Tech/Internet/Software	-	-	-	-	-
Total Services	64,962	76,490	65,036	-	11,454
Capital Outlay					
Furniture, Equipment & Vehicles	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-
Total Municipal Court	268,049	266,026	244,252	-	21,774

¹ Decreased costs for municipal prosecution.

General Fund Expenditures by Department
Public Safety
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	FY 2025 Encumbered Funds	12-Month Variance Positive (Negative)
Personnel					
Salaries	2,022,937	2,332,085	2,002,263	-	329,823
Overtime	81,177	36,239	55,153	-	(18,914)
Taxes - Social Security	128,790	146,836	130,851	-	15,985
Taxes - Medicare	30,121	34,341	30,603	-	3,738
Taxes SUTA/FUTA	3,529	3,510	1,851	-	1,659
Workers' Compensation Insurance	80,098	55,697	48,392	-	7,305
Retirement	259,222	302,045	255,295	-	46,750
Health Insurance	225,771	320,028	208,499	-	111,529
Uniform Allowance	20,500	28,000	19,500	-	8,500
Relocation Allowance	7,281	-	14,839	-	(14,839)
Allowance for Vacancies	-	(205,105)	-	-	(205,105)
Project Allocation	-	-	(2,722)	-	2,722
Total Personnel	2,859,426	3,053,676	2,764,524	-	289,152
Supplies, Maintenance & Operations					
Supplies and Consumables	5,253	4,500	5,896	-	(1,396)
Minor Equipment and Furniture	37,777	40,150	39,153	-	997
Fuel	45,170	43,000	44,434	-	(1,434)
Uniforms	14,773	23,477	20,790	-	2,687
Vehicle Maintenance/Repairs	15,069	20,880	17,001	-	3,879
Total Supplies, Maintenance & Operations	118,042	132,007	127,275	-	4,732
Services					
Professional Services	860,088	966,810	937,280	10,700	18,831 ¹
Dues/Subscriptions	3,387	4,025	3,718	-	307
Training/Seminars & Related Travel	24,000	27,300	15,086	-	12,214
Meetings and Related Travel	95	500	167	-	333
Investigations	6,823	6,000	4,621	-	1,379
Lease Training	-	3,000	-	-	3,000
Asset Forfeiture	-	-	3,519	-	(3,519)
Public Relations	8,380	12,600	7,427	-	5,173
Employee Appreciation	1,813	1,500	2,356	-	(856)
Tech/Internet/Software	10,202	74,158	67,331	-	6,827
Total Services	914,789	1,095,893	1,041,505	10,700	43,689
Capital Outlay					
Furniture, Equipment & Vehicles	364,781	126,881	121,500	-	5,381
Lease Principal	10,517	-	-	-	-
Lease Interest	860	-	-	-	-
Total Capital Outlay	376,158	126,881	121,500	-	5,381
Total Public Safety	4,268,415	4,408,457	4,054,804	10,700	342,954

¹ Budget savings in dispatch contractual services.

General Fund Expenditures by Department
Maintenance
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	FY 2025 Encumbered Funds	12-Month Variance Positive (Negative)
Personnel					
Salaries	463,062	536,594	479,497	-	57,097
Overtime	14,092	6,311	9,030	-	(2,719)
Taxes - Social Security	28,686	33,660	30,239	-	3,421
Taxes - Medicare	6,709	7,872	7,072	-	800
Taxes SUTA/FUTA	1,427	1,287	1,034	-	253
Workers' Compensation Insurance	21,015	18,352	15,945	-	2,407
Retirement	58,794	69,248	61,737	-	7,511
Health Insurance	79,291	105,678	76,165	-	29,513
Allowance for Vacancies	-	(49,500)	-	-	(49,500)
Project Allocation	-	-	(527)	-	527
Total Personnel	673,076	729,502	680,192	-	49,310
Supplies, Maintenance & Operations					
Supplies and Consumables	9,174	8,050	7,895	-	156
Minor Equipment and Furniture	13,645	20,460	18,152	-	2,308
Fuel	21,397	18,800	18,840	-	(40)
Uniforms	7,638	8,225	8,641	-	(416)
Vehicle Maintenance/Repairs	18,963	15,000	14,475	-	525
Equipment Maintenance/Repairs	15,170	18,000	19,543	-	(1,543)
Building Maintenance/Repairs	59,324	30,563	30,322	-	241
Landscaping & Greenspace Maintenance	3,539	13,661	12,458	-	1,203
Street Maintenance	22,464	30,000	20,775	-	9,225
Drainage Work	5,919	15,000	12,947	-	2,053
Total Supplies, Maintenance & Operations	177,235	177,759	164,047	-	13,711
Services					
Professional Services	10,733	200	584	-	(384)
Dues/Subscriptions	164	932	405	-	527
Training/Seminars & Related Travel	8,318	13,753	2,490	-	11,263
Meetings and Related Travel	347	400	194	-	206
Employee Appreciation	393	550	472	-	78
Tech/Internet/Software	11,331	16,821	11,314	-	5,507
Total Services	31,285	32,656	15,459	-	17,197
Capital Outlay					
Furniture, Equipment & Vehicles	213,023	250,373	229,086	10,000	11,287
Total Capital Outlay	213,023	250,373	229,086	10,000	11,287
Total Maintenance	1,094,619	1,190,290	1,088,785	10,000	91,505

General Fund Expenditures by Department
Building Codes
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	FY 2025 Encumbered Funds	12-Month Variance Positive (Negative)
Personnel					
Salaries	169,509	240,824	240,625	-	199
Overtime	153	451	-	-	451
Taxes - Social Security	10,030	14,959	14,948	-	11
Taxes - Medicare	2,346	3,498	3,496	-	2
Taxes SUTA/FUTA	405	468	252	-	216
Workers' Compensation Insurance	928	984	855	-	129
Retirement	20,691	30,775	30,506	-	269
Health Insurance	26,224	38,861	35,243	-	3,618
Uniform Allowance	-	-	-	-	-
Car Allowance	-	-	-	-	-
Relocation Allowance	-	-	-	-	-
Total Personnel	230,283	330,820	325,925	-	4,895
Supplies, Maintenance & Operations					
Supplies and Consumables	599	675	382	-	293
Minor Equipment and Furniture	1,877	2,300	2,144	-	156
Fuel	1,867	5,175	4,009	-	1,166
Uniforms	458	770	731	-	39
Total Supplies, Maintenance & Operations	4,801	8,920	7,267	-	1,653
Services					
Professional Services	26,685	23,509	14,944	-	8,565 ¹
Dues/Subscriptions	394	515	405	-	110
Training/Seminars & Related Travel	5,513	6,200	5,664	-	536
Meetings and Related Travel	15	100	31	-	69
Employee Appreciation	65	200	126	-	74
Employment Costs	-	-	-	-	-
Recording/Reporting/History	-	-	-	-	-
Tech/Internet/Software	144	155	154	-	2
Total Services	32,816	30,679	21,323	-	9,356
Capital Outlay					
Furniture, Equipment & Vehicles	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-
Total Building Codes	267,900	370,419	354,515	-	15,904

¹ Savings for budgeted on-call inspector services.

General Fund Expenditures by Department
Engineering and Planning
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	FY 2025 Encumbered Funds	12-Month Variance Positive (Negative)
Personnel					
Salaries	313,430	425,179	367,680	-	57,499
Overtime	360	100	846	-	(746)
Taxes - Social Security	18,779	26,367	22,561	-	3,806
Taxes - Medicare	4,392	6,167	5,277	-	890
Taxes SUTA/FUTA	495	608	309	-	299
Workers' Compensation Insurance	1,114	1,005	873	-	132
Retirement	38,638	54,244	46,369	-	7,875
Health Insurance	30,389	48,707	38,472	-	10,235
Project Allocation	-	-	(20,130)	-	20,130
Total Personnel	407,596	562,377	462,256	-	100,121 ¹
Supplies, Maintenance & Operations					
Supplies and Consumables	9,891	9,750	10,315	-	(565)
Minor Equipment and Furniture	1,547	7,150	4,825	-	2,325
Fuel	4,388	3,175	2,355	-	820
Uniforms	830	1,700	1,878	-	(178)
Street Maintenance	769,680	921,257	814,923	61,908	44,426 ²
Oak Wilt Program	10,000	15,000	15,000	-	-
Tree and Landscaping Protection	-	29,750	21,639	-	8,111
City Approved Events	-	4,850	25	-	4,825
Total Supplies, Maintenance & Operations	796,336	992,632	870,961	61,908	59,763
Services					
Professional Services	140,407	108,050	99,066	-	8,984
Dues/Subscriptions	626	1,464	1,923	-	(459)
Training/Seminars & Related Travel	8,642	13,240	11,772	-	1,468
Meetings and Related Travel	477	400	259	-	141
Employee Appreciation	172	400	567	-	(167)
Tech/Internet/Software	6,736	15,418	7,761	-	7,657
Total Services	157,058	138,972	121,349	-	17,623
Capital Outlay					
Furniture, Equipment & Vehicles	7,016	-	-	-	-
Total Capital Outlay	7,016	-	-	-	-
Total Engineering and Planning	1,368,006	1,693,981	1,454,566	61,908	177,507

¹ Savings due to vacancies.

