CITY OF SEBASTOPOL CITY COUNCIL
AGENDA ITEM REPORT FOR MEETING OF: ~~October 20, 2026~~ November 17, 2026

==========

To: Honorable City Councilmembers
From: Ana Kwong, Administrative Services Director
Mary Gourley, City Manager
Department: Administrative Services | City Administration
Subject: Consideration of Revised FY 2026-27 Cost Allocation Percentages for Selected Central Services; Utility Counter Customer Service Hours; Cost Allocation Plan RFP Timeline; and Water Enterprise Fund's Syserco Loan payments

==========

RECOMMENDATION(s):

1. Adopt the FY 2026-27 allocation percentages for the applicable Cost Allocation Plan cost pools as follows:
    - City Council: 17% Water and 13% Wastewater
    - City Manager: 17% Water and 13% Wastewater
    - City Clerk: 12% Water and 8% Wastewater
    - Administrative Services: 12.5% to Water and 12.5% to Wastewater
2. Direct staff to prepare and return with any necessary FY 2026-27 budget amendment to implement the adopted allocation percentages, with no prior-year refund or repayment.
3. Confirm continued obligation of the Water Enterprise Fund to pay its share of the Syserco Loan.
4. Determine whether to retain the current Utility Counter hours or direct staff to return with proposed reduced walk-in hours and a customer communication plan.
5. Receive the informational update regarding the Cost Allocation Plan Request for Proposals timeline.
6. Receive the informational update regarding the City's ongoing time-tracking implementation and testing.

PROCESS OF AGENDA ITEM:

- Presentation by staff
- Council questions and discussion
- Public Comment
- Deliberation and action

EXECUTIVE SUMMARY:

The City's final FY 2026-27 Cost Allocation Plan was prepared by ClearSource Financial Consulting using FY 2024-25 actual costs. For the adopted FY 2026-27 budget, the calculated amounts were increased by 2.5% to reflect the Consumer Price Index (CPI) adjustment. The plan identifies the cost of central services provided throughout the organization and allocates those costs to the City departments and funds that benefit from them.

A cost pool is the total annual cost of providing a central City function, including employees, supplies, professional services, technology, and other operating support. The percentages in this report determine how much of each selected cost pool is charged to Water and Wastewater.

This report responds to City Council direction to reconsider the FY 2026-27 allocation percentages applied to four central service functions: City Council, City Manager, City Clerk, and Administrative Services. The proposed approach retains the allocable cost pools established in the ClearSource plan, applies the same 2.5% CPI adjustment used for the FY 2026-27 budget, and then applies the revised percentages to determine the amounts assigned to the Water and Wastewater Enterprise Funds. The proposed revised allocation percentages are as follows:

Function	Current Water %	Proposed Water %	Current Wastewater	Proposed Wastewater %
City Council	24.3%	17%	26.9%	13%
City Manager	22.0%	17%	24.3%	13%
City Clerk	11.1%	12%	19.3%	8%
Administrative Services	20.2%	12.5%	23.2%	12.5%

Council is not being asked to approve a new Citywide Cost Allocation Plan. Council is being asked whether to adjust, for FY 2026-27 only, the percentages charged to Water and Wastewater for four central City functions. All other FY 2026-27 allocations would remain unchanged unless separately directed by Council. An independent consultant will review the overall methodology through the new Cost Allocation Plan process.

The proposed changes will result in a net reduction in charges to the Enterprise Funds of $467,779.

BACKGROUND:
The City current charges the Sewer and Water Enterprise Funds for services provided by the General Fund. The City uses an adopted cost allocation plan for this purpose. The ClearSource plan is a full-cost allocation plan. It identifies allocable cost pools for central service functions and uses allocation factors to distribute those costs to benefiting City operations. The plan includes employee costs and other operating and support costs. It is not limited to salaries and benefits.

The ClearSource Cost Allocation Plan identifies approximately $3.65 million in allocable central service costs Citywide using FY 2024-25 actual costs. For FY 2026-27 budget purposes, the City applied a 2.5% CPI adjustment to the resulting allocations. After the CPI adjustment, the total allocations shown for Water and Wastewater were approximately $790,041 and $836,917, respectively.

Based on concerns regarding the CAP and other issues related to the operation of the Enterprise Funds, the City Council proactively created the Enterprise Fund Oversight Committee (EFOC) in November 2025. The EFOC issued a number of recommendations regarding the CAP, as well as other financial matters related to the Enterprise Funds. Additionally, the Sonoma County Grand Jury issued a report in asserting that the Enterprise Funds had been overcharged and making related recommendations.

The City takes these matters very seriously and the City Council has already implemented meaningful reforms in response to the Grand Jury and EFOC recommendations. The City Council has been systematically reviewing these recommendations individually. So far, the City Council has taken the following actions:

1. On June 29, 2026, the City Council directed staff to create and issue RFPs for a new Cost Allocation Plan and Rate Study for the Sewer and Water Enterprise Funds. The City has recently implemented time tracking for all City employees, and the new cost allocation plan will be based on the time tracking data. The new cost allocation plan will be implemented by July 1, 2027.

2. On July 7, 2026, the City Council suspended water rate increases scheduled to go into effect for FY 26/27 and suspended tiered water rates.

3. On July 21, 2026, the City Council forgave the outstanding $1.1 million load from the General Fund to the Sewer Enterprise.

4. On August 4, 2026, the City Council refunded $350,354 in City Attorney Budget Allocation for FY 24/25 and 25/26 to the Enterprise Funds. As part of this action, the City Council did not charge the Enterprise Funds for any legal costs incurred between March 1 and June 30, 2026.

5. On October 6, 2026, the City Council expanded the membership of the EFOC to include a certified public accountant, and commence recruitment for that position.

The City Council previously provided direction to staff to bring forward an item to reconsider the percentage allocation charges to the Enterprise Funds for certain central services provided by the General Fund, specifically the City Council, City Manager, City Clerk, and Finance Administration cost centers.

DISCUSSION:

Proposed FY 2026-27 Allocation Adjustments

The proposed action does not replace or recalculate the underlying allocable cost pools established by ClearSource. Instead, it applies the proposed percentages presented for Council consideration to the existing cost pools for the four selected functions. All other central service functions and allocations in the FY 2026-27 Cost Allocation Plan would remain unchanged unless separately directed by Council.

The proposed percentages are as follows:

Function	FY 26/27 Cost Pool	Current Water %	Proposed Water %	Current Wastewater	Proposed Wastewater %
City Council	$176,817	24.3%	17%	26.9%	13%
City Manager	$847,482	22.0%	17%	24.3%	13%
City Clerk	$339,680	11.1%	12%	19.3%	8%
Administrative Services	$1,387,628	20.2%	12.5%	23.2%	12.5%

The proposed percentages are informed by documented activity and available operational data, supplemented by management judgment where the available records do not permit a precise fund-by-fund split. Administrative Services logged approximately 745.45 Enterprise Fund-related hours out of 5,080 available department staff hours from March through August 2026, or approximately 14.7%, rounded to 15%. Staff recorded these activities as Enterprise Fund work because many routine processes support both Water and Wastewater as part of the same customer account or administrative workflow. For example, account setup and maintenance may require separate water and sewer rate entries; customer inquiries may involve both water consumption and sewer charges; and budgets, financial reporting, cost allocation, and policy work are generally performed for both funds. Some assignments are completed within the same workflow, while others require separate but substantially similar work for each fund.

Because the records do not support a precise fund-by-fund measurement, staff is proposing equal allocation to Water and allocation to Wastewater. Staff considers this equal treatment reasonable for FY 2026-27 because both funds require substantially similar recurring administrative support. Additionally, staff believes that the current logged hours contain undercounting of hours because employees are still adopting the habit of recording all enterprise fund related times. Additionally, when a task includes both General Fund and Enterprise Fund related work, the Enterprise Fund related part of the task is not being captured in current time tracking practice. Time tracking practices continue to improve as time goes on. For this reason, staff believes that an equal 12.5% allocation to each Water and Wastewater for the Administrative Services is a reasonable allocation.

The City Council, City Manager, and City Clerk percentages were developed by reviewing recordings for Council meetings over the two years and recording the amount of time spent on water and wastewater items during each meeting. However, attendance at Council meetings is only one part of the City Council, City Manager, and City Clerk's

job. Based on experience, water and sewer enterprise items take up a disproportionate amount of time outside of Council meetings compared to other agenda items due to their complexity and resident engagement. Additional time is also require for enterprise matters as part of the Budget Committee and EFOC. For this reason, staff recommends allocating 17% Water and 13% Wastewater to the City Council and City Manager, and 12% Water and 8% Wastewater to the City Clerk. The City Clerk allocation reflects the department's role in supporting Council meetings, agenda preparation, records management, public noticing requirements, and other administrative functions associated with enterprise fund matters.

These allocations are proposed for FY 26-27 only, and will be updated for the next fiscal year when a new cost allocation plan is completed.

Time-Tracking Implementation Update

Since late February 2026, Administrative Services has manually tracked Enterprise Fund-related work while also evaluating a longer-term time-tracking solution. Staff has participated in demonstrations and discussions with Springbrook, iWorQ, Siemens Brightly, and OpenGov to compare available options. Springbrook currently appears to be the most practical option because it is part of the City's existing payroll and financial system. Staff has requested final pricing and implementation timeline information from Springbrook and will determine the next steps after that information is received.

Utility Counter Customer Service Hours

Staff surveyed utility counter hours at neighboring agencies and found that operating schedules vary. Sebastopol's Utility Counter is currently open from 7:30 a.m. to 5:00 p.m., with a 30-minute lunch closure. A reduction in walk-in hours could provide staff with additional uninterrupted time to complete utility billing, account research, payment processing, collections, and other administrative work. This will result in increased staff efficiency by reducing interruptions, which will eventually result in a slight reduction in the amount of time staff must allocate to enterprise fund work. While, reducing counter hours will, reduce unplanned in-person access for customers, customers will still be able to contact staff to make an appoint to discuss utility matters outside of counter hours. In addition, the customers will continue to be able to use the City's drop-box to drop off payments regardless of whether or not the counter is open. Staff is requesting Council direction on whether to retain the current schedule or direct staff to return with proposed reduced walk-in hours and a customer communication plan.

Cost Allocation Plan RFP Timeline

On June 29, 2026, the City Council directed staff to create and issue RFPs for a new Cost Allocation Plan, with the intent of incorporating the City's time tracking data into the plan. The City issued the Cost Allocation Plan Request for Proposals on September 23, 2026, with proposals due October 14, 2026. The remaining anticipated schedule is shown below. The City may adjust the schedule if needed.

Date	Milestone
September 23, 2026	RFP issued
September 30, 2026, at 5:00 p.m.	Deadline for written questions
Week of October 5, 2026	City responses and addenda issued
October 14, 2026, at 5:00 p.m.	Proposals due
Week of October 26, 2026	Interviews, if needed
November 17, 2026	Proposed City Council contract award
December 1, 2026	Project kickoff
January 19, 2027	Draft report and Excel model to City staff
February 16, 2027	Final report, model, training, and City Council presentation

The new consultant will independently review the current methodology, available time-tracking information, and the manner in which costs are assigned to Water and Wastewater. Until a new plan is completed and approved, the percentages discussed in this report should be treated as Council policy direction for FY 2026-27, not as a permanent replacement for the City's Cost Allocation Plan methodology.

Syserco Loan

On December 21, 2021, the City Council approved approximately $4.9 million in financing for the purchase of certain energy efficiency equipment and upgrades from Syserco Energy Solutions. Approximately $2.2 million of the financing was to replace the City's existing water meters with new Smart Meters. The City makes an annual repayment of the financing in the amount of $374,650. The Water Enterprise's share of the annual repayment is $288,480.

The EFOC recommended the General Fund pay for the Water Enterprise's future repayments of the financing and reimburse the Water Enterprise for past payments. The EFOC claims this is necessary because the City overpaid for the SmartMeters funded by the loan and that the meters are not providing the promised benefits. Even assuming this is true, the SmartMeters are a cost properly attributable to the Water Enterprise. While the EFOC may believe that the prior City Council made a poor policy decision, that does not make the costs improper for the Water Enterprise to pay.

Staff is recommending that the City Council confirm the Water Enterprise's continued obligation to pay its share of future repayments of the Syserco financing.

STAFF ANALYSIS:

The comparison below uses the same ClearSource allocable cost pools and the same 2.5% CPI adjustment under both approaches. Table 1 shows the allocation currently included in the FY 2026-27 adopted budget using the ClearSource methodology. Table 2 shows the result of applying the City's proposed flat percentages to those same cost pools. The difference between the two approaches is $467,779. The comparison is intended to show the financial effect of applying different allocation factors to the same underlying cost pools. It does not constitute a technical validation of either methodology, which will be addressed through the independent Cost Allocation Plan process.

Using the full allocable cost pools from the ClearSource plan is consistent with the nature of a full-cost allocation plan because it preserves the employee, operating, and support costs included in each selected central service function.

Table 1: Current FY 2026-27 Adopted-Budget Allocation Using the ClearSource Methodology

Department	Approved FY26-27 Cost Pool	Water Cost Share %	Wastewater Cost Share %	Total Cost Share	Water Allocation	Wastewater Allocation	Combined Allocation
City Council	$176,817	24.3%	26.9%	51.2%	$43,050	$47,563	$90,613
City Manager	$847,482	22.0%	24.3%	46.3%	$186,481	$205,801	$392,282
City Clerk	$339,680	11.1%	19.3%	30.4%	$37,707	$65,505	$103,212
Administrative Services	$1,387,628	20.2%	23.3%	43.5%	$280,177	$323,628	$603,805
Total	**$2,751,606**				**$547,415**	**$642,497**	**$1,189,912**

Table 2: Proposed FY 2026-27 Allocation Using Flat Percentages							
Department	Approved FY26-27 Cost Pool	Water Flat %	Wastewater Flat %	Total Cost Share	Water Allocation	Wastewater Allocation	Combined Allocation
City Council	$176,817	17.0%	13.0%	30.0%	$30,059	$22,986	$53,045
City Manager	$847,482	17.0%	13.0%	30.0%	$144,072	$110,173	$254,245
City Clerk	$339,680	12.0%	8.0%	20.0%	$40,762	$27,174	$67,936
Administrative Services	$1,387,628	12.5%	12.5%	25.0%	$173,453	$173,453	$346,907
Total	**$2,751,606**				**$388,346**	**$333,787**	**$722,133**

Both tables use the same ClearSource allocable cost pools and the same 2.5% CPI adjustment. Therefore, the $467,779 difference results from applying different Water and Wastewater allocation percentages, not from changing the underlying cost pools.

Reducing walk-in counter hours would not directly reduce staff work hours or staffing costs. Staff would continue performing utility billing and other administrative duties while the counter is closed. If Council approves reduced counter hours, staff will prepare clear public communication of the schedule and available telephone, email, online, and appointment options, as applicable.

CITY COUNCIL GOALS/PRIORITIES/AND/OR GENERAL PLAN CONSISTENCY:
Goal 4: HIGH PERFORMANCE ORGANIZATION. Restore public trust, improve public communications, and strengthen collaborative partnerships with outside agencies and service providers.
Goal 3: INFRASTRUCTURE. Maintaining high-quality infrastructure, facilities, and services includes repairing or replacing outdated City facilities and improving streets, stormwater, and sewer infrastructure.

PUBLIC COMMENT:
As of the preparation of this staff report, no public comments have been received on this item. Any comments received after distribution of the report will be provided to the City Council as supplemental materials. Public comment will also be accepted during the meeting.

COMMUNITY OUTREACH:
This item has been noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to the scheduled meeting date.

FISCAL IMPACT:

The proposed flat-percentage method would reduce the combined amount allocated to Water and Wastewater by $467,779 compared with the amount currently included in the FY 2026-27 adopted budget. The City's underlying administrative costs would not change; the General Fund would bear the $467,779 difference.

FY 2026-27 Allocation	Water	Wastewater	Combined
Current budget	$547,415	$642,497	$1,189,912
Proposed allocation	$388,346	$333,787	$722,133
Decrease	**($159,069)**	**($308,710)**	**($467,779)**

The table below shows the change by function. Amounts in parentheses indicate that the proposed allocation would be higher than the current allocation for that fund.

Change by Function	Water	Wastewater	Combined
City Council	($12,991)	($24,577)	($37,568)
City Manager	($42,409)	($95,628)	($138,037)
City Clerk	$3,055	($38,331)	($35,276)
Administrative Services	($106,724)	($150,175)	($256,898)
Net Reduction	**($159,069)**	**($308,710)**	**($467,779)**

Changing the Utility Counter walk-in hours would not reduce staffing costs. Any minor cost for customer notices or signs would be covered by the existing budget.

RESTATED RECOMMENDATION:

1. Adopt the FY 2026-27 allocation percentages for the applicable Cost Allocation Plan cost pools as follows:
    - City Council: 17% Water and 13% Wastewater
    - City Manager: 17% Water and 13% Wastewater
    - City Clerk: 12% Water and 8% Wastewater
    - Administrative Services: 12.5% to Water and 12.5% to Wastewater
2. Direct staff to prepare and return with any necessary FY 2026-27 budget amendment to implement the adopted allocation percentages, with no prior-year refund or repayment.
3. Confirm continued obligation of the Water Enterprise Fund to pay its share of the Syserco Loan.
4. Determine whether to retain the current Utility Counter hours or direct staff to return with proposed reduced walk-in hours and a customer communication plan.
5. Receive the informational update regarding the Cost Allocation Plan Request for Proposals timeline.
6. Receive the informational update regarding the City's ongoing time-tracking implementation and testing.

ATTACHMENT(S):

- ClearSource FY 2026-27 Cost Allocation Plan
- Utility Counter Customer Service Hours Survey
- Cost Allocation Plan Request for Proposals

APPROVALS:

Department Head Approval: Approval Date: 10/1/26
CEQA Determination (Planning): Approval Date: N/A
The proposed action is not a project under the California Environmental Quality Act (CEQA).
General Plan Goal (Planning): Approval Date: N/A
Administrative Services (Financial): Approval Date: 10/6/26
Costs authorized in City Approved Budget: Yes No N/A
Account Code (if applicable): _____
City Attorney Approval: Approval Date: 10/15/26
City Manager Approval: Approval Date: 10/14/26

CITY OF SEBASTOPOL

INDIRECT COST ALLOCATION PLAN

FOR FISCAL YEAR 2026-2027

FINAL REPORT | JULY 2, 2026

RELEVANT OUTCOMES APPROVED FOR FY 2026-27 BUDGET JUNE 16, 2026
FINDINGS PRESENTED TO CITY COUNCIL MAY 5, 2026
FINDINGS PRESENTED TO BUDGET & ENTERPRISE FUND OVERSIGHT COMMITTEES MARCH 30, 2026

clearsource
FINANCIAL CONSULTING
7960 B Soquel Drive, Suite 363, Aptos, California 95003
CLEARSOURCEFINANCIAL.COM

CONTENTS

REPORTING

1 EXECUTIVE SUMMARY
4 PROJECT INTRODUCTION
10 INDIRECT COST ALLOCATION PLAN
28 IMPLEMENTATION

EXHIBIT LISTING

E1 INTERFUND CHARGE FOR CENTRAL SERVICE IN FY 2026-2027
E2 COMPARISON OF INTERFUND CHARGES TO PRIOR-YEAR AMOUNT
E3 COMPARISON OF ALLOCATED COSTS TO PRIOR YEAR
A ALLOCABLE INDIRECT COST POOLS
B SELECTED ALLOCATION BASES
C DISTRIBUTION OF ALLOCABLE COSTS TO DEPARTMENTS
D CITYWIDE COMPOSITE INDIRECT COST RATES
E DEPARTMENTAL INDIRECT COST RATES
F INTERFUND CHARGES FOR CENTRAL SERVICE FOR FY 2026-2027

APPENDICES

I INDIRECT COST ALLOCATION PLAN FOR FISCAL YEAR 2026-2027
II COMMITTEE PRESENTATION ON MARCH 30, 2026

PROJECT ORIENTATION

The City of Sebastopol has completed an update to its Indirect Cost Allocation Plan (CAP) for application in its development of the Annual Budget for Fiscal Year 2026-2027.

This project is focused on identifying the costs of administrative, management, general governmental, and central support services within the municipal organization and analyzing the manner in which those costs relate to the array of direct services provided to the community. The plan yields overhead rates, interfund charges for service (transfers), and other values that can represent or be applied to cost recovery opportunities for these central services.

Currently, all of the services considered for cost recovery in the CAP reside in the General Fund 100; therefore, any recoverable costs reduce burden on General Fund revenues.

The City last updated its Indirect Cost Allocation Plan in 2025 for implementation in the Annual Budget for Fiscal Year 2025-2026. This Indirect Cost Allocation Plan is based on a comprehensive study to develop a new Indirect Cost Allocation Plan in 2024, which was implemented in Fiscal Year 2024-2025. Prior to comprehensive project in 2024, the City formally studied these cost allocation practices in 2002, updating the critical outcome of interfund charges for service annually following application of a "percent of budget" metric published in that plan.

KEY OUTCOMES

1 | INTERFUND CHARGES FOR INDIRECT SERVICE PROVIDED BY THE GENERAL FUND 100 FOR FISCAL YEAR 2026-2027

EXHIBIT E1 names those funds which have historically reimbursed the General Fund 100 for indirect services and indicates the amount newly calculated as the interfund charge for service in Fiscal Year 2026-27. This plan finds $1,587,276 in reimbursement from these funds to the General Fund.

EXHIBIT E1 | INTERFUND CHARGE FOR INDIRECT SERVICE IN FY 2026-27 (REIMBURSEMENT TO THE GENERAL FUND)

Fund Receiving an Interfund Charge for Service and Reimbursing the General Fund	Interfund Charge for Service	
	Maximum Charge in This Plan	Distribution of Outcomes
500 | Water	$ 770,772	21%
510 | Wastewater	$ 816,504	22%
Reimbursement to the General Fund for Allocated Central Services in this Plan	**$ 1,587,276**	**43%**
Other Non-General Funds - Not Previously Charged	$ 129,504 [a]	4%
100 | General Fund - Remaining Central Services Borne	$ 1,933,137	53%
Total Central Services Allocated in this Plan	**$ 3,649,917**	**100%**

[a] The City would need to evaluate eligibility and sufficiency of funding sources to accept the calculated charge from this Plan.

Note that the figures in **EXHIBIT E1** are derived directly from the model. It is the understanding of this report that the City Council applied an inflation adjustment to these figures to arrive at its final adopted amount in the approved Fiscal Year 2026-27 Annual Budget.

2 | COMPARISON OF FY 2026-27 INTERFUND CHARGES TO PRIOR FISCAL YEARS

The interfund charges calculated by the Indirect Cost Allocation Plan for Fiscal Year 2026-27 can be compared to prevailing transfers from these funds to the General Fund budgeted in previous years. **EXHIBIT E2** illustrates the change observed.

If the maximum interfund charges presented here are assessed, the General Fund will realize decreased cost recovery of $209,048 from those funds historically reimbursing it for service. Therefore, the results of this Cost Allocation Plan increase burden on the General Fund or equivalent tax resources and reduce burden on the utility enterprise funds, which are resourced primarily from customer rates. While this represents a relief to utility revenue requirements, it represents a challenge to General Fund revenues.

EXHIBIT E2 | COMPARISON OF INTERFUND CHARGES TO PRIOR-YEAR AMOUNTS

Fund Receiving an Interfund Charge for Service and Reimbursing the General Fund	Interfund Charge for Service		
	Maximum Charge in This Plan for for FY 2026-27	Charge Calculated by Prior Plan for FY 2025-26	Change in This Plan
500 | Water	$ 770,772	$ 845,358	$ (74,586)
510 | Wastewater	$ 816,504	$ 950,965	$ (134,461)
Reimbursement to the General Fund for Allocated Central Services in this Plan	**$ 1,587,276**	**$ 1,796,323**	**$ (209,048)**
Other Non-General Funds Not Previously Charged	$ 129,504	$ 211,255	$ (81,751)
100 | General Fund - Remaining Central Services Borne	$ 1,933,137	$ 2,370,453	$ (437,316)
Total Central Services Allocated in the Plans	**$ 3,649,917**	**$ 4,378,031**	**$ (728,115)**
Total Increase to General Fund and Equivalent Sources Caused by Reduced Reimbursement from Utility Funds			**$ 209,048** [a]

[a] This value may be reduced depending on any costs attributed to legal services which may be directly accounted for in the enterprise or other funds based on ongoing analysis of data reported on invoices received. This value may also change depending on alternate decisions made by the City Council in the adopted budget which implement a different interfund charge for service than documented by this plan and reflected in this table for FY 2026-27.

3 | COMPARISON OF INDIRECT EXPENDITURES ALLOCATED BY THE PLAN TO PRIOR YEAR

Outcomes of this plan, including interfund charges for service, are linked to actual expenditures in the cost centers processed for allocation as reported in Fiscal Year 2024-25. This is a change in analytical practice from the prior two plans issued under this methodology, which relied on adopted budget expenditures from the year in which the plan was generated. Furthermore, this plan excludes a cost center entirely from allocation that was previously processed in the prior two plans, which are

costs accounted for in 100-12 City Attorney. These decisions reduce the amount of costs allocated in this plan and present in the resulting indirect cost rates and interfund charges for service. **EXHIBIT E3** summarizes the costs allocated by central services department or division between this plan and the plan for the previous year, showing a decrease in total allocable indirect costs.

EXHIBIT E3 | COMPARISON OF ALLOCATED INDIRECT COSTS TO PRIOR YEAR

ALLOCATED ORGANIZATIONS					
Central Services Department or Division	FY 2026 27 Plan			FY 2025 26 Plan	Change in Allocable Cost Pool Between Plan Years
	Total Expenditure Reported	less: Non-Allocable and/or Direct Service	Allocable Cost Pool	Allocable Cost Pool	
Expenditure Year Basis for Allocated Costs	2024-25 Actual	2024-25 Actual	2024-25 Actual	2024-25 Budget	
100-10 | City Council	$ 176,804	$ (4,300)	$ 172,504	$ 195,825	$ (23,321)
100-11 | City Manager	$ 827,312	$ (500)	$ 826,812	$ 698,385	$ 128,427
100-12 | City Attorney	$ 646,785	$ (646,785)	$ - [a]	$ 647,900	$ (647,900)
100-13 | City Clerk	$ 457,159	$ (125,764)	$ 331,395	$ 335,603	$ (4,208)
100-14 | Finance / Administrative Services	$ 1,385,796	$ (32,013)	$ 1,353,783	$ 1,411,268	$ (57,485)
100-23 | Engineering	$ 471,251	$ (258,837)	$ 212,414	$ 258,296	$ (45,882)
100-41-02 | Public Works - Corporation Yard	$ 512,175	$ (21,042)	$ 491,133	$ 471,275	$ 19,858
100-41-06 | Public Works - Governmental Building	$ 221,250	$ (56,500)	$ 164,750	$ 212,539	$ (47,789)
100-00 | Non Departmental	$ 397,126	$ (300,000)	$ 97,126	$ 146,940	$ (49,814)
Total Allocable Central Services Cost	**$ 5,095,657**	**$ (1,445,741)**	**$ 3,649,917**	**$ 4,378,031**	**$ (728,115)**

[a] This cost pool has been wholly eliminated from allocation in this plan iteration. While costs may be eligible for indirect cost recovery methods, the City intends to pursue direct cost accounting to benefiting funds based on routine analysis of data recorded in legal invoices received.

1.A | PROJECT INITIATION

In Fiscal Year 2025-26, the City of Sebastopol (City) initiated a project to update its Citywide Indirect Cost Allocation Plan (Cost Allocation Plan or CAP). The intent of the project was to develop outcomes applicable during development of the City's Annual Budget for Fiscal Year 2026-27.

The City engaged ClearSource Financial Consulting (ClearSource) to update this Citywide Indirect Cost Allocation Plan and provide consultative advice associated with its continuing implementation. ClearSource first began serving the City on this topic in Fiscal Year 2023-24, when the City initiated a comprehensive project to develop a new Cost Allocation Plan for implementation in Fiscal Year 2024-25, replacing a methodology it had utilized in previous years which stemmed from a comprehensive study completed in 2002 by an outside consultant.

1.B | TERMINOLOGY

Throughout this report, certain terms will be used repeatedly, as follows.

ORGANIZATIONAL UNIT

An "organizational unit" can represent any formal expression of a program area within the City. It can be a department, division, business unit, or project recognized in the accounting system. For purposes of the Cost Allocation Plan, the lowest organizational unit ever expressed is the series of "departments" reflected in the City's chart of accounts. These organizations can be whole departments, such as Engineering. They also can reach deeper into a department such as Public Works-Parks and Landscaping.

DIRECT COST / PROGRAM / SERVICE

When referencing a cost, program, or service of the City, "direct" refers to something provided to the community as part of the underlying mission and purpose of the City. A direct program is therefore a service readily identified by a community member as a service expected of the City. Examples of direct programs include Police, Senior Center, and Water Utility. The costs of these programs are "direct costs."

INDIRECT COST / PROGRAM / SERVICE / POOL / FUNCTION

When referencing a cost, program, or service of the City, "indirect" refers to something which supports or is necessary to ensure the accomplishment of the mission and purpose of the City. An indirect program is not something a community member would identify as the reason for the City's existence but is an essential function in delivering service. Examples of indirect programs include City Manager, Finance/Administrative Services, and Public Works – Governmental Buildings. The costs of these readily identifiable programs are "indirect costs" and are also commonly labeled "Citywide overhead." Indirect services and costs can also be embedded with direct services in the form of administration, management, and supporting materials and supplies.

1.C | PURPOSE OF THE COST ALLOCATION PLAN

PURPOSE AND OUTCOMES

The purpose of a Citywide Indirect Cost Allocation Plan is to distribute the costs of general management, administration, and support services that are not already directly budgeted and billed to benefiting direct service organizations across the City's departmental and fund structure.

The outcomes of the Cost Allocation Plan can inform:

- Interfund charges for services (e.g., a transfer to the General Fund as reimbursement for these central services)
- Indirect cost rates applicable to direct billing scenarios (e.g., a percentage rate attached to labor charges to recover associative central support services)
- Assumptions used by other analyses which define full costs of service eligible for whole or partial cost recovery through other mechanisms, including City user fees, charges, and rates.

Therefore, the Cost Allocation Plan identifies and processes Citywide indirect costs for potential cost recovery.

IDENTIFYING COSTS

Costs identified to be processed through a Cost Allocation Plan of this nature and therefore eligible for potential recovery through these types of mechanisms tend to have the following characteristics:

- They are not feasibly identified directly for a single program area.
- They are not already directly billed via an alternate mechanism, such as an internal service fund, direct budget allocation, or direct charging.
- They originate in a department or other organizational unit of Citywide reach.
- They reasonably relate indirectly to the ability of the receiving organization to provide its service.
- If required by the receiving organization or program, they comply with the principles in OMB 2 CFR 200 for federal reimbursement of indirect costs.[1]

Costs *not processed* through the CAP are those which are:

- Readily identifiable with a single program area and relate directly to the purpose of that program area.
- Easily and regularly budgeted within that single program area. (These are the typical costs of an organizational unit.)
- Directly allocated or directly charged to the single program area through the budget process and/or ongoing cost accounting practices.

[1] Office of Management and Budget 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*

- Directly billed to the single program area via a separate mechanism, such as an internal service fund rate.

These distinctions are important particularly in agencies where a mixture of budget allocation, cost accounting, and other cost allocation practices is utilized to associate agency costs as closely as possible to the direct services provided within the organizational structure. To avoid the appearance or actual practice of duplicative application of costs, the agency must be very clear on how and why it manages its costs. It should be able to explain:

- When is a cost item directly budgeted and directly charged to an organizational unit?
- If a cost item is allocated to an organizational unit during the budget process outside of a CAP, what is the purpose of the service being allocated? Does it represent direct or indirect service?
- Furthermore, if a cost item is partially allocated during the budget process, does the remaining unallocated portion of that cost yield Citywide benefit that can be subsequently processed through a CAP? In other words, was the original value partially direct to the charged service and the remaining value indirect to all, including that same service?

FULL COST VERSUS FEDERAL PLAN

This report documents a "Full" Cost Allocation Plan. This means that with respect to identifying and distributing the City's indirect costs of service for its potential cost recovery applications, it is not restricting itself entirely to certain external rules if the CAP was to be applied to programs requiring a "Federal" Indirect Cost Allocation Plan.

This project is conducted with awareness of the Office of Management and Budget 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. As a "Full" Cost Allocation Plan, it should be noted that while federal guidelines represent an industry perspective – indeed, a mandate in certain federal and state settings –they do not represent current restrictions on the City's practices for cost recovery applications that are entirely within the City's control and discretion. Currently, the City of Sebastopol does not apply indirect rates to programs or projects requiring a federally approved indirect cost allocation plan. Therefore, the City's rationale for allocable expenditures within this CAP relies more heavily on the cost of service ethics embedded in California State code. (See additional information under "Methodology" later in this section.)

Should the City pursue cost recovery from programs with sources requiring a federally approved indirect cost allocation plan, this Full Cost Allocation Plan should be revised and issued as a separate iteration to accommodate federal standards. Methodologies employed, treatment of allocable expenditures for central services, and information summarized and retained should be developed to satisfy the principles and requirements of indirect cost allocation when applied outside local agency discretion.

At the City's scale, pursuit of a "Federal" plan would be decision that includes a balance of level of effort to manage ongoing versus additional cost recovery achieved. In any federal award, the City would likely make the following decisions:

- Maximize cost recovery of direct costs from the award. Often, direct costs eligible for an award exceed the amount of the award; therefore, undertaking a process to support indirect

cost recovery is not additive to the recipient.

- Accept a stipulated indirect cost rate from the granting agency. Many awards may grant a predetermined *de minimus* indirect cost rate the recipient can use to recoup a share of its overhead costs. Accepting this rate, rather than attempting to replace it with a Federal indirect cost allocation plan is often more efficient for many smaller agencies.
- If the previous steps are not applicable, develop a Federal indirect cost allocation plan and update it annually for application to eligible grants.

1.D | METHODOLOGY

ANALYSIS

This Indirect Cost Allocation Plan has been structured as a two-step allocation method. [2] In a two-step method, indirect costs are first allocated to all organizational units Citywide, both direct and indirect. After this first allocation, the remaining costs attributed to indirect organizational units are allocated only to direct organizational units in the second step. This two-step method acknowledges the sometimes disproportionate benefit of some central services to indirect organizational units, which can then be passed along to direct organizational units in proportion to benefit received from that second indirect service.

