



Pete Ricketts, Governor

MEMORANDUM

DATE: January 6, 2022

TO: Allen Simpson, Administrator
AS/Risk Management

FROM: Michelle Potts, Administrator
AS/Building Division

RE: Current Building Replacement Rates – Insurance

Per your request, I am providing you an index cost multiplier for insurance purposes. I have averages building cost indexes of Marshall and Swift for December 2021, and Engineering News-Record for January 2021 to arrive at the multiplier you will need for updating the insurance numbers for the building inventory. Turner Building Cost Index for the fourth quarter of 2021 was not available at the time of this memo.

The following is a summation of these averages:

Marshall and Swift	+ 18.62%
Engineering News Records	+ 13.9%
Average	+ 16.26%

I recommend you use +16.26 for your updating purposed. I have attached copies of the respective indexes for your information.

Michelle Potts
Administrator – State Building Division

Michelle Potts, Administrator

Department of Administrative Services | STATE BUILDING DIVISION

P.O. Box 98940
Lincoln, Nebraska 68509-8940

1526 K Street, Ste. 160
Lincoln, Nebraska 68508

OFFICE 531-207-9029
FAX 402-471-0403

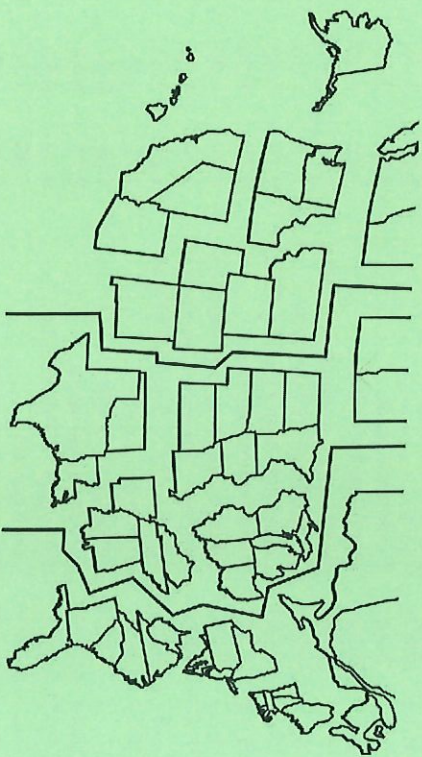
das.nebraska.gov

CURRENT BUILDING COST INDEXES

BUILDING COST INDEXES

	December 2021		December 2020		December 2019		December 2018		December 2017		December 2016	
	1 yr. ago	2 yrs. ago	3 yrs. ago	4 yrs. ago	5 yrs. ago	6 yrs. ago	7 yrs. ago	8 yrs. ago	9 yrs. ago	10 yrs. ago	11 yrs. ago	12 yrs. ago
EASTERN	A	4098.7	3439.6	3367.7	3345.0	3163.5	3094.4					
	B	3929.5	3464.8	3334.6	3297.4	3199.0	3130.6					
	C	3994.0	3454.4	3322.6	3315.9	3192.5	3103.6					
	D	3983.1	3423.0	3261.4	3272.7	3143.3	3052.1					
	S	3763.1	3179.1	3062.2	3061.4	2915.0	2833.8					
CENTRAL	A	3748.1	3097.9	3038.0	3023.5	2844.0	2769.6					
	B	3572.6	3099.6	3014.3	2984.9	2888.6	2813.0					
	C	3684.2	3123.9	3026.1	3024.6	2898.0	2801.9					
	D	3707.4	3122.4	2999.6	3012.0	2879.7	2783.4					
	S	3368.0	2801.9	2720.4	2725.1	2580.1	2494.9					
WESTERN	A	4119.6	3462.2	3357.1	3324.5	3134.5	3037.9					
	B	3928.6	3449.0	3302.2	3262.7	3155.4	3059.0					
	C	4067.3	3501.9	3352.1	3337.3	3202.3	3078.4					
	D	4046.2	3467.5	3285.2	3286.5	3145.5	3022.4					
	S	3702.4	3130.7	3000.5	2990.0	2830.0	2726.6					