² Savings in the annual street maintenance program.

General Fund Expenditures by Department
Non-departmental
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	FY 2025 Encumbered Funds	12-Month Variance Positive (Negative)
Personnel					
Salaries	-	-	-	-	-
Total Personnel	-	-	-	-	-
Supplies, Maintenance & Operations					
Supplies and Consumables	4,342	5,700	5,657	-	43
Facilities Maintenance/Repairs	-	4,500	3,245	1,225	30
Emergency Response	-	500	-	-	500
Total Supplies, Maintenance & Operations	4,342	10,700	8,902	1,225	573
Shared Services					
Facility Contracts & Services	27,563	74,989	61,673	-	13,316
Tech/Internet/Software Maintenance	-	-	-	-	-
Postage	3,445	4,125	2,598	-	1,527
General Liability Insurance	88,746	90,000	90,235	-	(235)
Electricity	38,585	44,000	40,908	-	3,092
Phone/Cable/Alarms	-	-	-	-	-
Total Shared Services	158,339	213,114	195,414	-	17,700
Capital Outlay					
Lease Principal	428	-	-	-	-
Lease Interest	40	-	-	-	-
Total Capital Outlay	468	-	-	-	-
Transfers & Non-Cash Adjustments					
Transfer to Cap Improv Fund 02	813,526	370,000	370,000	-	-
Transfer to GF Veh/Equip Fund 31	301,945	373,138	373,138	-	-
Transfer to Other Funds	-	-	23,496	-	(23,496) ¹
Total Transfers & Non-Cash Adjustments	1,115,471	743,138	766,634	-	(23,496)
Total Non-departmental	1,278,620	966,952	970,950	1,225	(5,223)

¹ Municipal Court restricted revenues transfer to new funds for accounting purposes.

City of Fair Oaks Ranch
Strategic and Capital Projects Fund
Statement of Revenues and Expenditures
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	12-Month Variance Positive (Negative)
Beginning Fund Balance	3,269,573	2,297,490	2,297,490	
Revenue				
Transfer from General Fund	813,526	370,000	370,000	-
Total Revenue	<u>813,526</u>	<u>370,000</u>	<u>370,000</u>	<u>-</u>
Reliable & Sustainable Infrastructure				
Community Center	140,875	254,192	58,958	195,234 ¹
City Hall Renovation	181,581	133,835	49,094	84,741 ¹
Rolling Acres Trail Project #5	-	222,905	167,848	55,057
Tivoli Way Project #34	760,186	755,028	755,028	-
Bond Development Program	25,874	-	-	-
Post Oak Trail Widening	27,701	116,766	-	116,766 ¹
Dietz Elkhorn Reconstruction	277,003	232,426	170,615	61,811
Dietz Elkhorn Sidewalk	46,998	388,232	7,369	380,863 ¹
Chartwell Lane Project #35	238	64,592	4,604	59,988
Delta Dawn Project #15	238	-	-	-
Rolling Acres Trail Project #2	-	67,600	125	67,475
Rolling Acres Trail Project #4	-	67,600	2,380	65,220
Vestal Park Culvert Project #42	-	113,844	6,952	106,892 ¹
Total Reliable & Sustainable Infrastructure	<u>1,460,692</u>	<u>2,417,020</u>	<u>1,222,973</u>	<u>1,194,047</u>
Public Health, Safety and Welfare				
Fire & EMS Services Program Review	73,775	-	-	-
Fire Station #3 Upgrades	111,813	40,034	40,034	-
Total Public Health, Safety and Welfare	<u>185,588</u>	<u>40,034</u>	<u>40,034</u>	<u>-</u>
Operational Excellence				
Compensation & Benefit Plan Study	-	60,000	27,150	32,850
Employee Handbook	-	10,000	5,189	4,811 ¹
Comms Plan / Gateway Monument	42,178	199,840	207,170	(7,330) ¹
City Fleet Fuel Station	97,150	-	-	-
3rd Party Scanning	-	40,000	65	39,935
IT Master Plan	-	75,000	74,931	69 ¹
Total Operational Excellence	<u>139,328</u>	<u>384,840</u>	<u>314,505</u>	<u>70,335</u>
Total Expenditures	1,785,609	2,841,894	1,577,512	1,264,381
Ending Fund Balance	2,297,490	(174,404)	1,089,978	

¹ Projects have been completed or cancelled and the remaining budget will revert to the unallocated fund balance.

City of Fair Oaks Ranch
Capital Replacement Fund
Statement of Revenues and Expenditures
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	12-Month Variance Positive (Negative)
Beginning Fund Balance	1,140,475	1,220,166	1,220,166	
Transfers In				
Transfer from General Fund	301,945	373,138	373,138	-
Total Transfers In	301,945	373,138	373,138	-
Transfers Out				
Transfer to General Fund	222,254	56,700	50,700	(6,000)
Total Transfers Out	222,254	56,700	50,700	(6,000)
Total Transfers In/(Out)	79,691	316,438	322,438	
Ending Fund Balance	1,220,166	1,536,604	1,542,604	

City of Fair Oaks Ranch
Debt Service Fund
Statement of Revenues and Expenditures
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	12-Month Variance Positive (Negative)
Beginning Fund Balance	77,976	104,949	104,949	
Revenue				
General Property - I&S	556,341	890,117	905,994	15,877
Delinquent Property - I&S	4,363	4,000	5,871	1,871
Penalty & Interest - I&S	2,232	2,500	3,645	1,145
Bank/Investment Interest	17,599	7,500	6,213	(1,287)
Total Revenue	<u>580,535</u>	<u>904,117</u>	<u>921,724</u>	<u>17,607</u>
Expenditures				
Bond Principal	470,000	785,000	785,000	-
Bond Interest Payable	83,163	205,465	207,392	1,927
Bond Agent Fees	400	800	600	(200)
Total Expenditures	<u>553,563</u>	<u>991,265</u>	<u>992,992</u>	<u>1,727</u>
Ending Fund Balance	104,949	17,801	33,681	

City of Fair Oaks Ranch
Bond Capital Projects Fund
Statement of Revenues and Expenditures
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	12-Month Variance Positive (Negative)
Beginning Fund Balance	-	-	3,596,650	
Revenue				
Bond Proceeds	3,550,000	3,585,000	-	(3,585,000) ¹
Bond Premium	181,669	-	-	-
Bank/Investment Interest	11,650	17,000	152,901	135,901 ²
Total Revenue	<u>3,743,319</u>	<u>3,602,000</u>	<u>152,901</u>	<u>(3,449,099)</u>
Expenditures				
Bond Issuance Costs	146,669	-	-	-
Dietz Elkhorn Construction	-	2,093,922	-	2,093,922 ³
Ammann Road Construction	-	699,699	383,465	316,234 ⁴
Battle Intense Roadway	-	160,000	158,892	1,108
Total Expenditures	<u>146,669</u>	<u>2,953,621</u>	<u>542,358</u>	<u>2,411,263</u>
Ending Fund Balance	3,596,650	648,379	3,207,193	

¹ Bond proceeds were received at the end of FY 2024.

² Increase in investment earnings due to higher than anticipated rates.

³ Dietz Elkhorn construction project will begin in FY 2026. Appropriations will rollover to next fiscal year.

⁴ Ammann Road construction project will continue into FY 2026. Appropriations will rollover to next fiscal year.