In the two-step allocation method, the analysis undertakes the following steps:

1. Identify the basis year for the Cost Allocation Plan: Which fiscal year will serve as the basis for costs and organization to generate outcomes from the CAP? (As a "Full" Cost Allocation Plan, the City may have more discretion to choose from available fiscal year bases.)
2. Gather detailed expenditure data for the basis year, identifying costs at the object level by fund and organizational unit in the accounting structure. Summarize gross expenditures by fund and organizational unit. Determine the level of organizational detail to which costs will be allocated in the CAP. For example, if costs will be allocated to departments, roll up expenditure detail to the departmental level in a secondary schedule.
3. Identify organizational units to be considered as allocable indirect services. Express organizational units within functions of service provided through line-item expenditure analysis and/or staff time estimates applied to cost items within the unit. Remove from consideration any functional service that is actually a direct service or otherwise unallocable. This step forms allocable indirect cost pools.
4. Identify any cost items from the indirect cost pools that should not be allocated. In a "Full" Cost Allocation Plan, this would be specific items that simply do not reasonably support or benefit the City's direct organizational units. In a "Federal" Plan, this would include specific items or whole functions that are unallowed by the directive.
5. Gather data sets which will be used as bases for distributing indirect cost pools to direct organizational units. Calculate allocation factors from these data sets, which is the

[2] In a one-step allocation method, after allocable indirect costs are identified by indirect function, they are distributed by function only to direct organizational units in one allocation. A more formal two-step method was selected because of the City's "full service" organization, managing comprehensive services and utilities to its community.

percentage share attributable to each organizational unit of the whole data set to support the first-step allocation and the percentage share attributable to each direct organizational unit to support the second-step allocation.

6. Assign an allocation basis to each allocable indirect cost pool: How will each function of indirect service be distributed to benefiting direct services?

7. Allocate each indirect cost pool to direct organizational units only. (This is a two-step allocation: All indirect costs are stepped down by function *first* to all organizational units and *second* to the final direct organizational units.) Identify total allocated costs attributed to each direct organizational unit.

8. Calculate various indirect cost rates. From the grand total of all allocable indirect costs, express Citywide indirect costs as a percentage rate on direct salary expenditures or direct expenditures. From the subtotals of indirect costs specifically allocated to organizational units, express indirect costs attributable to each as a percentage rate on that unit's direct salary expenditures or direct expenditures.

9. Calculate interfund charges for service. From the indirect cost rates derived by organizational unit, apply the rate to the chosen rate basis (either direct salary or direct expenditure) recorded for each organizational unit in each fund. Sum these values for all organizational units in each fund to determine each fund's total share of indirect costs.

10. Document and preserve any outcomes to be formally utilized.

DELIVERABLE TOOL

The Indirect Cost Allocation Plan developed by ClearSource specifically for the City of Sebastopol's organizational structure and described in this report has been separately delivered to the City in Microsoft Excel format for its ownership and use. This spreadsheet-based model is fully accessible to and editable by City staff. It should be viewed as a supporting tool for its budget development process akin to other analyses performed by City staff to build the annual budget.

The model can be used by personnel skilled in the spreadsheet environment. Inputs are clearly identified through the use of blue font. Formulas are formatted in black font. Inputs are easily changed, while modifications to formulas should be undertaken carefully with efforts to validate outcomes after modification. Space has been provided within input areas to accommodate moderate change in the organization without the necessity of changing tables and formulas.

If the City uses the model to generate new outcomes separate from this report, ClearSource recommends that City staff preserve prior iterations of the model, particularly if those iterations informed any budget management practices implemented.

City staff should feel comfortable contacting ClearSource at any time with questions that arise during any future in-house updates of the model.

INFLUENCE OF STATE COST RECOVERY ENVIRONMENT

The methodology used to complete the Cost Allocation Plan and the formulation of outcomes and recommendations for future consideration were significantly influenced by Article XIIIC of the California Constitution and Section 66014 of the California Government Code. While Article XIIIC does

not directly address Cost Allocation Plans, it is acknowledged that outcomes presented here may substantively impact the City's establishment and modification of non-tax revenue sources.

Article XIIIC states that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payer bear a fair or reasonable relationship to the payer's burdens on, or benefits received from, the governmental activity. Additionally, Article XIIIC identifies the following as items that are not defined as taxes:

- A charge imposed for a specific benefit conferred or privilege granted directly to the payer that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.
- A charge imposed for a specific government service or product provided directly to the payer that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.
- A charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.
- A charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property.
- A fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law.
- A charge imposed as a condition of property development.
- Assessments and property-related fees imposed in accordance with the provisions of Article XIII D.

2.A | FOUNDATION

The following report describes the Indirect Cost Allocation Plan for Fiscal Year 2026-27 for the City of Sebastopol. As described in the preceding section, this Cost Allocation Plan (CAP) has been prepared to support its budget development process for Fiscal Year 2026-27.

PURPOSE OF THE PLAN

The purpose of this Cost Allocation Plan is to distribute the City's costs of Citywide central services to its direct organizational units for purposes of various cost recovery applications. This Cost Allocation Plan is a supporting tool to the City's budget management and cost accounting practices.

The CAP generates the following outcomes:

- Total allocated indirect costs to benefiting direct organizational units
- Indirect cost rates for application to direct charges for service to eligible projects or programs.
- Interfund charges for service for reimbursement to the General Fund as feasible and allowed

The Cost Allocation Plan outcomes described in this document and accompanying appendices are intended for application in Fiscal Year 2026-27.

BASIS YEAR

The basis year for expenditures and organization in the Cost Allocation Plan is actual reporting from Fiscal Year 2024-25. This means that indirect cost rates, interfund charges for service, and other expressions of allocated indirect costs are based on actual financial data two years behind the application year of these outcomes.

The raw data exported from the City's accounting system can be viewed in Appendix I, Workspace 1. For additional documentation of the basis year, the City's published financial reporting is archived on its website.[3]

2.B | CENTRAL SERVICES ORGANIZATIONAL UNITS

This Cost Allocation Plan allocates the costs of various support services and general governmental programs to the direct organizational units that benefit from the central services provided. A description of the originating organizational unit for each allocable central service considered in this plan, sourced from the previously published *City of Sebastopol Fiscal Year 2023- 24 Budget* and the *Fiscal Year 2024-2025 Budget*, is as follows.[4] Additionally, departmental organizational chart(s) are available in those same comprehensive budget documents. These organizational units originate in the City's General Fund (100).

CITY COUNCIL (100-1001)

The City Council organizational unit includes allocable indirect services in the CAP as the general

[3] https://www.cityofsebastopol.gov/your-government/key-documents/
[4] https://www.cityofsebastopol.gov/resource_library/city-budgets/

oversight body of all Citywide operations. It is described as follows in the adopted budget document.

"The City of Sebastopol City Council operates under the Council-Manager form of government, with five Council members elected at-large for staggered four year terms. The City Council, through the administrative authority of the City Manager, is responsible for the operation of the City, by setting policies and adopting City-wide goals and priorities. The City Council formulates policies in the form of motions, resolutions, and ordinances which reflect the best interests, needs and priorities for the citizens and businesses of Sebastopol as well as the visitors to the City of Sebastopol. The City Council budget reflects the costs associated with supporting the Council's activities and providing for the operations of the City. The City Council appoints the City Manager, the City Attorney, and the City Clerk, who report directly to the City Council. The City Council also appoints the members of the City's advisory commissions and committees. The City Council meets twice a month in regular session, conducts special meetings and study sessions as needed, and attends regional coordination meetings with other local government agencies. The City Council also conducts Town Hall Meetings on matters of interest to the citizens of Sebastopol."

CITY MANAGER (100-1101)

The City Manager unit includes allocable indirect services in the CAP as the general management over all Citywide operations. It is described as follows in the adopted budget document.

The City Manager "is responsible implementing the City Council's goals and direction. The City Manager oversees policy implementation including operations, budget, personnel, and public communications and advises the City Council on all City-related matters."

CITY ATTORNEY (100-1201)

The City Attorney unit includes allocable indirect services in the CAP as the general counsel for Citywide operations. It is described as following in the adopted budget document.

The City Attorney "provides timely, efficient and high-quality legal services, advice and support to the City Council, Board and Committees, and City staff related to the establishment, implementation, and enforcement of City policies. The City Attorney also evaluates and addresses legal issues arising out of the City's decisions and activities to minimize the risk of liability."

Note that this Cost Allocation Plan was directed by the City to exclude the City Attorney cost center from allocation, while the City considers other methods for cost accounting of these services within applicable departments and/or funds.

CITY CLERK (100-1301)

The City Clerk organizational unit includes allocable indirect services in the CAP as an administrative and governmental function serving Citywide operations. (It also includes direct services not allocable in the CAP.) It is described as follows in the adopted budget document.

The City Clerk has the following responsibilities in total (not all allocable): "Serve as Clerk of the City Council; record and maintain proceedings of City Council meetings; attest, index, and file resolutions, ordinances, minutes, and contracts; Post and publish legal notices; administer Oaths of Office; act as local elections official; act as custodian of city records and provide certification of copies; maintain Local Appointments List and conduct recruitment in accordance with the Maddy Act (City boards,

committees, and commissions); supporting the legislative body, coordinating municipal elections, serving as the Filing Officer, and managing the City's archives and records management program; accept tort claims, subpoenas, and other legal documents for service; process Protests and Appeals to City Council and City Manager and set hearings Assist City Manager with preparation and posting of agendas in compliance with the Ralph M. Brown Act; coordinate presentations for meetings; develop and maintain records management program; notarize city documents; respond to staff and citizen inquiries; coordinate and log responses to requests for public records under Public Records Act; maintain and distribute updates to the Municipal Code; oversee, guide and assist the activities of various Departments and special projects to ensure they are in concert with the policies and goals of the City Manager and City Council; oversee and maintain city website; and serve as public information officer."

FINANCE / ADMINISTRATIVE SERVICES (100-1401)

The Administrative Services (Finance) organizational unit includes allocable indirect services in the CAP as an administrative function serving Citywide operations. It is described as follows in the adopted budget document.

Administrative Services (Finance) has the following responsibilities: "prepare Annual City Budget; prepare Audited Financial Reports; respond to Public Records Requests; prepare Federal, State & County Reports; prepare bi-weekly Payroll; administer Business Licensing; ensure compliance with federal and state-mandated requirements; administer City's labor and employee relations; administer employee medical leaves; administer compensation and benefits; administer hiring processes; administer Utility Billing Operation; process Accounts Payable/Receivable; process Cash Receipts; perform Treasury Management; perform Financial Analysis; administer and maintenance ongoing of the City's User Fee Schedule; administers the Street Lighting Assessment District; maintains the Fixed Asset inventory; design and conduct recruitment and selection procedures; assist outside HR Advisor to provide notice to employees of medical leave and benefits rights under law; coordinate with outside HR Advisor return to work, risk management, and safety issues with supervisors and managers; coordinate with oversight and benefit administration organizations; coordinate the provision of mandatory supervisory training, and of non-mandatory supervisory and managerial training related to legal compliance in employment practice; assist outside HR Advisor to confer and coach employees at all levels to identify and resolve workplace concerns; compile and maintain official personnel records for all employees; maintain, update and disseminate employment-related City policies and procedures; perform Internal/External Audits; support Grant Award Administration; support City Council Meetings; support review Contractual and Lease Agreements; assist with performance of Feasibility and Cost-Benefit Studies; and act as the City's California Public Employees Retirement System liaison."

ENGINEERING (100-2302)

The Engineering organizational unit includes allocable indirect services in the CAP as a central support service to certain City operations, such as utilities and other infrastructure-related operations. (It also includes substantial direct services not allocable in the CAP.) It is described as follows in the adopted budget document.

Engineering has the following responsibilities in total (not all allocable): Comply with permits and programs mandated by state and federal laws as generally listed in this paragraph; stormwater

NPDES permit; sustainable Groundwater Management Act; California Subdivision Map Act; Uniform Construction Cost Accounting Act and Procedures; respond to public inquiries and requests for Engineering records; perform the duties of the City Engineer as specified in the Sebastopol Municipal Code; perform review services of private development plans and encroachment permits for consistency with City ordinances and codes and protection of City property; oversee and manage the City's 5-Year Capital Improvement Program (CIP); participate in local and resource agencies coordination to represent the City's preferences and share in funding and expenditure allocations and to reduce overall cost to the City by partnering with other local agencies; perform short and long range planning for maintenance, replacement and upgrades to the City's infrastructure; work collaboratively with other City departments to provide Engineering department perspective on City department programs and projects; respond to public inquiries and requests beyond core and mandated services; participate and/or accept a leadership role in regional coordination and partnerships beyond core and mandated services; perform tasks and activities for other City departments beyond core and mandated services; convert paper Engineering records to electronic format for ease of storage and retrieval; and update GIS system to allow for public access of records and other data to reduce staff time in researching and responding to public requests."

PUBLIC WORKS – CORPORATION YARD (100-4102)

The Public Works – Corporation Yard organizational unit includes allocable indirect services in the CAP as departmental administration and central support to Public Works divisions. (It also includes direct services not allocable in the CAP.) It is described as follows in the adopted budget document.

Public Works – Corporation Yard has the following responsibilities in total (not all allocable): "customer service response/tracking/follow-up; cash handling; Injury & Illness Prevention Program; Records Management; warehouse; service agreements; expense allocation and tracking; and purchasing."

PUBLIC WORKS – GOVERNMENTAL BUILDING (100-4106)

The Public Works – Governmental Building organizational unit includes allocable indirect services in the CAP as central support service to Citywide operations. It is described as follows in the adopted budget document.

Public Works - Governmental Building has the following responsibilities to support City facilities: "preventative maintenance; HVAC – maintenance & repair; electrical – repair; plumbing – repair; replacement/improvement projects; and roofing repairs and replacements."

NON DEPARTMENTAL (100-0)

The Non Departmental organizational unit includes allocable indirect services in the CAP, covering certain General Fund expenditures supporting Citywide operations. (It also includes substantial direct expenses not allocable in the CAP.) This financial unit is used to account for miscellaneous outlays covering specific labor-related costs and professional services, among others.

2.C | FUNCTIONAL INDIRECT SERVICE AREAS

Where the organization or functional complexity of a central services organizational unit necessitates it, the unit's budget has been broken down into cost pools to better determine allocable central

services expenditures more reflective of different functions of service provided or to allow multiple allocation metrics to influence the total allocation of the unit. The purpose of this additional step is to enable more reasonable allocation decisions for different indirect services provided by a single central service organizational unit.

The following central services organizational units have been broken into indirect cost pools as follows.

CITY COUNCIL

The City Council organizational unit has been divided into three functional service areas:

- City Council – Administrative Oversight
- City Council – General Fiscal Oversight
- City Council – Capital Fiscal Oversight

This breakdown is based on commonly applied industry metrics to rationally reflect emphasis areas for legislative oversight: operations as a measure of workforce, operations as a measure of expenditure, and capital program intensity as a measure of infrastructure value. Cost items in the unit's expenditure reporting have each been distributed among the functions of service following this general common portrayal. Refer to Appendix I, Exhibit 3 for the functional distribution. Refer to Appendix I, Exhibit 4 for the distribution of cost items.

CITY MANAGER

The City Manager organizational unit has been divided into two functional service areas:

- City Manager – Administrative Management
- City Manager – General Fiscal Management
- City Manager – Capital Fiscal Management

This breakdown is based on the common distribution applied for the City Council's oversight functions as described above. Cost items in this unit's expenditure reporting have each been distributed among the functions of service either by direct, whole assignment to one category or following the common portrayal of City Council oversight. Refer to Appendix I, Exhibit 3 for the functional distribution. Refer to Appendix I, Exhibit 4 for the distribution of cost items.

CITY CLERK

The City Clerk organizational unit has been divided into two functional service areas:

- City Clerk – Citywide Service
- City Clerk – Direct Service (Not Allocable)

This breakdown is based on a common distribution found in small agencies to ensure that City Clerk services not reasonably attributed as a central service are removed from allocation, including public records requests and elections.

▷ FUTURE CONSIDERATION

During the next CAP update, personnel in the City Clerk's office may be engaged to determine whether an alternative breakdown might yield a different reflection of estimated

staff time supporting organizational units across the City.

FINANCE / ADMINISTRATIVE SERVICES

The Finance / Administrative Services organizational unit has been divided into seven functional service areas:

- Citywide Accounting / Budget
- Utility Billing & Support
- Payroll
- Accounts Payable
- Accounts Receivable / Cash Receipts
- Information Technology Management
- Human Resources

This breakdown is based on an informal survey of staff conducted during the 2024 comprehensive CAP project to estimate annual time across broad categories of service. Categories reflect those listed above plus General Administration. During the processing of staff time estimates, values assigned to Administration were reallocated to all other functions proportionately.

Cost items in the unit's expenditure reporting have each been distributed among the functions of service either by direct, whole assignment to one category or following the breakdown of staff time among all categories. Refer to Appendix I, Exhibit 3 for the distribution of staff time. Refer to Appendix I, Exhibit 4 for the distribution of cost items.

ENGINEERING

The Engineering organizational unit has been divided into two functional service areas:

- Technical Support – Public Projects
- Direct Services (Not Allocable)

This breakdown is based on the staff time analysis developed in 2020 supporting the City's prevailing comprehensive schedule of user and regulatory fees, ensuring that services not reflective of Citywide support are excluded from allocation in this CAP. Cost items in the unit's expenditure reporting have each been distributed among the functions of service either by direct, whole assignment to one category or following the breakdown of staff time among all categories. Refer to Appendix I, Exhibit 3 for the distribution of staff time. Refer to Appendix I, Exhibit 4 for the distribution of cost items.

PUBLIC WORKS – CORPORATION YARD

The Public Works – Corporation Yard organizational unit has been divided into three functional service areas:

- Department Administrative Management
- Departmental Fiscal Management
- Direct Services (Not Allocable)

This breakdown is based on commonly applied industry metrics to rationally reflect emphasis areas for departmental management and to ensure that services provided by certain positions that are not

reflective of central support are excluded from allocation in this CAP. It is important to note that in all organizational units analyzed in this CAP, but particularly potent in this organizational unit, only that portion of an individual position accounted for in the budget unit is considered for potential allocation. Portions of the same position directly budgeted in other organizational units are excluded.

Cost items in the unit's expenditure reporting have each been distributed among the functions of service following this general common distribution. Refer to Appendix I, Exhibit 3 for the functional distribution by individual position. Refer to Appendix I, Exhibit 4 for the distribution of cost items.

NON DEPARTMENTAL

The Non Departmental organizational unit has been divided into six functional service areas:

- Personnel Services
- Information Technology Services
- Fiscal Services
- Facilities Services
- Administrative Services
- Direct Services (Not Allocable)

This breakdown is based on individual line-item determination of each cost item. Refer to Appendix I, Exhibit 4 for the distribution of cost items.

2.D | ALLOCABLE INDIRECT COST POOLS

EXHIBIT A lists the indirect cost pools allocated in this Cost Allocation Plan. Refer to Appendix I, Exhibit 3 for the identification of indirect cost pools by name, as well as any applicable labor or other functional distributions to those cost pools. Refer to Appendix I, Exhibit 4 for the line-item detail of allocable central services expenditures by organizational unit and distributed to the identified indirect cost functions.

(This section continues on the next page.)

EXHIBIT A | ALLOCABLE INDIRECT COST POOLS

ALLOCATED ORGANIZATIONS			
Central Services Department or Division	**FY 2024-25 Actual Expenditure**	**less: Non-Allocable and/or Direct Service**	**Allocable Cost Pool**
100-10 | City Council	$ 176,804	$ (4,300)	
Administrative Oversight			$ 43,126
General Fiscal Oversight			$ 43,126
Capital Fiscal Oversight			$ 86,252
100-11 | City Manager	$ 827,312	$ (500)	
Administrative Management			$ 206,698
General Fiscal Management			$ 206,721
Capital Fiscal Management			$ 413,392
100-12 | City Attorney	$ 646,785	$ (646,785)	
Citywide Service			$ -
100-13 | City Clerk	$ 457,159	$ (125,764)	
Citywide Service			$ 331,395
100-14 | Finance / Administrative Services	$ 1,385,796	$ (32,013)	
Citywide Accounting / Budget			$ 596,036
Utility Billing & Support			$ 304,493
Payroll			$ 82,482
Accounts Payable			$ 72,171
Accounts Receivable / Cash Receipts			$ 41,241
Information Technology Management			$ 154,749
Human Resources			$ 102,612
100-23 | Engineering	$ 471,251	$ (258,837)	
Technical Support - Public Projects			$ 212,414
100-41-02 | Public Works - Corporation Yard	$ 512,175	$ (21,042)	
Department Administrative Management			$ 245,567
Department Fiscal Management			$ 245,567
100-41-06 | Public Works - Governmental Building	$ 221,250	$ (56,500)	
Governmental Facility Maintenance			$ 164,750
100-00 | Non Departmental	$ 397,126	$ (300,000)	
Personnel Services			$ 86,095
Information Technology Services			$ 11,031
Fiscal Services			$ -
Facilities Services			$ -
Administrative Services			$ -
Total Allocable Central Services Cost	**$ 5,095,657**	**$ (1,445,741)**	**$ 3,649,917**

2.E | BENEFITTING DIRECT SERVICE ORGANIZATIONAL UNITS

This Cost Allocation Plan allocates the previously identified central services to direct services that benefit from the services provided. A list of direct organizational units receiving allocable expenditures in this plan follows, organized by "departmental" classifications under which costs are distributed within the analysis. These departmental classifications loosely follow the City's departments, but in some cases, reflect a distinct fund. The classifications are for analytical purposes, so that allocations and resulting outcomes can be generated in a manner meaningful to their likely applications.

GENERAL GOVERNMENT

This class represents portions of indirect service organizational units previously identified that may be classified through this analysis or through the City's budget structure as providing direct service, including:

- City Council (1001)
- City Manager (1101)
- City Attorney (1201)
- City Clerk (1301)
- Finance / Administrative Services (1401)
- Non Departmental (0)

PLANNING

Organizational units classified under the Planning category are budgeted in various City funds and are as follows:

- Planning (2102)

BUILDING

Organizational units classified under the Building category are budgeted in various City funds and are as follows:

- Building (2202)

ENGINEERING

Organizational units classified under the Engineering category are budgeted in various City funds and are as follows:

- Engineering (2302)
- Engineering (2307)
- Engineering (2350)
- Engineering (2351)

FIRE & PREVENTION

Organizational units classified under the Fire & Prevention category are budgeted in various City funds and are as follows:

- Fire & Prevention (3102)
- Fire & Prevention (3114)

POLICE

Organizational units classified under the Police category are budgeted in various City funds and are as follows:

- Police (3202)
- Police (3213)

PUBLIC WORKS

Organizational units classified under the Public Works category are budgeted in various City funds and are as follows:

- Public Works – Corporation Yard (4102)
- Public Works – Streets (4103)
- Public Works – Parks & Landscaping (4104)
- Public Works – Parking Lots (4105)
- Public Works – Governmental Building (4106)
- Public Works (4151)

PUBLIC WORKS – COMMUNITY FACILITIES

Organizational units classified under the Public Works – Community Facilities category are budgeted in various City funds and are as follows:

- Senior Center (4002)
- Public Works – Community Center (4202)
- Public Works – Ives Pool (4302)

PUBLIC WORKS – WATER UTILITY

Organizational units classified under the Public Works – Water Utility category are budgeted in the Water Fund 500 and Water Enterprise Capital Project Fund 501 only and are as follows:

- Public Works – Utility (500-4402)
- Debt Service (500-9971)
- Debt Service (500-9973)
- Debt Service (500-9974)
- Debt Service (500-9976)
- Debt Service (500-9977)
- Debt Service (500-9980)
- Non Departmental (501-0)
- Engineering (501-2350)
- Engineering (501-2351)
- Public Works (501-4150)
- Public Works (501-4151)

PUBLIC WORKS – WASTEWATER UTILITY

Organizational units classified under the Public Works – Wastewater Utility category are budgeted in the Wastewater Fund 510 and Sewer Enterprise Capital Project Fund 511 only and are as follows:

- Public Works – Utility (510-4402)
- Public Works Subregional O&M (510-4502)
- Debt Service (510-9971)
- Debt Service (510-9974)
- Debt Service (510-9980)
- Non Departmental (511-0)
- Engineering (511-2350)
- Engineering (511-2351)
- Public Works (511-4150)
- Public Works (511-4151)

UNCLASSIFIED

This class represents all other organizational units encompassing capital funds and interfund transactions, most of which are not recipients of central services via the mechanism of this Cost Allocation Plan. (Indirect cost recovery is potentially available through the practice of assessing indirect cost rates on labor or costs directly charged to these projects/programs.)

2.F | ALLOCATION BASES

A variety of data sets have been used in this Cost Allocation Plan as bases for distributing allocable indirect cost pools to benefiting organizational units. These data sets are used to derive allocation factors which determine the proportionality of expense received by each unit. A description of the data sets follows.

NET OPERATING EXPENSES

A common allocation basis is to distribute costs based on expenditures by organizational unit. However, a pure "gross expenditures" value often can lead to a disproportionate outcome relative to the nature and benefit of indirect service being allocated. For this reason, adjustments to gross expenditures are devised to create a metric labeled "net operating expenses," which is defined in this CAP as follows: Expenditures in each organizational unit, excluding debt service, capital outlays, depreciation, and transfers and other financing uses. (Refer to Appendix A, Exhibit 2a-Supplemental for this data.) Expenditures are derived from the fiscal year basis for the CAP.

COMPENSATED LABOR HOURS (APPROX. FULL-TIME EQUIVALENT EMPLOYEES)

Full-time equivalent employees (FTEEs) is defined as the number of employees accounted for in whole or part to an organizational unit, weighted by their individual equivalency relative to 1.0 equaling a standard full-time work schedule.

The data set available during the development of this CAP simply listed total annual hours for which an individual employee/position was compensated during the last comprehensive CAP study. This data set was used as a substitute for Citywide FTEEs.

PERSONNEL COUNT

This metric reflects the number of individual staff positions Citywide as documented in the Staffing Summary published in the annual budget document utilized by the last comprehensive CAP.

UTILITY ACCOUNTS

This metric reflects the number of active customer accounts for each utility as documented in the Operating Indicators in the last published Annual Comprehensive Financial Report.

CAPITAL ASSET VALUE (INFRASTRUCTURE)

This metric represents the value of depreciable infrastructure as documented in the Notes to the last published Annual Comprehensive Financial Report.

PUBLIC WORKS MODIFIED OPERATING EXPENSE

This metric portrays divisional expenditures across the Public Works Department substantially

removing potential distortions when applied to specific indirect cost pools. It is defined as follows: Expenditures in each Public Works organizational unit, excluding debt service, capital outlays, transfers and other financing uses, prevailing overhead charges and internal service fund charges, and pass-through payments. (Refer to Appendix A, Exhibit 2a-Supplemental for this data.) Expenditures are derived from the fiscal year basis for the CAP.

PUBLIC WORKS PERSONNEL COUNT

This metric reflects the number of individual staff positions across the Public Works Department as documented in the Staffing Summary published in the annual budget document utilized by the last comprehensive CAP.

REVENUES RECEIPTED

This metric represents the value of transaction-based revenues documented in the last comprehensive CAP.

SERVICES & SUPPLIES EXPENSE

This metric represents the value of services and supplies expense categories documented in the last comprehensive CAP.

EXHIBIT B lists the selected allocation basis used to distribute each indirect cost pool to benefiting organizational units. Refer to Appendix I, Exhibit 5 to view the complete data sets and accompanying allocation factors used in this Cost Allocation Plan. Refer to Appendix I, Exhibit 6 to view a summary of the allocation decisions made in the quantitative analysis.

▷ FUTURE CONSIDERATION: PLANNED OR UPDATED ALLOCATION METRICS

As the City intends to update its Cost Allocation Plan on a regular basis, it will have ongoing opportunities to deploy additional, alternative, or refined allocation metrics to those used in this current plan, as practices change organizationally, issues arise in applying key CAP outcomes, and/or additional data sets are found to be tracked and prove reliable when applied in the CAP.

(This section continues on the next page.)

EXHIBIT B | SELECTED ALLOCATION BASES

Central Services Department/Division and Functional Cost Pool Created by the Plan	Allocable Cost Pool	Allocation Basis
**100-10	City Council**	**$ 172,504**	
Administrative Oversight	$ 43,126	Compensated Labor Hours (Approx. FTEE)
General Fiscal Oversight	$ 43,126	Net Operating Expenses
Capital Fiscal Oversight	$ 86,252	Capital Asset Value (Infrastructure)
**100-11	City Manager**	**$ 826,812**	
Administrative Management	$ 206,698	Compensated Labor Hours (Approx. FTEE)
General Fiscal Management	$ 206,721	Net Operating Expenses
Capital Fiscal Management	$ 413,392	Capital Asset Value (Infrastructure)
**100-12	City Attorney**	**$ -**	
Citywide Service	$ -	Net Operating Expenses
**100-13	City Clerk**	**$ 331,395**	
Citywide Service	$ 331,395	Net Operating Expenses
**100-14	Finance / Administrative Services**	**$ 1,353,783**	
Citywide Accounting / Budget	$ 596,036	Net Operating Expenses
Utility Billing & Support	$ 304,493	Utility Accounts
Payroll	$ 82,482	Compensated Labor Hours (Approx. FTEE)
Accounts Payable	$ 72,171	Services & Supplies Expense
Accounts Receivable / Cash Receipts	$ 41,241	Revenues Receipted
Information Technology Management	$ 154,749	Personnel Count
Human Resources	$ 102,612	Compensated Labor Hours (Approx. FTEE)
**100-23	Engineering**	**$ 212,414**	
Technical Support - Public Projects	$ 212,414	Capital Asset Value (Infrastructure)
**100-41-02	Public Works - Corporation Yard**	**$ 491,133**	
Department Administrative Management	$ 245,567	Public Works Personnel Count
Department Fiscal Management	$ 245,567	Public Works Modified Operating Expense
**100-41-06	Public Works - Governmental Building**	**$ 164,750**	
Governmental Facility Maintenance	$ 164,750	Personnel Count
**100-00	Non Departmental**	**$ 97,126**	
Personnel Services	$ 86,095	Compensated Labor Hours (Approx. FTEE)
Information Technology Services	$ 11,031	Personnel Count
Fiscal Services	$ -	Net Operating Expenses
Facilities Services	$ -	Personnel Count
Administrative Services	$ -	Net Operating Expenses
Total Allocable Central Services Cost	**$ 3,649,917**	

2.G | ALLOCATION RESULTS BY DEPARTMENTAL CLASS

EXHIBIT C summarizes the total costs allocated in this CAP, distributed among the departmental classes defined in this analysis. Refer to Appendix I, Exhibit 9 to view the allocation results detailed by allocable indirect cost pool to each benefitting direct service department.

EXHIBIT C | DISTRIBUTION OF ALLOCABLE COSTS TO DEPARTMENTS

INDIRECT COSTS BY DEPARTMENTAL CLASSIFICATION IN THIS PLAN		
Departmental Designation in the CAP	**Received Indirect Costs via Allocation**	**Share of Total**
Public Works - Wastewater Utility	$ 816,504	22.4%
Public Works - Water Utility	$ 770,772	21.1%
Police	$ 706,820	19.4%
Public Works	$ 406,533	11.1%
Unclassified / CIP, ISF, Transfer	$ 347,309	9.5%
Fire & Prevention	$ 289,554	7.9%
Planning	$ 105,146	2.9%
Public Works - Community Facilities	$ 80,554	2.2%
General Government	$ 69,699	1.9%
Building	$ 37,445	1.0%
Engineering	$ 19,581	0.5%
Total Received Indirect Costs	**$ 3,649,917**	**100.0%**

From these allocation results, two key outcomes useful to City cost recovery applications are derived: indirect cost rates and interfund charges for service.

2.H | INDIRECT COST RATES

Indirect cost rates are percentage values added to charges of either direct labor cost or total direct cost for recovery to the General Fund of Citywide indirect services benefitting the program or project charged. For example, if a City staff member charges time to an eligible capital project with adequate funding, an indirect cost rate can be applied to the salary dollars charged, thus reflecting that when that staff member works on the project, they are naturally supported by the central services reflected in the indirect cost rate.

Because indirect cost rates for Citywide central services is a new concept for the City, the Cost Allocation Plan has generated rates at two different levels:

- Citywide Composite Indirect Cost Rate: a uniform rate applicable to all personnel or activity Citywide, regardless of originating department.
- Departmental Indirect Cost Rates: rates varying by originating department and reflecting the proportionality of central service benefit achieved through the cost allocation plan process. (In other words, different departments benefit from Citywide central services to varying

degrees, not uniformly as implied by the Citywide composite approach.)

Furthermore, indirect cost rates are calculated two ways depending on the type of cost to which the rate is applied:

- Indirect Cost Rate on Direct Labor Cost: The percentage rate is applied only to direct salary cost charged.
- Indirect Cost Rate on Total Direct Cost: The percentage rate is applied to total eligible direct costs charged.

CITYWIDE COMPOSITE INDIRECT COST RATE

EXHIBIT D summarizes the Citywide Composite Indirect Cost Rate under both direct labor cost and total direct cost bases. At 70.5% on direct salary cost, for every $1 in salary charged, 71-cents can be added for Citywide central services support. At 13.7% on total direct cost, for every $1 in direct cost to the program, 14-cents can be added for Citywide central services support. Refer to Appendix I, Exhibit 10 to view the detail of this rate calculation.

EXHIBIT D | CITYWIDE COMPOSITE INDIRECT COST RATES

CITYWIDE COMPOSITE INDIRECT COST RATE OPTIONS		
Summary Rate Calculation on Direct Labor Charges		**Amount**
Cost Basis: Total Citywide Indirect Costs [a]	$	2,641,877
Rate Basis: Salary Expense in Direct Operating Organizations	$	3,745,708
Citywide Indirect Rate on Direct Salary Charges		**70.5%**
Summary Rate Calculation on Direct Expense		**Amount**
Cost Basis: Total Citywide Indirect Costs [a]	$	2,641,877
Rate Basis: Direct Operating Expense in Direct Service Organizations	$	19,323,816
Citywide Indirect Rate on Direct Expenditure		**13.7%**

[a] This subtotal of indirect costs excludes services not applicable to a Citywide basis in this charge setting, such as Utility Billing, Engineering Technical Support, and Public Works Department Administration.