DISTRICT MAP



ANNUAL COST CHANGES

	December 2021		December 2020		December 2019		December 2018		December 2017		December 2016	
	1 yr. ago	2 yrs. ago	3 yrs. ago	4 yrs. ago	5 yrs. ago	6 yrs. ago	7 yrs. ago	8 yrs. ago	9 yrs. ago	10 yrs. ago	11 yrs. ago	12 yrs. ago
EASTERN	A	19.2%	21.7%	22.5%	29.6%	32.5%						
	B	13.4%	17.8%	19.2%	22.8%	25.5%						
	C	15.6%	20.2%	20.4%	25.1%	28.7%						
	D	16.4%	22.1%	21.7%	26.7%	30.5%						
	S	18.4%	22.9%	22.9%	29.1%	32.8%						
CENTRAL	A	21.0%	23.4%	24.0%	31.8%	35.3%						
	B	15.3%	18.5%	19.7%	23.7%	27.0%						
	C	17.9%	21.7%	21.8%	27.1%	31.5%						
	D	18.7%	23.6%	23.1%	28.7%	33.2%						
	S	20.2%	23.8%	23.6%	30.5%	35.0%						
WESTERN	A	19.0%	22.7%	23.9%	31.4%	35.6%						
	B	13.9%	19.0%	20.4%	24.5%	28.4%						
	C	16.1%	21.3%	21.9%	27.0%	32.1%						
	D	16.7%	23.2%	23.1%	28.6%	33.9%						
	S	18.3%	23.4%	23.8%	30.8%	35.8%						

COMPARATIVE COST MULTIPLIERS

Correction Factors	Eastern	Central	Western
Bring the quarterly Comparative Cost	A 1.050	1.043	1.043
Multipliers from Section 98, Pages 5 and	B 1.012	1.006	1.007
6 up to date by multiplying them by these	C 0.993	0.988	0.987
monthly Correction Factors.	D 0.982	0.974	0.974
	S 1.011	1.003	1.003

CONSTRUCTION ECONOMICS

ENR's 20-city average cost indexes, wages and material prices. Historical data for ENR's 20 cities can be found at ENR.com/economics

Construction Cost Index

+8.0%

ANNUAL INFLATION RATE

JAN. 2022

1913=100	INDEX VALUE	MONTH	YEAR
CONSTRUCTION COST	12555.55	+0.6%	+8.0%
COMMON LABOR	24365.52	0.0%	+1.4%
WAGE \$/HR.	46.82	0.0%	+1.4%

Building Cost Index

+13.9%

ANNUAL INFLATION RATE

JAN. 2022

1913=100	INDEX VALUE	MONTH	YEAR
BUILDING COST	7359.09	+1.0%	+13.9%
SKILLED LABOR	11055.72	0.0%	+2.6%
WAGE \$/HR.	60.99	0.0%	+2.6%