City of Fair Oaks Ranch
Court Security & Technology Fund
Statement of Revenues and Expenditures
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	12-Month Variance Positive (Negative)
Beginning Fund Balance	-	-	-	
Revenue				
Court Security & Technology Fee	-	-	2,044	2,044
Bank/Investment Interest	-	-	-	-
Total Revenue	-	-	2,044	2,044
Expenditures				
Salaries	-	-	-	-
Minor Equipment	-	-	-	-
Tech/Internet/Software Maint.	-	-	-	-
Total Expenditures	-	-	-	-
Ending Fund Balance	-	-	2,044	

City of Fair Oaks Ranch
Court Efficiency Fund
Statement of Revenues and Expenditures
For the fiscal year ended September 30, 2025

	FY 2024	FY 2025	FY 2025	12-Month Variance
	12-Month	Amended	12-Month	Positive
	Actual	Budget	Projected	(Negative)
Beginning Fund Balance	-	-	-	
Revenue				
Court Efficiency Fee	-	-	270	270
Bank/Investment Interest	-	-	-	-
Transfer from other funds	-	-	1,681	1,681
Total Revenue	-	-	1,951	1,951
Expenditures				
Supplies and Consumables	-	-	-	-
Minor Equipment	-	-	-	-
Professional Services	-	-	-	-
Tech/Internet/Software Maint.	-	-	-	-
Total Expenditures	-	-	-	-
Ending Fund Balance	-	-	1,951	

City of Fair Oaks Ranch
Court Youth Diversion Fund
Statement of Revenues and Expenditures
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	12-Month Variance Positive (Negative)
Beginning Fund Balance	-	-	-	
Revenue				
Court Youth Diversion Fee	-	-	4,308	4,308
Bank/Investment Interest	-	-	-	-
Transfer from other funds	-	-	21,534	21,534
Total Revenue	-	-	25,842	25,842
Expenditures				
Salaries	-	-	-	-
Supplies and Consumables	-	-	-	-
Minor Equipment	-	-	-	-
Professional Services	-	-	-	-
Tech/Internet/Software Maint.	-	-	-	-
Total Expenditures	-	-	-	-
Ending Fund Balance	-	-	25,842	

City of Fair Oaks Ranch
Court Jury Fund
Statement of Revenues and Expenditures
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	12-Month Variance Positive (Negative)
Beginning Fund Balance	-	-	-	
Revenue				
Court Jury Fee	-	-	83	83
Bank/Investment Interest	-	-	-	-
Transfer from other funds	-	-	281	281
Total Revenue	-	-	364	364
Expenditures				
Salaries	-	-	-	-
Supplies and Consumables	-	-	-	-
Minor Equipment	-	-	-	-
Professional Services	-	-	-	-
Tech/Internet/Software Maint.	-	-	-	-
Total Expenditures	-	-	-	-
Ending Fund Balance	-	-	364	

City of Fair Oaks Ranch
Combined Utilities
Statement of Revenues and Expenses
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	12-Month Variance Positive (Negative)
Operating Revenues	5,940,050	6,009,849	6,091,104	81,255
Operating Expenses				
Personnel	1,970,151	2,113,684	2,056,607	57,077
Supplies, Maintenance & Operations	3,026,832	3,164,557	3,088,269	76,288
Services	199,206	459,986	446,162	13,824
Total Operating Expenses	5,196,189	5,738,227	5,591,039	147,189
Depreciation & Amortization	972,902	820,600	1,008,429	(187,829)
Operating Income after depreciation	<u>(229,041)</u>	<u>(548,978)</u>	<u>(508,364)</u>	<u>40,615</u>
Non-Operating Revenues (Expenses)				
Non-Operating Revenues	1,520,212	2,231,519	2,217,590	(13,929)
Capital Outlay	(1,267,240)	(6,620,786)	(2,738,610)	3,882,176
Asset transfer for GAAP	1,248,692	6,620,786	2,738,610	(3,882,176)
Debt Service Costs	(153,431)	(54,075)	(398,563)	(344,488)
Utility transfers out	(1,130,960)	(4,395,835)	(4,325,824)	70,011
Utility transfers in	1,130,960	4,395,835	4,325,824	(70,011)
Total Non-Operating Revenues (Expenses)	<u>1,348,232</u>	<u>2,177,444</u>	<u>1,819,028</u>	<u>(358,416)</u>
Net Income/(Loss)	1,119,192	1,628,466	1,310,664	(317,802)

City of Fair Oaks Ranch
Water Utility Summary
Statement of Revenues and Expenses
For the fiscal year ended September 30, 2025

	FY 2024	FY 2025	FY 2025	12-Month Variance
	12-Month	Amended	12-Month	Positive
	Actual	Budget	Projected	(Negative)
Water Operating Revenues	4,247,141	4,296,696	4,291,916	(4,780)
Water Operating Expenses				
Personnel	950,159	1,040,847	1,011,929	28,918
Supplies, Maintenance & Operations	2,454,736	2,569,933	2,525,199	40,313 ¹
Services	150,524	350,786	335,460	15,326
Total Water Operating Expenses	3,555,419	3,961,566	3,872,587	84,557
Depreciation & Amortization	631,888	550,000	643,774	(93,774) ²
Operating Income after depreciation	59,833	(214,870)	(224,446)	(13,997)
Water Non-Operating Revenues (Expenses)				
Non-Operating Revenues	1,004,361	1,440,889	1,557,919	117,030 ³
Capital Outlay	(852,999)	(5,080,975)	(2,207,166)	2,993,809 ⁴
Asset Transfer for GAAP	842,670	5,080,975	2,207,166	(2,993,809) ⁴
Debt Service Costs	(124,880)	(37,446)	(280,909)	(243,463) ⁵
Transfers Out	(552,985)	(3,503,835)	(3,444,053)	59,782
Transfers In	644,951	3,389,835	3,364,383	(25,452)
Total Non-Operating Revenues (Expenses)	961,118	1,289,443	1,197,339	(92,104)
Water Net Income/(Loss)	1,020,951	1,074,573	972,893	(106,102)

¹ Budget savings due to decreased costs for software maintenance, GBRA fees, and tank maintenance program.

² Increased depreciation expense for new assets placed into service.

³ Positive variance to budget in interest earnings due to higher than anticipated rates.

⁴ Capital projects not fully completed.

⁵ Increased debt service costs for interest on newly issued certificates of obligation.

City of Fair Oaks Ranch
Water Utility
Statement of Revenues and Expenses
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	12-Month Variance Positive (Negative)
Water Operating Revenues				
Water Revenue Residential	3,752,222	3,736,048	3,807,987	71,939 ¹
Water Revenue Commercial	147,704	180,094	147,865	(32,229)
Water Contract Commercial	177,354	177,354	177,354	(0)
Water Revenue Non Potable	39,986	74,000	37,211	(36,789)
Water Service Connect Fees	28,965	30,000	24,505	(5,495)
Water Penalties	48,426	48,000	36,081	(11,919)
Water-Bad Debts	(5,609)	(4,000)	(4,066)	(66)
Misc./Special Requests	145	500	1,843	1,343
Third Party Reimbursement	963	3,500	1,117	(2,383)
Permits/Variations	475	1,200	25	(1,175)
Credit Card Service Fee	56,510	50,000	61,995	11,995
Total Water Operating Revenues	<u>4,247,141</u>	<u>4,296,696</u>	<u>4,291,916</u>	<u>(4,780)</u>
Water Non-Operating Revenues				
Water Debt Service	284,559	936,054	935,221	(833)
Water Capital	285,723	104,835	104,659	(176)
Water Impact Fees	217,396	200,000	140,395	(59,605)
Water Interest Income	216,683	200,000	346,110	146,110 ²
Sale of Assets	-	-	31,535	31,535 ³
Total Water Non-Operating Revenues	<u>1,004,361</u>	<u>1,440,889</u>	<u>1,557,919</u>	<u>117,030</u>

¹ Positive variance to budget is mostly due to drought surcharges for residential customers.

² Positive variance to budget in interest earnings due to higher than anticipated rates.

³ Proceeds from the auction of surplus property.