DEPARTMENTAL INDIRECT COST RATES

EXHIBIT E summarizes the Departmental Indirect Cost Rates under both direct labor cost and total direct cost bases. The variation between departmental classes is the intended result of the allocation of indirect cost pools to departmental classes under the selected allocation bases, thus reflecting the different benefit or proportion received by each. Refer to Appendix I, Exhibits 11a and 11b to view the detail of this rate calculation.

(This section continues on the next page.)

EXHIBIT E | DEPARTMENTAL INDIRECT COST RATES

INDIRECT COST RATES		
Departmental Designation in the CAP	**ICR on Direct Salary Expense**	**ICR on Direct Expense**
Planning	45%	11.6%
Building	80%	12.3%
Engineering	0%	7.6%
Fire & Prevention	126%	18.6%
Police	36%	13.9%
Public Works	108%	27.6%
Public Works - Community Facilities	158%	22.7%
Public Works - Water Utility	242%	35.5%
Public Works - Wastewater Utility	301%	21.6%
Composite for the City	**71%**	**13.7%**

APPLICATION OF INDIRECT COST RATES

Formally implementing indirect cost rates will require a series of deliberate measures and time in order to achieve accuracy, provide for efficient cost accounting, and ensure sufficient funding resources for both direct cost recovery and newly pursued indirect cost recovery.

▷ FUTURE CONSIDERATION: CHOOSING AN INDIRECT COST RATE

Determining which rate or rates to implement will depend on the capabilities of cost accounting systems available and business practices at the City in the future if and when it chooses to utilize indirect cost rates. At the City's current scale and known applications for a potential indirect cost rate, either approach is reasonable.

However, before first applying an indirect cost rate to a specific project or program, it will be important to review underlying conditions, rules, regulations, contracts, and/or other provisions of the project or program to ensure compliance with any particular requirement attached to it, both in terms of allowed rate basis and allowed indirect costs. This is especially important for state or federal funding programs that require an OMB 2 CFR 200 compliant indirect cost plan on file, as this current Cost Allocation Plan is a "Full" Cost Allocation Plan, as described earlier in this report. Furthermore, some programs may simply offer a pre-negotiated indirect cost rate that will suffice for the City or may impose a maximum indirect cost rate.

▷ FUTURE CONSIDERATION: APPLICATION OF AN INDIRECT COST RATE

Misapplication of indirect cost rates is a common error when accessing varied rate bases. When the City reaches the point where it begins using indirect cost rates, it is recommended that the City create a formal procedure, if not policy, on how and when to apply its indirect cost rates. For example, the City needs to ensure that personnel from central services organizations not charge time to projects/programs, as their costs are embedded in the

indirect cost rates that will follow either direct charges of personnel to those projects or the direct expenditures themselves, depending on the rate method chosen for the project/program. Alternatively, if those personnel must charge time to projects/programs, the CAP will need to be revised to remove actual or expected direct billings of those costs, so they do not flow through the Cost Allocation Plan and contribute to its resultant rates and charges.

Further preventing mistakes in the application of these rates, for each project or program where the City intends to apply an indirect cost rate, it is recommended that one method be selected: either recover indirect costs on direct charges of City personnel time or recover indirect costs on direct expenditures of the project/program. To avoid easily duplicating cost recovery, the City should not apply both rates in the context of a single project/program. A formal policy delineating how to make that decision for each project could assist. Such a policy would typically set a threshold on the project/program. For example, on projects whose costs are driven substantially by City labor, the indirect rate on personnel time should apply. Conversely, for projects driven substantially by external costs, the indirect rate on direct expenditures should apply.

▷ **FUTURE CONSIDERATION: BUDGETING FOR INDIRECT COST RECOVERY**

Including indirect cost recovery in projects or programs will require internal education at the City and long-term planning to ensure both adequacy of funding available and avoidance of eroding resources optimally spent on the direct costs. This is particularly important in the capital improvement program. Near-term projects likely will not have been budgeted to include indirect cost recovery; therefore, if systems and practices are implemented to enable indirect cost rates on direct charges to those projects, funding may not be available. If the City intends to implement indirect cost recovery widely, capital improvement program planners in the City will be a critical partner in its realization.

2.1 | POTENTIAL INTERFUND CHARGES FOR SERVICE

Interfund charges for service are transfers to the General Fund expressed as annual dollars for recovery of Citywide central services from eligible funds outside the General Fund.

In this Cost Allocation Plan, interfund charges for service are derived from the departmental indirect cost rates applied to eligible departmental costs reported to each fund. Funds can be comprised of expenditures originating from varying departments. In this methodology, applying a departmental indirect cost rate to a department's reported costs creates a strong linkage for purposes of reasonable central services cost recovery from City funds. This is particularly the case for funds accounting for any future revenue measures which are intended to fund costs from multiple operating departments.

EXHIBIT F summarizes the potential interfund charges for service informed by the results of the Cost Allocation Plan. Refer to Appendix I, Exhibits 12a and 12b to view the detailed calculation.

(This section continues on the next page.)

EXHIBIT F | INTERFUND CHARGES FOR SERVICE FOR FY 2026-27

Fund Receiving an Interfund Charge for Service and Reimbursing the General Fund	Interfund Charge for Service: Maximum Charge in This Plan
500	Water	$ 770,772
510	Wastewater	$ 816,504
Reimbursement to the General Fund for Allocated Central Services in this Plan	**$ 1,587,276**
Other Non-General Funds - Not Previously Charged	$ 129,504 [a]
100	General Fund - Remaining Central Services Borne	$ 1,933,137
Total Central Services Allocated in this Plan	**$ 3,649,917**

[a] The City would need to evaluate eligibility and sufficiency of funding sources to accept the calculated charge from this Plan.

▷ FUTURE CONSIDERATION: RESOURCE SUFFICIENCY

Calculated interfund charges may not be immediately applicable depending on current capacity of available resources in each fund, sufficiency of prevailing fees/rates comprising the majority of a fund's revenues, and/or degree of flexibility of contractual arrangements and program funding. However, these results can and should inform future negotiations; rate, fee, or funding analysis; and processes that seek to modify incoming revenue streams in these funds.

3.A | APPLICATION TO BUDGET YEAR

The preceding report describes the complete Indirect Cost Allocation Plan for Fiscal Year 2026-2027. This plan was prepared during the 2025-26 fiscal year and used a prior fiscal year's actual expenditure reporting as the basis for allocation. This means that the outcomes of a plan generated to support budget development for a given year are based on actual costs two years prior. This lag is a common structure for an indirect cost allocation plan that intends to root itself in actual reported costs, rather than estimated or budgeted costs.

Appendix II displays the presentation given to a joint meeting of the Budget Committee and Enterprise Fund Oversight Committee on March 30, 2026, and subsequently to the City Council on May 5, 2026, to explain the outcomes of the Cost Allocation Plan and the differences from previous interfund charges for service. The outcomes presented to the City Council have since been incorporated into the City's adopted Fiscal Year 2026-2027 Budget as of June 16, 2026.[5] (This report understands that the City Council may have adopted a value for the interfund charges for service that applied an inflationary metric to the values presented in this report.)

3.B | UPDATE IN SUBSEQUENT YEAR

In years prior to these most recent Indirect Cost Allocation Plans, the City applied a percent-of-budget metric derived by its previous 2002 Cost Allocation Plan to determine interfund charges each fiscal year. The Indirect Cost Allocation Plan presented in this report – first comprehensively developed in 2024 – does not provide a comparable metric, and the City should not independently derive a comparable metric from this Plan's results to continue that past practice.

Instead, the City intends to update the Cost Allocation Plan on a regular basis. The City has received the non-proprietary, fully open and self-contained, spreadsheet-based Plan, able to be updated by a user comfortable in that accessible platform. The City owns the complete tool. Additionally, the City is welcome to contact ClearSource for questions, advice, or additional consulting on this topic as it seeks to apply and maintain its Cost Allocation Plan.

It is recommended that the City embark on its Plan update at least two months prior to needing outcomes for its budget development process. This will ensure that Cost Allocation Plan outcomes can be finalized and flow into the budget development cycle without workload conflict for staff or circularity in the construction of the new budget.

In future years, when it is comfortable doing so, the City may be able to implement a less regular updating schedule of the full Plan. This can be accomplished in one of three different ways:

- Hold interfund charges fixed between Plan updates.
- Apply a *Consumer Price Index* factor or similar inflationary metric applied in other City budgeting to interfund charges between Plan updates.
- Apply the Indirect Cost Rates (ICRs) derived by this Plan to current expense profiles in receiving funds to calculate an interfund charge consistent with this Plan's outcomes. (The City may need to engage a minor degree of consulting the first time it attempts this to ensure applicability and accuracy.)

The City should endeavor to conduct a comprehensive Cost Allocation Plan with similar documentation as this report no longer than every three years.

[5] https://www.cityofsebastopol.gov/your-government/key-documents/

APPENDIX I

INDIRECT COST ALLOCATION PLAN

FOR FISCAL YEAR 2026-2027

BASED ON FY 2024-2025 ACTUAL EXPENDITURES

clearsource
FINANCIAL CONSULTING
7960 B Soquel Drive, Suite 363, Aptos, California 95003
CLEARSOURCEFINANCIAL.COM

Table of Contents

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Model Exhibits

Workbook Exhibit		
No.	**Function**	**Description**
1	Management Brief	Summarizes key outcomes of the CAP, including indirect rates, potential interfund charges, and allocable indirect cost pools and corresponding allocation basis.
2a	All Expenditures Detail	Illustrates relevant chart of accounts information and determines expense data used in the development of the Modified Operating Expenditures allocation basis and other usable expense-based metrics. Demonstrates reconciliation to the financial records data source.
2b	All Expenditures Classified	Summarizes Exhibit 2a into the shortened list of departments to which indirect costs are allocated in subsequent exhibits.
3	Central Services	Names functional indirect cost pools within central services organizations. Analyzes personnel in central services organizations to develop bases for indirect cost pools developed in Exhibit 4.
4	Allocable Expense	Determines eligible indirect expenditures for central services departments and apportions expenditures to allocable indirect cost pools where relevant.
5	Allocation Metrics	Lists data sets available as allocation bases and calculates allocation factors applied in Exhibits 7 and 8.
6	Allocation Decisions	Summarizes the allocable central services costs by indirect cost pool and assigns the basis for allocating each pool in Exhibits 7 and 8.
7	First Allocation	Allocates central services indirect cost pools to all benefitting units Citywide, according to their share of the chosen allocation metric.
8	Second Allocation	Reallocates indirect costs received by central services in Exhibit 7 to direct benefitting units only, according to their share of the chosen allocation metric.
9	Total Allocation	Sums the outcomes of Exhibits 7 and 8 to yield a total allocation to direct benefitting units Citywide.
10	Indirect Rates	Calculates Citywide composite indirect rates. This result does not capture proportionate outcomes by department resulting from Exhibits 6 through 9.
11a	Rate Basis by Org	Develops a basis for calculating indirect rates by department.
11b	Indirect Rates by Dept	Calculates indirect rates by department. This result captures proportionate outcomes by department resulting from Exhibits 6 through 9.
12a	Interfund Charge Basis	Develops a basis for calculating potential interfund charges for service depending on departmental make-up within funds.
12b	Interfund Charges Summary	Calculates potential interfund charges for service by fund.
W1	General Ledger	Presents the data source for expenditures processed in the analysis.
W2	Chart of Accounts	Presents the City's Chart of Accounts.
W3	Labor	Presents a listing of all labor positions in the City.
W4	Data Development	Provides a workspace for developing other information used in the analysis.

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Data Sources

Foundational Information		
Analysis Requirement	**Description of Data**	**City System or Other Source**
Expenses to be Allocated	Adopted Budget by Fund, Organizational Unit, and Object	[Name of City System]
Accounting Organization	Chart of Accounts: funds, organizational units, and objects - numbers and titles	[Name of City System]
Labor Information	Labor Positions by Fund and Organizational Unit: position title, FTE in organizational unit, salary/wage amount, and benefits amount	[Name of City System]
Most Recent Comprehensive Indirect Cost Allocation Plan	Labor allocation factors developed via interview or other mechanism, certain allocation metrics, methodology and structure	Indirect Cost Allocation Plan for FY 2024-25 developed during FY 2023-24 via study

Labor Time		
Analysis Requirement	**Description of Data or Assumption**	**City System or Other Source**
Time Estimates, as Needed in Exhibit 3	Percent distribution of individual position time across functions of service defined by the CAP in Exhibit 3 as applicable.	Developed by the most recent comprehensive CAP via staff interview or questionnaire; review periodically in subsequent comprehensive effort

Allocation Metrics			
Analysis Requirement	**Name of Allocation Metric from Exhibit 5**	**Note from Exhibit 5**	**City System or Other Source**
Basis for Allocating Costs	Modified Operating Expenses	Refer to Exhibit 2a-Supplemental.	See Note at Left.
Basis for Allocating Costs	Net Operating Expenses	Refer to Exhibit 2a-Supplemental.	See Note at Left.
Basis for Allocating Costs	Gross Expense Net of Distortions	Refer to Exhibit 2a-Supplemental.	See Note at Left.
Basis for Allocating Costs	Compensated Labor Hours (Approx. FTEE)	Actual reported FY 2022-23; compensated labor	See Note at Left.
Basis for Allocating Costs	Personnel Count	Document, Fiscal Year 2023-2024 Budget, "Staffing Summary."	See Note at Left.
Basis for Allocating Costs	Utility Accounts	Document, Annual Comprehensive Financial Report (2021-22), "Operating Indicators."	See Note at Left.
Basis for Allocating Costs	Capital Asset Value (Infrastructure)	Document, Annual Comprehensive Financial Report (2021-22), "Note 6, Capital Assets," depreciable infrastructure only.	See Note at Left.
Basis for Allocating Costs	Public Works Modified Operating Expense	Refer to Exhibit 2a-Supplemental, Public Works divisions only.	See Note at Left.
Basis for Allocating Costs	Public Works Personnel Count	Document, Fiscal Year 2023-2024 Budget, "Staffing Summary," Public Works divisions only.	See Note at Left.
Basis for Allocating Costs	Revenues Receipted	FY 2023-24 Budget, transaction-based revenue categories by department.	See Note at Left.
Basis for Allocating Costs	Services & Supplies Expense	FY 2023-24 Budget, transaction-based services and supplies expense categories by department, excluding distortions.	See Note at Left.

SCENARIO A
"Full Cost Allocation Plan / Based on Prior Year Actual Expense / Excludes City Attorney as an Allocated Cost Pool
ITERATION LAST ISSUED: 2/22/2026

Exhibit 1

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Management Brief

The following key highlights represent maximum recommendations generated by this Cost Allocation Plan.

A1. Indirect Rates for Allocated Central Services, Citywide Composite

70.5% on direct salary expense

Apply this rate to billed salary expenses as a mark-up for central overhead.

13.7% on direct expenditure

Apply this rate to direct project expenditures as a mark-up for central overhead. Do not apply this rate if the indirect rate on billed labor has been applied. Choose one method per application.

A2. Indirect Rates for Allocated Central Services, Departmental

Broad Department Designation [a]	on Direct Salary Expense	on Direct Expense
Planning	45%	11.6%
Building	80%	12.3%
Engineering	0%	7.6%
Fire & Prevention	126%	18.6%
Police	36%	13.9%
Public Works	108%	27.6%
Public Works - Community Facilities	158%	22.7%
Public Works - Water Utility	242%	35.5%
Public Works - Wastewater Utility	301%	21.6%

[a] "Department" descriptions are for Cost Allocation Plan purposes and may not match organizational charts. For example, Water is a division of Public Works but is called out individually in this Plan.

Note: Do not use rates in A1 and A2 in the same application. Choose one method when recovering Citywide overhead.

Exhibit 1

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Management Brief

The following key highlights represent maximum recommendations generated by this Cost Allocation Plan.

B1. Transfers to the General Fund for Central Services in this Plan for FY 2026 27 BUDGET

(Based on Expenditures from FY Actual 2024-25)

Fund Previously Receiving an Interfund Charge for Service	Transfer to the General Fund	Distribution of Outcomes
500 | WATER FUND	$ 770,772	21.1%
510 | WasteWater Enterprise Fund	$ 816,504	22.4%
Maximum Transfers to the General Fund for Recovery of Central Services [a]	**$ 1,587,276**	**43.5%**
Remaining Central Services in the 100 | GENERAL FUND [b,c]	$ 2,062,641	56.5%
Total Central Services Allocated in this Plan	**$ 3,649,917**	**100.0%**

[a] Values listed are maximum outcomes calculated by this Cost Allocation Plan. Actual charges will be dependant on eligibility for indirect cost (overhead) recovery and/or resource sufficiency in the fund or its revenue streams. This list encompasses only funds previously assessed an interfund charge. Other non-General funds have a calculated charge from this analysis but not historically assessed.

[b] This amount may be reduced for any additional opportunities for indirect cost (overhead) recovery from other applications, such as direct billing of labor to eligible projects and programs.

[c] This amount includes central services attributed to direct services within the General Fund as well as central services allocable to other funds but unrecovered by an interfund charge for service.

The above table is manually generated, listing only those funds on which an interfund charge is intended to be assessed in the budget year.

B2. Comparison to Transfers Calculated in Previous Budgeted Fiscal Year

Fund	Transfer to the General Fund	Change in This Plan (B1-B2)
500 | WATER FUND	$ 845,358	$ (74,586)
510 | WasteWater Enterprise Fund	$ 950,965	$ (134,461)
Total Transfers to the General Fund for Recovery of Central Services	**$ 1,796,323**	**$ (209,048)**

Exhibit 1

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Management Brief

The following key highlights represent maximum recommendations generated by this Cost Allocation Plan.

C1. Allocated Central Services in this Plan

Organization in the General Fund	Central Services Function Determined by CAP	Allocation Basis	Allocated Expense
City Council	Admin. Oversight	Compensated Labor Hours (Approx. FTEE)	$ 43,126
City Council	General Fiscal Oversight	Net Operating Expenses	$ 43,126
City Council	Capital Fiscal Oversight	Capital Asset Value (Infrastructure)	$ 86,252
City Manager	Admin. Management	Compensated Labor Hours (Approx. FTEE)	$ 206,698
City Manager	General Fiscal Management	Net Operating Expenses	$ 206,721
City Manager	Capital Fiscal Management	Capital Asset Value (Infrastructure)	$ 413,392
City Attorney	Citywide Service	Net Operating Expenses	$ -
City Clerk	Citywide Service	Net Operating Expenses	$ 331,395
Finance / Admin. Services - All General Fu	Citywide Accounting / Budget	Net Operating Expenses	$ 596,036
Finance / Admin. Services - All General Fu	Utility Billing & Support	Utility Accounts	$ 304,493
Finance / Admin. Services - All General Fu	Payroll	Compensated Labor Hours (Approx. FTEE)	$ 82,482
Finance / Admin. Services - All General Fu	Accounts Payable	Services & Supplies Expense	$ 72,171
Finance / Admin. Services - All General Fu	Accounts Receivable / Cash Receipts	Revenues Receipted	$ 41,241
Finance / Admin. Services - All General Fu	Information Technology Mgmt.	Personnel Count	$ 154,749
Finance / Admin. Services - All General Fu	Human Resources	Compensated Labor Hours (Approx. FTEE)	$ 102,612
Engineering - All General Fund Programs	Technical Support - Public Projects	Capital Asset Value (Infrastructure)	$ 212,414
Public Works - Corporation Yard	Dept. Admin. Management	Public Works Personnel Count	$ 245,567
Public Works - Corporation Yard	Dept. Fiscal Management	Public Works Modified Operating Expense	$ 245,567
Public Works - Governmental Building	Govt. Facility Maintenance	Personnel Count	$ 164,750
Non Departmental	Personnel Services	Compensated Labor Hours (Approx. FTEE)	$ 86,095
Non Departmental	Info. Tech. Services	Personnel Count	$ 11,031
Non Departmental	Fiscal Services	Net Operating Expenses	$ -
Non Departmental	Facilities Services	Personnel Count	$ -
Non Departmental	Admin. Services	Net Operating Expenses	$ -
Total Central Services Allocated in this Plan			**$ 3,649,917**

Fiscal Year Used as Basis for Alloable Expense: Actual 2024-25

C2. Allocated Central Services in Previous Plan

Total Central Services Allocated in the Prior Plan	**$ 4,378,031**
Change in This Plan (C1-C2)	*$ (728,115)*

Note: The expenditure year was changed between plans from current budgeted fiscal year to previous actual fiscal year. Additionally, the City Attorney central service organization was eliminated as an allocated cost pool in this plan.

Exhibit 1

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Management Brief

The following key highlights represent maximum recommendations generated by this Cost Allocation Plan.

Exhibit 2a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Fund Structure and Expenditure Basis

Fund		Organization		Classification for Indirect Rates [a]		Expenditure Basis		
No.	Title	No.	Title	No.	Title	Total Actual 2024-25	Adjustment	Expense Basis
Central Services in the General Fund								
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services	$ 176,804	$ (4,300)	$ **172,504**
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services	$ 827,312	$ (500)	$ **826,812**
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services	$ 646,785	$ (646,785)	$ -
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services	$ 457,159	$ (125,764)	$ **331,395**
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services	$ 1,385,796	$ (32,013)	$ **1,353,783**
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services	$ 471,251	$ (258,837)	$ **212,414**
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services	$ 512,175	$ (21,042)	$ **491,133**
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services	$ 221,250	$ (56,500)	$ **164,750**
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services	$ 397,126	$ (300,000)	$ **97,126**
Direct Services in the General Fund								
100	GENERAL FUND	1001	City Council	2	General Government	$ -	$ 4,300	$ **4,300**
100	GENERAL FUND	1101	City Manager	2	General Government	$ -	$ 500	$ **500**
100	GENERAL FUND	1201	City Attorney	2	General Government	$ -	$ 646,785	$ **646,785**
100	GENERAL FUND	1301	City Clerk	2	General Government	$ -	$ 125,764	$ **125,764**
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	2	General Government	$ -	$ 32,013	$ **32,013**
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	5	Engineering	$ -	$ 258,837	$ **258,837**
100	GENERAL FUND	4102	Public Works - Corporation Yard	8	Public Works	$ -	$ 21,042	$ **21,042**
100	GENERAL FUND	4106	Public Works - Governmental Building	8	Public Works	$ -	$ 56,500	$ **56,500**
100	GENERAL FUND	0000	Non Departmental	2	General Government	$ -	$ 300,000	$ **300,000**
100	GENERAL FUND	0	[extra]	2	General Government	$ -	$ -	$ -
100	GENERAL FUND	0	[extra]	2	General Government	$ -	$ -	$ -
100	GENERAL FUND	0	[extra]	2	General Government	$ -	$ -	$ -
100	GENERAL FUND	0	[extra]	2	General Government	$ -	$ -	$ -
100	GENERAL FUND	2102	Planning	3	Planning	$ 657,815	$ -	$ **657,815**
100	GENERAL FUND	2202	Building	4	Building	$ 303,081	$ -	$ **303,081**
100	GENERAL FUND	3102	Fire & Prevention	6	Fire & Prevention	$ 1,490,275	$ -	$ **1,490,275**
100	GENERAL FUND	3114	Fire & Prevention	6	Fire & Prevention	$ 2,001	$ -	$ **2,001**
100	GENERAL FUND	3202	Police	7	Police	$ 5,123,538	$ -	$ **5,123,538**
100	GENERAL FUND	3213	Police	7	Police	$ -	$ -	$ -
100	GENERAL FUND	4002	Senior Center	9	Public Works - Community Facilities	$ 42,620	$ -	$ **42,620**
100	GENERAL FUND	4103	Public Works - Streets Maintenance	8	Public Works	$ 353,356	$ -	$ **353,356**
100	GENERAL FUND	4104	Public Works - Parks & Landscaping	8	Public Works	$ 591,240	$ -	$ **591,240**
100	GENERAL FUND	4105	Public Works - Parking Lots	8	Public Works	$ 138,446	$ -	$ **138,446**
100	GENERAL FUND	4107	Public Works - [Division Title]	8	Public Works	$ 11,116	$ -	$ **11,116**
100	GENERAL FUND	4202	Public Works - Community Center	9	Public Works - Community Facilities	$ 172,309	$ -	$ **172,309**
100	GENERAL FUND	4203	Public Works - Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -
100	GENERAL FUND	4204	Public Works - Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -
100	GENERAL FUND	4302	Public Works - Ives Pool	9	Public Works - Community Facilities	$ 212,031	$ -	$ **212,031**
100	GENERAL FUND	9971	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ 119,224	$ -	$ **119,224**
100	GENERAL FUND	9972	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ 64,585	$ -	$ **64,585**
100	GENERAL FUND	9974	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -
100	GENERAL FUND	9980	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ 86,169	$ -	$ **86,169**
100	GENERAL FUND		[extra]	0	Unclassified / CIP, ISF, Transfer		$ -	$ -
100	GENERAL FUND		[extra]	0	Unclassified / CIP, ISF, Transfer		$ -	$ -
100	GENERAL FUND		[extra]	0	Unclassified / CIP, ISF, Transfer		$ -	$ -

Exhibit 2a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Fund Structure and Expenditure Basis

Fund		Organization		Classification for Indirect Rates [a]		Expenditure Basis		
No.	Title	No.	Title	No.	Title	Total Actual 2024-25	Adjustment	Expense Basis
100	GENERAL FUND		[extra]	0	Unclassified / CIP, ISF, Transfer		$ -	$ -
100	GENERAL FUND		[extra]	0	Unclassified / CIP, ISF, Transfer		$ -	$ -
100	GENERAL FUND		[extra]	0	Unclassified / CIP, ISF, Transfer		$ -	$ -
100	GENERAL FUND		[extra]	0	Unclassified / CIP, ISF, Transfer		$ -	$ -
Direct Services in Other Funds								
103	Buildings,Facilities & Infrast	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ 61,239	$ -	**$ 61,239**
103	Buildings,Facilities & Infrast	1001	City Council	2	General Government	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	3202	Police	7	Police	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4002	Senior Center	9	Public Works - Community Facilities	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4102	Public Works - Corporation Yard	8	Public Works	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4106	Public Works - Governmental Building	8	Public Works	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4202	PW-Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4302	PW-Ives Pool	9	Public Works - Community Facilities	$ -	$ -	$ -
104	Equip,Technology & Vehicles	0000	Non Departmental	6	Fire & Prevention	$ -	$ -	$ -
104	Equip,Technology & Vehicles	3102	Fire & Prevention	6	Fire & Prevention	$ -	$ -	$ -
104	Equip,Technology & Vehicles	3202	Police	7	Police	$ -	$ -	$ -
104	Equip,Technology & Vehicles	4102	Public Works - Corporation Yard	8	Public Works	$ -	$ -	$ -
105	Pension & OPEB Fund	1401	Finance	2	General Government	$ 12,775	$ -	**$ 12,775**
120	Tree Replacement Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -
120	Tree Replacement Fund	2102	Planning	3	Planning	$ -	$ -	$ -
120	Tree Replacement Fund	4103	Public Works - Streets	8	Public Works	$ -	$ -	$ -
120	Tree Replacement Fund	4104	Public Works - Parks & Landscaping	8	Public Works	$ -	$ -	$ -
122	PermitTechnology Fund	2102	Planning	3	Planning	$ 21,185	$ -	**$ 21,185**
122	PermitTechnology Fund	2202	Building	4	Building	$ 327	$ -	**$ 327**
123	Street Pavement Reserve	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ 8,712	$ -	**$ 8,712**
123	Street Pavement Reserve	2350	Engineering	5	Engineering	$ -	$ -	$ -
123	Street Pavement Reserve	2351	Engineering	5	Engineering	$ -	$ -	$ -
124	Measure T& Q (Y)	4103	Public Works - Streets	8	Public Works	$ -	$ -	$ -
125	Vehicle Abatement	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ 4,500	$ -	**$ 4,500**
126	Tobacco Mgmnt Program Fund	3202	Police	7	Police	$ 1,964	$ -	**$ 1,964**
127	Flood Mitigation Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ 65,309	$ -	**$ 65,309**
127	Flood Mitigation Fund	4202	PW-Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -
128	Police Endowment Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ 46,008	$ -	**$ 46,008**
128	Police Endowment Fund	3202	Police	7	Police	$ 82,005	$ -	**$ 82,005**
200	Gas Tax Fund	4103	Public Works - Streets	8	Public Works	$ 185,773	$ -	**$ 185,773**
201	Measure M-Road Mtn	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ 1,328	$ -	**$ 1,328**
202	Measure M-ParkImpr Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ 78,583	$ -	**$ 78,583**
203	Art In-Lieu Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ 7,011	$ -	**$ 7,011**
203	Art In-Lieu Fund	2102	Planning	3	Planning	$ 28,500	$ -	**$ 28,500**
203	Art In-Lieu Fund	4104	Public Works - Parks & Landscaping	8	Public Works	$ 188	$ -	**$ 188**
204	Housing Linkage Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -
205	Inclusionary Housing Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -
207	Downtown Improvement District Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ 7,300	$ -	**$ 7,300**
208	General Plan Update Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -
208	General Plan Update Fund	2102	Planning	3	Planning	$ -	$ -	$ -
209	SLESF Grant Fund	3202	Police	7	Police	$ 120,000	$ -	**$ 120,000**
211	Transportation Grants	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ 64,907	$ -	**$ 64,907**

Exhibit 2a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Fund Structure and Expenditure Basis

Fund		Organization		Classification for Indirect Rates [a]		Expenditure Basis		
No.	Title	No.	Title	No.	Title	Total Actual 2024-25	Adjustment	Expense Basis
211	Transportation Grants	2102	Planning	3	Planning	$ 185,582	$ -	**$ 185,582**
212	Park In-Lieu Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ 2,673	$ -	**$ 2,673**
212	Park In-Lieu Fee Fund	2102	Planning	3	Planning	$ -	$ -	$ -
212	Park In-Lieu Fee Fund	9971	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ 57,404	$ -	**$ 57,404**
213	Traffic Impact Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ 52,982	$ -	**$ 52,982**
213	Traffic Impact Fee Fund	2102	Planning	3	Planning	$ 1,056	$ -	**$ 1,056**
215	Street Lighting Assess District	1401	Finance	2	General Government	$ 14,635	$ -	**$ 14,635**
215	Street Lighting Assess District	4103	Public Works - Streets	8	Public Works	$ 114,187	$ -	**$ 114,187**
216	CDBG ADA Transitional Plan	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ 69,007	$ -	**$ 69,007**
217	Road Mtn & Rehab (SB1)	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ 25,982	$ -	**$ 25,982**
217	Road Mtn & Rehab (SB1)	2302	Engineering	5	Engineering	$ -	$ -	$ -
218	Park Land & Development Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -
219	Gen Government Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -
220	Fire Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -
221	Stormwater Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -
233	COMMUNITY FUND	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -
240	BSCC - Wellness/Mental Health	3202	Police	7	Police	$ -	$ -	$ -
245	OTS Police Fed Grants	3202	Police	7	Police	$ 25,990	$ -	**$ 25,990**
247	Suppl Plng Grant (SB2&LEAP)	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -
247	Suppl Plng Grant (SB2&LEAP)	2102	Planning	3	Planning	$ 10,330	$ -	**$ 10,330**
248	Measure H-Fire Sales Tax	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -
248	Measure H-Fire Sales Tax	3102	Fire & Prevention	6	Fire & Prevention	$ 67,757	$ -	**$ 67,757**
248	Measure H-Fire Sales Tax	9974	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ 469,386	$ -	**$ 469,386**
401	Woodstone Ctr Assess District DS	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -
401	Woodstone Ctr Assess District DS	9970	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -
402	CREBS DS Fund	9973	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -
500	WATER FUND	0000	Non Departmental	10	Public Works - Water Utility	$ 903,093	$ -	**$ 903,093**
500	WATER FUND	1001	City Council	10	Public Works - Water Utility	$ -	$ -	$ -
500	WATER FUND	1101	City Manager	10	Public Works - Water Utility	$ -	$ -	$ -
500	WATER FUND	1201	City Attorney	10	Public Works - Water Utility	$ -	$ -	$ -
500	WATER FUND	1301	City Clerk	10	Public Works - Water Utility	$ -	$ -	$ -
500	WATER FUND	1401	Finance	10	Public Works - Water Utility	$ 27,421	$ -	**$ 27,421**
500	WATER FUND	2102	Planning	10	Public Works - Water Utility	$ -	$ -	$ -
500	WATER FUND	2202	Building	10	Public Works - Water Utility	$ -	$ -	$ -
500	WATER FUND	2302	Engineering	10	Public Works - Water Utility	$ -	$ -	$ -
500	WATER FUND	3102	Fire & Prevention	10	Public Works - Water Utility	$ -	$ -	$ -
500	WATER FUND	4102	Public Works - Corporation Yard	10	Public Works - Water Utility	$ -	$ -	$ -
500	WATER FUND	4106	Public Works - Governmental Building	10	Public Works - Water Utility	$ -	$ -	$ -
500	WATER FUND	4402	PW-Uitility	10	Public Works - Water Utility	$ 1,291,386	$ -	**$ 1,291,386**
500	WATER FUND	9971	Debt Service	10	Public Works - Water Utility	$ 1,306	$ -	**$ 1,306**
500	WATER FUND	9973	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -
500	WATER FUND	9974	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -
500	WATER FUND	9976	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -
500	WATER FUND	9977	Debt Service	10	Public Works - Water Utility	$ 16,539	$ -	**$ 16,539**
500	WATER FUND	9980	Debt Service	10	Public Works - Water Utility	$ 34,384	$ -	**$ 34,384**
501	Water Enterprise Capital Proj Fund	0000	Non Departmental	10	Public Works - Water Utility	$ 349,801	$ -	**$ 349,801**
501	Water Enterprise Capital Proj Fund	2350	Engineering	10	Public Works - Water Utility	$ 26,566	$ -	**$ 26,566**

Exhibit 2a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Fund Structure and Expenditure Basis

