

COST ALLOCATION PLAN

Finance and Admin Committee

August 12, 2020

PURPOSE OF CAP

Identify costs of providing specific City services and appropriately allocate these costs to the Programs and/or Funds that benefit from the identified Services

PROGRAM CLASSIFICATIONS

Internal Service Funds	Direct Programs	Indirect Programs
Facilities	Police/Fire	City Council
Information Technologies	Community Development	City Attorney
Fleet	Parks	City Administration
	Storm Drains	Human Resources
	Corporation Yard	City Clerk
	Street Maintenance	Financial Management
	Street, Traffic & Safety	Utility Billing
	Water Enterprise	Public Works Administration
	Wastewater Enterprise	Non-departmental

PROJECT CODES AND STAFF TIME

- Staff code timesheets to project codes to track time:
 - Internal Service Funds
 - Indirect Cost Programs
 - Direct Cost Programs
 - Capital Projects
 - Billable Grants

ALLOCATION DRIVERS

Internal Service Funds	Driver
Facilities	Square Footage
Information Technologies	Number of Devices
Fleet	Number of Vehicles

ALLOCATION DRIVERS

Indirect Programs	Driver
City Council	Agenda Items
City Attorney	Agenda Items
City Administration	Agenda Items
Human Resources	Full-Time-Equivalents (FTE) Staffing
City Clerk	Agenda Items
Financial Management	Operating Budgets
Utility Billing	Bills Processed
Public Works Administration	Public Works Operating Budget
Non-departmental	Operating Budgets

PROPOSED CHANGES

- Allocate Fleet by the cost of the vehicle and not the number of vehicles
 - The efforts to purchase and maintain a Vactor Truck are very different from a trailer
- Corporation Yard should be treated as an indirect program and not a direct program
 - Corp Yard costs should be allocated to Parks, Storm Drains, Street Maintenance, Street Traffic & Safety, Water and Wastewater
- Internal Service Department staff should include loaded wages
- Non-departmental should be directly billed to appropriate department/fund and not included in the allocation
- Utilities should be charged a dispatch fee based on number of calls each year.

NON-DEPARTMENTAL EXPENSES

- Retiree Health Benefits
- Unemployment Insurance
- Liability and Property Insurance
- Non Water/Wastewater Utilities
- City-wide expenses such as training and safety programs

QUESTIONS?