City of Fair Oaks Ranch
Water Utility
Statement of Revenues and Expenses
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	12-Month Variance Positive (Negative)
Operating Expenses				
Water Service Personnel	356,223	401,170	391,887	9,283
Administration Personnel	593,936	157,409	148,281	9,128
HR & Communications Personnel	-	87,856	88,242	(386)
Finance Personnel	-	148,841	150,834	(1,993)
Information Technology Personnel	-	65,107	61,646	3,461
Engineering & Planning Personnel	-	180,464	171,039	9,425
Uniforms	6,386	6,718	5,806	912
Power	126,817	150,000	151,340	(1,340)
Maintenance of Plants/Lines	197,145	120,000	145,980	(25,980)
Analysis Fees	10,601	12,000	10,379	1,621
Chemicals	5,932	6,500	6,249	251
City Management Fee	205,872	208,375	206,676	1,699
Equipment Maintenance	7,768	17,100	13,701	3,399
Equipment Gas & Oil	15,451	15,000	16,870	(1,870)
GBRA Water Fees	1,522,466	1,591,970	1,575,572	16,398
Equipment Lease	-	300	-	300
Tools & Minor Equipment	12,085	12,125	8,704	3,421
Training	14,908	25,563	17,228	8,334
Utilities & Radio	24,728	30,600	26,384	4,216
Water Building Maintenance	4,686	11,380	3,653	7,727
Supplies & Consumables	5,012	3,700	4,468	(768)
Vehicle Maintenance/Repair	4,944	6,500	7,936	(1,436)
Utilities & Telephone	8,757	9,189	8,484	705
Dues & Publications	886	2,786	2,344	442
Water Professional Services	141,837	305,044	292,571	12,472
Permit & Licenses	8,437	8,936	8,903	33
General Liability Insurance	35,029	45,000	44,121	879
Office Supplies	2,339	3,244	3,552	(308)
Travel & Meetings	2,911	1,250	170	1,080
Software & Computer	156,830	235,751	179,233	56,518 ¹
Recording/Reporting	-	500	380	120
Postage	441	689	610	79
Building/Equip Maintenance	-	150	-	150
Conservation Ed & Newsletter	698	1,370	-	1,370
Billing Statement Charges	4,020	3,700	4,250	(550)
Billing Postage	10,758	10,000	12,559	(2,559)
Copier Lease	193	1,789	1,535	254

City of Fair Oaks Ranch
Water Utility
Statement of Revenues and Expenses
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	12-Month Variance Positive (Negative)
Public Relations	4,206	4,250	1,411	2,839
Employment Costs	284	1,337	829	508
Employee Appreciation	4,196	5,155	5,317	(162)
Water Miscellaneous	-	250	-	250
Credit Card Service Fee	58,636	27,500	58,110	(30,610) ²
Total Operating Expenses	3,555,419	3,926,566	3,837,256	89,311
Capital Outlays				
Operational Capital	289,454	255,258	191,642	63,616
Water Equipment Purchases	197,106	161,144	39,989	121,154
Total Capital Outlays	486,561	416,402	231,631	184,770 ³
Debt Service				
Bond Water Issuance Fees	97,200	-	148,295	(148,295)
Bond Interest Cost	22,224	37,446	132,615	(95,169)
SBITA Interest	5,224	-	-	-
Lease Interest	232	-	-	-
Total Debt Service	124,880	37,446	280,909	(243,463) ⁴
Non-Cash Expenses				
Water Depreciation	592,159	550,000	643,774	(93,774) ⁵
Water Amortization - SBITAs	38,193	-	-	-
Water Amortization - Leases	1,536	-	-	-
Transfer to Veh/Equip Replace Fund	49,866	114,000	114,000	-
Transfer from ERF	(141,832)	-	(34,329)	34,329
Transfer to Water Capital Fund	503,119	3,389,835	3,330,053	59,782
Transfer of Assets to Balance Sheet	(842,670)	(5,080,975)	(2,207,166)	(2,873,809) ⁶
Total Non-Cash Expenses	200,372	(1,027,140)	1,846,332	(2,873,472)

¹ Various savings in information technology software maintenance subscriptions.

² Negative variance to budget due to increased costs of credit card service fees paid by the City. These are off-set with increased credit card fee revenues charged for credit card payments.

³ Encumbered \$120,000 for Base Station Replacement, and contingency for well pump replacement not needed.

⁴ Increased debt service costs for newly issued certificates of obligation.

⁵ Increased depreciation expense for new assets placed into service.

⁶ Capital projects not fully completed.

City of Fair Oaks Ranch
Water Strategic and Capital Projects Fund
Statement of Revenues and Expenditures
For the fiscal year ended September 30, 2025

	FY 2024 12-Month Actual	FY 2025 Amended Budget	FY 2025 12-Month Projected	12-Month Variance Positive (Negative)
Beginning Fund Balance	1,397,919	1,534,600	1,534,600	
Transfers In				
Transfer from Utility Fund	503,119	3,389,835	3,330,053	(59,782)
Total Transfers In	503,119	3,389,835	3,330,053	(59,782)
Capital Projects				
Elevated Storage Tank	-	705,462	552,037	153,425
Elmo Davis Upgrades	-	-	-	-
Plant 5 Expansion	17,214	1,527,229	287,492	1,239,737
Willow Wind/Red Bud Hill	10,702	903,974	376,160	527,814
Old Fredericksburg Rd	4,883	599,853	549,726	50,127
Rolling Acres Trail Rehab	10,104	637,619	29,964	607,655
Well 27 Upgrades	30,000	30,000	30,000	-
Well 31 Upgrades	30,000	30,000	30,000	-
Well 25 Upgrades	30,000	30,000	30,000	-
Well 28 Upgrades	30,000	30,000	30,000	-
Cibolo Creek Waterline Relocation	203,537	36,375	-	36,375
Upgrade Plant 3 Electrical	-	74,419	38,960	35,459
SAWS Emergency Interconnect	-	59,642	21,195	38,447
Total Capital Projects	366,439	4,664,573	1,975,535	2,689,038
Non-Capital Projects				
Impact Rate Study	-	35,000	35,332	(332)
Total Non-Capital Projects	-	35,000	35,332	(332)
Total Expenditures	366,439	4,699,573	2,010,866	2,688,707
Total transfer to/(from) fund balance	136,680	(1,309,738)	1,319,187	
Ending Fund Balance	1,534,600	224,862	2,853,787	

City of Fair Oaks Ranch
Wastewater Utility Summary
Statement of Revenues and Expenses
For the fiscal year ended September 30, 2025

	FY 2024	FY 2025	FY 2025	12-Month Variance
	12-Month	Amended	12-Month	Positive
	Actual	Budget	Projected	(Negative)
Wastewater Operating Revenues	1,692,909	1,713,153	1,799,188	86,035 ¹
Wastewater Operating Expenses				
Personnel	1,019,992	1,072,837	1,044,678	28,159
Supplies, Maintenance & Operations	572,096	594,624	563,070	31,553
Services	48,682	109,200	110,703	(1,502)
Total Wastewater Operating Expenses	1,640,770	1,776,661	1,718,452	58,209
Depreciation & Amortization	341,013	270,600	364,654	(94,054) ²
Operating Income	<u>(288,874)</u>	<u>(334,108)</u>	<u>(283,918)</u>	<u>50,190</u>
Wastewater Non-Operating Revenues (Expenses)				
Wastewater Non-Operating Revenues	515,851	790,630	659,672	(130,958) ³
Capital Outlay	(414,241)	(1,539,812)	(531,444)	1,008,367 ⁴
Asset Transfer for GAAP	406,022	1,539,812	531,444	(1,008,367) ⁴
Debt Service Costs	(28,551)	(16,629)	(117,653)	(101,024) ⁵
Transfers Out	(291,310)	(892,000)	(747,343)	144,657
Transfers In	395,210	825,000	780,442	(44,558)
Total Non-Operating Revenues (Expenses)	<u>582,980</u>	<u>707,001</u>	<u>575,117</u>	<u>(131,884)</u>
Wastewater Net Income/(Loss)	294,106	372,893	291,199	(81,695)

¹ Increased residential revenues.

² Increased depreciation expense for new assets placed into service.

³ Decreased impact fees collected.

⁴ Capital projects not fully completed.

⁵ Increased debt service costs for newly issued certificates of obligation.