Fund		Organization		Classification for Indirect Rates [a]		Expenditure Basis		
No.	Title	No.	Title	No.	Title	Total Actual 2024-25	Adjustment	Expense Basis
501	Water Enterprise Capital Proj Fund	2351	Engineering	10	Public Works - Water Utility	$ 1,529	$ -	**$ 1,529**
501	Water Enterprise Capital Proj Fund	4150	Public Works	10	Public Works - Water Utility	$ -	$ -	**$ -**
501	Water Enterprise Capital Proj Fund	4151	Public Works	10	Public Works - Water Utility	$ 22,135	$ -	**$ 22,135**
502	Water Connection Fee Fund	0000	Non Departmental	10	Public Works - Water Utility	$ -	$ -	**$ -**
510	WasteWater Enterprise Fund	0000	Non Departmental	11	Public Works - Wastewater Utility	$ 941,485	$ -	**$ 941,485**
510	WasteWater Enterprise Fund	1001	City Council	11	Public Works - Wastewater Utility	$ -	$ -	**$ -**
510	WasteWater Enterprise Fund	1101	City Manager	11	Public Works - Wastewater Utility	$ -	$ -	**$ -**
510	WasteWater Enterprise Fund	1201	City Attorney	11	Public Works - Wastewater Utility	$ -	$ -	**$ -**
510	WasteWater Enterprise Fund	1301	City Clerk	11	Public Works - Wastewater Utility	$ -	$ -	**$ -**
510	WasteWater Enterprise Fund	1401	Finance	11	Public Works - Wastewater Utility	$ 27,797	$ -	**$ 27,797**
510	WasteWater Enterprise Fund	2102	Planning	11	Public Works - Wastewater Utility	$ -	$ -	**$ -**
510	WasteWater Enterprise Fund	2202	Building	11	Public Works - Wastewater Utility	$ -	$ -	**$ -**
510	WasteWater Enterprise Fund	2302	Engineering	11	Public Works - Wastewater Utility	$ -	$ -	**$ -**
510	WasteWater Enterprise Fund	4102	Public Works - Corporation Yard	11	Public Works - Wastewater Utility	$ -	$ -	**$ -**
510	WasteWater Enterprise Fund	4106	Public Works - Governmental Building	11	Public Works - Wastewater Utility	$ -	$ -	**$ -**
510	WasteWater Enterprise Fund	4402	PW-Uitility	11	Public Works - Wastewater Utility	$ 717,516	$ -	**$ 717,516**
510	WasteWater Enterprise Fund	4502	PW Subregional O&M	11	Public Works - Wastewater Utility	$ 2,118,436	$ -	**$ 2,118,436**
510	WasteWater Enterprise Fund	9971	Debt Service	11	Public Works - Wastewater Utility	$ 1,218	$ -	**$ 1,218**
510	WasteWater Enterprise Fund	9974	Debt Service	11	Public Works - Wastewater Utility	$ -	$ -	**$ -**
510	WasteWater Enterprise Fund	9980	Debt Service	11	Public Works - Wastewater Utility	$ 24,451	$ -	**$ 24,451**
511	Sewer Enterprise Capital Proj Fund	0000	Non Departmental	11	Public Works - Wastewater Utility	$ 214,771	$ -	**$ 214,771**
511	Sewer Enterprise Capital Proj Fund	2350	Engineering	11	Public Works - Wastewater Utility	$ 446	$ -	**$ 446**
511	Sewer Enterprise Capital Proj Fund	2351	Engineering	11	Public Works - Wastewater Utility	$ 1,529	$ -	**$ 1,529**
511	Sewer Enterprise Capital Proj Fund	4150	Public Works	11	Public Works - Wastewater Utility	$ -	$ -	**$ -**
511	Sewer Enterprise Capital Proj Fund	4151	Public Works	11	Public Works - Wastewater Utility	$ 30,576	$ -	**$ 30,576**
601	Insurance & Benefit-ISF	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ 1,276,211	$ -	**$ 1,276,211**
700	General Capital Projects	2150	Planning	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	**$ -**
700	General Capital Projects	2151	Planning - [Title]	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	**$ -**
700	General Capital Projects	2350	Engineering	0	Unclassified / CIP, ISF, Transfer	$ 80,643	$ -	**$ 80,643**
700	General Capital Projects	2351	Engineering	0	Unclassified / CIP, ISF, Transfer	$ 226,541	$ -	**$ 226,541**
700	General Capital Projects	4151	Public Works	0	Unclassified / CIP, ISF, Transfer	$ 63,967	$ -	**$ 63,967**
800	General Fixed Assets	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ 926,021	$ -	**$ 926,021**
0	[extra]	0	[extra]	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	**$ -**
0	[extra]	0	[extra]	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	**$ -**
0	[extra]	0	[extra]	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	**$ -**
Grand Total Expenditure						**$ 25,683,815**	**$ 0**	**$ 25,683,815**

Exhibit 2a-Supplemental

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Derivation of Allocation Factor: Net Operating Expense

Fund		Organization		Classification for Indirect Rates		Deductions to Expense Basis to Derive Allocation Factor					Net Operating Expenses
No.	Title	No.	Title	No.	Title	Debt Service	Capital	Depreciation	Transfers & Financing Uses	Other Adjustment	
Central Services in the General Fund											
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 172,504**
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 826,812**
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ -**
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 331,395**
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 1,353,783**
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 212,414**
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 491,133**
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 164,750**
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 97,126**
Direct Services in the General Fund											
100	GENERAL FUND	1001	City Council	2	General Government	$ -	$ -	$ -	$ -	$ -	**$ 4,300**
100	GENERAL FUND	1101	City Manager	2	General Government	$ -	$ -	$ -	$ -	$ -	**$ 500**
100	GENERAL FUND	1201	City Attorney	2	General Government	$ -	$ -	$ -	$ -	$ -	**$ 646,785**
100	GENERAL FUND	1301	City Clerk	2	General Government	$ -	$ -	$ -	$ -	$ -	**$ 125,764**
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	2	General Government	$ -	$ -	$ -	$ -	$ -	**$ 32,013**
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	5	Engineering	$ -	$ -	$ -	$ -	$ -	**$ 258,837**
100	GENERAL FUND	4102	Public Works - Corporation Yard	8	Public Works	$ -	$ -	$ -	$ -	$ -	**$ 21,042**
100	GENERAL FUND	4106	Public Works - Governmental Building	8	Public Works	$ -	$ -	$ -	$ -	$ -	**$ 56,500**
100	GENERAL FUND	0000	Non Departmental	2	General Government	$ -	$ -	$ -	$ -	$ -	**$ 300,000**
100	GENERAL FUND	0	[extra]	2	General Government	$ -	$ -	$ -	$ -	$ -	**$ -**
100	GENERAL FUND	0	[extra]	2	General Government	$ -	$ -	$ -	$ -	$ -	**$ -**
100	GENERAL FUND	0	[extra]	2	General Government	$ -	$ -	$ -	$ -	$ -	**$ -**
100	GENERAL FUND	0	[extra]	2	General Government	$ -	$ -	$ -	$ -	$ -	**$ -**
100	GENERAL FUND	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	**$ 657,815**
100	GENERAL FUND	2202	Building	4	Building	$ -	$ -	$ -	$ -	$ -	**$ 303,081**
100	GENERAL FUND	3102	Fire & Prevention	6	Fire & Prevention	$ -	$ -	$ -	$ -	$ -	**$ 1,490,275**
100	GENERAL FUND	3114	Fire & Prevention	6	Fire & Prevention	$ -	$ -	$ -	$ -	$ -	**$ 2,001**
100	GENERAL FUND	3202	Police	7	Police	$ -	$ (70,867)	$ -	$ -	$ -	**$ 5,052,671**
100	GENERAL FUND	3213	Police	7	Police	$ -	$ -	$ -	$ -	$ -	**$ -**
100	GENERAL FUND	4002	Senior Center	9	Public Works - Community Facilities	$ -	$ (16,475)	$ -	$ -	$ -	**$ 26,145**
100	GENERAL FUND	4103	Public Works - Streets Maintenance	8	Public Works	$ -	$ -	$ -	$ -	$ -	**$ 353,356**
100	GENERAL FUND	4104	Public Works - Parks & Landscaping	8	Public Works	$ -	$ -	$ -	$ -	$ -	**$ 591,240**
100	GENERAL FUND	4105	Public Works - Parking Lots	8	Public Works	$ -	$ -	$ -	$ -	$ -	**$ 138,446**
100	GENERAL FUND	4107	Public Works - [Division Title]	8	Public Works	$ -	$ -	$ -	$ -	$ -	**$ 11,116**
100	GENERAL FUND	4202	Public Works - Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	**$ 172,309**
100	GENERAL FUND	4203	Public Works - Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	**$ -**
100	GENERAL FUND	4204	Public Works - Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	**$ -**
100	GENERAL FUND	4302	Public Works - Ives Pool	9	Public Works - Community Facilities	$ -	$ (55,877)	$ -	$ -	$ -	**$ 156,154**
100	GENERAL FUND	9971	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ (119,224)	$ -	$ -	$ -	$ -	**$ -**
100	GENERAL FUND	9972	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ (64,585)	$ -	$ -	$ -	$ -	**$ -**
100	GENERAL FUND	9974	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	**$ -**
100	GENERAL FUND	9980	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ (86,169)	$ -	$ -	$ -	$ -	**$ -**
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer						**$ -**
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer						**$ -**
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer						**$ -**

Exhibit 2a-Supplemental

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Derivation of Allocation Factor: Net Operating Expense

Fund		Organization		Classification for Indirect Rates		Deductions to Expense Basis to Derive Allocation Factor					Net Operating Expenses
No.	Title	No.	Title	No.	Title	Debt Service	Capital	Depreciation	Transfers & Financing Uses	Other Adjustment	
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer						$ -
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer						$ -
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer						$ -
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer						$ -
Direct Services in Other Funds											
103	Buildings,Facilities & Infrast	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ (61,239)	$ -	$ -
103	Buildings,Facilities & Infrast	1001	City Council	2	General Government	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	3202	Police	7	Police	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4002	Senior Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4102	Public Works - Corporation Yard	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4106	Public Works - Governmental Building	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4202	PW-Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4302	PW-Ives Pool	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ -
104	Equip,Technology & Vehicles	0000	Non Departmental	6	Fire & Prevention	$ -	$ -	$ -	$ -	$ -	$ -
104	Equip,Technology & Vehicles	3102	Fire & Prevention	6	Fire & Prevention	$ -	$ -	$ -	$ -	$ -	$ -
104	Equip,Technology & Vehicles	3202	Police	7	Police	$ -	$ -	$ -	$ -	$ -	$ -
104	Equip,Technology & Vehicles	4102	Public Works - Corporation Yard	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
105	Pension & OPEB Fund	1401	Finance	2	General Government	$ -	$ -	$ -	$ -	$ -	**$ 12,775**
120	Tree Replacement Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
120	Tree Replacement Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ -
120	Tree Replacement Fund	4103	Public Works - Streets	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
120	Tree Replacement Fund	4104	Public Works - Parks & Landscaping	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
122	PermitTechnology Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	**$ 21,185**
122	PermitTechnology Fund	2202	Building	4	Building	$ -	$ -	$ -	$ -	$ -	**$ 327**
123	Street Pavement Reserve	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ (8,712)	$ -	$ -
123	Street Pavement Reserve	2350	Engineering	5	Engineering	$ -	$ -	$ -	$ -	$ -	$ -
123	Street Pavement Reserve	2351	Engineering	5	Engineering	$ -	$ -	$ -	$ -	$ -	$ -
124	Measure T& Q (Y)	4103	Public Works - Streets	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
125	Vehicle Abatement	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ (4,500)	$ -	$ -
126	Tobacco Mgmnt Program Fund	3202	Police	7	Police	$ -	$ -	$ -	$ -	$ -	**$ 1,964**
127	Flood Mitigation Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ (65,309)	$ -	$ -
127	Flood Mitigation Fund	4202	PW-Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ -
128	Police Endowment Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ (46,008)	$ -	$ -
128	Police Endowment Fund	3202	Police	7	Police	$ -	$ (71,702)	$ -	$ -	$ -	**$ 10,303**
200	Gas Tax Fund	4103	Public Works - Streets	8	Public Works	$ -	$ -	$ -	$ -	$ -	**$ 185,773**
201	Measure M-Road Mtn	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ (1,328)	$ -	$ -
202	Measure M-ParkImpr Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ (78,583)	$ -	$ -
203	Art In-Lieu Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	**$ 7,011**
203	Art In-Lieu Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	**$ 28,500**
203	Art In-Lieu Fund	4104	Public Works - Parks & Landscaping	8	Public Works	$ -	$ -	$ -	$ -	$ -	**$ 188**
204	Housing Linkage Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
205	Inclusionary Housing Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
207	Downtown Improvement District Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	**$ 7,300**
208	General Plan Update Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
208	General Plan Update Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ -
209	SLESF Grant Fund	3202	Police	7	Police	$ -	$ -	$ -	$ (120,000)	$ -	$ -
211	Transportation Grants	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ (64,907)	$ -	$ -

Exhibit 2a-Supplemental

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Derivation of Allocation Factor: Net Operating Expense

Fund		Organization		Classification for Indirect Rates		Deductions to Expense Basis to Derive Allocation Factor					Net Operating Expenses
No.	Title	No.	Title	No.	Title	Debt Service	Capital	Depreciation	Transfers & Financing Uses	Other Adjustment	
211	Transportation Grants	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ 185,582
212	Park In-Lieu Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ (2,673)	$ -	$ -
212	Park In-Lieu Fee Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ -
212	Park In-Lieu Fee Fund	9971	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ (57,404)	$ -	$ -	$ -	$ -	$ -
213	Traffic Impact Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ (52,982)	$ -	$ -
213	Traffic Impact Fee Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ 1,056
215	Street Lighting Assess District	1401	Finance	2	General Government	$ -	$ -	$ -	$ -	$ -	$ 14,635
215	Street Lighting Assess District	4103	Public Works - Streets	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ 114,187
216	CDBG ADA Transitional Plan	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ (69,007)	$ -	$ -
217	Road Mtn & Rehab (SB1)	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ (25,982)	$ -	$ -
217	Road Mtn & Rehab (SB1)	2302	Engineering	5	Engineering	$ -	$ -	$ -	$ -	$ -	$ -
218	Park Land & Development Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
219	Gen Government Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
220	Fire Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
221	Stormwater Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
233	COMMUNITY FUND	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
240	BSCC - Wellness/Mental Health	3202	Police	7	Police	$ -	$ -	$ -	$ -	$ -	$ -
245	OTS Police Fed Grants	3202	Police	7	Police	$ -	$ -	$ -	$ -	$ -	$ 25,990
247	Suppl Plng Grant (SB2&LEAP)	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
247	Suppl Plng Grant (SB2&LEAP)	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ 10,330
248	Measure H-Fire Sales Tax	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
248	Measure H-Fire Sales Tax	3102	Fire & Prevention	6	Fire & Prevention	$ -	$ -	$ -	$ -	$ -	$ 67,757
248	Measure H-Fire Sales Tax	9974	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ (469,386)	$ -	$ -	$ -	$ -	$ -
401	Woodstone Ctr Assess District DS	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
401	Woodstone Ctr Assess District DS	9970	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
402	CREBS DS Fund	9973	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	0000	Non Departmental	10	Public Works - Water Utility	$ -	$ -	$ -	$ (50,230)	$ -	$ 852,863
500	WATER FUND	1001	City Council	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	1101	City Manager	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	1201	City Attorney	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	1301	City Clerk	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	1401	Finance	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ 27,421
500	WATER FUND	2102	Planning	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	2202	Building	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	2302	Engineering	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	3102	Fire & Prevention	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	4102	Public Works - Corporation Yard	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	4106	Public Works - Governmental Building	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	4402	PW-Uitility	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ 1,291,386
500	WATER FUND	9971	Debt Service	10	Public Works - Water Utility	$ (1,306)	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	9973	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	9974	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	9976	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	9977	Debt Service	10	Public Works - Water Utility	$ (16,539)	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	9980	Debt Service	10	Public Works - Water Utility	$ (34,384)	$ -	$ -	$ -	$ -	$ -
501	Water Enterprise Capital Proj Fund	0000	Non Departmental	10	Public Works - Water Utility	$ -	$ 50,230	$ (241,132)	$ (158,899)	$ -	$ -
501	Water Enterprise Capital Proj Fund	2350	Engineering	10	Public Works - Water Utility	$ -	$ (26,566)	$ -	$ -	$ -	$ -

Exhibit 2a-Supplemental

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Derivation of Allocation Factor: Net Operating Expense

Fund		Organization		Classification for Indirect Rates		Deductions to Expense Basis to Derive Allocation Factor					Net Operating Expenses
No.	Title	No.	Title	No.	Title	Debt Service	Capital	Depreciation	Transfers & Financing Uses	Other Adjustment	
501	Water Enterprise Capital Proj Fund	2351	Engineering	10	Public Works - Water Utility	$ -	$ (1,529)	$ -	$ -	$ -	$ -
501	Water Enterprise Capital Proj Fund	4150	Public Works	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
501	Water Enterprise Capital Proj Fund	4151	Public Works	10	Public Works - Water Utility	$ -	$ (22,135)	$ -	$ -	$ -	$ -
502	Water Connection Fee Fund	0000	Non Departmental	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	0000	Non Departmental	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ (32,551)	$ -	$ 908,934
510	WasteWater Enterprise Fund	1001	City Council	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	1101	City Manager	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	1201	City Attorney	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	1301	City Clerk	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	1401	Finance	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ 27,797
510	WasteWater Enterprise Fund	2102	Planning	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	2202	Building	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	2302	Engineering	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	4102	Public Works - Corporation Yard	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	4106	Public Works - Governmental Building	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	4402	PW-Uitility	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ 717,516
510	WasteWater Enterprise Fund	4502	PW Subregional O&M	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ 2,118,436
510	WasteWater Enterprise Fund	9971	Debt Service	11	Public Works - Wastewater Utility	$ (1,218)	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	9974	Debt Service	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	9980	Debt Service	11	Public Works - Wastewater Utility	$ (24,451)	$ -	$ -	$ -	$ -	$ -
511	Sewer Enterprise Capital Proj Fund	0000	Non Departmental	11	Public Works - Wastewater Utility	$ -	$ 32,551	$ (247,322)	$ -	$ -	$ -
511	Sewer Enterprise Capital Proj Fund	2350	Engineering	11	Public Works - Wastewater Utility	$ -	$ (446)	$ -	$ -	$ -	$ -
511	Sewer Enterprise Capital Proj Fund	2351	Engineering	11	Public Works - Wastewater Utility	$ -	$ (1,529)	$ -	$ -	$ -	$ -
511	Sewer Enterprise Capital Proj Fund	4150	Public Works	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
511	Sewer Enterprise Capital Proj Fund	4151	Public Works	11	Public Works - Wastewater Utility	$ -	$ (30,576)	$ -	$ -	$ -	$ -
601	Insurance & Benefit-ISF	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ 1,276,211
700	General Capital Projects	2150	Planning	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
700	General Capital Projects	2151	Planning - [Title]	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
700	General Capital Projects	2350	Engineering	0	Unclassified / CIP, ISF, Transfer	$ -	$ (80,643)	$ -	$ -	$ -	$ -
700	General Capital Projects	2351	Engineering	0	Unclassified / CIP, ISF, Transfer	$ -	$ (226,541)	$ -	$ -	$ -	$ -
700	General Capital Projects	4151	Public Works	0	Unclassified / CIP, ISF, Transfer	$ -	$ (63,967)	$ -	$ -	$ -	$ -
800	General Fixed Assets	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ (926,021)	$ -	$ -	$ -
0	[extra]	0	[extra]	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
0	[extra]	0	[extra]	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
0	[extra]	0	[extra]	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
Grand Total						**$ (874,666)**	**$ (586,071)**	**$ (1,414,474)**	**$ (842,911)**	**$**	**$ 21,965,693**

Exhibit 2a-Supplemental

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Derivation of Allocation Factor: Modified Operating Expense

Fund		Organization		Classification for Indirect Rates		Deductions to Expense Basis to Derive Allocation Factor					Modified Operating Expenses
No.	Title	No.	Title	No.	Title	Overhead Charge	ISF Charges	Large Payments	Distorting Expense	Extraordinary Expense	
Central Services in the General Fund											
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ 172,504
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ 826,812
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ 331,395
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ 1,353,783
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ 212,414
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ 491,133
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ 164,750
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ 97,126
Direct Services in the General Fund											
100	GENERAL FUND	1001	City Council	2	General Government	$ -	$ -	$ -	$ -	$ -	$ 4,300
100	GENERAL FUND	1101	City Manager	2	General Government	$ -	$ -	$ -	$ -	$ -	$ 500
100	GENERAL FUND	1201	City Attorney	2	General Government	$ -	$ -	$ -	$ -	$ -	$ 646,785
100	GENERAL FUND	1301	City Clerk	2	General Government	$ -	$ -	$ -	$ -	$ -	$ 125,764
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	2	General Government	$ -	$ -	$ -	$ -	$ -	$ 32,013
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	5	Engineering	$ -	$ -	$ -	$ -	$ -	$ 258,837
100	GENERAL FUND	4102	Public Works - Corporation Yard	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ 21,042
100	GENERAL FUND	4106	Public Works - Governmental Building	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ 56,500
100	GENERAL FUND	0000	Non Departmental	2	General Government	$ -	$ -	$ -	$ -	$ -	$ 300,000
100	GENERAL FUND	0	[extra]	2	General Government	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	0	[extra]	2	General Government	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	0	[extra]	2	General Government	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	0	[extra]	2	General Government	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ 657,815
100	GENERAL FUND	2202	Building	4	Building	$ -	$ -	$ -	$ -	$ -	$ 303,081
100	GENERAL FUND	3102	Fire & Prevention	6	Fire & Prevention	$ -	$ -	$ -	$ -	$ -	$ 1,490,275
100	GENERAL FUND	3114	Fire & Prevention	6	Fire & Prevention	$ -	$ -	$ -	$ -	$ -	$ 2,001
100	GENERAL FUND	3202	Police	7	Police	$ -	$ -	$ -	$ -	$ -	$ 5,052,671
100	GENERAL FUND	3213	Police	7	Police	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	4002	Senior Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ 26,145
100	GENERAL FUND	4103	Public Works - Streets Maintenance	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ 353,356
100	GENERAL FUND	4104	Public Works - Parks & Landscaping	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ 591,240
100	GENERAL FUND	4105	Public Works - Parking Lots	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ 138,446
100	GENERAL FUND	4107	Public Works - [Division Title]	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ 11,116
100	GENERAL FUND	4202	Public Works - Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ 172,309
100	GENERAL FUND	4203	Public Works - Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	4204	Public Works - Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	4302	Public Works - Ives Pool	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ 156,154
100	GENERAL FUND	9971	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	9972	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	9974	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	9980	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer						$ -
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer						$ -
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer						$ -

Exhibit 2a-Supplemental

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Derivation of Allocation Factor: Modified Operating Expense

Fund		Organization		Classification for Indirect Rates		Deductions to Expense Basis to Derive Allocation Factor					Modified Operating Expenses
No.	Title	No.	Title	No.	Title	Overhead Charge	ISF Charges	Large Payments	Distorting Expense	Extraordinary Expense	
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer						$ -
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer						$ -
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer						$ -
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer						$ -
Direct Services in Other Funds											
103	Buildings,Facilities & Infrast	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	1001	City Council	2	General Government	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	3202	Police	7	Police	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4002	Senior Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4102	Public Works - Corporation Yard	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4106	Public Works - Governmental Building	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4202	PW-Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4302	PW-Ives Pool	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ -
104	Equip,Technology & Vehicles	0000	Non Departmental	6	Fire & Prevention	$ -	$ -	$ -	$ -	$ -	$ -
104	Equip,Technology & Vehicles	3102	Fire & Prevention	6	Fire & Prevention	$ -	$ -	$ -	$ -	$ -	$ -
104	Equip,Technology & Vehicles	3202	Police	7	Police	$ -	$ -	$ -	$ -	$ -	$ -
104	Equip,Technology & Vehicles	4102	Public Works - Corporation Yard	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
105	Pension & OPEB Fund	1401	Finance	2	General Government	$ -	$ -	$ -	$ (12,775)	$ -	$ -
120	Tree Replacement Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
120	Tree Replacement Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ -
120	Tree Replacement Fund	4103	Public Works - Streets	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
120	Tree Replacement Fund	4104	Public Works - Parks & Landscaping	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
122	PermitTechnology Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ 21,185
122	PermitTechnology Fund	2202	Building	4	Building	$ -	$ -	$ -	$ -	$ -	$ 327
123	Street Pavement Reserve	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
123	Street Pavement Reserve	2350	Engineering	5	Engineering	$ -	$ -	$ -	$ -	$ -	$ -
123	Street Pavement Reserve	2351	Engineering	5	Engineering	$ -	$ -	$ -	$ -	$ -	$ -
124	Measure T& Q (Y)	4103	Public Works - Streets	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
125	Vehicle Abatement	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
126	Tobacco Mgmnt Program Fund	3202	Police	7	Police	$ -	$ -	$ -	$ -	$ -	$ 1,964
127	Flood Mitigation Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
127	Flood Mitigation Fund	4202	PW-Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ -
128	Police Endowment Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
128	Police Endowment Fund	3202	Police	7	Police	$ -	$ -	$ -	$ -	$ -	$ 10,303
200	Gas Tax Fund	4103	Public Works - Streets	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ 185,773
201	Measure M-Road Mtn	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
202	Measure M-ParkImpr Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
203	Art In-Lieu Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ 7,011
203	Art In-Lieu Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ 28,500
203	Art In-Lieu Fund	4104	Public Works - Parks & Landscaping	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ 188
204	Housing Linkage Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
205	Inclusionary Housing Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
207	Downtown Improvement District Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ 7,300
208	General Plan Update Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
208	General Plan Update Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ -
209	SLESF Grant Fund	3202	Police	7	Police	$ -	$ -	$ -	$ -	$ -	$ -
211	Transportation Grants	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -

Exhibit 2a-Supplemental

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Derivation of Allocation Factor: Modified Operating Expense

Fund		Organization		Classification for Indirect Rates		Deductions to Expense Basis to Derive Allocation Factor					
No.	Title	No.	Title	No.	Title	Overhead Charge	ISF Charges	Large Payments	Distorting Expense	Extraordinary Expense	Modified Operating Expenses
211	Transportation Grants	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ 185,582
212	Park In-Lieu Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
212	Park In-Lieu Fee Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ -
212	Park In-Lieu Fee Fund	9971	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
213	Traffic Impact Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
213	Traffic Impact Fee Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ 1,056
215	Street Lighting Assess District	1401	Finance	2	General Government	$ -	$ -	$ -	$ -	$ -	$ 14,635
215	Street Lighting Assess District	4103	Public Works - Streets	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ 114,187
216	CDBG ADA Transitional Plan	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
217	Road Mtn & Rehab (SB1)	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
217	Road Mtn & Rehab (SB1)	2302	Engineering	5	Engineering	$ -	$ -	$ -	$ -	$ -	$ -
218	Park Land & Development Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
219	Gen Government Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
220	Fire Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
221	Stormwater Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
233	COMMUNITY FUND	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
240	BSCC - Wellness/Mental Health	3202	Police	7	Police	$ -	$ -	$ -	$ -	$ -	$ -
245	OTS Police Fed Grants	3202	Police	7	Police	$ -	$ -	$ -	$ -	$ -	$ 25,990
247	Suppl Plng Grant (SB2&LEAP)	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
247	Suppl Plng Grant (SB2&LEAP)	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ 10,330
248	Measure H-Fire Sales Tax	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
248	Measure H-Fire Sales Tax	3102	Fire & Prevention	6	Fire & Prevention	$ -	$ -	$ -	$ -	$ -	$ 67,757
248	Measure H-Fire Sales Tax	9974	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
401	Woodstone Ctr Assess District DS	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
401	Woodstone Ctr Assess District DS	9970	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
402	CREBS DS Fund	9973	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	0000	Non Departmental	10	Public Works - Water Utility	$ (852,863)	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	1001	City Council	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	1101	City Manager	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	1201	City Attorney	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	1301	City Clerk	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	1401	Finance	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ 27,421
500	WATER FUND	2102	Planning	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	2202	Building	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	2302	Engineering	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	3102	Fire & Prevention	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	4102	Public Works - Corporation Yard	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	4106	Public Works - Governmental Building	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	4402	PW-Uitility	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ 1,291,386
500	WATER FUND	9971	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	9973	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	9974	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	9976	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	9977	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	9980	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
501	Water Enterprise Capital Proj Fund	0000	Non Departmental	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
501	Water Enterprise Capital Proj Fund	2350	Engineering	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -

Exhibit 2a-Supplemental

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Derivation of Allocation Factor: Modified Operating Expense

Fund		Organization		Classification for Indirect Rates		Deductions to Expense Basis to Derive Allocation Factor					Modified Operating Expenses
No.	Title	No.	Title	No.	Title	Overhead Charge	ISF Charges	Large Payments	Distorting Expense	Extraordinary Expense	
501	Water Enterprise Capital Proj Fund	2351	Engineering	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
501	Water Enterprise Capital Proj Fund	4150	Public Works	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
501	Water Enterprise Capital Proj Fund	4151	Public Works	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
502	Water Connection Fee Fund	0000	Non Departmental	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	0000	Non Departmental	11	Public Works - Wastewater Utility	$ (908,934)	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	1001	City Council	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	1101	City Manager	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	1201	City Attorney	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	1301	City Clerk	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	1401	Finance	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	**$ 27,797**
510	WasteWater Enterprise Fund	2102	Planning	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	2202	Building	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	2302	Engineering	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	4102	Public Works - Corporation Yard	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	4106	Public Works - Governmental Building	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	4402	PW-Uitility	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	**$ 717,516**
510	WasteWater Enterprise Fund	4502	PW Subregional O&M	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ (2,118,436)	$ -	$ -
510	WasteWater Enterprise Fund	9971	Debt Service	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	9974	Debt Service	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	9980	Debt Service	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
511	Sewer Enterprise Capital Proj Fund	0000	Non Departmental	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
511	Sewer Enterprise Capital Proj Fund	2350	Engineering	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
511	Sewer Enterprise Capital Proj Fund	2351	Engineering	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
511	Sewer Enterprise Capital Proj Fund	4150	Public Works	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
511	Sewer Enterprise Capital Proj Fund	4151	Public Works	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
601	Insurance & Benefit-ISF	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ (1,276,211)	$ -	$ -	$ -
700	General Capital Projects	2150	Planning	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
700	General Capital Projects	2151	Planning - [Title]	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
700	General Capital Projects	2350	Engineering	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
700	General Capital Projects	2351	Engineering	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
700	General Capital Projects	4151	Public Works	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
800	General Fixed Assets	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
0	[extra]	0	[extra]	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
0	[extra]	0	[extra]	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
0	[extra]	0	[extra]	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
Grand Total						**$ (1,761,797)**	**$**	**$ (1,276,211)**	**$ (2,131,210)**	**$**	**$ 16,796,474**

Exhibit 2a-Supplemental

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Derivation of Allocation Factor: Gross Expense Net of Distortions

Fund		Organization		Classification for Indirect Rates		Deductions to Expense Basis to Derive Allocation Factor										Gross Expense Net of Distortions
No.	Title	No.	Title	No.	Title	Debt Service	Capital	Depreciation	Transfers & Financing Uses	Other Adjustment	Overhead Charge	ISF Charges	Large Payments	Distorting Expense	Extraordinary Expense	
Central Services in the General Fund																
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services			$ -	$ -	$ -	$ -		$ -			$ 172,504
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services			$ -	$ -	$ -	$ -		$ -			$ 826,812
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services			$ -	$ -	$ -	$ -		$ -			$ -
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services			$ -	$ -	$ -	$ -		$ -			$ 331,395
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services			$ -	$ -	$ -	$ -		$ -			$ 1,353,783
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services			$ -	$ -	$ -	$ -		$ -			$ 212,414
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services			$ -	$ -	$ -	$ -		$ -			$ 491,133
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services			$ -	$ -	$ -	$ -		$ -			$ 164,750
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services			$ -	$ -	$ -	$ -		$ -			$ 97,126
Direct Services in the General Fund																
100	GENERAL FUND	1001	City Council	2	General Government			$ -	$ -	$ -	$ -		$ -			$ 4,300
100	GENERAL FUND	1101	City Manager	2	General Government			$ -	$ -	$ -	$ -		$ -			$ 500
100	GENERAL FUND	1201	City Attorney	2	General Government			$ -	$ -	$ -	$ -		$ -			$ 646,785
100	GENERAL FUND	1301	City Clerk	2	General Government			$ -	$ -	$ -	$ -		$ -			$ 125,764
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	2	General Government			$ -	$ -	$ -	$ -		$ -			$ 32,013
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	5	Engineering			$ -	$ -	$ -	$ -		$ -			$ 258,837
100	GENERAL FUND	4102	Public Works - Corporation Yard	8	Public Works			$ -	$ -	$ -	$ -		$ -			$ 21,042
100	GENERAL FUND	4106	Public Works - Governmental Building	8	Public Works			$ -	$ -	$ -	$ -		$ -			$ 56,500
100	GENERAL FUND	0000	Non Departmental	2	General Government			$ -	$ -	$ -	$ -		$ -			$ 300,000
100	GENERAL FUND	0	[extra]	2	General Government			$ -	$ -	$ -	$ -		$ -			$ -
100	GENERAL FUND	0	[extra]	2	General Government			$ -	$ -	$ -	$ -		$ -			$ -
100	GENERAL FUND	0	[extra]	2	General Government			$ -	$ -	$ -	$ -		$ -			$ -
100	GENERAL FUND	0	[extra]	2	General Government			$ -	$ -	$ -	$ -		$ -			$ -
100	GENERAL FUND	2102	Planning	3	Planning			$ -	$ -	$ -	$ -		$ -			$ 657,815
100	GENERAL FUND	2202	Building	4	Building			$ -	$ -	$ -	$ -		$ -			$ 303,081
100	GENERAL FUND	3102	Fire & Prevention	6	Fire & Prevention			$ -	$ -	$ -	$ -		$ -			$ 1,490,275
100	GENERAL FUND	3114	Fire & Prevention	6	Fire & Prevention			$ -	$ -	$ -	$ -		$ -			$ 2,001
100	GENERAL FUND	3202	Police	7	Police			$ -	$ -	$ -	$ -		$ -			$ 5,123,538
100	GENERAL FUND	3213	Police	7	Police			$ -	$ -	$ -	$ -		$ -			$ -
100	GENERAL FUND	4002	Senior Center	9	Public Works - Community Facilities			$ -	$ -	$ -	$ -		$ -			$ 42,620
100	GENERAL FUND	4103	Public Works - Streets Maintenance	8	Public Works			$ -	$ -	$ -	$ -		$ -			$ 353,356
100	GENERAL FUND	4104	Public Works - Parks & Landscaping	8	Public Works			$ -	$ -	$ -	$ -		$ -			$ 591,240
100	GENERAL FUND	4105	Public Works - Parking Lots	8	Public Works			$ -	$ -	$ -	$ -		$ -			$ 138,446
100	GENERAL FUND	4107	Public Works - [Division Title]	8	Public Works			$ -	$ -	$ -	$ -		$ -			$ 11,116
100	GENERAL FUND	4202	Public Works - Community Center	9	Public Works - Community Facilities			$ -	$ -	$ -	$ -		$ -			$ 172,309
100	GENERAL FUND	4203	Public Works - Community Center	9	Public Works - Community Facilities			$ -	$ -	$ -	$ -		$ -			$ -
100	GENERAL FUND	4204	Public Works - Community Center	9	Public Works - Community Facilities			$ -	$ -	$ -	$ -		$ -			$ -
100	GENERAL FUND	4302	Public Works - Ives Pool	9	Public Works - Community Facilities			$ -	$ -	$ -	$ -		$ -			$ 212,031
100	GENERAL FUND	9971	Debt Service	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ 119,224
100	GENERAL FUND	9972	Debt Service	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ 64,585
100	GENERAL FUND	9974	Debt Service	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
100	GENERAL FUND	9980	Debt Service	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ 86,169
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -

