

MEMORANDUM

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: CITY MANAGER CYNTHIA ALAMILLO

RE: INDIRECT COST STUDY

DATE: MAY 24, 2020

For reference, below are the motions made by Council and opportunities for public comment regarding the indirect cost study completed in May 2020.

- June 26, 2019 – Special City Council Meeting & Budget Hearing
 - Meeting included a public hearing for the consideration of the 2019-21 Budget.
 - Motion: Motion was made by Nuttall, seconded by Tonjes instructing staff to review alternative methods of charging the water fund for administrative indirect costs and recommend a method for next year’s budget. Motion passed unanimously.
- January 8, 2020 – Regular City Council Meeting
 - City Auditor, Kori Sarratt, presented the 2019 audit report and addressed questions about the allocations of staff salaries and the use of water funds.
 - Council allowed the public to comment during the presentation.
 - No motion was made.
- April 9, 2020 – Special City Council Meeting to discuss the FCS study
 - FCS Consultant, Martin Chaw, presented his firm and the scope of work for the indirect cost study.
 - Council allowed the public to comment throughout the presentation.
 - No motion was made.
- April 22, 2020 – Special City Council Meeting to discuss the FCS study
 - FCS Consultant, Martin Chaw presented the preliminary indirect cost study findings.
 - Council allowed the public to comment throughout the meeting.
 - No motion was made.
- May 11, 2020 – City Council Regular Meeting (meeting had to be rescheduled from May 6 to May 11)
 - FCS Consultant, Martin Chaw presented the final indirect cost study findings.
 - Council allowed the public to comment during the presentation.
 - Motion: Move to approve the proposed cost allocation methodology, direct staff to continue working with FCS consultant for the 2020-21 Budget and incorporate the results generated by the use of the new cost allocation methodology into the 2020-21 Budget.
 - Motion pass unanimously.
- May 13, 2020 – Budget Committee Meeting
 - City Manager and FCS Consultant addressed the results of the indirect cost study and the implementation of the new indirect cost study methodology.
 - Budget committee allowed the public to comment throughout the meeting.
 - No motion was made.

- May 18, 2020 – Budget Committee Meeting
 - FCS consultant addressed the results and implementation of the new indirect cost study methodology.
 - Budget committee allowed the public to comment throughout the meeting.
 - No motion was made.
- May 19, 2020 – Budget Committee Meeting & Public Hearing
 - Meeting included a public hearing for the proposed use of state revenue sharing for 2020-2021 and Proposed 2020-2021 Budget for the City of Manzanita.
 - Motion: A motion was made by Greening, seconded by Kozlowski to approve the 2020/2021 budget as presented and to recommend its adoption by the City Council. Motion passed unanimously.