Materials Cost Index

+2.2%

MONTHLY INFLATION RATE

JAN. 2022

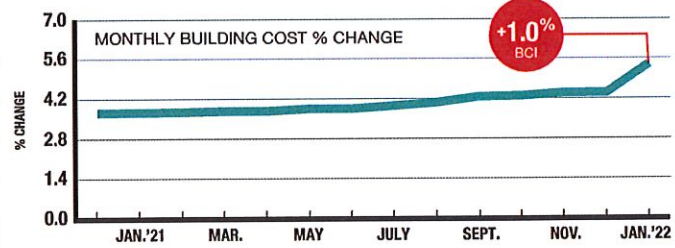
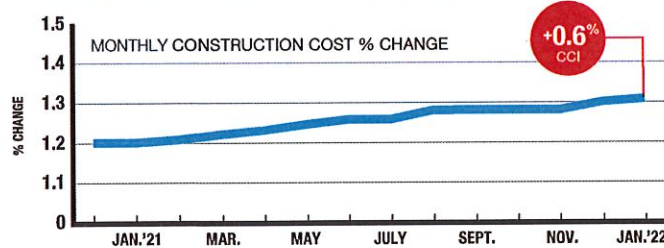
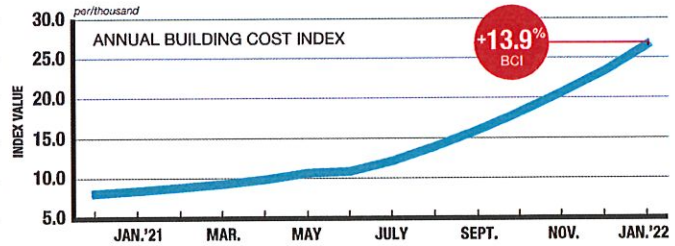
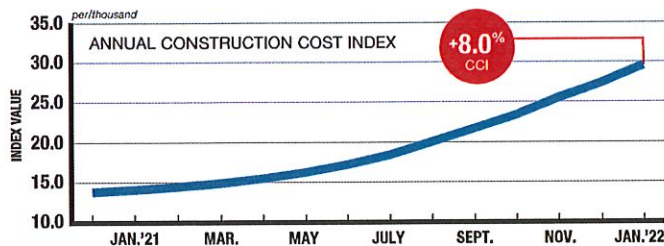
1913=100	INDEX VALUE	MONTH	YEAR
MATERIALS COST	5073.87	+2.2%	+33.7%
CEMENT \$/TON	151.44	-0.5%	+3.1%
STEEL \$/CWT	79.47	+3.8%	+41.2%
LUMBER \$/MBF	949.70	-0.3%	+26.9%

The Construction Cost Index's annual escalation rose 8%, while the monthly component rose 0.6%.

The Building Cost Index was up 13.9% on an annual basis, while the monthly component increased 1%.

The MCI rose 2.2% since last month, while the annual escalation rate increased 33.7%.

Inflation's Pulse Year-to-year and monthly percent changes for ENR's cost indexes



SOURCE: ENR

Cost Index Review

BASE YEAR	CONSTRUCTION		BUILDING		SKILLED WAGES		COMMON WAGES	
	1913	1967	1913	1967	1913	1967	1913	1967
2020 Dec.	11625.95	1082.33	6445.14	954.00	10743.67	1053.78	24037.06	1160.17
2021 Jan.	11627.94	1082.51	6459.83	956.17	10775.90	1057.04	24037.06	1160.17
Feb.	11698.80	1089.11	6493.19	961.11	10797.45	1058.78	24157.25	1165.88
Mar.	11749.75	1093.85	6545.22	968.81	10800.69	1059.05	24157.25	1165.88
Apr.	11849.31	1103.12	6612.50	978.77	10805.01	1059.49	24253.88	1170.25
May	11989.91	1116.21	6754.51	999.79	10805.01	1059.49	24253.88	1170.25
June	12112.05	1127.58	6876.96	1017.91	10815.82	1060.41	24256.31	1170.40
July	12237.69	1139.28	7006.95	1037.15	10826.64	1061.48	24256.31	1170.40
Aug.	12463.13	1160.26	7201.88	1066.01	10848.29	1063.55	24353.34	1175.33
Sept.	12464.55	1160.40	7214.29	1067.84	10880.83	1066.67	24355.78	1175.39
Oct.	12464.94	1160.43	7244.90	1072.38	10978.76	1075.78	24355.78	1175.39
Nov.	12467.32	1160.65	7255.67	1073.97	11000.72	1078.06	24355.78	1175.39
Dec.	12481.82	1162.00	7289.50	1078.98	11055.72	1083.53	24355.78	1175.39
2022 Jan.	12555.55	1168.87	7359.09	1089.28	11055.72	1083.53	24365.52	1175.83

INFLATION

+1.3%

Common Labor Index

ANNUAL ESCALATION FOR COMMON LABOR REACHED 1.4% IN JANUARY, WHILE SKILLED LABOR EXPERIENCED A 2.6% ESCALATION IN THE SAME PERIOD.