Exhibit 2a-Supplemental

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Derivation of Allocation Factor: Gross Expense Net of Distortions

Fund		Organization		Classification for Indirect Rates		Deductions to Expense Basis to Derive Allocation Factor									Gross Expense Net of Distortions
No.	Title	No.	Title	No.	Title	Debt Service	Capital	Depreciation	Transfers & Financing Uses	Other Adjustment	Overhead Charge	ISF Charges	Large Payments	Distorting Expense	Extraordinary Expense	
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
100	GENERAL FUND	0	[extra]	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
Direct Services in Other Funds																
103	Buildings,Facilities & Infrast	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ (61,239)	$ -	$ -		$ -			$ -
103	Buildings,Facilities & Infrast	1001	City Council	2	General Government			$ -	$ -	$ -	$ -		$ -			$ -
103	Buildings,Facilities & Infrast	3202	Police	7	Police			$ -	$ -	$ -	$ -		$ -			$ -
103	Buildings,Facilities & Infrast	4002	Senior Center	9	Public Works - Community Facilities			$ -	$ -	$ -	$ -		$ -			$ -
103	Buildings,Facilities & Infrast	4102	Public Works - Corporation Yard	8	Public Works			$ -	$ -	$ -	$ -		$ -			$ -
103	Buildings,Facilities & Infrast	4106	Public Works - Governmental Building	8	Public Works			$ -	$ -	$ -	$ -		$ -			$ -
103	Buildings,Facilities & Infrast	4202	PW-Community Center	9	Public Works - Community Facilities			$ -	$ -	$ -	$ -		$ -			$ -
103	Buildings,Facilities & Infrast	4302	PW-Ives Pool	9	Public Works - Community Facilities			$ -	$ -	$ -	$ -		$ -			$ -
104	Equip,Technology & Vehicles	0000	Non Departmental	6	Fire & Prevention			$ -	$ -	$ -	$ -		$ -			$ -
104	Equip,Technology & Vehicles	3102	Fire & Prevention	6	Fire & Prevention			$ -	$ -	$ -	$ -		$ -			$ -
104	Equip,Technology & Vehicles	3202	Police	7	Police			$ -	$ -	$ -	$ -		$ -			$ -
104	Equip,Technology & Vehicles	4102	Public Works - Corporation Yard	8	Public Works			$ -	$ -	$ -	$ -		$ -			$ -
105	Pension & OPEB Fund	1401	Finance	2	General Government			$ -	$ -	$ -	$ -		$ -			$ 12,775
120	Tree Replacement Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
120	Tree Replacement Fund	2102	Planning	3	Planning			$ -	$ -	$ -	$ -		$ -			$ -
120	Tree Replacement Fund	4103	Public Works - Streets	8	Public Works			$ -	$ -	$ -	$ -		$ -			$ -
120	Tree Replacement Fund	4104	Public Works - Parks & Landscaping	8	Public Works			$ -	$ -	$ -	$ -		$ -			$ -
122	PermitTechnology Fund	2102	Planning	3	Planning			$ -	$ -	$ -	$ -		$ -			$ 21,185
122	PermitTechnology Fund	2202	Building	4	Building			$ -	$ -	$ -	$ -		$ -			$ 327
123	Street Pavement Reserve	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ (8,712)	$ -	$ -		$ -			$ -
123	Street Pavement Reserve	2350	Engineering	5	Engineering			$ -	$ -	$ -	$ -		$ -			$ -
123	Street Pavement Reserve	2351	Engineering	5	Engineering			$ -	$ -	$ -	$ -		$ -			$ -
124	Measure T& Q (Y)	4103	Public Works - Streets	8	Public Works			$ -	$ -	$ -	$ -		$ -			$ -
125	Vehicle Abatement	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ (4,500)	$ -	$ -		$ -			$ -
126	Tobacco Mgmnt Program Fund	3202	Police	7	Police			$ -	$ -	$ -	$ -		$ -			$ 1,964
127	Flood Mitigation Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ (65,309)	$ -	$ -		$ -			$ -
127	Flood Mitigation Fund	4202	PW-Community Center	9	Public Works - Community Facilities			$ -	$ -	$ -	$ -		$ -			$ -
128	Police Endowment Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ (46,008)	$ -	$ -		$ -			$ -
128	Police Endowment Fund	3202	Police	7	Police			$ -	$ -	$ -	$ -		$ -			$ 82,005
200	Gas Tax Fund	4103	Public Works - Streets	8	Public Works			$ -	$ -	$ -	$ -		$ -			$ 185,773
201	Measure M-Road Mtn	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ (1,328)	$ -	$ -		$ -			$ -
202	Measure M-ParkImpr Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ (78,583)	$ -	$ -		$ -			$ -
203	Art In-Lieu Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ 7,011
203	Art In-Lieu Fund	2102	Planning	3	Planning			$ -	$ -	$ -	$ -		$ -			$ 28,500
203	Art In-Lieu Fund	4104	Public Works - Parks & Landscaping	8	Public Works			$ -	$ -	$ -	$ -		$ -			$ 188
204	Housing Linkage Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
205	Inclusionary Housing Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
207	Downtown Improvement District Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ 7,300
208	General Plan Update Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
208	General Plan Update Fund	2102	Planning	3	Planning			$ -	$ -	$ -	$ -		$ -			$ -
209	SLESF Grant Fund	3202	Police	7	Police			$ -	$ (120,000)	$ -	$ -		$ -			$ -
211	Transportation Grants	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ (64,907)	$ -	$ -		$ -			$ -

Exhibit 2a-Supplemental

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Derivation of Allocation Factor: Gross Expense Net of Distortions

Fund		Organization		Classification for Indirect Rates		Deductions to Expense Basis to Derive Allocation Factor										Gross Expense Net of Distortions
No.	Title	No.	Title	No.	Title	Debt Service	Capital	Depreciation	Transfers & Financing Uses	Other Adjustment	Overhead Charge	ISF Charges	Large Payments	Distorting Expense	Extraordinary Expense	
211	Transportation Grants	2102	Planning	3	Planning			$ -	$ -	$ -	$ -		$ -			$ 185,582
212	Park In-Lieu Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ (2,673)	$ -	$ -		$ -			$ -
212	Park In-Lieu Fee Fund	2102	Planning	3	Planning			$ -	$ -	$ -	$ -		$ -			$ -
212	Park In-Lieu Fee Fund	9971	Debt Service	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ 57,404
213	Traffic Impact Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ (52,982)	$ -	$ -		$ -			$ -
213	Traffic Impact Fee Fund	2102	Planning	3	Planning			$ -	$ -	$ -	$ -		$ -			$ 1,056
215	Street Lighting Assess District	1401	Finance	2	General Government			$ -	$ -	$ -	$ -		$ -			$ 14,635
215	Street Lighting Assess District	4103	Public Works - Streets	8	Public Works			$ -	$ -	$ -	$ -		$ -			$ 114,187
216	CDBG ADA Transitional Plan	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ (69,007)	$ -	$ -		$ -			$ -
217	Road Mtn & Rehab (SB1)	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ (25,982)	$ -	$ -		$ -			$ -
217	Road Mtn & Rehab (SB1)	2302	Engineering	5	Engineering			$ -	$ -	$ -	$ -		$ -			$ -
218	Park Land & Development Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
219	Gen Government Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
220	Fire Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
221	Stormwater Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
233	COMMUNITY FUND	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
240	BSCC - Wellness/Mental Health	3202	Police	7	Police			$ -	$ -	$ -	$ -		$ -			$ -
245	OTS Police Fed Grants	3202	Police	7	Police			$ -	$ -	$ -	$ -		$ -			$ 25,990
247	Suppl Plng Grant (SB2&LEAP)	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
247	Suppl Plng Grant (SB2&LEAP)	2102	Planning	3	Planning			$ -	$ -	$ -	$ -		$ -			$ 10,330
248	Measure H-Fire Sales Tax	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
248	Measure H-Fire Sales Tax	3102	Fire & Prevention	6	Fire & Prevention			$ -	$ -	$ -	$ -		$ -			$ 67,757
248	Measure H-Fire Sales Tax	9974	Debt Service	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ 469,386
401	Woodstone Ctr Assess District DS	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
401	Woodstone Ctr Assess District DS	9970	Debt Service	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
402	CREBS DS Fund	9973	Debt Service	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
500	WATER FUND	0000	Non Departmental	10	Public Works - Water Utility			$ -	$ (50,230)	$ -	$ (852,863)		$ -			$ -
500	WATER FUND	1001	City Council	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ -
500	WATER FUND	1101	City Manager	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ -
500	WATER FUND	1201	City Attorney	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ -
500	WATER FUND	1301	City Clerk	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ -
500	WATER FUND	1401	Finance	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ 27,421
500	WATER FUND	2102	Planning	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ -
500	WATER FUND	2202	Building	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ -
500	WATER FUND	2302	Engineering	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ -
500	WATER FUND	3102	Fire & Prevention	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ -
500	WATER FUND	4102	Public Works - Corporation Yard	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ -
500	WATER FUND	4106	Public Works - Governmental Building	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ -
500	WATER FUND	4402	PW-Uitility	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ 1,291,386
500	WATER FUND	9971	Debt Service	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ 1,306
500	WATER FUND	9973	Debt Service	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ -
500	WATER FUND	9974	Debt Service	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ -
500	WATER FUND	9976	Debt Service	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ -
500	WATER FUND	9977	Debt Service	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ 16,539
500	WATER FUND	9980	Debt Service	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ 34,384
501	Water Enterprise Capital Proj Fund	0000	Non Departmental	10	Public Works - Water Utility			$ (241,132)	$ (158,899)	$ -	$ -		$ -			$ (50,230)
501	Water Enterprise Capital Proj Fund	2350	Engineering	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ 26,566

Exhibit 2a-Supplemental

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Derivation of Allocation Factor: Gross Expense Net of Distortions

Fund		Organization		Classification for Indirect Rates		Deductions to Expense Basis to Derive Allocation Factor										Gross Expense Net of Distortions
No.	Title	No.	Title	No.	Title	Debt Service	Capital	Depreciation	Transfers & Financing Uses	Other Adjustment	Overhead Charge	ISF Charges	Large Payments	Distorting Expense	Extraordinary Expense	
501	Water Enterprise Capital Proj Fund	2351	Engineering	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ 1,529
501	Water Enterprise Capital Proj Fund	4150	Public Works	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ -
501	Water Enterprise Capital Proj Fund	4151	Public Works	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ 22,135
502	Water Connection Fee Fund	0000	Non Departmental	10	Public Works - Water Utility			$ -	$ -	$ -	$ -		$ -			$ -
510	WasteWater Enterprise Fund	0000	Non Departmental	11	Public Works - Wastewater Utility			$ -	$ (32,551)	$ -	$ (908,934)		$ -			$ -
510	WasteWater Enterprise Fund	1001	City Council	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ -
510	WasteWater Enterprise Fund	1101	City Manager	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ -
510	WasteWater Enterprise Fund	1201	City Attorney	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ -
510	WasteWater Enterprise Fund	1301	City Clerk	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ -
510	WasteWater Enterprise Fund	1401	Finance	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ 27,797
510	WasteWater Enterprise Fund	2102	Planning	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ -
510	WasteWater Enterprise Fund	2202	Building	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ -
510	WasteWater Enterprise Fund	2302	Engineering	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ -
510	WasteWater Enterprise Fund	4102	Public Works - Corporation Yard	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ -
510	WasteWater Enterprise Fund	4106	Public Works - Governmental Building	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ -
510	WasteWater Enterprise Fund	4402	PW-Uitility	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ 717,516
510	WasteWater Enterprise Fund	4502	PW Subregional O&M	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ 2,118,436
510	WasteWater Enterprise Fund	9971	Debt Service	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ 1,218
510	WasteWater Enterprise Fund	9974	Debt Service	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ -
510	WasteWater Enterprise Fund	9980	Debt Service	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ 24,451
511	Sewer Enterprise Capital Proj Fund	0000	Non Departmental	11	Public Works - Wastewater Utility			$ (247,322)	$ -	$ -	$ -		$ -			$ (32,551)
511	Sewer Enterprise Capital Proj Fund	2350	Engineering	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ 446
511	Sewer Enterprise Capital Proj Fund	2351	Engineering	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ 1,529
511	Sewer Enterprise Capital Proj Fund	4150	Public Works	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ -
511	Sewer Enterprise Capital Proj Fund	4151	Public Works	11	Public Works - Wastewater Utility			$ -	$ -	$ -	$ -		$ -			$ 30,576
601	Insurance & Benefit-ISF	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ (1,276,211)			$ -
700	General Capital Projects	2150	Planning	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
700	General Capital Projects	2151	Planning - [Title]	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
700	General Capital Projects	2350	Engineering	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ 80,643
700	General Capital Projects	2351	Engineering	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ 226,541
700	General Capital Projects	4151	Public Works	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ 63,967
800	General Fixed Assets	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer			$ (926,021)	$ -	$ -	$ -		$ -			$ -
0	[extra]	0	[extra]	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
0	[extra]	0	[extra]	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
0	[extra]	0	[extra]	0	Unclassified / CIP, ISF, Transfer			$ -	$ -	$ -	$ -		$ -			$ -
Grand Total						$	$	$ (1,414,474)	$ (842,911)	$	$ (1,761,797)	$	$ (1,276,211)	$	$	$ 20,388,422

Exhibit 2b

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Fund Structure and Expenditure Basis

Fund		Organization		Classification for Indirect Rates		Expenditure Basis		
No.	Title	No.	Title	No.	Title	Total Actual 2024-25	Adjustment	Expense Basis
Central Services in the General Fund								
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services	$ 176,804	$ (4,300)	**$ 172,504**
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services	$ 827,312	$ (500)	**$ 826,812**
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services	$ 646,785	$ (646,785)	**$ -**
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services	$ 457,159	$ (125,764)	**$ 331,395**
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services	$ 1,385,796	$ (32,013)	**$ 1,353,783**
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services	$ 471,251	$ (258,837)	**$ 212,414**
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services	$ 512,175	$ (21,042)	**$ 491,133**
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services	$ 221,250	$ (56,500)	**$ 164,750**
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services	$ 397,126	$ (300,000)	**$ 97,126**
Direct Services in All Funds								
				0	Unclassified / CIP, ISF, Transfer	$ 3,865,693	$ -	$ 3,865,693
				2	General Government	$ 27,410	$ 1,109,362	$ 1,136,772
				3	Planning	$ 904,468	$ -	$ 904,468
				4	Building	$ 303,408	$ -	$ 303,408
				5	Engineering	$ -	$ 258,837	$ 258,837
				6	Fire & Prevention	$ 1,560,033	$ -	$ 1,560,033
				7	Police	$ 5,353,497	$ -	$ 5,353,497
				8	Public Works	$ 1,394,306	$ 77,542	$ 1,471,848
				9	Public Works - Community Facilities	$ 426,960	$ -	$ 426,960
				10	Public Works - Water Utility	$ 2,674,161	$ -	$ 2,674,161
				11	Public Works - Wastewater Utility	$ 4,078,224	$ -	$ 4,078,224
Grand Total Expenditure						**$ 25,683,815**	**$ 0**	**$ 25,683,815**

Exhibit 2b-Supplemental

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Derivation of Allocation Factor: Net Operating Expense

Fund		Organization		Classification for Indirect Rates		Deductions to Expense Basis to Derive Allocation Factor					Net Operating Expenses
No.	Title	No.	Title	No.	Title	Debt Service	Capital	Depreciation	Transfers & Financing Uses	Other Adjustment	
Central Services in the General Fund											
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 172,504**
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 826,812**
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ -**
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 331,395**
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 1,353,783**
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 212,414**
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 491,133**
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 164,750**
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 97,126**
Direct Services in All Funds											
				0	Unclassified / CIP, ISF, Transfer	$ (796,769)	$ (371,151)	$ (926,021)	$ (481,231)	$ -	**$ 1,290,522**
				2	General Government	$ -	$ -	$ -	$ -	$ -	**$ 1,136,772**
				3	Planning	$ -	$ -	$ -	$ -	$ -	**$ 904,468**
				4	Building	$ -	$ -	$ -	$ -	$ -	**$ 303,408**
				5	Engineering	$ -	$ -	$ -	$ -	$ -	**$ 258,837**
				6	Fire & Prevention	$ -	$ -	$ -	$ -	$ -	**$ 1,560,033**
				7	Police	$ -	$ (142,569)	$ -	$ (120,000)	$ -	**$ 5,090,928**
				8	Public Works	$ -	$ -	$ -	$ -	$ -	**$ 1,471,848**
				9	Public Works - Community Facilities	$ -	$ (72,352)	$ -	$ -	$ -	**$ 354,608**
				10	Public Works - Water Utility	$ (52,229)	$ -	$ (241,132)	$ (209,130)	$ -	**$ 2,171,671**
				11	Public Works - Wastewater Utility	$ (25,668)	$ -	$ (247,322)	$ (32,551)	$ -	**$ 3,772,683**
Grand Total						**$ (874,666)**	**$ (586,071)**	**$ (1,414,474)**	**$ (842,911)**	**$**	**$ 21,965,693**

Exhibit 2b-Supplemental

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Derivation of Allocation Factor: Modified Operating Expense

Fund		Organization		Classification for Indirect Rates		Deductions to Expense Basis to Derive Allocation Factor					Modified Operating Expenses
No.	Title	No.	Title	No.	Title	Overhead Charge	ISF Charges	Large Payments	Distorting Expense	Extraordinary Expense	
Central Services in the General Fund											
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 172,504**
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 826,812**
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ -**
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 331,395**
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 1,353,783**
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 212,414**
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 491,133**
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 164,750**
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	**$ 97,126**
Direct Services in All Funds											
				0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ (1,276,211)	$ -	$ -	**$ 14,311**
				2	General Government	$ -	$ -	$ -	$ (12,775)	$ -	**$ 1,123,997**
				3	Planning	$ -	$ -	$ -	$ -	$ -	**$ 904,468**
				4	Building	$ -	$ -	$ -	$ -	$ -	**$ 303,408**
				5	Engineering	$ -	$ -	$ -	$ -	$ -	**$ 258,837**
				6	Fire & Prevention	$ -	$ -	$ -	$ -	$ -	**$ 1,560,033**
				7	Police	$ -	$ -	$ -	$ -	$ -	**$ 5,090,928**
				8	Public Works	$ -	$ -	$ -	$ -	$ -	**$ 1,471,848**
				9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	**$ 354,608**
				10	Public Works - Water Utility	$ (852,863)	$ -	$ -	$ -	$ -	**$ 1,318,808**
				11	Public Works - Wastewater Utility	$ (908,934)	$ -	$ -	$ (2,118,436)	$ -	**$ 745,313**
Grand Total						**$ (1,761,797)**	**$**	**$ (1,276,211)**	**$ (2,131,210)**	**$**	**$ 16,796,474**

Exhibit 2b-Supplemental

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Derivation of Allocation Factor: Gross Expense Net of Distortions

Fund		Organization		Classification for Indirect Rates		Deductions to Expense Basis to Derive Allocation Factor										Gross Expense Net of Distortions
No.	Title	No.	Title	No.	Title	Debt Service	Capital	Depreciation	Transfers & Financing Uses	Other Adjustment	Overhead Charge	ISF Charges	Large Payments	Distorting Expense	Extraordinary Expense	
Central Services in the General Fund																
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 172,504**
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 826,812**
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 331,395**
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 1,353,783**
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 212,414**
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 491,133**
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 164,750**
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 97,126**
Direct Services in All Funds																
				0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ (926,021)	$ (481,231)	$ -	$ -	$ -	$ (1,276,211)	$ -	$ -	**$ 1,182,230**
				2	General Government	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 1,136,772**
				3	Planning	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 904,468**
				4	Building	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 303,408**
				5	Engineering	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 258,837**
				6	Fire & Prevention	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 1,560,033**
				7	Police	$ -	$ -	$ -	$ (120,000)	$ -	$ -	$ -	$ -	$ -	$ -	**$ 5,233,497**
				8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 1,471,848**
				9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 426,960**
				10	Public Works - Water Utility	$ -	$ -	$ (241,132)	$ (209,130)	$ -	$ (852,863)	$ -	$ -	$ -	$ -	**$ 1,371,037**
				11	Public Works - Wastewater Utility	$ -	$ -	$ (247,322)	$ (32,551)	$ -	$ (908,934)	$ -	$ -	$ -	$ -	**$ 2,889,417**
Grand Total						**$**	**$**	**$ (1,414,474)**	**$ (842,911)**	**$**	**$ (1,761,797)**	**$**	**$ (1,276,211)**	**$**	**$**	**$ 20,388,422**

Exhibit 3

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Distribution of Labor to Central Services Cost Pools | 100-1001 - City Council

Central Services Identification		
Cost Pool Name	**Distributed Labor Cost**	**Distributed FTEs**
General Admin	$ -	-
Admin. Oversight	$ 4,500	1.50
General Fiscal Oversight	$ 4,500	1.50
Capital Fiscal Oversight	$ 9,000	3.00
Direct Services	$ -	-

Position	Personnel Data		Allocation of Time to Central Services Functions										
Title	**Total Labor Cost**	**Full Time Equivalency**	**General Admin**	**Admin. Oversight**	**General Fiscal Oversight**	**Capital Fiscal Oversight**						**Direct Services**	**Rationale for Allocation**
All Positions	$ 18,000	6.00	0%	25%	25%	50%						0%	See note [a]
Distribution of Labor Cost	**$ 18,000**		**0%**	**25%**	**25%**	**50%**						**0%**	
Distribution of FTEs		**6.00**	**0%**	**25%**	**25%**	**50%**						**0%**	

[a] A common distribution of governmental oversight is to split between administrative and fiscal issues. In a small agency, fiscal matters tend to dominate agenda time; therefore, this distribution has been set to one-quarter administrative and three-quarters fiscal. Furthermore in a small agency, capital programs tend to dominate agenda time; therefore, fiscal oversight is further distributed between general fiscal and capital fiscal oversight, in this case one-third general and two-thirds capital. These distribution factors have been compared to a sampling of recent council agendas.

Exhibit 3

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Distribution of Labor to Central Services Cost Pools | 100-1101 - City Manager

Central Services Identification		
Cost Pool Name	**Distributed Labor Cost**	**Distributed FTEs**
General Admin	$ -	-
Admin. Management	$ 79,171	0.25
General Fiscal Management	$ 79,171	0.25
Capital Fiscal Management	$ 158,342	0.50
Direct Services	$ -	-

Position	Personnel Data		Allocation of Time to Central Services Functions										
Title	**Total Labor Cost**	**Full Time Equivalency**	**General Admin**	**Admin. Management**	**General Fiscal Management**	**Capital Fiscal Management**						**Direct Services**	**Rationale for Allocation**
City Manager	$ 316,684	1.00	0%	25%	25%	50%						0%	As City Council oversight
[title]	$ -	-	0%	25%	25%	50%						0%	As City Council oversight
Distribution of Labor Cost	**$ 316,684**		**0%**	**25%**	**25%**	**50%**						**0%**	
Distribution of FTEs		**1.00**	**0%**	**25%**	**25%**	**50%**						**0%**	

Exhibit 3

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Distribution of Labor to Central Services Cost Pools | 100-1201 - City Attorney

Central Services Identification		
Cost Pool Name	**Distributed Labor Cost**	**Distributed FTEs**
General Admin	$ -	-
Citywide Service	$ -	-
Not in Use	$ -	-
Direct Services	$ -	-

Position		Personnel Data		Allocation of Time to Central Services Functions									
Title		**Total Labor Cost**	**Full Time Equivalency**	**General Admin**	**Citywide Service**	**Not in Use**						**Direct Services**	**Rationale for Allocation**
[title]	$	-	-	100%	0%	0%						0%	Not in use; see Exhibit 4
[title]	$	-	-	100%	0%	0%						0%	Not in use; see Exhibit 4
Distribution of Labor Cost	**$**			**0%**	**0%**	**0%**						**0%**	
Distribution of FTEs				**0%**	**0%**	**0%**						**0%**	

Exhibit 3

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Distribution of Labor to Central Services Cost Pools | 100-1301 - City Clerk

Central Services Identification			
Cost Pool Name	**Distributed Labor Cost**	**Distributed FTEs**	
General Admin	$ -	-	
Citywide Service	$ 234,004	0.75	
Not in Use	$ -	-	
Direct Services	$ 78,001	0.25	< Includes typical non-allocable services such as public records requests and elections.

Position	Personnel Data		Allocation of Time to Central Services Functions										
Title	**Total Labor Cost**	**Full Time Equivalency**	**General Admin**	**Citywide Service**	**Not in Use**							**Direct Services**	**Rationale for Allocation**
ACM/City Clerk	$ 312,006	1.00	0%	75%	0%							25%	Common distribution
[title]	$ -	-	100%	0%	0%							0%	Common distribution
Distribution of Labor Cost	**$ 312,006**		**0%**	**75%**	**0%**							**25%**	
Distribution of FTEs		**1.00**	**0%**	**75%**	**0%**							**25%**	

Exhibit 3

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Distribution of Labor to Central Services Cost Pools | 100-14xx - Finance / Admin. Services - All General Fund

Central Services Identification			
Cost Pool Name	**Distributed Labor Cost**	**Distributed FTEs**	
General Admin	$ 50,375	0.20	
Citywide Accounting / Budget	$ 251,341	1.30	
Utility Billing & Support	$ 138,328	1.30	
Payroll	$ 40,687	0.40	
Accounts Payable	$ 21,642	0.35	
Accounts Receivable / Cash Receipts	$ 22,626	0.20	
Information Technology Mgmt.	$ 20,029	0.10	
Human Resources	$ -	-	
Direct Services	$ 10,661	0.15	< Includes business licensing.

Position	Personnel Data		Allocation of Time to Central Services Functions [a]										
Title	**Total Labor Cost**	**Full Time Equivalency**	**General Admin**	**Citywide Accounting / Budget**	**Utility Billing & Support**	**Payroll**	**Accounts Payable**	**Accounts Receivable / Cash Receipts**	**Information Technology Mgmt.**	**Human Resources**		**Direct Services**	**Rationale for Allocation**
Admin Svs. Director	$ 251,876	1.00	20%	60%	5%	10%	0%	0%	5%	0%		0%	Staff interviews 12/2023
Accountant/Analyst(Conf)	$ 148,705	1.00	0%	55%	15%	5%	5%	10%	5%	0%		5%	Staff interviews 12/2023
Administrative Tech	$ 32,256	1.00	0%	0%	35%	25%	25%	5%	0%	0%		10%	Staff interviews 12/2023
Accountant	$ 122,852	1.00	0%	15%	75%	0%	5%	5%	0%	0%		0%	Staff interviews 12/2023
Distribution of Labor Cost	**$ 555,689**		**9%**	**45%**	**25%**	**7%**	**4%**	**4%**	**4%**	**0%**		**2%**	
Distribution of FTEs		**4.00**	**5%**	**33%**	**33%**	**10%**	**9%**	**5%**	**3%**	**0%**		**4%**	

[a] Per comprehensive study to develop the Indirect Cost Allocation Plan for FY 2024-25.

Exhibit 3

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Distribution of Labor to Central Services Cost Pools | 100-23xx - Engineering - All General Fund Programs

Central Services Identification			
Cost Pool Name	**Distributed Labor Cost**	**Distributed FTEs**	
General Admin	$ -	-	
Technical Support - Public Projects	$ -	0.42	
Not in Use	$ -	-	
Direct Services	$ -	0.83	< Includes support of private projects and permitting.

Position	Personnel Data		Allocation of Time to Central Services Functions [a]										
Title	**Total Labor Cost**	**Full Time Equivalency**	**General Admin**	**Technical Support - Public Projects**	**Not in Use**							**Direct Services**	**Rationale for Allocation**
Permit Tech	$ -	0.50	0%	33%	0%							67%	Time est. 2020 fee study
Management Analyst	$ -	0.75	0%	33%	0%							67%	Time est. 2020 fee study
Distribution of Labor Cost	**$**		**0%**	**0%**	**0%**							**0%**	
Distribution of FTEs		**1.25**	**0%**	**33%**	**0%**							**67%**	

[a] Per comprehensive study to develop the Indirect Cost Allocation Plan for FY 2024-25.

Exhibit 3

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Distribution of Labor to Central Services Cost Pools | 100-4102 - Public Works - Corporation Yard

Central Services Identification		
Cost Pool Name	**Distributed Labor Cost**	**Distributed FTEs**
General Admin	$ -	-
Dept. Admin. Management	$ 138,606	0.66
Dept. Fiscal Management	$ 138,606	0.66
Direct Services	$ 5,554	0.50

Position	Personnel Data		Allocation of Time to Central Services Functions										
Title	**Total Labor Cost**	**Full Time Equivalency**	**General Admin**	**Dept. Admin. Management**	**Dept. Fiscal Management**							**Direct Services**	**Rationale for Allocation**
Superintendent	$ 235,065	0.97	0%	50%	50%							0%	Common distribution
Assistant Superintendent	$ 16,138	0.10	0%	50%	50%							0%	Common distribution
Management Analyst	$ 26,009	0.25	0%	50%	50%							0%	Common distribution
Permit Technician	$ 5,554	0.50	0%	0%	0%							100%	All to Direct Services
Distribution of Labor Cost	**$ 282,767**		**0%**	**49%**	**49%**							**2%**	
Distribution of FTEs		**1.82**	**0%**	**36%**	**36%**							**27%**	

Exhibit 3

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Distribution of Labor to Central Services Cost Pools | 100-4106 - Public Works - Governmental Building

Central Services Identification		
Cost Pool Name	**Distributed Labor Cost**	**Distributed FTEs**
General Admin	$ -	-
Govt. Facility Maintenance	$ -	0.30
Not in Use	$ -	-
Direct Services	$ -	-

Position	Personnel Data		Allocation of Time to Central Services Functions										
Title	**Total Labor Cost**	**Full Time Equivalency**	**General Admin**	**Govt. Facility Maintenance**	**Not in Use**							**Direct Services**	**Rationale for Allocation**
Senior Maintenance Worker III	$ -	0.20	0%	100%	0%							0%	Budgeted single function
Laborer	$ -	0.10	0%	100%	0%							0%	Budgeted single function
Distribution of Labor Cost	**$**		**0%**	**0%**	**0%**							**0%**	
Distribution of FTEs		**0.30**	**0%**	**100%**	**0%**							**0%**	

Exhibit 3

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Distribution of Labor to Central Services Cost Pools | 100-0000 - Non Departmental

Central Services Identification		
Cost Pool Name	**Distributed Labor Cost**	**Distributed FTEs**
General Admin	$ -	-
Personnel Services	$ -	-
Info. Tech. Services	$ -	-
Fiscal Services	$ -	-
Facilities Services	$ -	-
Admin. Services	$ -	-
Direct Services	$ -	-

Position	Personnel Data		Allocation of Time to Central Services Functions										
Title	**Total Labor Cost**	**Full Time Equivalency**	**General Admin**	**Personnel Services**	**Info. Tech. Services**	**Fiscal Services**	**Facilities Services**	**Admin. Services**				**Direct Services**	**Rationale for Allocation**
[title]	$ -	-	100%	0%	0%	0%	0%	0%				0%	Not in use; see Exhibit 4
[title]	$ -	-	100%	0%	0%	0%	0%	0%				0%	Not in use; see Exhibit 4
Distribution of Labor Cost	**$**		**0%**	**0%**	**0%**	**0%**	**0%**	**0%**				**0%**	
Distribution of FTEs			**0%**	**0%**	**0%**	**0%**	**0%**	**0%**				**0%**	

Exhibit 4

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Determination of Allocable Central Services Expense | 100-1001 - City Council

| Expenditure Description and Allocable Amount | | |

Exhibit 4

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Determination of Allocable Central Services Expense | 100-1101 - City Manager

| Expenditure Description and Allocable Amount | | |

Exhibit 4

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Determination of Allocable Central Services Expense | 100-1201 - City Attorney

Expenditure Description and Allocable Amount									Allocation of Expense to Central Services Functions								
Fund-Org-Object	Description	Total Actual 2024-25	Deduct: Unallowable	Rationale for Unallowable Amount	Allocable Expense	General Admin	Citywide Service	Not in Use							Direct Services	Rationale for Allocation
100 1201 4214	Litigation Expense (General)	$ 174,081	$ -	n/a - full cost plan	$ 174,081	0%	0%	0%							100%	Direct charge as feasible
100 1201 4217	Litigation Expense (Special)	$ 449,167	$ -	n/a - full cost plan	$ 449,167	0%	0%	0%							100%	Direct charge as feasible
100 1201 4996	Allocated Liability Insurance	$ 23,537	$ -	n/a - full cost plan	$ 23,537	0%	0%	0%							100%	Direct charge as feasible
Total Expense Basis and Distribution		**$ 646,785**	**$**		**$ 646,785**	**0%**	**0%**	**0%**							**100%**	
Distribution of Allocable Expense					$ 646,785	$ -	$ -	$ -							$ 646,785	As Total Expense Basis
Return of Unallowable Deductions to Direct Services					$ -										$ -	All to Direct Services
Reallocation of General Administration					$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	As Dist. of Alloc. Exp.
Cost Pools		**$ 646,785**			**$ 646,785**	**$**	**$**	**$**							**$ 646,785**	
	First Allocation Received / Amount for Redistribution in Second Allocation:				*$*	*$*	*$*	*$*	*$*	*$*	*$*	*$*	*$*	*$*		