City of Fair Oaks Ranch
Wastewater Utility
Statement of Revenues and Expenses
For the fiscal year ended September 30, 2025

	FY 2024	FY 2025	FY 2025	12-Month Variance
	12-Month	Amended	12-Month	Positive
	Actual	Budget	Projected	(Negative)
Wastewater Operating Revenues				
Sewer Revenue Residential	1,626,221	1,641,971	1,727,265	85,294 ¹
Sewer Revenue Commercial	37,120	37,832	55,960	18,128
Sewer Service Connect Fee	18,200	25,000	4,200	(20,800)
Sewer Penalties	12,113	9,000	12,301	3,301
Sewer Bad Debt	(744)	(1,000)	(1,048)	(48)
Misc/Special Requests	-	350	509	159
Third Party Reimbursement	-	-	-	-
Total Wastewater Operating Revenues	1,692,909	1,713,153	1,799,188	86,035
Wastewater Non-Operating Revenues				
Sewer Debt Service	54,502	415,630	414,227	(1,403)
Sewer Capital	108,764	-	-	-
Sewer Impact Fee	141,614	175,000	30,343	(144,657) ²
Sewer Interest Income	210,971	200,000	215,101	15,101
Total Wastewater Non-Operating Revenues	515,851	790,630	659,672	(130,958)

¹ Increased residential revenues.

² Decreased impact fees collected.

City of Fair Oaks Ranch
Wastewater Utility
Statement of Revenues and Expenses
For the fiscal year ended September 30, 2025

	FY 2024	FY 2025	FY 2025	12-Month Variance
	12-Month	Amended	12-Month	Positive
	Actual	Budget	Projected	(Negative)
Operating Expenses				
Wastewater Service Personnel	449,464	459,038	443,481	15,557
Administration Personnel	570,527	157,409	146,783	10,626
HR & Communications Personnel	-	87,856	88,240	(384)
Finance Personnel	-	148,841	150,831	(1,990)
Information Technology Personnel	-	65,107	61,645	3,462
Engineering & Planning Personnel	-	154,586	153,698	888
Uniforms	6,755	4,955	5,718	(763)
Power	40,350	40,000	41,817	(1,817)
Maintenance Of Plant/ Lines	163,350	76,328	79,419	(3,091)
Sludge Hauling	-	17,090	2,200	14,890
Analysis Fees	31,838	27,000	30,311	(3,311)
Chemicals	31,112	33,600	34,924	(1,324)
City Management Fee	83,167	83,990	89,172	(5,182)
Equipment Maintenance	8,295	9,790	9,786	4
Equipment Gas & Oil	14,092	11,875	13,061	(1,186)
Equipment Lease	1,454	300	-	300
Tools & Minor Equipment	9,606	7,125	7,962	(837)
Training	9,731	24,450	16,877	7,573
Utilities & Radios	24,862	28,900	26,649	2,251
Building Maintenance	6,213	10,900	13,829	(2,929)
Supplies & Consumables	5,392	5,200	5,387	(187)
Vehicle Maintenance & Repairs	7,805	5,000	3,317	1,683
Utilities/Telephone	7,567	8,130	7,297	833
Dues & Publications	886	2,821	1,776	1,045
Professional Fees	40,170	63,508	67,870	(4,362)
Permits & Licenses	1,762	3,443	1,754	1,689
Liability Insurance	35,029	45,000	44,121	879
Office Supplies	4,023	2,244	3,052	(808)
Travel & Meetings	920	1,250	170	1,080
Software & Computers	62,386	128,308	105,516	22,792 ¹
Recording/Reporting	-	350	-	350
Sewer Postage	532	686	610	76
Adm Bldg/Equip. Maintenance	-	150	-	150
Billing Statement Charges	4,020	3,700	4,250	(550)
Billing Postage	10,758	10,000	12,559	(2,559)
Copier Lease	193	1,789	1,535	254

City of Fair Oaks Ranch
Wastewater Utility
Statement of Revenues and Expenses
For the fiscal year ended September 30, 2025

	FY 2024	FY 2025	FY 2025	12-Month Variance
	12-Month	Amended	12-Month	Positive
	Actual	Budget	Projected	(Negative)
Public Relations	4,200	4,250	1,411	2,839
Employment Costs	284	1,337	809	529
Employee Appreciation	4,028	5,105	5,281	(176)
Miscellaneous	-	250	-	250
Total Operating Expenses	1,640,770	1,741,661	1,683,120	58,541
Capital Outlays				
Operational Capital	26,713	-	-	-
Wastewater Equipment Purchases	254,513	123,714	120,758	2,955
Total Capital Outlays	281,226	123,714	120,758	2,955
Debt Service				
Bond Water Issuance Fees	18,676	-	49,432	(49,432)
Bond Interest Cost	7,295	16,629	68,222	(51,593)
SBITA Interest	2,349	-	-	-
Tax Exempt Lease Interest	232	-	-	-
Total Debt Service	28,551	16,629	117,653	(101,024) ²
Non-Cash Expenses				
Wastewater Depreciation	315,658	270,600	364,654	(94,054) ³
Wastewater Amortization - SBITAs	23,819	-	-	-
Wastewater Amortization - Leases	1,536	-	-	-
Transfer To Vehicle Repl. Fund	40,933	67,000	67,000	-
Transfer from ERF	(144,833)	-	(100,098)	100,098
Transfer to Wastewater Capital Fund	250,377	825,000	680,343	144,657
Asset Transfers to Balance Sheet	(406,022)	(1,539,812)	(531,444)	(1,008,367) ⁴
Total Non-Cash Expenses	81,469	(377,212)	480,455	(857,666)

¹ Various savings in information technology software maintenance subscriptions.

² Increased debt service costs for newly issued certificates of obligation.

³ Increased depreciation expense for new assets placed into service.

⁴ Capital projects not fully completed.

City of Fair Oaks Ranch
Wastewater Strategic and Capital Projects Fund
Statement of Revenues and Expenditures
For the fiscal year ended September 30, 2025

	FY 2024	FY 2025	FY 2025	12-Month Variance
	12-Month	Amended	12-Month	Positive
	Actual	Budget	Projected	(Negative)
Beginning Fund Balance	1,250,609	1,367,972	1,367,972	
Transfers In				
Transfer from Utility Fund	250,377	825,000	680,343	(144,657)
Total Transfers In	250,377	825,000	680,343	(144,657)
Capital Projects				
Solids Handling	(18,141)	-	-	-
Wastewater Treatment Plant Expansion	151,155	766,098	410,686	355,412
Cojak Circle Sewer Upgrade	-	650,000	-	650,000
Total Capital Projects	133,015	1,416,098	410,686	1,005,412
Non-Capital Projects				
Impact Fee Study	-	35,000	35,332	(332)
Total Non-Capital Projects	-	35,000	35,332	(332)
Total Expenditures	133,015	1,451,098	446,017	1,005,081
Total transfer to/(from) fund balance	117,363	(626,098)	234,326	
Ending Fund Balance	1,367,972	741,874	1,602,298	

City of Fair Oaks Ranch
Utility Capital Replacement Fund
Statement of Revenues and Expenses
For the fiscal year ended September 30, 2025

	FY 2024	FY 2025	FY 2025	12-Month Variance
	12-Month	Amended	12-Month	Positive
	Actual	Budget	Projected	(Negative)
Beginning Fund Balance	876,126	680,260	680,260	
Transfers In				
Transfer from Water Division	49,866	114,000	114,000	-
Transfer from Wastewater Division	40,933	67,000	67,000	-
Total Transfers In	90,799	181,000	181,000	-
Transfers Out				
Transfer to Water Utility	141,832	-	34,329	(34,329)
Transfer to Wastewater Utility	144,833	-	100,098	(100,098)
Total Transfers Out	286,665	-	134,428	(134,428)
Total transfers to/(from) fund balance	(195,866)	181,000	46,572	
Ending Fund Balance	680,260	861,260	726,832	



To: Mayor and City Council
From: Summer Fleming, Director of Finance
Re: 4th Quarter FY 2024-25 Investment Report
Date: November 6, 2025

This report complies with the City’s investment policy section 9 and 11 and Texas Government Code Section 2256.023 (“Public Funds Investment Act”).

ACTIVITIES FOR THE QUARTER

During the quarter, all City funds were held in three investment categories: (a) 3.2% was invested in Frost Bank checking accounts, (b) 47.0% in TexPool and TexPool Prime, government investment pools created on behalf of the Texas entities consistent with the Public Funds Investment Act and are rated AAAM by Standard and Poor’s, and (c) 49.7% in Texas CLASS, a local government investment pool that is rated AAAM. All investment categories comply with the City’s investment policy.