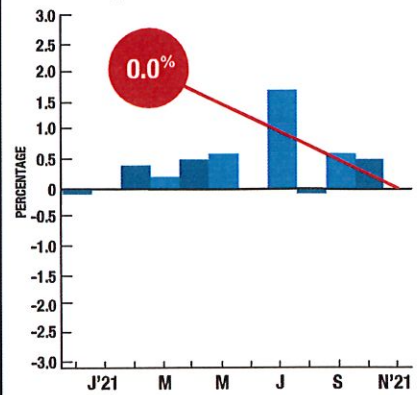
CONSTRUCTION ECONOMICS

Cement prices stayed flat in November following a 0.1% increase in October, according to the Bureau of Labor Statistics' producer price index. Annual escalation for the index sits at 4.8%. ENR's 20-city average monthly price for masonry cement increased 1.5% in January, with a yearly rise of 3.6%. All types of asphalt paving experienced increases since January 2021, while all types of crushed stone had both monthly and yearly boosts. Prices for masonry sand rose 2.2% since December, with an increase of 15.8% since January of last year.

PRODUCER PRICE INDEX

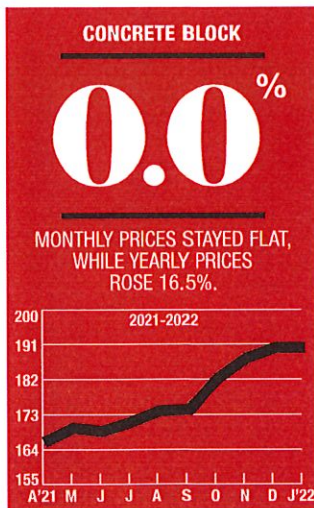
CEMENT

Monthly Percent Change

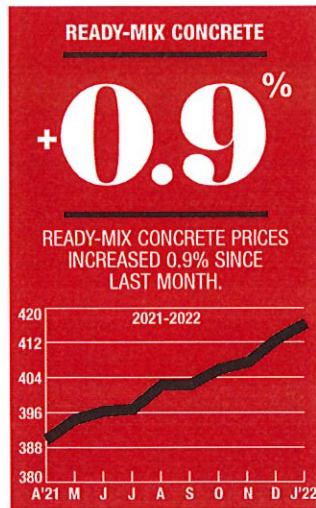


SOURCE: BUREAU OF LABOR STATISTICS

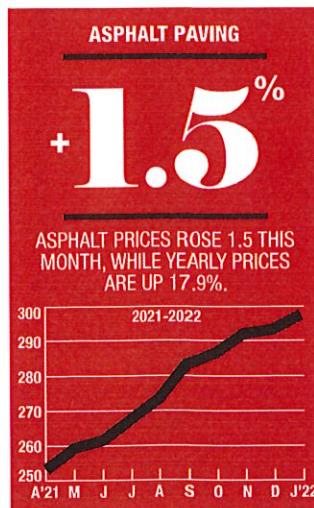
ENR's Materials Prices For January 2022



1992=100



1992=100



1992=100



1992=100

20-CITY AVERAGE

ITEM	UNIT	\$PRICE	%MONTH	%YEAR
ASPHALT PAVING				
PG 58	TON	470.66	+1.5	+17.9
Cutback, MC800	TON	390.66	-0.1	+5.3
Emulsion, RAPID SET	TON	365.26	-0.3	+2.7
Emulsion, SLOW SET	TON	379.93	0.0	+3.7
PORTLAND CEMENT				
Type one	TON	153.72	+1.5	+3.6
MASONRY CEMENT				
70-lb bag	TON	11.19	+1.5	+3.1
CRUSHED STONE				
Base course	TON	14.85	+2.1	+18.1
Concrete course	TON	14.87	+9.7	+26.8
Asphalt course	TON	15.85	+8.0	+14.7
SAND				
Concrete	TON	13.63	+14.4	+29.7
Masonry	TON	14.44	+2.2	+15.8
READY-MIX CONCRETE				
3,000 psi	CY	135.11	+0.9	+8.5
4,000 psi	CY	145.28	+0.2	+3.6
5,000 psi	CY	183.26	+0.1	-3.1
CONCRETE BLOCK				
Normal weight: 8" x 8" x 16"	C	179.48	+0.0	+16.5
Lightweight: 8" x 8" x 16"	C	168.45	+0.1	+1.7
12" x 8" x 16"	C	258.30	+1.2	+41.0

SOURCE: ENR

CONSTRUCTION ECONOMICS

Asphalt, Cement, Aggregate, Concrete, Block For January 2022