Exhibit 4

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Determination of Allocable Central Services Expense | 100-1301 - City Clerk

Expenditure Description and Allocable Amount										Allocation of Expense to Central Services Functions								
Fund-Org-Object			Description	Total Actual 2024-25	Deduct: Unallowable	Rationale for Unallowable Amount	Allocable Expense	General Admin	Citywide Service	Not in Use							Direct Services	Rationale for Allocation
100	1301	4010	Salaries - Full Time	$ 273,694	$ -	n/a - full cost plan	$ 273,694	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4011	Salaries - Part Time	$ 409	$ -	n/a - full cost plan	$ 409	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4023	One Time Payment	$ -	$ -	n/a - full cost plan	$ -	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4090	Vacancy Savings	$ -	$ -	n/a - full cost plan	$ -	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4100	Employee Benefits	$ -	$ -	n/a - full cost plan	$ -	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4105	Medicare & Fica	$ 3,986	$ -	n/a - full cost plan	$ 3,986	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4106	Vehicle Allowance	$ -	$ -	n/a - full cost plan	$ -	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4107	Electronic Allowance	$ -	$ -	n/a - full cost plan	$ -	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4110	CalPERS Employer Rate	$ 34,152	$ -	n/a - full cost plan	$ 34,152	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4111	CalPERS UAL Cost	$ 48,750	$ -	n/a - full cost plan	$ 48,750	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4121	Deferred Compensation	$ 4,246	$ -	n/a - full cost plan	$ 4,246	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4130	Health Insurance	$ 11,372	$ -	n/a - full cost plan	$ 11,372	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4140	Retiree Health Insurance OPEB	$ 3,733	$ -	n/a - full cost plan	$ 3,733	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4150	Dental	$ 975	$ -	n/a - full cost plan	$ 975	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4151	Vision	$ 102	$ -	n/a - full cost plan	$ 102	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4181	LTD Insurance	$ 784	$ -	n/a - full cost plan	$ 784	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4182	STD Insurance	$ 324	$ -	n/a - full cost plan	$ 324	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4183	EAP Insurance	$ 35	$ -	n/a - full cost plan	$ 35	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4184	Life Insurance	$ 81	$ -	n/a - full cost plan	$ 81	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4210	Prof. Contracted Services	$ 2,501	$ -	n/a - full cost plan	$ 2,501	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4212	Internet & Network /Technology Maint	$ -	$ -	n/a - full cost plan	$ -	0%	0%	0%							100%	Not allocable
100	1301	4270	Elections	$ 15,299	$ (15,299)	elections	$ -	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4310	Office Supplies	$ 1,033	$ -	n/a - full cost plan	$ 1,033	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4330	Misc Supplies & Services	$ 721	$ -	n/a - full cost plan	$ 721	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4340	Printing & Postage	$ 46	$ -	n/a - full cost plan	$ 46	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4345	Dues & Subscriptions	$ 3,340	$ -	n/a - full cost plan	$ 3,340	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4351	Computer Equip (under $10K)	$ -	$ -	n/a - full cost plan	$ -	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4375	Equipment Rental	$ 3,462	$ -	n/a - full cost plan	$ 3,462	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4510	Conference & Training	$ 1,225	$ -	n/a - full cost plan	$ 1,225	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4515	Meetings & Travel	$ 449	$ -	n/a - full cost plan	$ 449	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4750	Telecommunication	$ 2,141	$ -	n/a - full cost plan	$ 2,141	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4996	Allocated Liability Insurance	$ 21,642	$ -	n/a - full cost plan	$ 21,642	0%	75%	0%							25%	As labor; see Exhibit 3
100	1301	4997	Allocated Wrkrs Comp Insurance	$ 22,657	$ -	n/a - full cost plan	$ 22,657	0%	75%	0%							25%	As labor; see Exhibit 3
Total Expense Basis and Distribution				**$ 457,159**	**$ (15,299)**		**$ 441,860**	**0%**	**75%**	**0%**							**25%**	
Distribution of Allocable Expense							$ 441,860	$ -	$ 331,395	$ -							$ 110,465	As Total Expense Basis
Return of Unallowable Deductions to Direct Services							$ 15,299										$ 15,299	All to Direct Services
Reallocation of General Administration							$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	As Dist. of Alloc. Exp.
Cost Pools				**$ 457,159**			**$ 457,159**	**$**	**$ 331,395**	**$**	**$**						**$ 125,764**	
			First Allocation Received / Amount for Redistribution in Second Allocation:				*$ 33,930*	*$*	*$ 33,930*	*$*	*$*	*$*	*$*	*$*	*$*			

Exhibit 4

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Determination of Allocable Central Services Expense | 100-14xx - Finance / Admin. Services - All General Fund

| Expenditure Description and Allocable Amount | | |

Exhibit 4

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

First Allocation Received / Amount for Redistribution in Second Allocation:	$ 87,248	$	$ 38,413	$ 19,624	$ 5,316	$ 4,651	$ 2,658	$ 9,973	$ 6,613	$

Exhibit 4

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Determination of Allocable Central Services Expense | 100-23xx - Engineering - All General Fund Programs

Expenditure Description and Allocable Amount										Allocation of Expense to Central Services Functions								
Fund-Org-Object			Description	Total Actual 2024-25	Deduct: Unallowable	Rationale for Unallowable Amount	Allocable Expense	General Admin	Technical Support - Public Projects	Not in Use							Direct Services	Rationale for Allocation
100	2302	4010	Salaries - Full Time	$ 179,242	$ -	n/a - full cost plan	$ 179,242	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4011	Salaries - Part Time	$ 21,949	$ -	n/a - full cost plan	$ 21,949	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4012	Overtime	$ 347	$ -	n/a - full cost plan	$ 347	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4023	One Time Payment	$ 2,250	$ -	n/a - full cost plan	$ 2,250	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4100	Employee Benefits	$ -	$ -	n/a - full cost plan	$ -	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4101	Health in lieu	$ -	$ -	n/a - full cost plan	$ -	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4105	Medicare & Fica	$ 2,962	$ -	n/a - full cost plan	$ 2,962	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4110	CalPERS Employer Rate	$ 11,273	$ -	n/a - full cost plan	$ 11,273	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4111	CalPERS UAL Cost	$ 25,291	$ -	n/a - full cost plan	$ 25,291	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4130	Health Insurance	$ 16,998	$ -	n/a - full cost plan	$ 16,998	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4140	Retiree Health Insurance OPEB	$ 3,733	$ -	n/a - full cost plan	$ 3,733	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4150	Dental	$ 1,425	$ -	n/a - full cost plan	$ 1,425	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4151	Vision	$ 158	$ -	n/a - full cost plan	$ 158	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4181	LTD Insurance	$ 504	$ -	n/a - full cost plan	$ 504	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4182	STD Insurance	$ 194	$ -	n/a - full cost plan	$ 194	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4183	EAP Insurance	$ 33	$ -	n/a - full cost plan	$ 33	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4184	Life Insurance	$ 79	$ -	n/a - full cost plan	$ 79	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	02-4210	Contracted Prof Services	$ -	$ -	n/a - full cost plan	$ -	0%	85%	0%							15%	Time est. 2020 fee study
	est. object detail >		*Engineering Management Services*	*$ 56,197*	$ -	n/a - full cost plan	$ 56,197	0%	85%	0%							15%	Time est. 2020 fee study
	est. object detail >		*City Engineer*	*$ 56,197*	$ -	n/a - full cost plan	$ 56,197	0%	85%	0%							15%	Time est. 2020 fee study
	est. object detail >		*Public Outreach*	*$ 1,873*	$ -	n/a - full cost plan	$ 1,873	0%	85%	0%							15%	Time est. 2020 fee study
	est. object detail >		*Franchise Agreement Renewal*	*$ 6,244*	$ (6,244)	direct service	$ -	0%	0%	0%							100%	All direct service
100	2302	4212	Internet & Network/Tech Maint	$ 1,620	$ -	n/a - full cost plan	$ 1,620	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4230	Recruitment	$ 7,738	$ -	n/a - full cost plan	$ 7,738	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4280	Vehicle Maintenance	$ -	$ -	n/a - full cost plan	$ -	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4330	Misc Supplies & Services	$ 500	$ -	n/a - full cost plan	$ 500	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4340	Postage & Printing	$ 74	$ -	n/a - full cost plan	$ 74	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4345	Dues & Subscriptions	$ 5,932	$ -	n/a - full cost plan	$ 5,932	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4375	Equipment Rental	$ 3,805	$ -	n/a - full cost plan	$ 3,805	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4380	Vehicle Maintenance	$ -	$ -	n/a - full cost plan	$ -	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4510	Conference & Training	$ -	$ -	n/a - full cost plan	$ -	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4515	Meetings & Travel	$ 68	$ -	n/a - full cost plan	$ 68	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4750	Telecommunications	$ 2,757	$ -	n/a - full cost plan	$ 2,757	0%	33%	0%							67%	As labor; see Exhibit 3
100	2302	4990	Eng/StaffTime Proj Reimb	$ (14,999)	$ -	Financing uses	$ (14,999)	0%	0%	0%							100%	Not allocable
100	2302	4996	Allocated Liability Insurance	$ 26,312	$ -	n/a - full cost plan	$ 26,312	100%	0%	0%							0%	Reallocate as Gen. Adm.
100	2302	4997	Allocated Wrkrs Comp Insurance	$ 11,769	$ -	n/a - full cost plan	$ 11,769	100%	0%	0%							0%	Reallocate as Gen. Adm.
100	2307	4210	Prof. Contracted Services	$ 17,814	$ (17,814)	direct service	$ -	0%	0%	0%							100%	Not allocable
100	2307	4345	Dues & Subscriptions	$ 20,909	$ (20,909)	direct service	$ -	0%	0%	0%							100%	Not allocable
100	2307	4510	Conference & Training	$ -	$ -	direct service	$ -	0%	0%	0%							100%	Not allocable
Total Expense Basis and Distribution				**$ 471,251**	**$ (44,967)**		**$ 426,284**	**9%**	**45%**	**0%**							**46%**	
Distribution of Allocable Expense							$ 426,284	$ 38,081	$ 193,439	$ -							$ 194,764	As Total Expense Basis
Return of Unallowable Deductions to Direct Services							$ 44,967										$ 44,967	All to Direct Services
Reallocation of General Administration							$ -	$ (38,081)	$ 18,976	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 19,106	As Dist. of Alloc. Exp.
Cost Pools				**$ 471,251**				**$**	**$ 212,414**	**$**	**$**						**$ 258,837**	
			First Allocation Received / Amount for Redistribution in Second Allocation:				*$ 16,021*	*$*	*$ 16,021*	*$*	*$*	*$*	*$*	*$*	*$*			

Exhibit 4

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Determination of Allocable Central Services Expense | 100-4102 - Public Works - Corporation Yard

Expenditure Description and Allocable Amount										Allocation of Expense to Central Services Functions								
Fund-Org-Object			Description	Total Actual 2024-25	Deduct: Unallowable	Rationale for Unallowable Amount	Allocable Expense	General Admin	Dept. Admin. Management	Dept. Fiscal Management							Direct Services	Rationale for Allocation
100	4102	4010	Salaries - Full Time	$ 132,547	$ -	n/a - full cost plan	$ 132,547	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4011	Salaries - Part Time	$ 6,623	$ -	n/a - full cost plan	$ 6,623	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4012	Overtime	$ 590	$ -	n/a - full cost plan	$ 590	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4023	One Time Payment	$ 750	$ -	n/a - full cost plan	$ 750	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4090	Vacancy Savings	$ -	$ -	n/a - full cost plan	$ -	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4100	Employee Benefits	$ 1,255	$ -	n/a - full cost plan	$ 1,255	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4101	Health in Lieu	$ -	$ -	n/a - full cost plan	$ -	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4102	Uniform Allowance	$ -	$ -	n/a - full cost plan	$ -	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4104	Accrual in Lieu	$ 63,748	$ -	n/a - full cost plan	$ 63,748	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4105	Medicare & Fica	$ 2,969	$ -	n/a - full cost plan	$ 2,969	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4110	CalPERS Employer Rate	$ 15,207	$ -	n/a - full cost plan	$ 15,207	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4111	CalPERS UAL Cost	$ 56,787	$ -	n/a - full cost plan	$ 56,787	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4130	Health Insurance	$ 21,380	$ -	n/a - full cost plan	$ 21,380	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4140	Retiree Health Insurance OPEB	$ 8,968	$ -	n/a - full cost plan	$ 8,968	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4150	Dental	$ 2,079	$ -	n/a - full cost plan	$ 2,079	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4151	Vision	$ 222	$ -	n/a - full cost plan	$ 222	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4181	LTD Insurance	$ 506	$ -	n/a - full cost plan	$ 506	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4182	STD Insurance	$ 189	$ -	n/a - full cost plan	$ 189	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4183	EAP Insurance	$ 28	$ -	n/a - full cost plan	$ 28	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4184	Life Insurance	$ 65	$ -	n/a - full cost plan	$ 65	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4185	Child Care In-lieu Benefit	$ -	$ -	n/a - full cost plan	$ -	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4190	Worker's Compensation Premium	$ -	$ -	n/a - full cost plan	$ -	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4210	Prof. Contracted Services	$ 18,514	$ -	n/a - full cost plan	$ 18,514	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4212	Internet & Network /Technology Maint	$ -	$ -	n/a - full cost plan	$ -	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4214	Litigation Expense	$ -	$ -	n/a - full cost plan	$ -	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4230	Recruitment	$ 21,097	$ -	n/a - full cost plan	$ 21,097	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4310	Office Supplies	$ 330	$ -	n/a - full cost plan	$ 330	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4330	Misc Supplies & Services	$ 10,296	$ -	n/a - full cost plan	$ 10,296	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4332	Safety & Janitorial Supplies	$ 1,798	$ -	n/a - full cost plan	$ 1,798	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4340	Postage & Printing	$ 779	$ -	n/a - full cost plan	$ 779	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4345	Dues & Subscriptions	$ 372	$ -	n/a - full cost plan	$ 372	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4375	Equipment Rental	$ 3,805	$ -	n/a - full cost plan	$ 3,805	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4380	Vehicle Maintenance	$ 26,964	$ -	n/a - full cost plan	$ 26,964	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4390	PW Vehicle Fuel Expense	$ 38,269	$ -	n/a - full cost plan	$ 38,269	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4510	Conference & Training	$ -	$ -	n/a - full cost plan	$ -	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4515	Meetings & Travel	$ 249	$ -	n/a - full cost plan	$ 249	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4710	PW CY Util-Gas & Electric	$ 4,498	$ -	n/a - full cost plan	$ 4,498	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4711	Utilities - City Water Bill	$ 11,201	$ -	n/a - full cost plan	$ 11,201	0%	0%	0%							100%	All to Direct Service
100	4102	4750	Telecommunications	$ 11,755	$ -	financing uses	$ 11,755	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4990	PW/StaffTime Proj Reimb	$ (7,888)	$ -	n/a - full cost plan	$ (7,888)	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4996	Allocated Liability Insurance	$ 28,635	$ -	n/a - full cost plan	$ 28,635	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	4997	Allocated Wrkrs Comp Insurance	$ 27,588	$ -	n/a - full cost plan	$ 27,588	0%	49%	49%							2%	As labor; see Exhibit 3
100	4102	5100	Capital Outlay	$ -	$ -	capital outlay	$ -	0%	0%	0%							100%	Not allocable
Total Expense Basis and Distribution				**$ 512,175**	**$**		**$ 512,175**	**0%**	**48%**	**48%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**4%**	
Distribution of Allocable Expense							$ 512,175	$ -	$ 245,567	$ 245,567	$ -	$ -	$ -	$ -	$ -	$ -	$ 21,042	As Total Expense Basis
Return of Unallowable Deductions to Direct Services							$ -										$ -	All to Direct Services
Reallocation of General Administration							$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	As Dist. of Alloc. Exp.
Cost Pools				**$ 512,175**			**$ 512,175**	**$**	**$ 245,567**	**$ 245,567**	**$**	**$**	**$**	**$**	**$**	**$**	**$ 21,042**	
			First Allocation Received / Amount for Redistribution in Second Allocation:				*$ 85,167*	*$*	*$ 42,583*	*$ 42,583*	*$*	*$*	*$*	*$*	*$*	*$*		

Exhibit 4

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Determination of Allocable Central Services Expense | 100-4106 - Public Works - Governmental Building

Expenditure Description and Allocable Amount										Allocation of Expense to Central Services Functions									
Fund-Org-Object			Description	Total Actual 2024-25	Deduct: Unallowable	Rationale for Unallowable Amount	Allocable Expense	General Admin	Govt. Facility Maintenance	Not in Use							Direct Services	Rationale for Allocation
100	4106	4010	Salaries - Full Time	$ 15,231	$ -	n/a - full cost plan	$ 15,231	0%	100%	0%							0%	All to single cost pool
100	4106	4012	Overtime	$ 784	$ -	n/a - full cost plan	$ 784	0%	100%	0%							0%	All to single cost pool
100	4106	4013	Standby	$ 187	$ -	n/a - full cost plan	$ 187	0%	100%	0%							0%	All to single cost pool
100	4106	4019	Salaries - WC-4850/Temp Disb	$ -	$ -	n/a - full cost plan	$ -	0%	100%	0%							0%	All to single cost pool
100	4106	4023	One Time Payment	$ 450	$ -	n/a - full cost plan	$ 450	0%	100%	0%							0%	All to single cost pool
100	4106	4100	Employee Benefits	$ -	$ -	n/a - full cost plan	$ -	0%	100%	0%							0%	All to single cost pool
100	4106	4101	Health in Lieu	$ -	$ -	n/a - full cost plan	$ -	0%	100%	0%							0%	All to single cost pool
100	4106	4102	Uniform Allowance	$ 150	$ -	n/a - full cost plan	$ 150	0%	100%	0%							0%	All to single cost pool
100	4106	4105	Medicare & Fica	$ 244	$ -	n/a - full cost plan	$ 244	0%	100%	0%							0%	All to single cost pool
100	4106	4110	CalPERS Employer Rate	$ 1,773	$ -	n/a - full cost plan	$ 1,773	0%	100%	0%							0%	All to single cost pool
100	4106	4111	CalPERS UAL Cost	$ 6,146	$ -	n/a - full cost plan	$ 6,146	0%	100%	0%							0%	All to single cost pool
100	4106	4130	Health Insurance	$ 3,724	$ -	n/a - full cost plan	$ 3,724	0%	100%	0%							0%	All to single cost pool
100	4106	4150	Dental	$ 351	$ -	n/a - full cost plan	$ 351	0%	100%	0%							0%	All to single cost pool
100	4106	4151	Vision	$ 35	$ -	n/a - full cost plan	$ 35	0%	100%	0%							0%	All to single cost pool
100	4106	4181	LTD Insurance	$ 42	$ -	n/a - full cost plan	$ 42	0%	100%	0%							0%	All to single cost pool
100	4106	4182	STD Insurance	$ 19	$ -	n/a - full cost plan	$ 19	0%	100%	0%							0%	All to single cost pool
100	4106	4183	EAP Insurance	$ 6	$ -	n/a - full cost plan	$ 6	0%	100%	0%							0%	All to single cost pool
100	4106	4184	Life Insurance	$ 13	$ -	n/a - full cost plan	$ 13	0%	100%	0%							0%	All to single cost pool
100	4106	4185	Child Care In-lieu Benefit	$ -	$ -	n/a - full cost plan	$ -	0%	100%	0%							0%	All to single cost pool
100	4106	4210	Prof. Contracted Services	$ 98,483	$ (52,000)	housing support	$ 46,483	0%	100%	0%							0%	All to single cost pool
100	4106	4213	Building/Grounds Maintenance	$ 38,800	$ (4,500)	housing support	$ 34,300	0%	100%	0%							0%	All to single cost pool
100	4106	4330	Misc Supplies & Services	$ 26,240	$ -	n/a - full cost plan	$ 26,240	0%	100%	0%							0%	All to single cost pool
100	4106	4332	Safety & Janitorial Supplies	$ 1,468	$ -	n/a - full cost plan	$ 1,468	0%	100%	0%							0%	All to single cost pool
100	4106	4710	Govt Bldgs-Util-Gas & Elec	$ 8,633	$ -	n/a - full cost plan	$ 8,633	0%	100%	0%							0%	All to single cost pool
100	4106	4711	Utilities - City Water Bill	$ 6,059	$ -	n/a - full cost plan	$ 6,059	0%	100%	0%							0%	All to single cost pool
100	4106	4996	Allocated Liability Insurance	$ 9,559	$ -	n/a - full cost plan	$ 9,559	0%	100%	0%							0%	All to single cost pool
100	4106	4997	Allocated Wrkrs Comp Insurance	$ 2,855	$ -	n/a - full cost plan	$ 2,855	0%	100%	0%							0%	All to single cost pool
100	4106	5100	Capital Outlay	$ -	$ -	n/a - full cost plan	$ -	0%	100%	0%							0%	All to single cost pool
Total Expense Basis and Distribution				**$ 221,250**	**$ (56,500)**		**$ 164,750**	**0%**	**100%**	**0%**							**0%**	
Distribution of Allocable Expense							$ 164,750	$ -	$ 164,750	$ -							$ -	As Total Expense Basis
Return of Unallowable Deductions to Direct Services							$ 56,500										$ 56,500	All to Direct Services
Reallocation of General Administration							$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	As Dist. of Alloc. Exp.
Cost Pools				**$ 221,250**			**$ 221,250**	**$**	**$ 164,750**	**$**							**$ 56,500**	
			First Allocation Received / Amount for Redistribution in Second Allocation:				*$ 26,723*	*$*	*$ 26,723*	*$*	*$*	*$*	*$*	*$*	*$*	*$*		

Exhibit 4

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Determination of Allocable Central Services Expense | 100-0000 - Non Departmental

Expenditure Description and Allocable Amount								Allocation of Expense to Central Services Functions										
Fund-Org-Object		Description	Total Actual 2024-25	Deduct: Unallowable	Rationale for Unallowable Amount	Allocable Expense	General Admin	Personnel Services	Info. Tech. Services	Fiscal Services	Facilities Services	Admin. Services				Direct Services	Rationale for Allocation
100 0000 4104		Accrual in Lieu	$ 84,864	$ -	n/a - full cost plan	$ 84,864	0%	100%	0%	0%	0%	0%				0%	All to Personnel
100 0000 4105		Medicare & Fica	$ 1,231	$ -	n/a - full cost plan	$ 1,231	0%	100%	0%	0%	0%	0%				0%	All to Personnel
100 0000 4330		Misc Supplies & Services	$ -	$ -	n/a - full cost plan	$ -	0%	100%	0%	0%	0%	0%				0%	See detail below
	object detail >	*IT-Related Services, Citywide*	*$ 11,031*	$ -	n/a - full cost plan	$ 11,031	0%	0%	100%	0%	0%	0%				0%	All to Info. Tech. Svcs.
	object detail >	*Device Replacement, Citywide*	*$ -*	$ -	n/a - full cost plan	$ -	0%	0%	100%	0%	0%	0%				0%	All to Info. Tech. Svcs.
	object detail >	*IT Services, Police*	*$ -*	$ -	direct service	$ -	0%	0%	0%	0%	0%	0%				100%	All to Direct Services
100 0000 4999		Transfer Out	$ 300,000	$ (300,000)	transfer	$ -	0%	0%	0%	0%	0%	0%				100%	Not allocable
Total Expense Basis and Distribution			**$ 397,126**	**$ (300,000)**		**$ 97,126**	**0%**	**89%**	**11%**	**0%**	**0%**	**0%**				**0%**	
Distribution of Allocable Expense						$ 97,126	$ -	$ 86,095	$ 11,031	$ -	$ -	$ -				$ -	As Total Expense Basis
Return of Unallowable Deductions to Direct Services						$ 300,000										$ 300,000	All to Direct Services
Reallocation of General Administration						$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	As Dist. of Alloc. Exp.
Cost Pools			**$ 397,126**			**$ 397,126**	**$**	**$ 86,095**	**$ 11,031**	**$**	**$**	**$**				**$ 300,000**	
		First Allocation Received / Amount for Redistribution in Second Allocation:				*$ 5,206*	*$*	*$ 4,614*	*$ 591*	*$*	*$*	*$*	*$*	*$*	*$*		

Exhibit 5

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Inventory of Allocation Factors and Resulting Metrics

Fund		Organization		Classification for Indirect Rates		Modified Operating Expenses			Net Operating Expenses			Gross Expense Net of Distortions		
No.	Title	No.	Title	No.	Title	Value	Distribution to All Services	Distribution Only to Direct Services	Value	Distribution to All Services	Distribution Only to Direct Services	Value	Distribution to All Services	Distribution Only to Direct Services
Central Services in the General Fund														
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services	$ 172,504	1.0%		$ 172,504	0.8%		$ 172,504	0.8%	
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services	$ 826,812	4.9%		$ 826,812	3.8%		$ 826,812	4.1%	
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services	$ -	0.0%		$ -	0.0%		$ -	0.0%	
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services	$ 331,395	2.0%		$ 331,395	1.5%		$ 331,395	1.6%	
100	GENERAL FUND	14xx	Finance / Admin. Services - All Ge	1	Allocated Indirect Services	$ 1,353,783	8.1%		$ 1,353,783	6.2%		$ 1,353,783	6.6%	
100	GENERAL FUND	23xx	Engineering - All General Fund Pr	1	Allocated Indirect Services	$ 212,414	1.3%		$ 212,414	1.0%		$ 212,414	1.0%	
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services	$ 491,133	2.9%		$ 491,133	2.2%		$ 491,133	2.4%	
100	GENERAL FUND	4106	Public Works - Governmental Bui	1	Allocated Indirect Services	$ 164,750	1.0%		$ 164,750	0.8%		$ 164,750	0.8%	
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services	$ 97,126	0.6%		$ 97,126	0.4%		$ 97,126	0.5%	
Direct Services in All Funds														
				0	Unclassified / CIP, ISF, Transfer	$ 14,311	0.1%	0.1%	$ 1,290,522	5.9%	7.0%	$ 1,182,230	5.8%	7.1%
				2	General Government	$ 1,123,997	6.7%	8.5%	$ 1,136,772	5.2%	6.2%	$ 1,136,772	5.6%	6.8%
				3	Planning	$ 904,468	5.4%	6.9%	$ 904,468	4.1%	4.9%	$ 904,468	4.4%	5.4%
				4	Building	$ 303,408	1.8%	2.3%	$ 303,408	1.4%	1.7%	$ 303,408	1.5%	1.8%
				5	Engineering	$ 258,837	1.5%	2.0%	$ 258,837	1.2%	1.4%	$ 258,837	1.3%	1.5%
				6	Fire & Prevention	$ 1,560,033	9.3%	11.9%	$ 1,560,033	7.1%	8.5%	$ 1,560,033	7.7%	9.3%
				7	Police	$ 5,090,928	30.3%	38.7%	$ 5,090,928	23.2%	27.8%	$ 5,233,497	25.7%	31.3%
				8	Public Works	$ 1,471,848	8.8%	11.2%	$ 1,471,848	6.7%	8.0%	$ 1,471,848	7.2%	8.8%
				9	Public Works - Community Facilities	$ 354,608	2.1%	2.7%	$ 354,608	1.6%	1.9%	$ 426,960	2.1%	2.6%
				10	Public Works - Water Utility	$ 1,318,808	7.9%	10.0%	$ 2,171,671	9.9%	11.9%	$ 1,371,037	6.7%	8.2%
				11	Public Works - Wastewater Utility	$ 745,313	4.4%	5.7%	$ 3,772,683	17.2%	20.6%	$ 2,889,417	14.2%	17.3%
Grand Total: All Services						**$ 16,796,474**	**100.0%**		**21,965,693**	**100.0%**		**20,388,422.13**	**100.0%**	
Grand Total: Only Direct Services						**$ 13,146,558**		**100.0%**	**18,315,776**		**100.0%**	**16,738,505.47**		**100.0%**

Data Source Notes -- Not Printed / See Workbook for Detail

Exhibit 5

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Inventory of Allocation Factors and Resulting Metrics

Fund		Organization		Classification for Indirect Rates		Compensated Labor Hours (Approx. FTEE)			Personnel Count			Utility Accounts		
No.	Title	No.	Title	No.	Title	Value	Distribution to All Services	Distribution Only to Direct Services	Value	Distribution to All Services	Distribution Only to Direct Services	Value	Distribution to All Services	Distribution Only to Direct Services
Central Services in the General Fund														
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services	-	0.0%		6.00	6.7%		-	0.0%	
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services	2,040	2.5%		1.00	1.1%		-	0.0%	
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services	-	0.0%		-	0.0%		-	0.0%	
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services	2,048	2.5%		0.75	0.8%		-	0.0%	
100	GENERAL FUND	14xx	Finance / Admin. Services - All Ge	1	Allocated Indirect Services	-	0.0%		4.00	4.4%		-	0.0%	
100	GENERAL FUND	23xx	Engineering - All General Fund Pr	1	Allocated Indirect Services	-	0.0%		1.26	1.4%		-	0.0%	
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services	321	0.4%		1.32	1.5%		-	0.0%	
100	GENERAL FUND	4106	Public Works - Governmental Bui	1	Allocated Indirect Services	-	0.0%		0.30	0.3%		-	0.0%	
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services	-	0.0%		-	0.0%		-	0.0%	
Direct Services in All Funds														
				0	Unclassified / CIP, ISF, Transfer	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%
				2	General Government	102	0.1%	0.1%	0.25	0.3%	0.3%	-	0.0%	0.0%
				3	Planning	4,363	5.4%	5.7%	3.00	3.3%	4.0%	-	0.0%	0.0%
				4	Building	1,020	1.3%	1.3%	1.50	1.7%	2.0%	-	0.0%	0.0%
				5	Engineering	-	0.0%	0.0%	0.99	1.1%	1.3%	-	0.0%	0.0%
				6	Fire & Prevention	5,405	6.7%	7.0%	34.50	38.3%	45.8%	-	0.0%	0.0%
				7	Police	43,532	53.6%	56.7%	23.00	25.6%	30.5%	-	0.0%	0.0%
				8	Public Works	9,412	11.6%	12.3%	5.75	6.4%	7.6%	-	0.0%	0.0%
				9	Public Works - Community Facilities	1,706	2.1%	2.2%	0.85	0.9%	1.1%	-	0.0%	0.0%
				10	Public Works - Water Utility	5,872	7.2%	7.6%	3.00	3.3%	4.0%	2,870	50.0%	50.0%
				11	Public Works - Wastewater Utility	5,349	6.6%	7.0%	2.53	2.8%	3.4%	2,870	50.0%	50.0%
Grand Total: All Services						**81,171**	**100.0%**		**90.00**	**100.0%**		**5,740**	**100.0%**	
Grand Total: Only Direct Services						**76,762**		**100.0%**	**75.37**		**100.0%**	**5,740**		**100.0%**

Data Source Notes -- Not Printed / See Workbook for Detail

Exhibit 5

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Inventory of Allocation Factors and Resulting Metrics

Fund		Organization		Classification for Indirect Rates		Capital Asset Value (Infrastructure)			Public Works Modified Operating Expense			Public Works Personnel Count		
No.	Title	No.	Title	No.	Title	Value	Distribution to All Services	Distribution Only to Direct Services	Value	Distribution to All Services	Distribution Only to Direct Services	Value	Distribution to All Services	Distribution Only to Direct Services
Central Services in the General Fund														
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services	-	0.0%		-	0.0%		-	0.0%	
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services	-	0.0%		-	0.0%		-	0.0%	
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services	-	0.0%		-	0.0%		-	0.0%	
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services	-	0.0%		-	0.0%		-	0.0%	
100	GENERAL FUND	14xx	Finance / Admin. Services - All Ge	1	Allocated Indirect Services	-	0.0%		-	0.0%		-	0.0%	
100	GENERAL FUND	23xx	Engineering - All General Fund Pr	1	Allocated Indirect Services	-	0.0%		-	0.0%		-	0.0%	
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services	-	0.0%		491,133	10.8%		1.32	9.6%	
100	GENERAL FUND	4106	Public Works - Governmental Bui	1	Allocated Indirect Services	-	0.0%		164,750	3.6%		0.30	2.2%	
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services	-	0.0%		-	0.0%		-	0.0%	
Direct Services in All Funds														
				0	Unclassified / CIP, ISF, Transfer	8,856,790	34.9%	34.9%	-	0.0%	0.0%	-	0.0%	0.0%
				2	General Government	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%
				3	Planning	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%
				4	Building	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%
				5	Engineering	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%
				6	Fire & Prevention	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%
				7	Police	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%
				8	Public Works	-	0.0%	0.0%	1,471,848	32.4%	37.8%	5.75	41.8%	47.4%
				9	Public Works - Community Facilities	-	0.0%	0.0%	354,608	7.8%	9.1%	0.85	6.2%	7.0%
				10	Public Works - Water Utility	8,158,473	32.1%	32.1%	1,318,808	29.0%	33.9%	3.00	21.8%	24.7%
				11	Public Works - Wastewater Utility	8,374,315	33.0%	33.0%	745,313	16.4%	19.2%	2.53	18.4%	20.9%
Grand Total: All Services						**25,389,578**	**100.0%**		**4,546,459**	**100.0%**		**13.75**	**100.0%**	
Grand Total: Only Direct Services						**25,389,578**		**100.0%**	**3,890,576**		**100.0%**	**12.13**		**100.0%**

Data Source Notes -- Not Printed / See Workbook for Detail

Exhibit 5

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Inventory of Allocation Factors and Resulting Metrics