Overall: For the quarter, the City earned \$310,392 in interest.

Bank Checking Accounts: The City earns traditional interest paid in cash on checking account balances. Traditional interest paid to the City totaled \$81. The bank must secure (“collateralize”) all City funds over \$250,000 by pledging certain of its own assets for the City and have such held by an independent third-party custodian. The custodian sends evidence of this to the City monthly. The following summarizes collateralization activity as of the end of this quarter:

<u>Total Deposits</u>	<u>Collateral Market Value</u>	<u>Collateral Percentage</u>
\$1,182,467	\$1,207,462	102.114

The City’s financial management policy requires a minimum of 102% on such balances.

TexPool and TexPool Prime: Earnings on the City’s funds totaled \$127,801 for this portion of the portfolio. During the quarter, TexPool shares were valued at \$1 per share.

Texas CLASS: Earnings on the City’s funds totaled \$182,510 for this portion of the portfolio. During the quarter, Texas CLASS shares were valued at \$1 per share.

Signed:

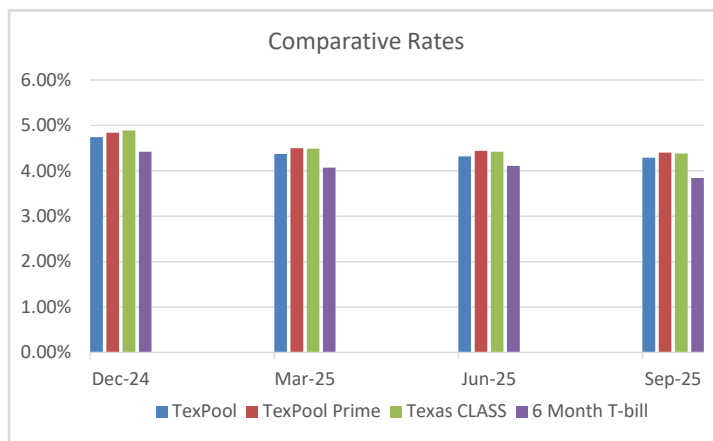
Summer Fleming
Summer Fleming, Director of Finance

Fair Oaks Ranch
Investment Report
For the Quarter Ended September 30, 2025

Description	Beginning Balance	Net Transfers In/(Out)	Interest Earnings	Ending Balance	Market Value	Avg Yield	Weighted Avg Maturity
Frost Bank	\$ 1,450,260	\$ (368,882)	\$ 81	\$ 1,081,458	\$ 1,081,458	N/A	N/A
Total Checking Account	\$ 1,450,260	\$ (368,882)	\$ 81	\$ 1,081,458	\$ 1,081,458		
TexPool - General Account	566,116	(110,500)	5,221	460,837	460,837	4.29%	42 Days
TexPool - Debt Service	6,624	9,863	312	16,798	16,798	4.29%	42 Days
TexPool - Utility	14,008	25,346	256	39,610	39,610	4.29%	42 Days
TexPool - Water Capital	1,692,556	7,890,000	50,451	9,633,007	9,633,007	4.29%	42 Days
TexPool - Sewer Capital	668,631	(25,000)	7,047	650,678	650,678	4.29%	42 Days
Total TexPool	2,947,935	7,789,709	63,286	10,800,930	10,800,930		
TexPool Prime - General Account	1,731,399	(1,004,725)	16,119	742,792	742,792	4.40%	48 Days
TexPool - 2024 GO Bonds	3,477,239	(250,000)	38,345	3,265,584	3,265,584	4.40%	48 Days
TexPool Prime - Utility	903,133	-	10,051	913,183	913,183	4.40%	48 Days
Total TexPool Prime	6,111,770	(1,254,725)	64,515	4,921,559	4,921,559		
Texas CLASS - General	8,618,156	-	95,714	8,713,870	8,713,870	4.38%	41 Days
Texas CLASS - Utility	7,815,218	-	86,796	7,902,014	7,902,014	4.38%	41 Days
Total Texas CLASS	16,433,374	-	182,510	16,615,884	16,615,884		
Grand Total	<u>\$ 26,943,339</u>	<u>\$ 6,166,101</u>	<u>\$ 310,392</u>	<u>\$ 33,419,831</u>	<u>\$ 33,419,831</u>		

Interest Rate Comparison (Quarterly Average)

Qtr Ended	TexPool	TexPool Prime	Texas CLASS	3 Month T-bill	6 Month T-bill	2 Year Treasury Note	CDARS 6 month CD
Dec-24	4.74%	4.84%	4.89%	4.51%	4.42%	4.25%	3.65%
Mar-25	4.37%	4.50%	4.49%	4.20%	4.07%	3.87%	3.65%
Jun-25	4.32%	4.44%	4.42%	4.24%	4.11%	3.78%	3.50%
Sep-25	4.29%	4.40%	4.38%	3.95%	3.84%	3.56%	3.06%





Preliminary Year-End Results & Quarterly Investment Report

November 6, 2025



Item #18.

Summer Fleming, CGFO
Director of Finance

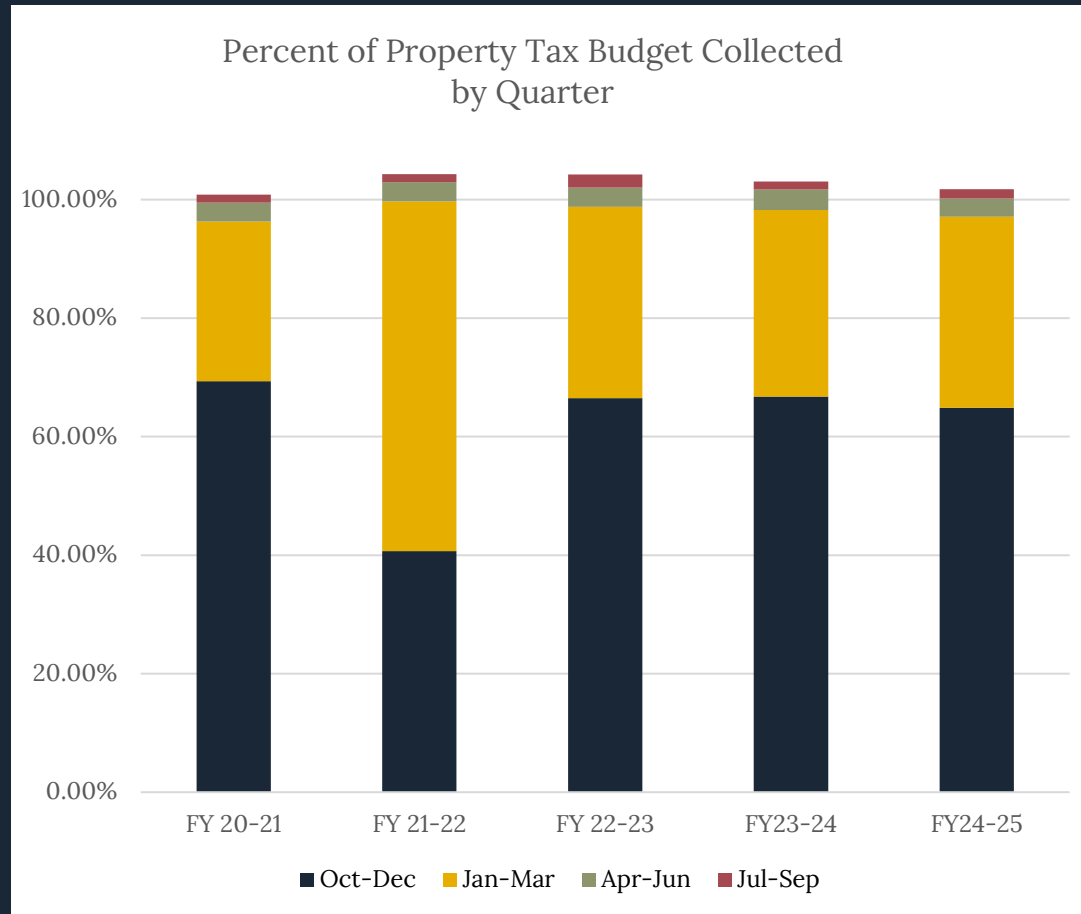
General Fund Revenues



Item #18.

