



Indirect Cost Allocation Review

What is an Indirect Cost Allocation?

Systematic distribution of General Fund-supported administrative and overhead costs to benefiting city departments, based on equitable allocation methodologies, to ensure full cost recovery and accurate representation of departmental operating costs

How is the City Currently Allocating?

Currently built around how the Adopted Budget is distributed across City Departments

Allocation Methods:

Budget: % of Budget across the City

Employees: # of FTE's in the Department

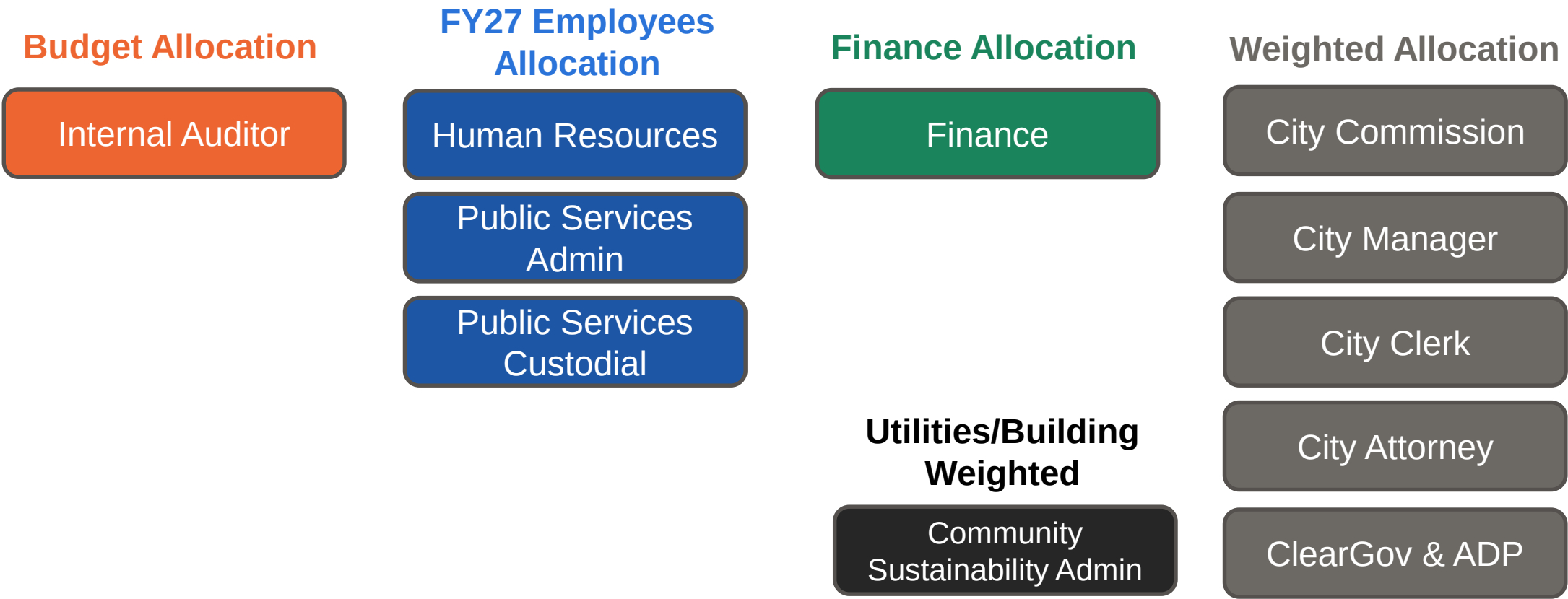
Finance: Cost of Services completed by the Finance Department

Weighted: Divided proportionally across departments

Utilities/Building Weighted: Divided proportionally across only utility and buildings funds