City prices reflect quotes from single sources and can be volatile. They are not meant to be the prevailing price for a city. Data are a mix of list and transaction prices and may include ENR estimates. Do not compare prices between locations. Use city information to analyze national trends.

ITEM	UNIT	ATLANTA	BALTIMORE	BIRMINGHAM	BOSTON	CHICAGO	CINCINNATI	CLEVELAND	DALLAS	DENVER	DETROIT
ASPHALT PAVING											
PG 58	TON	+450.26	+538	+437.51	-475.48	459.37	+480	+484	468.22	+456.57	488
CUTBACK, MC800	TON	398.8	—	+386.33	+437.91	410.60	—	378	391.84	-384.91	388
EMULSION, RAPID SET	TON	362.56	—	-340.20	+396.55	390.48	—	369	379.09	-363.76	355.5
EMULSION, SLOW SET	TON	380.19	—	-369.62	+428.83	396.55	—	388	412.40	-386.29	411
PORTLAND CEMENT											
TYPE ONE	TON	+154.88	+158.10	140.11	162.28	153.00	-140.60	147.2	+152.97	+162.50	+144.67
MASONRY CEMENT											
70-LB BAG	TON	+11.25	+12.27	10.70	11.44	12.00	+11.25	-10.28	+11.25	11.94	+11.48
CRUSHED STONE											
BASE COURSE	TON	+11.70	12.25	10.69	13.05	12.98	12.75	12.5	+12.79	12	+10.25
CONCRETE COURSE	TON	+12.05	14.15	10.90	12.22	12.63	11.45	8.29	+12.82	13.12	+8.6
ASPHALT COURSE	TON	+13.62	14.35	12.78	14.10	12.24	—	10.96	+14.65	13.97	+10.50
SAND											
CONCRETE	TON	-10.44	14.60	+9.58	12.33	+10.69	10.5	10.70	+11.78	10.06	+11.25
MASONRY	TON	+12.97	16.50	11.69	+13.82	12.51	14.25	14.5	+14.02	12.43	+14.10
READY-MIX CONCRETE											
3,000 PSI	CY	130.93	+128.50	121.67	142.68	+139.10	129.5	+130.60	128.35	146.74	+129.96
4,000 PSI	CY	144.08	+140.50	135.22	165.43	-140.67	136	-136.46	149.22	152.10	140.5
5,000 PSI	CY	182.42	-172.50	160.51	202.50	+187.33	-174	177.3	188.65	205.71	-178.10
CONCRETE BLOCK											
NORMAL WEIGHT: 8" x 8" x 16"	C	185.87	-189	159.60	+180.86	+178.93	-165	-204	193.54	175.28	+178.00
LIGHTWEIGHT: 8" x 8" x 16"	C	170.65	-152	168.93	177.73	-168.45	145	+178	169.09	183.5	149
12" x 8" x 16"	C	225.53	-315	192.42	+226.79	+238.17	-322	343	240.25	202.1	234