Type	FY 2023-24 Actual	FY 2024-25 Budget	FY 2024-25 Projected	Budget Variance
Property Tax	\$6,813,962	\$6,612,107	\$6,772,561	\$160,454
Sales Tax	1,817,285	1,870,222	1,918,980	48,758
Franchise Fees	743,231	762,350	781,864	19,514
Permits	232,138	168,200	202,997	34,797
Court Fines & Fees	191,584	207,300	122,468	(84,832)
Fees & Services	521,604	361,910	395,322	33,412
Interest Earnings	683,555	450,000	541,869	91,869
Grants & Contributions	141,826	313,440	327,407	13,967
Other	580,899	299,165	294,256	(4,909)
Total	\$11,726,084	\$11,044,694	\$11,357,724	\$313,030

Property Tax Highlights

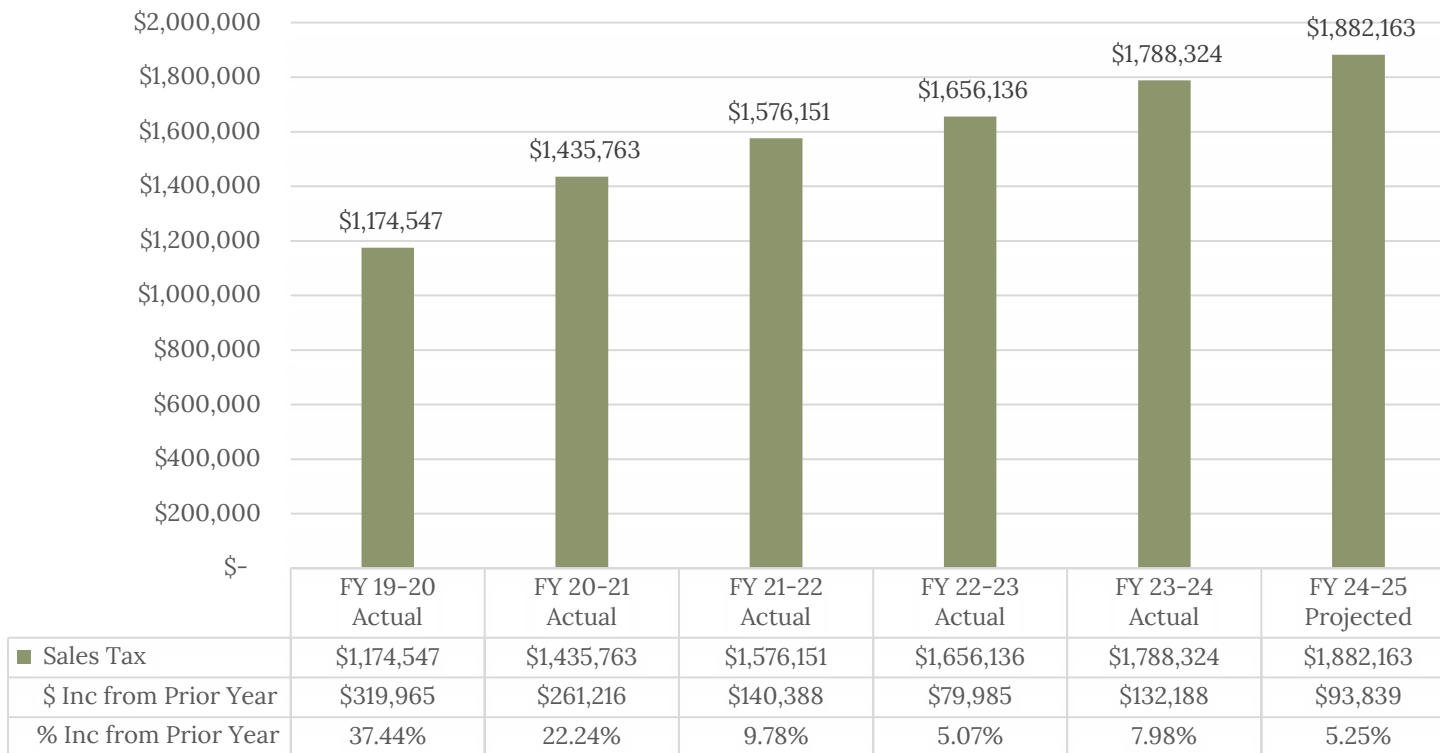


- 2024 Tax Levy is \$7.6 million
- Collected 99.5% of the levy and 102% of the budget
- Surplus to budget of \$160,454 including delinquent taxes, penalties and interest

Sales Tax Highlights

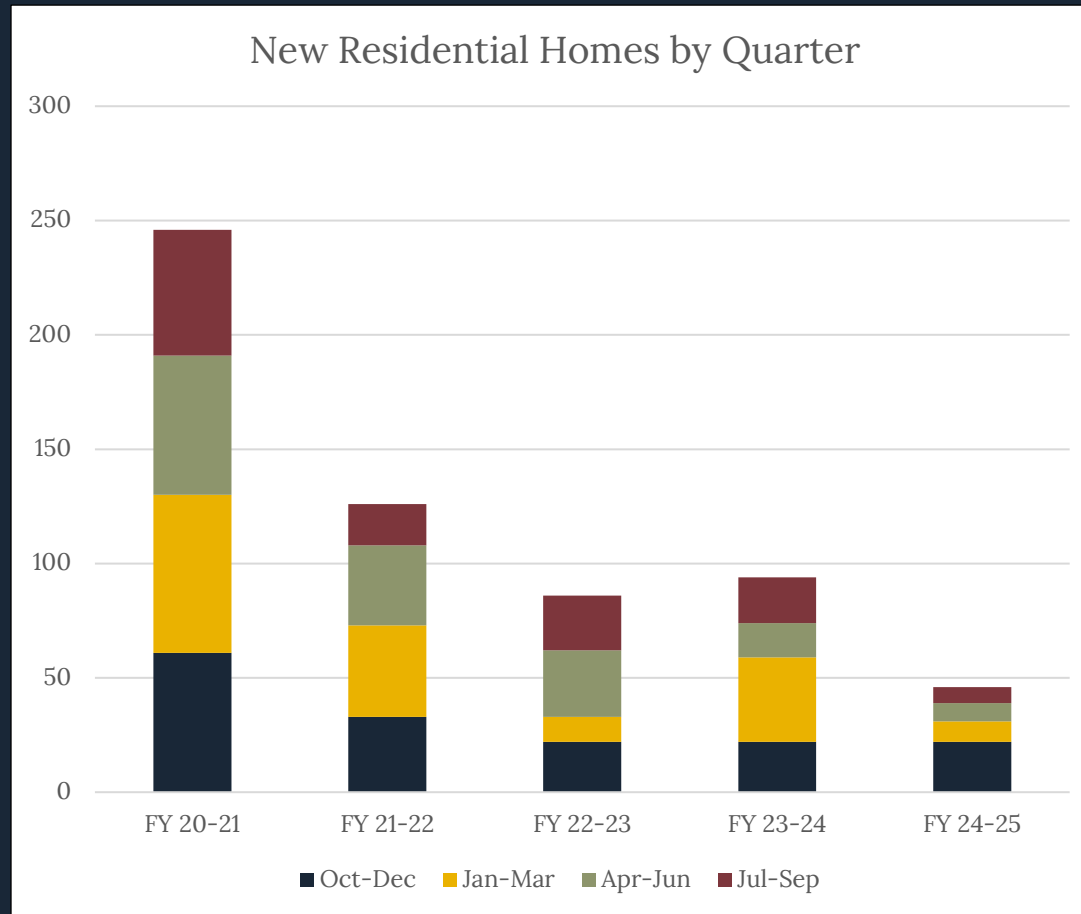


City Of Fair Oaks Ranch, Texas
Annual Sales Tax Revenue Received for Fiscal Years 2020-2025



- Sales tax revenue totaled \$1.9 million
- Sales tax receipts were \$93,839 or 5.2% more than last year

Residential Permits



- 46 New Residential Home permits issued
- Total permits revenue exceeded budget by \$34,797