Fund		Organization		Classification for Indirect Rates		Revenues Receipted			Services & Supplies Expense		
No.	Title	No.	Title	No.	Title	Value	Distribution to All Services	Distribution Only to Direct Services	Value	Distribution to All Services	Distribution Only to Direct Services
Central Services in the General Fund											
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services	-	0.0%		92,760	2.3%	
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services	-	0.0%		242,723	6.1%	
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services	-	0.0%		-	0.0%	
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services	-	0.0%		14,916	0.4%	
100	GENERAL FUND	14xx	Finance / Admin. Services - All Ge	1	Allocated Indirect Services	-	0.0%		-	0.0%	
100	GENERAL FUND	23xx	Engineering - All General Fund Pr	1	Allocated Indirect Services	-	0.0%		-	0.0%	
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services	-	0.0%		101,865	2.5%	
100	GENERAL FUND	4106	Public Works - Governmental Bui	1	Allocated Indirect Services	-	0.0%		140,884	3.5%	
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services	-	0.0%		-	0.0%	
Direct Services in All Funds											
				0	Unclassified / CIP, ISF, Transfer	-	0.0%	0.0%	8,769	0.2%	0.3%
				2	General Government	137,500	2.3%	2.3%	-	0.0%	0.0%
				3	Planning	25,700	0.4%	0.4%	457,214	11.4%	13.4%
				4	Building	300,000	5.0%	5.0%	208,847	5.2%	6.1%
				5	Engineering	30,500	0.5%	0.5%	-	0.0%	0.0%
				6	Fire & Prevention	30,000	0.5%	0.5%	832,261	20.7%	24.3%
				7	Police	68,400	1.1%	1.1%	409,256	10.2%	12.0%
				8	Public Works	6,300	0.1%	0.1%	615,391	15.3%	18.0%
				9	Public Works - Community Facilities	-	0.0%	0.0%	158,394	3.9%	4.6%
				10	Public Works - Water Utility	2,310,650	38.5%	38.5%	571,784	14.3%	16.7%
				11	Public Works - Wastewater Utility	3,100,000	51.6%	51.6%	156,663	3.9%	4.6%
Grand Total: All Services						**6,009,050**	**100.0%**		**4,011,727**	**100.0%**	
Grand Total: Only Direct Services						**6,009,050**		**100.0%**	**3,418,579**		**100.0%**

Data Source Notes -- Not Printed / See Workbook for Detail

Exhibit 5

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Inventory of Allocation Factors and Resulting Metrics

Fund		Organization		Classification for Indirect Rates	
No.	Title	No.	Title	No.	Title
Central Services in the General Fund					
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services
100	GENERAL FUND	14xx	Finance / Admin. Services - All Ge	1	Allocated Indirect Services
100	GENERAL FUND	23xx	Engineering - All General Fund Pr	1	Allocated Indirect Services
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services
100	GENERAL FUND	4106	Public Works - Governmental Bui	1	Allocated Indirect Services
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services
Direct Services in All Funds					
				0	Unclassified / CIP, ISF, Transfer
				2	General Government
				3	Planning
				4	Building
				5	Engineering
				6	Fire & Prevention
				7	Police
				8	Public Works
				9	Public Works - Community Facilities
				10	Public Works - Water Utility
				11	Public Works - Wastewater Utility
Grand Total: All Services					
Grand Total: Only Direct Services					

Data Source Notes -- Not Printed / See Workbook for Detail

Exhibit 6

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Summary of Allocation Decisions

Allocable Central Service in the General Fund		First Step Allocation: Allocated Cost and Allocation Basis *In the first step, identified overhead is allocated across all organizations Citywide, including to central service organizations themselves.*			Second Step Allocation: Allocated Cost and Allocation Basis *In the second step, overhead attributed to central services in the first step is redistributed to direct service organizations.*			Anticipated Future Method *(When Data is Available)*
Organization	**Central Services Function**	**Allocable Expense**	**Ref. No.**	**Allocation Factor**	**Remaining Allocable Expense**	**Ref. No.**	**Allocation Factor**	**Allocation Factor**
City Council	Admin. Oversight	$ 43,126	4	Compensated Labor Hours (Approx. FTEE)	$ 8,237	4	Compensated Labor Hours (Approx. FTEE)	
City Council	General Fiscal Oversight	$ 43,126	2	Net Operating Expenses	$ 8,237	2	Net Operating Expenses	
City Council	Capital Fiscal Oversight	$ 86,252	7	Capital Asset Value (Infrastructure)	$ 16,475	7	Capital Asset Value (Infrastructure)	
City Manager	Admin. Management	$ 206,698	4	Compensated Labor Hours (Approx. FTEE)	$ 16,361	4	Compensated Labor Hours (Approx. FTEE)	
City Manager	General Fiscal Management	$ 206,721	2	Net Operating Expenses	$ 16,363	2	Net Operating Expenses	
City Manager	Capital Fiscal Management	$ 413,392	7	Capital Asset Value (Infrastructure)	$ 32,723	7	Capital Asset Value (Infrastructure)	
City Attorney	Citywide Service	$ -	2	Net Operating Expenses	$ -	2	Net Operating Expenses	
City Clerk	Citywide Service	$ 331,395	2	Net Operating Expenses	$ 33,930	2	Net Operating Expenses	
Finance / Admin. Services - All General Fund	Citywide Accounting / Budget	$ 596,036	2	Net Operating Expenses	$ 38,413	2	Net Operating Expenses	
Finance / Admin. Services - All General Fund	Utility Billing & Support	$ 304,493	6	Utility Accounts	$ 19,624	6	Utility Accounts	
Finance / Admin. Services - All General Fund	Payroll	$ 82,482	4	Compensated Labor Hours (Approx. FTEE)	$ 5,316	4	Compensated Labor Hours (Approx. FTEE)	
Finance / Admin. Services - All General Fund	Accounts Payable	$ 72,171	11	Services & Supplies Expense	$ 4,651	11	Services & Supplies Expense	
Finance / Admin. Services - All General Fund	Accounts Receivable / Cash Receipts	$ 41,241	10	Revenues Receipted	$ 2,658	10	Revenues Receipted	
Finance / Admin. Services - All General Fund	Information Technology Mgmt.	$ 154,749	5	Personnel Count	$ 9,973	5	Personnel Count	
Finance / Admin. Services - All General Fund	Human Resources	$ 102,612	4	Compensated Labor Hours (Approx. FTEE)	$ 6,613	4	Compensated Labor Hours (Approx. FTEE)	
Engineering - All General Fund Programs	Technical Support - Public Projects	$ 212,414	7	Capital Asset Value (Infrastructure)	$ 16,021	7	Capital Asset Value (Infrastructure)	
Public Works - Corporation Yard	Dept. Admin. Management	$ 245,567	9	Public Works Personnel Count	$ 42,583	9	Public Works Personnel Count	
Public Works - Corporation Yard	Dept. Fiscal Management	$ 245,567	8	Public Works Modified Operating Expense	$ 42,583	8	Public Works Modified Operating Expense	
Public Works - Governmental Building	Govt. Facility Maintenance	$ 164,750	5	Personnel Count	$ 26,723	5	Personnel Count	
Non Departmental	Personnel Services	$ 86,095	4	Compensated Labor Hours (Approx. FTEE)	$ 4,614	4	Compensated Labor Hours (Approx. FTEE)	
Non Departmental	Info. Tech. Services	$ 11,031	5	Personnel Count	$ 591	5	Personnel Count	
Non Departmental	Fiscal Services	$ -	2	Net Operating Expenses	$ -	2	Net Operating Expenses	
Non Departmental	Facilities Services	$ -	5	Personnel Count	$ -	5	Personnel Count	
Non Departmental	Admin. Services	$ -	2	Net Operating Expenses	$ -	2	Net Operating Expenses	
Grand Total for Central Services Allocation		**$ 3,649,917**		***<< All Central Services Allocated***	**$ 352,691**		***<< Remaining Central Services Redistributed***	

Exhibit 7

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Allocation of Central Services Expense to All Organizational Units ("First Allocation")

Fund		Organization		Classification for Indirect Rates		City Council				City Manager			
No.	Title	No.	Title	No.	Title	General Admin	Admin. Oversight	General Fiscal Oversight	Capital Fiscal Oversight	General Admin	Admin. Management	General Fiscal Management	Capital Fiscal Management
Central Services in the General Fund													
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services	$ -	$ -	$ 339	$ -	$ -	$ -	$ 1,623	$ -
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services	$ -	$ 1,084	$ 1,623	$ -	$ -	$ 5,195	$ 7,781	$ -
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services	$ -	$ 1,088	$ 651	$ -	$ -	$ 5,215	$ 3,119	$ -
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services	$ -	$ -	$ 2,658	$ -	$ -	$ -	$ 12,741	$ -
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services	$ -	$ -	$ 417	$ -	$ -	$ -	$ 1,999	$ -
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services	$ -	$ 171	$ 964	$ -	$ -	$ 818	$ 4,622	$ -
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services	$ -	$ -	$ 323	$ -	$ -	$ -	$ 1,550	$ -
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services	$ -	$ -	$ 191	$ -	$ -	$ -	$ 914	$ -
Direct Services in All Funds													
				0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ 2,534	$ 30,088	$ -	$ -	$ 12,145	$ 144,206
				2	General Government	$ -	$ 54	$ 2,232	$ -	$ -	$ 260	$ 10,698	$ -
				3	Planning	$ -	$ 2,318	$ 1,776	$ -	$ -	$ 11,111	$ 8,512	$ -
				4	Building	$ -	$ 542	$ 596	$ -	$ -	$ 2,597	$ 2,855	$ -
				5	Engineering	$ -	$ -	$ 508	$ -	$ -	$ -	$ 2,436	$ -
				6	Fire & Prevention	$ -	$ 2,872	$ 3,063	$ -	$ -	$ 13,764	$ 14,682	$ -
				7	Police	$ -	$ 23,129	$ 9,995	$ -	$ -	$ 110,853	$ 47,911	$ -
				8	Public Works	$ -	$ 5,000	$ 2,890	$ -	$ -	$ 23,966	$ 13,852	$ -
				9	Public Works - Community Facilities	$ -	$ 906	$ 696	$ -	$ -	$ 4,344	$ 3,337	$ -
				10	Public Works - Water Utility	$ -	$ 3,120	$ 4,264	$ 27,716	$ -	$ 14,953	$ 20,438	$ 132,836
				11	Public Works - Wastewater Utility	$ -	$ 2,842	$ 7,407	$ 28,449	$ -	$ 13,622	$ 35,505	$ 136,350
Grand Total						**$**	**$ 43,126**	**$ 43,126**	**$ 86,252**	**$**	**$ 206,698**	**$ 206,721**	**$ 413,392**

Exhibit 7

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Allocation of Central Services Expense to All Organizational Units ("First Allocation")

Fund		Organization		Classification for Indirect Rates		City Attorney			City Clerk		
No.	Title	No.	Title	No.	Title	General Admin	Citywide Service	Not in Use	General Admin	Citywide Service	Not in Use
Central Services in the General Fund											
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ 2,603	$ -
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ 12,474	$ -
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ 5,000	$ -
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ 20,424	$ -
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ 3,205	$ -
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ 7,410	$ -
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ 2,486	$ -
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ 1,465	$ -
Direct Services in All Funds											
				0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ 19,470	$ -
				2	General Government	$ -	$ -	$ -	$ -	$ 17,150	$ -
				3	Planning	$ -	$ -	$ -	$ -	$ 13,646	$ -
				4	Building	$ -	$ -	$ -	$ -	$ 4,577	$ -
				5	Engineering	$ -	$ -	$ -	$ -	$ 3,905	$ -
				6	Fire & Prevention	$ -	$ -	$ -	$ -	$ 23,536	$ -
				7	Police	$ -	$ -	$ -	$ -	$ 76,806	$ -
				8	Public Works	$ -	$ -	$ -	$ -	$ 22,206	$ -
				9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ 5,350	$ -
				10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ 32,764	$ -
				11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ 56,918	$ -
Grand Total						**$**	**$**	**$**	**$**	**$ 331,395**	**$**

Exhibit 7

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Allocation of Central Services Expense to All Organizational Units ("First Allocation")

Fund		Organization		Classification for Indirect Rates		Finance / Admin. Services - All General Fund							
No.	Title	No.	Title	No.	Title	General Admin	Citywide Accounting / Budget	Utility Billing & Support	Payroll	Accounts Payable	Accounts Receivable / Cash Receipts	Information Technology Mgmt.	Human Resources
Central Services in the General Fund													
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services	$ -	$ 4,681	$ -	$ -	$ 1,669	$ -	$ 10,317	$ -
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services	$ -	$ 22,435	$ -	$ 2,073	$ 4,367	$ -	$ 1,719	$ 2,579
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services	$ -	$ 8,992	$ -	$ 2,081	$ 268	$ -	$ 1,290	$ 2,589
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services	$ -	$ 36,735	$ -	$ -	$ -	$ -	$ 6,878	$ -
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services	$ -	$ 5,764	$ -	$ -	$ -	$ -	$ 2,171	$ -
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services	$ -	$ 13,327	$ -	$ 326	$ 1,833	$ -	$ 2,270	$ 406
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services	$ -	$ 4,470	$ -	$ -	$ 2,535	$ -	$ 516	$ -
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services	$ -	$ 2,636	$ -	$ -	$ -	$ -	$ -	$ -
Direct Services in All Funds													
				0	Unclassified / CIP, ISF, Transfer	$ -	$ 35,018	$ -	$ -	$ 158	$ -	$ -	$ -
				2	General Government	$ -	$ 30,846	$ -	$ 104	$ -	$ 944	$ 430	$ 129
				3	Planning	$ -	$ 24,543	$ -	$ 4,434	$ 8,225	$ 176	$ 5,158	$ 5,516
				4	Building	$ -	$ 8,233	$ -	$ 1,036	$ 3,757	$ 2,059	$ 2,579	$ 1,289
				5	Engineering	$ -	$ 7,024	$ -	$ -	$ -	$ 209	$ 1,698	$ -
				6	Fire & Prevention	$ -	$ 42,331	$ -	$ 5,492	$ 14,972	$ 206	$ 59,320	$ 6,833
				7	Police	$ -	$ 138,142	$ -	$ 44,235	$ 7,363	$ 469	$ 39,547	$ 55,031
				8	Public Works	$ -	$ 39,938	$ -	$ 9,564	$ 11,071	$ 43	$ 9,887	$ 11,898
				9	Public Works - Community Facilities	$ -	$ 9,622	$ -	$ 1,734	$ 2,850	$ -	$ 1,462	$ 2,157
				10	Public Works - Water Utility	$ -	$ 58,928	$ 152,246	$ 5,967	$ 10,286	$ 15,858	$ 5,158	$ 7,423
				11	Public Works - Wastewater Utility	$ -	$ 102,371	$ 152,246	$ 5,436	$ 2,818	$ 21,276	$ 4,350	$ 6,762
Grand Total						**$**	**$ 596,036**	**$ 304,493**	**$ 82,482**	**$ 72,171**	**$ 41,241**	**$ 154,749**	**$ 102,612**

Exhibit 7

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Allocation of Central Services Expense to All Organizational Units ("First Allocation")

Fund		Organization		Classification for Indirect Rates		Engineering - All General Fund Programs		
No.	Title	No.	Title	No.	Title	General Admin	Technical Support - Public Projects	Not in Use
Central Services in the General Fund								
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services	$ -	$ -	$ -
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services	$ -	$ -	$ -
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services	$ -	$ -	$ -
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services	$ -	$ -	$ -
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services	$ -	$ -	$ -
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services	$ -	$ -	$ -
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services	$ -	$ -	$ -
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services	$ -	$ -	$ -
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services	$ -	$ -	$ -
Direct Services in All Funds								
				0	Unclassified / CIP, ISF, Transfer	$ -	$ 74,098	$ -
				2	General Government	$ -	$ -	$ -
				3	Planning	$ -	$ -	$ -
				4	Building	$ -	$ -	$ -
				5	Engineering	$ -	$ -	$ -
				6	Fire & Prevention	$ -	$ -	$ -
				7	Police	$ -	$ -	$ -
				8	Public Works	$ -	$ -	$ -
				9	Public Works - Community Facilities	$ -	$ -	$ -
				10	Public Works - Water Utility	$ -	$ 68,255	$ -
				11	Public Works - Wastewater Utility	$ -	$ 70,061	$ -
Grand Total						**$**	**$ 212,414**	**$**

Exhibit 7

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Allocation of Central Services Expense to All Organizational Units ("First Allocation")

Fund		Organization		Classification for Indirect Rates		Public Works Corporation Yard			Public Works Governmental Building		
No.	Title	No.	Title	No.	Title	General Admin	Dept. Admin. Management	Dept. Fiscal Management	General Admin	Govt. Facility Maintenance	Not in Use
Central Services in the General Fund											
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ 10,983	$ -
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ 1,831	$ -
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ 1,373	$ -
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ 7,322	$ -
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ 2,311	$ -
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services	$ -	$ 23,574	$ 26,527	$ -	$ 2,416	$ -
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services	$ -	$ 5,358	$ 8,899	$ -	$ 549	$ -
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ -
Direct Services in All Funds											
				0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
				2	General Government	$ -	$ -	$ -	$ -	$ 458	$ -
				3	Planning	$ -	$ -	$ -	$ -	$ 5,492	$ -
				4	Building	$ -	$ -	$ -	$ -	$ 2,746	$ -
				5	Engineering	$ -	$ -	$ -	$ -	$ 1,808	$ -
				6	Fire & Prevention	$ -	$ -	$ -	$ -	$ 63,154	$ -
				7	Police	$ -	$ -	$ -	$ -	$ 42,103	$ -
				8	Public Works	$ -	$ 102,691	$ 79,498	$ -	$ 10,526	$ -
				9	Public Works - Community Facilities	$ -	$ 15,180	$ 19,153	$ -	$ 1,556	$ -
				10	Public Works - Water Utility	$ -	$ 53,578	$ 71,232	$ -	$ 5,492	$ -
				11	Public Works - Wastewater Utility	$ -	$ 45,184	$ 40,256	$ -	$ 4,631	$ -
Grand Total						**$**	**$ 245,567**	**$ 245,567**	**$**	**$ 164,750**	**$**

Exhibit 7

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Allocation of Central Services Expense to All Organizational Units ("First Allocation")

Fund		Organization		Classification for Indirect Rates		Non Departmental						
No.	Title	No.	Title	No.	Title	General Admin	Personnel Services	Info. Tech. Services	Fiscal Services	Facilities Services	Admin. Services	Grand Total Allocation
Central Services in the General Fund												
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services	$ -	$ -	$ 735	$ -	$ -	$ -	**$ 32,950**
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services	$ -	$ 2,164	$ 123	$ -	$ -	$ -	**$ 65,447**
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services	$ -	$ 2,172	$ 92	$ -	$ -	$ -	**$ 33,930**
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services	$ -	$ -	$ 490	$ -	$ -	$ -	**$ 87,248**
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services	$ -	$ -	$ 155	$ -	$ -	$ -	**$ 16,021**
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services	$ -	$ 341	$ 162	$ -	$ -	$ -	**$ 85,167**
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services	$ -	$ -	$ 37	$ -	$ -	$ -	**$ 26,723**
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services	$ -	$ -	$ -	$ -	$ -	$ -	**$ 5,206**
Direct Services in All Funds												
				0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -	**$ 317,716**
				2	General Government	$ -	$ 108	$ 31	$ -	$ -	$ -	**$ 63,443**
				3	Planning	$ -	$ 4,628	$ 368	$ -	$ -	$ -	**$ 95,903**
				4	Building	$ -	$ 1,082	$ 184	$ -	$ -	$ -	**$ 34,134**
				5	Engineering	$ -	$ -	$ 121	$ -	$ -	$ -	**$ 17,709**
				6	Fire & Prevention	$ -	$ 5,733	$ 4,229	$ -	$ -	$ -	**$ 260,186**
				7	Police	$ -	$ 46,173	$ 2,819	$ -	$ -	$ -	**$ 644,576**
				8	Public Works	$ -	$ 9,983	$ 705	$ -	$ -	$ -	**$ 353,718**
				9	Public Works - Community Facilities	$ -	$ 1,810	$ 104	$ -	$ -	$ -	**$ 70,261**
				10	Public Works - Water Utility	$ -	$ 6,228	$ 368	$ -	$ -	$ -	**$ 697,111**
				11	Public Works - Wastewater Utility	$ -	$ 5,674	$ 310	$ -	$ -	$ -	**$ 742,470**
Grand Total						**$**	**$ 86,095**	**$ 11,031**	**$**	**$**	**$**	**$ 3,649,917**

Reconciles to Total on Exhibit 6? *Yes*

Exhibit 8

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Allocation of Remaining Central Services Expense to Direct Service Units ("Second Allocation")

Fund		Organization		Classification for Indirect Rates		City Council				City Manager			
No.	Title	No.	Title	No.	Title	General Admin	Admin. Oversight	General Fiscal Oversight	Capital Fiscal Oversight	General Admin	Admin. Management	General Fiscal Management	Capital Fiscal Management
Central Services in the General Fund													
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services								
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services								
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services								
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services								
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services								
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services								
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services								
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services								
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services								
Direct Services in All Funds													
				0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ 580	$ 5,747	$ -	$ -	$ 1,153	$ 11,415
				2	General Government	$ -	$ 11	$ 511	$ -	$ -	$ 22	$ 1,016	$ -
				3	Planning	$ -	$ 468	$ 407	$ -	$ -	$ 930	$ 808	$ -
				4	Building	$ -	$ 109	$ 136	$ -	$ -	$ 217	$ 271	$ -
				5	Engineering	$ -	$ -	$ 116	$ -	$ -	$ -	$ 231	$ -
				6	Fire & Prevention	$ -	$ 580	$ 702	$ -	$ -	$ 1,152	$ 1,394	$ -
				7	Police	$ -	$ 4,672	$ 2,290	$ -	$ -	$ 9,279	$ 4,548	$ -
				8	Public Works	$ -	$ 1,010	$ 662	$ -	$ -	$ 2,006	$ 1,315	$ -
				9	Public Works - Community Facilities	$ -	$ 183	$ 159	$ -	$ -	$ 364	$ 317	$ -
				10	Public Works - Water Utility	$ -	$ 630	$ 977	$ 5,294	$ -	$ 1,252	$ 1,940	$ 10,515
				11	Public Works - Wastewater Utility	$ -	$ 574	$ 1,697	$ 5,434	$ -	$ 1,140	$ 3,371	$ 10,793
Grand Total						**$**	**$ 8,237**	**$ 8,237**	**$ 16,475**	**$**	**$ 16,361**	**$ 16,363**	**$ 32,723**

Exhibit 8

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Allocation of Remaining Central Services Expense to Direct Service Units ("Second Allocation")

Fund		Organization		Classification for Indirect Rates		City Attorney			City Clerk		
No.	Title	No.	Title	No.	Title	General Admin	Citywide Service	Not in Use	General Admin	Citywide Service	Not in Use
Central Services in the General Fund											
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services						
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services						
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services						
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services						
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services						
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services						
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services						
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services						
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services						
Direct Services in All Funds											
				0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ 2,391	$ -
				2	General Government	$ -	$ -	$ -	$ -	$ 2,106	$ -
				3	Planning	$ -	$ -	$ -	$ -	$ 1,676	$ -
				4	Building	$ -	$ -	$ -	$ -	$ 562	$ -
				5	Engineering	$ -	$ -	$ -	$ -	$ 479	$ -
				6	Fire & Prevention	$ -	$ -	$ -	$ -	$ 2,890	$ -
				7	Police	$ -	$ -	$ -	$ -	$ 9,431	$ -
				8	Public Works	$ -	$ -	$ -	$ -	$ 2,727	$ -
				9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ 657	$ -
				10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ 4,023	$ -
				11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ 6,989	$ -
Grand Total						**$**	**$**	**$**	**$**	**$ 33,930**	**$**

Exhibit 8

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Allocation of Remaining Central Services Expense to Direct Service Units ("Second Allocation")

Fund		Organization		Classification for Indirect Rates		Finance / Admin. Services - All General Fund							
No.	Title	No.	Title	No.	Title	General Admin	Citywide Accounting / Budget	Utility Billing & Support	Payroll	Accounts Payable	Accounts Receivable / Cash Receipts	Information Technology Mgmt.	Human Resources
Central Services in the General Fund													
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services								
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services								
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services								
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services								
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services								
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services								
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services								
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services								
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services								
Direct Services in All Funds													
				0	Unclassified / CIP, ISF, Transfer	$ -	$ 2,707	$ -	$ -	$ 12	$ -	$ -	$ -
				2	General Government	$ -	$ 2,384	$ -	$ 7	$ -	$ 61	$ 33	$ 9
				3	Planning	$ -	$ 1,897	$ -	$ 302	$ 622	$ 11	$ 397	$ 376
				4	Building	$ -	$ 636	$ -	$ 71	$ 284	$ 133	$ 198	$ 88
				5	Engineering	$ -	$ 543	$ -	$ -	$ -	$ 13	$ 131	$ -
				6	Fire & Prevention	$ -	$ 3,272	$ -	$ 374	$ 1,132	$ 13	$ 4,565	$ 466
				7	Police	$ -	$ 10,677	$ -	$ 3,015	$ 557	$ 30	$ 3,044	$ 3,750
				8	Public Works	$ -	$ 3,087	$ -	$ 652	$ 837	$ 3	$ 761	$ 811
				9	Public Works - Community Facilities	$ -	$ 744	$ -	$ 118	$ 216	$ -	$ 112	$ 147
				10	Public Works - Water Utility	$ -	$ 4,555	$ 9,812	$ 407	$ 778	$ 1,022	$ 397	$ 506
				11	Public Works - Wastewater Utility	$ -	$ 7,912	$ 9,812	$ 370	$ 213	$ 1,371	$ 335	$ 461
Grand Total						**$**	**$ 38,413**	**$ 19,624**	**$ 5,316**	**$ 4,651**	**$ 2,658**	**$ 9,973**	**$ 6,613**

Exhibit 8

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Allocation of Remaining Central Services Expense to Direct Service Units ("Second Allocation")

Fund		Organization		Classification for Indirect Rates		Engineering - All General Fund Programs		
No.	Title	No.	Title	No.	Title	General Admin	Technical Support - Public Projects	Not in Use
Central Services in the General Fund								
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services			
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services			
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services			
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services			
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services			
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services			
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services			
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services			
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services			
Direct Services in All Funds								
				0	Unclassified / CIP, ISF, Transfer	$ -	$ 5,589	$ -
				2	General Government	$ -	$ -	$ -
				3	Planning	$ -	$ -	$ -
				4	Building	$ -	$ -	$ -
				5	Engineering	$ -	$ -	$ -
				6	Fire & Prevention	$ -	$ -	$ -
				7	Police	$ -	$ -	$ -
				8	Public Works	$ -	$ -	$ -
				9	Public Works - Community Facilities	$ -	$ -	$ -
				10	Public Works - Water Utility	$ -	$ 5,148	$ -
				11	Public Works - Wastewater Utility	$ -	$ 5,284	$ -
Grand Total						**$**	**$ 16,021**	**$**

Exhibit 8

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Allocation of Remaining Central Services Expense to Direct Service Units ("Second Allocation")

Fund		Organization		Classification for Indirect Rates		Public Works Corporation Yard			Public Works Governmental Building		
No.	Title	No.	Title	No.	Title	General Admin	Dept. Admin. Management	Dept. Fiscal Management	General Admin	Govt. Facility Maintenance	Not in Use
Central Services in the General Fund											
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services						
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services						
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services						
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services						
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services						
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services						
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services						
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services						
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services						
Direct Services in All Funds											
				0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
				2	General Government	$ -	$ -	$ -	$ -	$ 89	$ -
				3	Planning	$ -	$ -	$ -	$ -	$ 1,064	$ -
				4	Building	$ -	$ -	$ -	$ -	$ 532	$ -
				5	Engineering	$ -	$ -	$ -	$ -	$ 350	$ -
				6	Fire & Prevention	$ -	$ -	$ -	$ -	$ 12,232	$ -
				7	Police	$ -	$ -	$ -	$ -	$ 8,155	$ -
				8	Public Works	$ -	$ 20,186	$ 16,110	$ -	$ 2,039	$ -
				9	Public Works - Community Facilities	$ -	$ 2,984	$ 3,881	$ -	$ 301	$ -
				10	Public Works - Water Utility	$ -	$ 10,532	$ 14,435	$ -	$ 1,064	$ -
				11	Public Works - Wastewater Utility	$ -	$ 8,882	$ 8,158	$ -	$ 897	$ -
Grand Total						**$**	**$ 42,583**	**$ 42,583**	**$**	**$ 26,723**	**$**

Exhibit 8

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Allocation of Remaining Central Services Expense to Direct Service Units ("Second Allocation")

Fund		Organization		Classification for Indirect Rates		Non Departmental						
No.	Title	No.	Title	No.	Title	General Admin	Personnel Services	Info. Tech. Services	Fiscal Services	Facilities Services	Admin. Services	Grand Total Allocation
Central Services in the General Fund												
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services							$ -
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services							$ -
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services							$ -
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services							$ -
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services							$ -
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services							$ -
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services							$ -
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services							$ -
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services							$ -
Direct Services in All Funds												
				0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -	**$ 29,593**
				2	General Government	$ -	$ 6	$ 2	$ -	$ -	$ -	**$ 6,256**
				3	Planning	$ -	$ 262	$ 24	$ -	$ -	$ -	**$ 9,244**
				4	Building	$ -	$ 61	$ 12	$ -	$ -	$ -	**$ 3,312**
				5	Engineering	$ -	$ -	$ 8	$ -	$ -	$ -	**$ 1,872**
				6	Fire & Prevention	$ -	$ 325	$ 271	$ -	$ -	$ -	**$ 29,368**
				7	Police	$ -	$ 2,617	$ 180	$ -	$ -	$ -	**$ 62,244**
				8	Public Works	$ -	$ 566	$ 45	$ -	$ -	$ -	**$ 52,815**
				9	Public Works - Community Facilities	$ -	$ 103	$ 7	$ -	$ -	$ -	**$ 10,293**
				10	Public Works - Water Utility	$ -	$ 353	$ 24	$ -	$ -	$ -	**$ 73,661**
				11	Public Works - Wastewater Utility	$ -	$ 322	$ 20	$ -	$ -	$ -	**$ 74,034**
Grand Total						**$**	**$ 4,614**	**$ 591**	**$**	**$**	**$**	**$ 352,691**

Reconciles to Total on Exhibit 6? *Yes*

Exhibit 9a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Total Allocation of Central Services Expense to Direct Service Units

Fund		Organization		Classification for Indirect Rates		City Council				City Manager			
No.	Title	No.	Title	No.	Title	General Admin	Admin. Oversight	General Fiscal Oversight	Capital Fiscal Oversight	General Admin	Admin. Management	General Fiscal Management	Capital Fiscal Management
Central Services in the General Fund													
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services								
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services								
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services								
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services								
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services								
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services								
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services								
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services								
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services								
Direct Services in All Funds													
				0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ 3,114	$ 35,835	$ -	$ -	$ 13,298	$ 155,621
				2	General Government	$ -	$ 65	$ 2,743	$ -	$ -	$ 281	$ 11,714	$ -
				3	Planning	$ -	$ 2,786	$ 2,183	$ -	$ -	$ 12,041	$ 9,320	$ -
				4	Building	$ -	$ 651	$ 732	$ -	$ -	$ 2,815	$ 3,126	$ -
				5	Engineering	$ -	$ -	$ 625	$ -	$ -	$ -	$ 2,667	$ -
				6	Fire & Prevention	$ -	$ 3,452	$ 3,764	$ -	$ -	$ 14,916	$ 16,075	$ -
				7	Police	$ -	$ 27,800	$ 12,285	$ -	$ -	$ 120,132	$ 52,459	$ -
				8	Public Works	$ -	$ 6,010	$ 3,552	$ -	$ -	$ 25,973	$ 15,167	$ -
				9	Public Works - Community Facilities	$ -	$ 1,089	$ 856	$ -	$ -	$ 4,708	$ 3,654	$ -
				10	Public Works - Water Utility	$ -	$ 3,750	$ 5,240	$ 33,009	$ -	$ 16,205	$ 22,378	$ 143,351
				11	Public Works - Wastewater Utility	$ -	$ 3,416	$ 9,104	$ 33,883	$ -	$ 14,762	$ 38,876	$ 147,143
Grand Total						**$**	**$ 49,021**	**$ 44,197**	**$ 102,727**	**$**	**$ 211,831**	**$ 188,735**	**$ 446,115**

Exhibit 9a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Total Allocation of Central Services Expense to Direct Service Units

Fund		Organization		Classification for Indirect Rates		City Attorney			City Clerk		
No.	Title	No.	Title	No.	Title	General Admin	Citywide Service	Not in Use	General Admin	Citywide Service	Not in Use
Central Services in the General Fund											
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services						
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services						
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services						
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services						
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services						
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services						
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services						
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services						
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services						
Direct Services in All Funds											
				0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ 21,861	$ -
				2	General Government	$ -	$ -	$ -	$ -	$ 19,256	$ -
				3	Planning	$ -	$ -	$ -	$ -	$ 15,321	$ -
				4	Building	$ -	$ -	$ -	$ -	$ 5,140	$ -
				5	Engineering	$ -	$ -	$ -	$ -	$ 4,385	$ -
				6	Fire & Prevention	$ -	$ -	$ -	$ -	$ 26,426	$ -
				7	Police	$ -	$ -	$ -	$ -	$ 86,237	$ -
				8	Public Works	$ -	$ -	$ -	$ -	$ 24,932	$ -
				9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ 6,007	$ -
				10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ 36,787	$ -
				11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ 63,907	$ -
Grand Total						**$**	**$**	**$**	**$**	**$ 310,258**	**$**

Exhibit 9a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Total Allocation of Central Services Expense to Direct Service Units

Fund		Organization		Classification for Indirect Rates		Finance / Admin. Services - All General Fund							
No.	Title	No.	Title	No.	Title	General Admin	Citywide Accounting / Budget	Utility Billing & Support	Payroll	Accounts Payable	Accounts Receivable / Cash Receipts	Information Technology Mgmt.	Human Resources
Central Services in the General Fund													
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services								
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services								
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services								
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services								
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services								
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services								
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services								
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services								
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services								
Direct Services in All Funds													
				0	Unclassified / CIP, ISF, Transfer	$ -	$ 37,725	$ -	$ -	$ 170	$ -	$ -	$ -
				2	General Government	$ -	$ 33,230	$ -	$ 111	$ -	$ 1,004	$ 463	$ 138
				3	Planning	$ -	$ 26,440	$ -	$ 4,736	$ 8,847	$ 188	$ 5,555	$ 5,892
				4	Building	$ -	$ 8,869	$ -	$ 1,107	$ 4,041	$ 2,192	$ 2,778	$ 1,377
				5	Engineering	$ -	$ 7,566	$ -	$ -	$ -	$ 223	$ 1,829	$ -
				6	Fire & Prevention	$ -	$ 45,603	$ -	$ 5,867	$ 16,105	$ 219	$ 63,886	$ 7,298
				7	Police	$ -	$ 148,819	$ -	$ 47,250	$ 7,919	$ 500	$ 42,590	$ 58,781
				8	Public Works	$ -	$ 43,025	$ -	$ 10,215	$ 11,908	$ 46	$ 10,648	$ 12,709
				9	Public Works - Community Facilities	$ -	$ 10,366	$ -	$ 1,852	$ 3,065	$ -	$ 1,574	$ 2,304
				10	Public Works - Water Utility	$ -	$ 63,483	$ 162,058	$ 6,374	$ 11,064	$ 16,880	$ 5,555	$ 7,929
				11	Public Works - Wastewater Utility	$ -	$ 110,284	$ 162,058	$ 5,806	$ 3,032	$ 22,647	$ 4,685	$ 7,223
Grand Total						**$**	**$ 535,409**	**$ 324,116**	**$ 83,317**	**$ 66,152**	**$ 43,899**	**$ 139,562**	**$ 103,651**