ITEM	UNIT	KANSAS CITY	LOS ANGELES	MINNEAPOLIS	NEW ORLEANS	NEW YORK	PHILADELPHIA	PITTSBURGH	ST. LOUIS	SAN FRANCISCO	SEATTLE
ASPHALT PAVING											
PG 58	TON	+490	370	+503	442.38	454.6	450.27	+530	+496	—	468.86
CUTBACK, MC800	TON	342	380	378	379.02	390.23	387.16	377.04	388.5	400	433.52
EMULSION, RAPID SET	TON	322	350	328	365.45	+368.97	371.55	314.2	378	425	394.30
EMULSION, SLOW SET	TON	338	325	312.7	372.53	370.45	386.30	314.2	404	425	417.61
PORTLAND CEMENT											
TYPE ONE	TON	130.40	227.54	+138.90	142.75	150.10	+159.82	+152.30	+148.72	155	155.71
MASONRY CEMENT											
70-LB BAG	TON	9.88	6.3	+11.35	+11.18	10.95	+11.36	+11.70	+13.20	12.97	11.24
CRUSHED STONE											
BASE COURSE	TON	11.50	34	11.25	11.44	13.62	13.41	12.2	10.90	+44.75	+12.88
CONCRETE COURSE	TON	16.4	39.97	8.88	11.08	12.37	12.92	10.38	+8.40	+48.65	+12.16
ASPHALT COURSE	TON	16.4	39.97	8.15	+14.45	14.89	15.70	9.52	9	+42.65	+13.25
SAND											
CONCRETE	TON	10.45	29.15	11.00	+12.18	11.26	11.00	10.60	+10.8	+40.75	+13.39
MASONRY	TON	14.40	10.56	13.50	+13.56	12.93	13.86	13.00	13.15	+32.93	+14.02
READY-MIX CONCRETE											
3,000 PSI	CY	128.1	158.78	129.44	131.76	+128.80	135.12	+133.60	+131.78	165	131.83
4,000 PSI	CY	139.10	164.25	+137.60	137.3	+145.61	141.33	137.00	140.90	172	150.26
5,000 PSI	CY	182.50	178.54	-179.00	188.23	+186.46	188.78	+180.40	180.30	177	194.94
CONCRETE BLOCK											
NORMAL WEIGHT: 8" x 8" x 16"	C	192.00	153	193	174.15	+169.98	+170.05	+196	-190	217	178.39
LIGHTWEIGHT: 8" x 8" x 16"	C	-155	142	-119	169.33	+180.52	+175.81	+170	168	257	170.02
12" x 8" x 16"	C	-330	343	181	212.47	+246.02	+240.30	225	-218	400	229.95

+ OR - DENOTES PRICE HAS RISEN OR FALLEN SINCE PREVIOUS REPORT. QUOTES ARE DELIVERED PRICES FOR PORTLAND AND MASONRY CEMENT, CONCRETE BLOCK AND READY-MIX CONCRETE. PRICES FOR CRUSHED STONE AND SAND ARE FOB PLANT. SOME PRICES MAY INCLUDE TAXES OR DISCOUNTS. FURTHER PRODUCT SPECIFICATIONS INCLUDE RAPID-SET EMULSION, CRS2; SLOW-SET EMULSION, CSS1H; BASE COURSE, 1½" DOWN TO DUST, UNWASHED; CONCRETE COURSE, 1½" THROUGH #4, WASHED; ASPHALT COURSE, ½" THROUGH #4, UNWASHED; CONCRETE SAND, 2NS MEDIUM CLEAN; MASONRY SAND, 2NS FINE CLEAN; CONCRETE BLOCK, 2 CORE. QUANTITIES ARE GENERALLY TRUCKLOADS.