Allocations Methodologies by Cost Department





Cost Allocation Results

	Electric	Water	Local Sewer	Regional Sewer	Stormwater	Golf Course	Refuse	Beach	Building
Updated Allocation	\$2.7M	\$1.4M	\$419k	\$576k	\$349k	\$190k	\$586k	\$397k	\$218k
FY 2026 Allocation	\$3.5M	\$2.1M	\$575k	\$694k	\$366k	\$157k	\$471k	\$209k	\$131k
Change \$	-\$750k	-\$700k	-\$156k	-\$117k	-\$17k	+\$33k	+\$116k	+\$188k	+\$87k

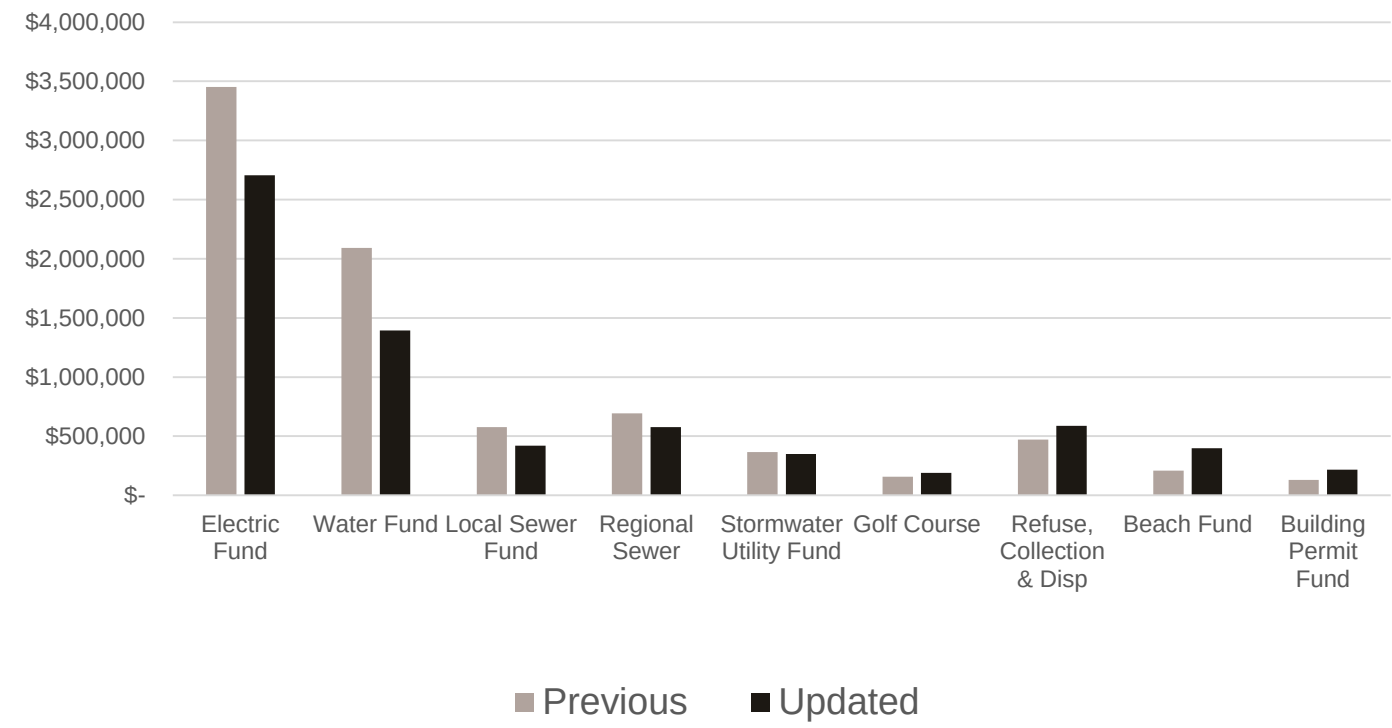


Summary

Total General Fund Reimbursement: \$6,834,704

Previous Reimbursement: \$8,149,902

Change: \$(1,315,198)



- Updated Allocation Methods
- Added Public Services Custodial, ADP and ClearGov