General Fund Expenditures



Type	FY 2023-24 Actual	FY 2024-25 Budget	FY 2024-25 Projected	Encumbered	Budget Variance
Personnel	\$5,478,855	\$6,247,754	\$5,781,791	\$-	\$465,963
Supplies, Maint., Ops	1,162,375	1,365,281	1,208,291	63,133	93,857
Professional Services	1,793,865	2,144,202	1,935,137	28,396	180,669
Shared Services	197,471	265,101	244,298	-	20,803
Capital Outlay	937,864	523,666	457,215	41,362	25,089
Transfers	1,115,471	743,138	766,634	-	(23,496)
Total	\$10,685,901	\$11,289,142	\$10,393,365	\$132,890	\$762,886

General Fund Balances



Category	Beginning Balance	FY 2024-25 Projected	Ending Balance
Prepaid Expenses	\$85,344	\$57,732	\$143,076
Court Restricted	62,734	(24,840)	37,894
Other Restricted	67,832	9,467	77,299
Tree Mitigation Fund	149,600	5,336	154,936
Operating Reserve	4,738,119	110,000	4,848,119
Allocated - Encumbrances	381,238	(248,348)	132,890
Unallocated	2,183,923	1,055,011	3,238,934
Total Fund Balance	\$7,668,790	\$964,358	\$8,633,147

* The remaining balance reflects legacy Court Security and Court Technology funds. All other funds have been transitioned to separate stand-alone funds outside the General Fund.

Strategic and Capital Projects Fund



	Amount
Beginning Fund Balance	\$2,297,490
Transfer in from the General Fund	\$370,000
Appropriations spent	(\$1,577,512)
Ending Fund Balance	\$1,089,978

Fund Balance Composition:

Projects in Process	\$327,278
FY 2025-26 Budget	\$495,480
Unallocated	\$267,220

Projects completed or cancelled

- City Hall renovation
- Tivoli Way drainage
- Post Oak Trail Widening
- Vestal Park culvert
- Fire Station #3 Phase 2 upgrades
- Personnel Manual update
- Gateway Monument
- IT Master Plan
- Community Center
- Dietz Elkhorn Sidewalk

Other Governmental Fund Balances



Category	Beginning Balance	FY 2024-25 Projected	Ending Balance
Bond Capital Fund	\$3,596,650	(\$389,457)	\$3,207,193
Equipment Replacement Fund	1,220,166	322,438	1,542,604
Debt Service Fund	104,949	(71,268)	33,681
Court Youth Diversion Fund	21,534	4,308	25,842
Court Security & Technology Fund	-	2,044	2,044
Court Efficiency Fund	1,681	270	1,951
Court Jury Fund	281	83	364
Total Fund Balance	\$4,945,261	(\$131,582)	\$4,813,679



Utility Funds

Utility Revenues



Type	FY 2023-24 Actual	FY 2024-25 Budget	FY 2024-25 Projected	Budget Variance
Water Operating	\$4,247,141	\$4,296,696	\$4,291,916	(\$4,780)
Wastewater Operating	1,692,909	1,713,153	1,799,188	86,035
Total Operating Revenues	\$5,940,050	\$6,009,849	\$6,091,104	\$81,255
Water Non-Operating	\$1,004,361	\$1,440,889	\$1,557,919	\$117,030
Wastewater Non-Operating	515,851	790,630	659,672	(130,958)
Total Non-Operating Revenues	\$1,520,212	\$2,231,519	\$2,217,591	(\$13,928)
Total Utility Revenues	\$7,460,262	\$8,241,368	\$8,308,695	\$67,327

Utility Expenditures



Type	FY 2023-24 Actual	FY 2024-25 Budget	FY 2024-25 Projected	Encumbered	Budget Variance
Personnel	\$1,970,151	\$2,113,684	\$2,056,607	\$-	\$57,077
Supplies, Maint., & Ops.	3,026,832	3,164,557	3,088,269	4,422	71,866
Services	199,206	459,986	446,162	-	13,825
Total Operating Expenditures	\$5,196,189	\$5,738,227	\$5,591,039	\$4,422	\$142,767
Capital Purchases	\$767,787	\$540,116	\$352,389	\$120,000	(\$67,727)
Capital Projects	\$499,454	\$6,080,671	\$2,386,221	\$-	\$3,694,450

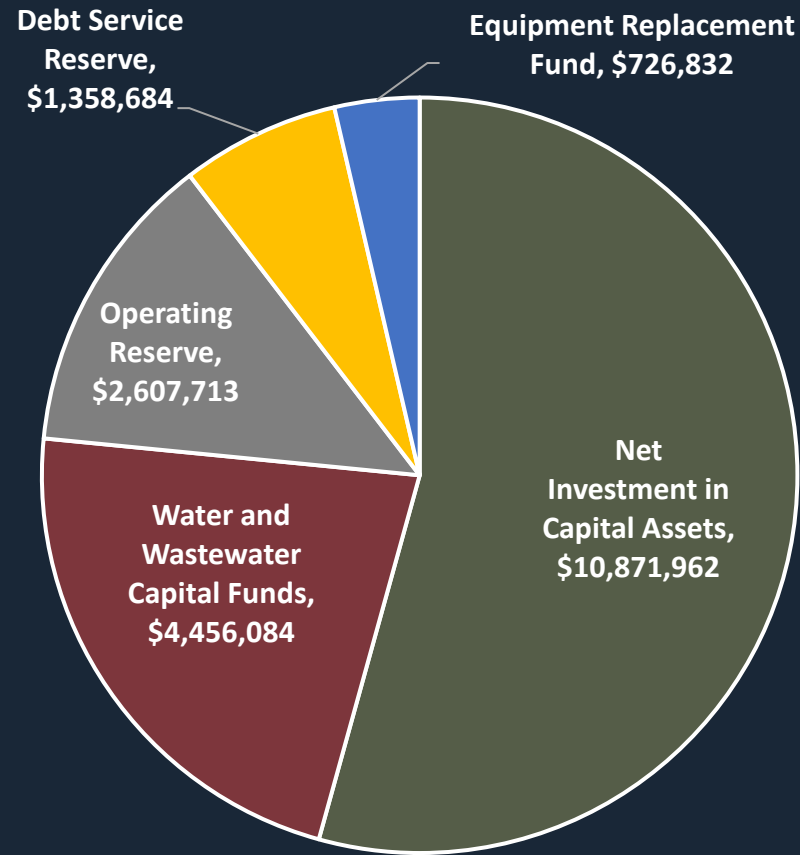
Operating Income After Depreciation



	FY 2023-24 Actual	FY 2024-25 Budget	FY 2024-25 Projected	Budget Variance
Operating Revenues	\$5,940,050	\$6,009,849	\$6,091,104	\$81,255
Operating Expenses				
Personnel	1,970,151	2,113,684	2,056,607	57,077
Supplies, Maint., & Operations	3,026,832	3,164,557	3,088,269	76,288
Services	199,206	459,986	446,162	13,824
Total Operating Expenses	5,196,189	5,738,227	5,591,039	147,189
Depreciation & Amortization	972,902	820,600	1,008,429	(187,829)
Operating Income After Depreciation	(\$229,041)	(\$548,978)	(\$508,364)	\$40,615

Utility Projected Net Position

\$20,021,275



- Net position increasing approximately \$1.3 million
- Majority of net position is in the utility's infrastructure and assets
- Healthy liquidity and strategic reserves

Next Steps



Jan

- Wrap up audit
- Year-end resolution for fund balances and rollover continuing appropriations

Feb

- Draft Annual Comprehensive Financial Report (ACFR)
- Update 5-Year Financial Plan with FY 2024-25 results

Mar

- Presentation of audit results to Council
- Submit ACFR for GFOA award consideration

Apr

- Review 5-Year Financial Plan integrating the Strategic Plan and begin FY 2026-27 budget process



Investment Update

Investment Inventory



Item #18.

Investment	Beginning Balance	Deposits / (Withdrawals)	Interest Earned	Ending Balance
Texas CLASS	\$16,433,374	\$-	\$182,510	\$16,615,884
TexPool	2,947,935	7,789,709	63,286	10,800,930
TexPool Prime	6,111,770	(1,254,725)	64,515	4,921,559
Frost Bank Checking	1,450,260	(368,882)	81	1,081,458
Total Investments	\$26,943,339	\$6,166,101	\$310,392	\$33,419,831

- FY 2024-25 interest earnings totaled \$1.26 million



Questions?