Exhibit 9a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Total Allocation of Central Services Expense to Direct Service Units

Fund		Organization		Classification for Indirect Rates		Engineering - All General Fund Programs		
No.	Title	No.	Title	No.	Title	General Admin	Technical Support - Public Projects	Not in Use
Central Services in the General Fund								
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services			
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services			
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services			
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services			
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services			
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services			
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services			
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services			
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services			
Direct Services in All Funds								
				0	Unclassified / CIP, ISF, Transfer	$ -	$ 79,686	$ -
				2	General Government	$ -	$ -	$ -
				3	Planning	$ -	$ -	$ -
				4	Building	$ -	$ -	$ -
				5	Engineering	$ -	$ -	$ -
				6	Fire & Prevention	$ -	$ -	$ -
				7	Police	$ -	$ -	$ -
				8	Public Works	$ -	$ -	$ -
				9	Public Works - Community Facilities	$ -	$ -	$ -
				10	Public Works - Water Utility	$ -	$ 73,404	$ -
				11	Public Works - Wastewater Utility	$ -	$ 75,345	$ -
Grand Total						**$**	**$ 228,435**	**$**

Exhibit 9a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Total Allocation of Central Services Expense to Direct Service Units

Fund		Organization		Classification for Indirect Rates		Public Works Corporation Yard			Public Works Governmental Building		
No.	Title	No.	Title	No.	Title	General Admin	Dept. Admin. Management	Dept. Fiscal Management	General Admin	Govt. Facility Maintenance	Not in Use
Central Services in the General Fund											
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services						
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services						
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services						
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services						
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services						
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services						
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services						
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services						
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services						
Direct Services in All Funds											
				0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
				2	General Government	$ -	$ -	$ -	$ -	$ 546	$ -
				3	Planning	$ -	$ -	$ -	$ -	$ 6,555	$ -
				4	Building	$ -	$ -	$ -	$ -	$ 3,278	$ -
				5	Engineering	$ -	$ -	$ -	$ -	$ 2,158	$ -
				6	Fire & Prevention	$ -	$ -	$ -	$ -	$ 75,387	$ -
				7	Police	$ -	$ -	$ -	$ -	$ 50,258	$ -
				8	Public Works	$ -	$ 122,877	$ 95,608	$ -	$ 12,564	$ -
				9	Public Works - Community Facilities	$ -	$ 18,164	$ 23,035	$ -	$ 1,857	$ -
				10	Public Works - Water Utility	$ -	$ 64,110	$ 85,667	$ -	$ 6,555	$ -
				11	Public Works - Wastewater Utility	$ -	$ 54,066	$ 48,414	$ -	$ 5,528	$ -
Grand Total						**$**	**$ 259,218**	**$ 252,724**	**$**	**$ 164,687**	**$**

Exhibit 9a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Total Allocation of Central Services Expense to Direct Service Units

Fund		Organization		Classification for Indirect Rates		Non Departmental						
No.	Title	No.	Title	No.	Title	General Admin	Personnel Services	Info. Tech. Services	Fiscal Services	Facilities Services	Admin. Services	Grand Total Allocation
Central Services in the General Fund												
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services							$ -
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services							$ -
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services							$ -
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services							$ -
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services							$ -
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services							$ -
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services							$ -
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services							$ -
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services							$ -
Direct Services in All Funds												
				0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -	**$ 347,309**
				2	General Government	$ -	$ 114	$ 33	$ -	$ -	$ -	**$ 69,699**
				3	Planning	$ -	$ 4,890	$ 391	$ -	$ -	$ -	**$ 105,146**
				4	Building	$ -	$ 1,143	$ 196	$ -	$ -	$ -	**$ 37,445**
				5	Engineering	$ -	$ -	$ 129	$ -	$ -	$ -	**$ 19,581**
				6	Fire & Prevention	$ -	$ 6,058	$ 4,499	$ -	$ -	$ -	**$ 289,554**
				7	Police	$ -	$ 48,790	$ 3,000	$ -	$ -	$ -	**$ 706,820**
				8	Public Works	$ -	$ 10,548	$ 750	$ -	$ -	$ -	**$ 406,533**
				9	Public Works - Community Facilities	$ -	$ 1,912	$ 111	$ -	$ -	$ -	**$ 80,554**
				10	Public Works - Water Utility	$ -	$ 6,581	$ 391	$ -	$ -	$ -	**$ 770,772**
				11	Public Works - Wastewater Utility	$ -	$ 5,995	$ 330	$ -	$ -	$ -	**$ 816,504**
Grand Total						**$**	**$ 86,033**	**$ 9,829**	**$**	**$**	**$**	**$ 3,649,917**

Reconciles to First Step Total on Exhibit 6? *Yes*

Exhibit 9b

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Total Allocation of Central Services Expense to Direct Service Units:
Summary by Cost Center, Total Cost ($)

Fund		Organization		Classification for Indirect Rates		Total Organization									
No.	Title	No.	Title	No.	Title	City Council	City Manager	City Attorney	City Clerk	Finance / Admin. Services - All General Fund	Engineering - All General Fund Programs	Public Works - Corporation Yard	Public Works - Governmental Building	Non Departmental	Grand Total Allocation
Central Services in the General Fund															
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services										$ -
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services										$ -
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services										$ -
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services										$ -
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services										$ -
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services										$ -
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services										$ -
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services										$ -
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services										$ -
Direct Services in All Funds															
				0	Unclassified / CIP, ISF, Transfer	$ 38,949	$ 168,919	$ -	$ 21,861	$ 37,894	$ 79,686	$ -	$ -	$ -	**$ 347,309**
				2	General Government	$ 2,808	$ 11,995	$ -	$ 19,256	$ 34,946	$ -	$ -	$ 546	$ 147	**$ 69,699**
				3	Planning	$ 4,969	$ 21,361	$ -	$ 15,321	$ 51,658	$ -	$ -	$ 6,555	$ 5,282	**$ 105,146**
				4	Building	$ 1,384	$ 5,941	$ -	$ 5,140	$ 20,364	$ -	$ -	$ 3,278	$ 1,339	**$ 37,445**
				5	Engineering	$ 625	$ 2,667	$ -	$ 4,385	$ 9,618	$ -	$ -	$ 2,158	$ 129	**$ 19,581**
				6	Fire & Prevention	$ 7,216	$ 30,991	$ -	$ 26,426	$ 138,978	$ -	$ -	$ 75,387	$ 10,557	**$ 289,554**
				7	Police	$ 40,085	$ 172,591	$ -	$ 86,237	$ 305,859	$ -	$ -	$ 50,258	$ 51,789	**$ 706,820**
				8	Public Works	$ 9,562	$ 41,139	$ -	$ 24,932	$ 88,551	$ -	$ 218,485	$ 12,564	$ 11,298	**$ 406,533**
				9	Public Works - Community Facilities	$ 1,945	$ 8,362	$ -	$ 6,007	$ 19,160	$ -	$ 41,199	$ 1,857	$ 2,023	**$ 80,554**
				10	Public Works - Water Utility	$ 42,000	$ 181,933	$ -	$ 36,787	$ 273,343	$ 73,404	$ 149,777	$ 6,555	$ 6,973	**$ 770,772**
				11	Public Works - Wastewater Utility	$ 46,403	$ 200,781	$ -	$ 63,907	$ 315,734	$ 75,345	$ 102,480	$ 5,528	$ 6,325	**$ 816,504**
Grand Total															**$ 3,649,917**

Reconciles to First Step Total on Exhibit 6? *Yes*

Exhibit 9b

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Total Allocation of Central Services Expense to Direct Service Units:
Summary by Cost Center, Percentage of Total Cost (%)

Fund		Organization		Classification for Indirect Rates		Total Organization									
No.	Title	No.	Title	No.	Title	City Council	City Manager	City Attorney	City Clerk	Finance / Admin. Services - All General Fund	Engineering - All General Fund Programs	Public Works - Corporation Yard	Public Works - Governmental Building	Non Departmental	Grand Total Allocation
Central Services in the General Fund															
100	GENERAL FUND	1001	City Council	1	Allocated Indirect Services										**0.0%**
100	GENERAL FUND	1101	City Manager	1	Allocated Indirect Services										**0.0%**
100	GENERAL FUND	1201	City Attorney	1	Allocated Indirect Services										**0.0%**
100	GENERAL FUND	1301	City Clerk	1	Allocated Indirect Services										**0.0%**
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	1	Allocated Indirect Services										**0.0%**
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	1	Allocated Indirect Services										**0.0%**
100	GENERAL FUND	4102	Public Works - Corporation Yard	1	Allocated Indirect Services										**0.0%**
100	GENERAL FUND	4106	Public Works - Governmental Building	1	Allocated Indirect Services										**0.0%**
100	GENERAL FUND	0000	Non Departmental	1	Allocated Indirect Services										**0.0%**
Direct Services in All Funds															
				0	Unclassified / CIP, ISF, Transfer	11.2%	48.6%	0.0%	6.3%	10.9%	22.9%	0.0%	0.0%	0.0%	**100.0%**
				2	General Government	4.0%	17.2%	0.0%	27.6%	50.1%	0.0%	0.0%	0.8%	0.2%	**100.0%**
				3	Planning	4.7%	20.3%	0.0%	14.6%	49.1%	0.0%	0.0%	6.2%	5.0%	**100.0%**
				4	Building	3.7%	15.9%	0.0%	13.7%	54.4%	0.0%	0.0%	8.8%	3.6%	**100.0%**
				5	Engineering	3.2%	13.6%	0.0%	22.4%	49.1%	0.0%	0.0%	11.0%	0.7%	**100.0%**
				6	Fire & Prevention	2.5%	10.7%	0.0%	9.1%	48.0%	0.0%	0.0%	26.0%	3.6%	**100.0%**
				7	Police	5.7%	24.4%	0.0%	12.2%	43.3%	0.0%	0.0%	7.1%	7.3%	**100.0%**
				8	Public Works	2.4%	10.1%	0.0%	6.1%	21.8%	0.0%	53.7%	3.1%	2.8%	**100.0%**
				9	Public Works - Community Facilities	2.4%	10.4%	0.0%	7.5%	23.8%	0.0%	51.1%	2.3%	2.5%	**100.0%**
				10	Public Works - Water Utility	5.4%	23.6%	0.0%	4.8%	35.5%	9.5%	19.4%	0.9%	0.9%	**100.0%**
				11	Public Works - Wastewater Utility	5.7%	24.6%	0.0%	7.8%	38.7%	9.2%	12.6%	0.7%	0.8%	**100.0%**
Grand Total															

Exhibit 10

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Central Services Indirect Rate on Direct Salary Expense

Cost Basis		
Allocable Central Services Expense	$	3,649,917
less: Functions Not Appropriate for Indirect Rate		
Finance / Admin. Services: Utility Billing & Support	$	(304,493)
Engineering: Technical Support - Public Projects	$	(212,414)
Public Works Corporation Yard: Department Administration	$	(491,133)
Net Cost Basis	**$**	**2,641,877**

Rate Basis		
Citywide Expense Used as Rate Basis from Actual 2024-25:		
4010 Salaries - Full Time	$	4,695,041
4011 Salaries - Part-Time	$	99,626
less: Rate Basis Included in Allocable Central Services		
City Council	$	(18,300)
City Manager	$	(196,945)
City Attorney	$	-
City Clerk	$	(205,578)
Finance / Admin. Services - All General Fund	$	(409,404)
Engineering - All General Fund Programs	$	(67,064)
Public Works - Corporation Yard	$	(136,437)
Public Works - Governmental Building	$	(15,231)
Non Departmental	$	-
Net Rate Basis	**$**	**3,745,708**

Indirect for Central Services, Composite for City	**70.5%**

Exhibit 10

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Central Services Indirect Rate on Direct Expenditure

Cost Basis		
Allocable Central Services Expense (Net Cost Basis Above)	$	2,641,877
plus: Additional Adjustments		
None	$	-
Net Cost Basis	**$**	**2,641,877**

Rate Basis		
Total Expenditures (Operations and Capital), All Funds | Actual 2024-25	$	25,683,815
less: Exclusions		
Debt Service	$	(874,666)
Capital	$	(586,071)
Depreciation	$	(1,414,474)
Transfers & Financing Uses	$	(842,911)
Other Adjustment	$	-
Allocated Citywide Indirect Services (Net Cost Basis from Above)	$	(2,641,877)
[other adjustment - describe]	$	-
Net Rate Basis	**$**	**19,323,816**

Indirect for Central Services, Composite for City	**13.7%**

Exhibit 11a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Indirect Rate Bases by Organizational Unit

Fund		Organization		Classification for Indirect Rates (i.e., Department Description)		Indirect Rate Method: Labor Cost			Indirect Rate Method: Direct Cost		
No.	Title	No.	Title	No.	Title	Salaries - Full Time	Salaries - Part-Time	Total Basis	Total Expenditures	less: Adjustments	Total Basis
Direct Services in the General Fund											
100	GENERAL FUND	1001	City Council	2	General Government	$ -	$ -	$ -	$ 4,300	$ -	$ 4,300
100	GENERAL FUND	1101	City Manager	2	General Government	$ -	$ -	$ -	$ 500	$ -	$ 500
100	GENERAL FUND	1201	City Attorney	2	General Government	$ -	$ -	$ -	$ 646,785	$ -	$ 646,785
100	GENERAL FUND	1301	City Clerk	2	General Government	$ -	$ -	$ -	$ 125,764	$ -	$ 125,764
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	2	General Government	$ -	$ -	$ -	$ 32,013	$ -	$ 32,013
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	5	Engineering	$ -	$ -	$ -	$ 258,837	$ -	$ 258,837
100	GENERAL FUND	4102	Public Works - Corporation Yard	8	Public Works	$ -	$ -	$ -	$ 21,042	$ -	$ 21,042
100	GENERAL FUND	4106	Public Works - Governmental Building	8	Public Works	$ -	$ -	$ -	$ 56,500	$ -	$ 56,500
100	GENERAL FUND	0000	Non Departmental	2	General Government	$ -	$ -	$ -	$ 300,000	$ -	$ 300,000
100	GENERAL FUND	2102	Planning	3	Planning	$ 212,795	$ 19,565	$ 232,360	$ 657,815	$ -	$ 657,815
100	GENERAL FUND	2202	Building	4	Building	$ 46,982	$ -	$ 46,982	$ 303,081	$ -	$ 303,081
100	GENERAL FUND	3102	Fire & Prevention	6	Fire & Prevention	$ 227,168	$ -	$ 227,168	$ 1,490,275	$ -	$ 1,490,275
100	GENERAL FUND	3114	Fire & Prevention	6	Fire & Prevention	$ -	$ -	$ -	$ 2,001	$ -	$ 2,001
100	GENERAL FUND	3202	Police	7	Police	$ 1,944,417	$ 44,261	$ 1,988,677	$ 5,123,538	$ (70,867)	$ 5,052,671
100	GENERAL FUND	3213	Police	7	Police	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	4002	Senior Center	9	Public Works - Community Facilities	$ 4,801	$ -	$ 4,801	$ 42,620	$ (16,475)	$ 26,145
100	GENERAL FUND	4103	Public Works - Streets Maintenance	8	Public Works	$ 52,206	$ -	$ 52,206	$ 353,356	$ -	$ 353,356
100	GENERAL FUND	4104	Public Works - Parks & Landscaping	8	Public Works	$ 176,635	$ -	$ 176,635	$ 591,240	$ -	$ 591,240
100	GENERAL FUND	4105	Public Works - Parking Lots	8	Public Works	$ 33,025	$ -	$ 33,025	$ 138,446	$ -	$ 138,446
100	GENERAL FUND	4107	Public Works - [Division Title]	8	Public Works	$ 7,763	$ 598	$ 8,361	$ 11,116	$ -	$ 11,116
100	GENERAL FUND	4202	Public Works - Community Center	9	Public Works - Community Facilities	$ 21,840	$ -	$ 21,840	$ 172,309	$ -	$ 172,309
100	GENERAL FUND	4203	Public Works - Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	4204	Public Works - Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	4302	Public Works - Ives Pool	9	Public Works - Community Facilities	$ 24,182	$ -	$ 24,182	$ 212,031	$ (55,877)	$ 156,154
100	GENERAL FUND	9971	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 119,224	$ (119,224)	$ -
100	GENERAL FUND	9972	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 64,585	$ (64,585)	$ -
100	GENERAL FUND	9974	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
100	GENERAL FUND	9980	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 86,169	$ (86,169)	$ -
Direct Services in Other Funds											
103	Buildings,Facilities & Infrast	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 61,239	$ (61,239)	$ -

Exhibit 11a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Indirect Rate Bases by Organizational Unit

Fund		Organization		Classification for Indirect Rates (i.e., Department Description)		Indirect Rate Method: Labor Cost			Indirect Rate Method: Direct Cost		
No.	Title	No.	Title	No.	Title	Salaries - Full Time	Salaries - Part-Time	Total Basis	Total Expenditures	less: Adjustments	Total Basis
103	Buildings,Facilities & Infrast	1001	City Council	2	General Government	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	3202	Police	7	Police	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4002	Senior Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4102	Public Works - Corporation Yard	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4106	Public Works - Governmental Building	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4202	PW-Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ -
103	Buildings,Facilities & Infrast	4302	PW-Ives Pool	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ -
104	Equip,Technology & Vehicles	0000	Non Departmental	6	Fire & Prevention	$ -	$ -	$ -	$ -	$ -	$ -
104	Equip,Technology & Vehicles	3102	Fire & Prevention	6	Fire & Prevention	$ -	$ -	$ -	$ -	$ -	$ -
104	Equip,Technology & Vehicles	3202	Police	7	Police	$ -	$ -	$ -	$ -	$ -	$ -
104	Equip,Technology & Vehicles	4102	Public Works - Corporation Yard	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
105	Pension & OPEB Fund	1401	Finance	2	General Government	$ -	$ -	$ -	$ 12,775	$ -	$ 12,775
120	Tree Replacement Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
120	Tree Replacement Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ -
120	Tree Replacement Fund	4103	Public Works - Streets	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
120	Tree Replacement Fund	4104	Public Works - Parks & Landscaping	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
122	PermitTechnology Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ 21,185	$ -	$ 21,185
122	PermitTechnology Fund	2202	Building	4	Building	$ -	$ -	$ -	$ 327	$ -	$ 327
123	Street Pavement Reserve	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 8,712	$ (8,712)	$ -
123	Street Pavement Reserve	2350	Engineering	5	Engineering	$ -	$ -	$ -	$ -	$ -	$ -
123	Street Pavement Reserve	2351	Engineering	5	Engineering	$ -	$ -	$ -	$ -	$ -	$ -
124	Measure T& Q (Y)	4103	Public Works - Streets	8	Public Works	$ -	$ -	$ -	$ -	$ -	$ -
125	Vehicle Abatement	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 4,500	$ (4,500)	$ -
126	Tobacco Mgmnt Program Fund	3202	Police	7	Police	$ -	$ -	$ -	$ 1,964	$ -	$ 1,964
127	Flood Mitigation Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 65,309	$ (65,309)	$ -
127	Flood Mitigation Fund	4202	PW-Community Center	9	Public Works - Community Facilities	$ -	$ -	$ -	$ -	$ -	$ -
128	Police Endowment Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 46,008	$ (46,008)	$ -
128	Police Endowment Fund	3202	Police	7	Police	$ -	$ -	$ -	$ 82,005	$ (71,702)	$ 10,303
200	Gas Tax Fund	4103	Public Works - Streets	8	Public Works	$ 95,827	$ -	$ 95,827	$ 185,773	$ -	$ 185,773
201	Measure M-Road Mtn	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 1,328	$ (1,328)	$ -
202	Measure M-ParkImpr Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 78,583	$ (78,583)	$ -
203	Art In-Lieu Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 7,011	$ -	$ 7,011

Exhibit 11a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Indirect Rate Bases by Organizational Unit

Fund		Organization		Classification for Indirect Rates (i.e., Department Description)		Indirect Rate Method: Labor Cost			Indirect Rate Method: Direct Cost		
No.	Title	No.	Title	No.	Title	Salaries - Full Time	Salaries - Part-Time	Total Basis	Total Expenditures	less: Adjustments	Total Basis
203	Art In-Lieu Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ 28,500	$ -	$ 28,500
203	Art In-Lieu Fund	4104	Public Works - Parks & Landscaping	8	Public Works	$ -	$ -	$ -	$ 188	$ -	$ 188
204	Housing Linkage Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
205	Inclusionary Housing Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
207	Downtown Improvement District Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 7,300	$ -	$ 7,300
208	General Plan Update Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
208	General Plan Update Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ -
209	SLESF Grant Fund	3202	Police	7	Police	$ -	$ -	$ -	$ 120,000	$ (120,000)	$ -
211	Transportation Grants	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 64,907	$ (64,907)	$ -
211	Transportation Grants	2102	Planning	3	Planning	$ -	$ -	$ -	$ 185,582	$ -	$ 185,582
212	Park In-Lieu Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 2,673	$ (2,673)	$ -
212	Park In-Lieu Fee Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ -	$ -	$ -
212	Park In-Lieu Fee Fund	9971	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 57,404	$ (57,404)	$ -
213	Traffic Impact Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 52,982	$ (52,982)	$ -
213	Traffic Impact Fee Fund	2102	Planning	3	Planning	$ -	$ -	$ -	$ 1,056	$ -	$ 1,056
215	Street Lighting Assess District	1401	Finance	2	General Government	$ 10,075	$ -	$ 10,075	$ 14,635	$ -	$ 14,635
215	Street Lighting Assess District	4103	Public Works - Streets	8	Public Works	$ 9,004	$ -	$ 9,004	$ 114,187	$ -	$ 114,187
216	CDBG ADA Transitional Plan	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 69,007	$ (69,007)	$ -
217	Road Mtn & Rehab (SB1)	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 25,982	$ (25,982)	$ -
217	Road Mtn & Rehab (SB1)	2302	Engineering	5	Engineering	$ -	$ -	$ -	$ -	$ -	$ -
218	Park Land & Development Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
219	Gen Government Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
220	Fire Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
221	Stormwater Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
233	COMMUNITY FUND	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
240	BSCC - Wellness/Mental Health	3202	Police	7	Police	$ -	$ -	$ -	$ -	$ -	$ -
245	OTS Police Fed Grants	3202	Police	7	Police	$ -	$ -	$ -	$ 25,990	$ -	$ 25,990
247	Suppl Plng Grant (SB2&LEAP)	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
247	Suppl Plng Grant (SB2&LEAP)	2102	Planning	3	Planning	$ -	$ -	$ -	$ 10,330	$ -	$ 10,330
248	Measure H-Fire Sales Tax	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
248	Measure H-Fire Sales Tax	3102	Fire & Prevention	6	Fire & Prevention	$ 2,658	$ -	$ 2,658	$ 67,757	$ -	$ 67,757
248	Measure H-Fire Sales Tax	9974	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 469,386	$ (469,386)	$ -

Exhibit 11a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Indirect Rate Bases by Organizational Unit

Fund		Organization		Classification for Indirect Rates (i.e., Department Description)		Indirect Rate Method: Labor Cost			Indirect Rate Method: Direct Cost		
No.	Title	No.	Title	No.	Title	Salaries - Full Time	Salaries - Part-Time	Total Basis	Total Expenditures	less: Adjustments	Total Basis
401	Woodstone Ctr Assess District DS	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
401	Woodstone Ctr Assess District DS	9970	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
402	CREBS DS Fund	9973	Debt Service	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	0000	Non Departmental	10	Public Works - Water Utility	$ -	$ -	$ -	$ 903,093	$ (50,230)	$ 852,863
500	WATER FUND	1001	City Council	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	1101	City Manager	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	1201	City Attorney	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	1301	City Clerk	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	1401	Finance	10	Public Works - Water Utility	$ -	$ -	$ -	$ 27,421	$ -	$ 27,421
500	WATER FUND	2102	Planning	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	2202	Building	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	2302	Engineering	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	3102	Fire & Prevention	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	4102	Public Works - Corporation Yard	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	4106	Public Works - Governmental Building	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	4402	PW-Uitility	10	Public Works - Water Utility	$ 318,931	$ -	$ 318,931	$ 1,291,386	$ -	$ 1,291,386
500	WATER FUND	9971	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -	$ 1,306	$ (1,306)	$ -
500	WATER FUND	9973	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	9974	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	9976	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
500	WATER FUND	9977	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -	$ 16,539	$ (16,539)	$ -
500	WATER FUND	9980	Debt Service	10	Public Works - Water Utility	$ -	$ -	$ -	$ 34,384	$ (34,384)	$ -
501	Water Enterprise Capital Proj Fund	0000	Non Departmental	10	Public Works - Water Utility	$ -	$ -	$ -	$ 349,801	$ (349,801)	$ -
501	Water Enterprise Capital Proj Fund	2350	Engineering	10	Public Works - Water Utility	$ -	$ -	$ -	$ 26,566	$ (26,566)	$ -
501	Water Enterprise Capital Proj Fund	2351	Engineering	10	Public Works - Water Utility	$ -	$ -	$ -	$ 1,529	$ (1,529)	$ -
501	Water Enterprise Capital Proj Fund	4150	Public Works	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
501	Water Enterprise Capital Proj Fund	4151	Public Works	10	Public Works - Water Utility	$ -	$ -	$ -	$ 22,135	$ (22,135)	$ -
502	Water Connection Fee Fund	0000	Non Departmental	10	Public Works - Water Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	0000	Non Departmental	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ 941,485	$ (32,551)	$ 908,934
510	WasteWater Enterprise Fund	1001	City Council	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	1101	City Manager	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	1201	City Attorney	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -

Exhibit 11a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Indirect Rate Bases by Organizational Unit

Fund		Organization		Classification for Indirect Rates (i.e., Department Description)		Indirect Rate Method: Labor Cost			Indirect Rate Method: Direct Cost		
No.	Title	No.	Title	No.	Title	Salaries - Full Time	Salaries - Part-Time	Total Basis	Total Expenditures	less: Adjustments	Total Basis
510	WasteWater Enterprise Fund	1301	City Clerk	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	1401	Finance	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ 27,797	$ -	$ 27,797
510	WasteWater Enterprise Fund	2102	Planning	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	2202	Building	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	2302	Engineering	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	4102	Public Works - Corporation Yard	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	4106	Public Works - Governmental Building	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	4402	PW-Uitility	11	Public Works - Wastewater Utility	$ 271,638	$ -	$ 271,638	$ 717,516	$ -	$ 717,516
510	WasteWater Enterprise Fund	4502	PW Subregional O&M	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ 2,118,436	$ -	$ 2,118,436
510	WasteWater Enterprise Fund	9971	Debt Service	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ 1,218	$ (1,218)	$ -
510	WasteWater Enterprise Fund	9974	Debt Service	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
510	WasteWater Enterprise Fund	9980	Debt Service	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ 24,451	$ (24,451)	$ -
511	Sewer Enterprise Capital Proj Fund	0000	Non Departmental	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ 214,771	$ (214,771)	$ -
511	Sewer Enterprise Capital Proj Fund	2350	Engineering	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ 446	$ (446)	$ -
511	Sewer Enterprise Capital Proj Fund	2351	Engineering	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ 1,529	$ (1,529)	$ -
511	Sewer Enterprise Capital Proj Fund	4150	Public Works	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ -	$ -	$ -
511	Sewer Enterprise Capital Proj Fund	4151	Public Works	11	Public Works - Wastewater Utility	$ -	$ -	$ -	$ 30,576	$ (30,576)	$ -
601	Insurance & Benefit-ISF	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 1,276,211	$ -	$ 1,276,211
700	General Capital Projects	2150	Planning	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
700	General Capital Projects	2151	Planning - [Title]	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ -	$ -	$ -
700	General Capital Projects	2350	Engineering	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 80,643	$ (80,643)	$ -
700	General Capital Projects	2351	Engineering	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 226,541	$ (226,541)	$ -
700	General Capital Projects	4151	Public Works	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 63,967	$ (63,967)	$ -
800	General Fixed Assets	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	$ -	$ -	$ -	$ 926,021	$ (926,021)	$ -

Exhibit 11b

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Indirect Rate for Citywide Central Services - Departmental Summary

Department (for Indirect Rate Classification Purposes)			Indirect Rates	
Ref. No.	Department (Classification)	Allocated Central Services	of Direct Salary Expense [a,c]	of Direct Expenditure [b,d]
0	Unclassified / CIP, ISF, Transfer	$ 347,309	n/a	n/a
1	Allocated Indirect Services	n/a	n/a	n/a
2	General Government	$ 69,699	n/a	n/a
3	Planning	$ 105,146	45%	11.6%
4	Building	$ 37,445	80%	12.3%
5	Engineering	$ 19,581	0%	7.6%
6	Fire & Prevention	$ 289,554	126%	18.6%
7	Police	$ 706,820	36%	13.9%
8	Public Works	$ 406,533	108%	27.6%
9	Public Works - Community Facilities	$ 80,554	158%	22.7%
10	Public Works - Water Utility	$ 770,772	242%	35.5%
11	Public Works - Wastewater Utility	$ 816,504	301%	21.6%
Grand Total and Composite for City		**$ 3,649,917**	**71%**	**13.7%**

[a] Direct Salary Expense = Salaries - Full Time and Salaries - Part-Time.

[b] Direct Expense = Total expenditure net of debt service, capital, depreciation, transfers/financing uses.

[c] This rate method is useful in recovering Citywide overhead on projects/programs where staff directly charge time, e.g., capital projects where funds are sufficient, feasible, and allowed.

[d] In projects/programs where directly charged labor is not the preponderance of expense, this rate method is available for recovering Citywide overhead where funds are sufficient, feasible, and allowed. This rate method is also used to express possible interfund charges for service by fund, where feasible. See Exhibits 12a and 12b.

Exhibit 12a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Interfund Charge for Citywide Central Services by Organizational Unit within Funds

Fund		Organization		Classification for Indirect Rates (i.e., Department Description)		Indirect Rate Method: Direct Cost		
No.	Title	No.	Title	No.	Title	Applicable Indirect Rate [a]	Rate Basis [b]	Charge for Central Services
Direct Services in the General Fund								
100	GENERAL FUND	1001	City Council	2	General Government	n/a	$ 4,300	$ -
100	GENERAL FUND	1101	City Manager	2	General Government	n/a	$ 500	$ -
100	GENERAL FUND	1201	City Attorney	2	General Government	n/a	$ 646,785	$ -
100	GENERAL FUND	1301	City Clerk	2	General Government	n/a	$ 125,764	$ -
100	GENERAL FUND	14xx	Finance / Admin. Services - All General Fund	2	General Government	n/a	$ 32,013	$ -
100	GENERAL FUND	23xx	Engineering - All General Fund Programs	5	Engineering	7.6%	$ 258,837	$ 19,581
100	GENERAL FUND	4102	Public Works - Corporation Yard	8	Public Works	27.6%	$ 21,042	$ 5,812
100	GENERAL FUND	4106	Public Works - Governmental Building	8	Public Works	27.6%	$ 56,500	$ 15,606
100	GENERAL FUND	0000	Non Departmental	2	General Government	n/a	$ 300,000	$ -
100	GENERAL FUND	2102	Planning	3	Planning	11.6%	$ 657,815	$ 76,472
100	GENERAL FUND	2202	Building	4	Building	12.3%	$ 303,081	$ 37,405
100	GENERAL FUND	3102	Fire & Prevention	6	Fire & Prevention	18.6%	$ 1,490,275	$ 276,607
100	GENERAL FUND	3114	Fire & Prevention	6	Fire & Prevention	18.6%	$ 2,001	$ 371
100	GENERAL FUND	3202	Police	7	Police	13.9%	$ 5,052,671	$ 701,508
100	GENERAL FUND	3213	Police	7	Police	13.9%	$ -	$ -
100	GENERAL FUND	4002	Senior Center	9	Public Works - Community Facilities	22.7%	$ 26,145	$ 5,939
100	GENERAL FUND	4103	Public Works - Streets Maintenance	8	Public Works	27.6%	$ 353,356	$ 97,599
100	GENERAL FUND	4104	Public Works - Parks & Landscaping	8	Public Works	27.6%	$ 591,240	$ 163,304
100	GENERAL FUND	4105	Public Works - Parking Lots	8	Public Works	27.6%	$ 138,446	$ 38,240
100	GENERAL FUND	4107	Public Works - [Division Title]	8	Public Works	27.6%	$ 11,116	$ 3,070
100	GENERAL FUND	4202	Public Works - Community Center	9	Public Works - Community Facilities	22.7%	$ 172,309	$ 39,142
100	GENERAL FUND	4302	Public Works - Ives Pool	9	Public Works - Community Facilities	22.7%	$ 156,154	$ 35,472
100	GENERAL FUND	9971	Debt Service	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
100	GENERAL FUND	9972	Debt Service	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
100	GENERAL FUND	9974	Debt Service	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
100	GENERAL FUND	9980	Debt Service	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
Direct Services in Other Funds								
103	Buildings,Facilities & Infrast	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
103	Buildings,Facilities & Infrast	1001	City Council	2	General Government	n/a	$ -	$ -
103	Buildings,Facilities & Infrast	3202	Police	7	Police	13.9%	$ -	$ -

Exhibit 12a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Interfund Charge for Citywide Central Services by Organizational Unit within Funds

Fund		Organization		Classification for Indirect Rates (i.e., Department Description)		Indirect Rate Method: Direct Cost		
No.	Title	No.	Title	No.	Title	Applicable Indirect Rate [a]	Rate Basis [b]	Charge for Central Services
103	Buildings,Facilities & Infrast	4002	Senior Center	9	Public Works - Community Facilities	22.7%	$ -	$ -
103	Buildings,Facilities & Infrast	4102	Public Works - Corporation Yard	8	Public Works	27.6%	$ -	$ -
103	Buildings,Facilities & Infrast	4106	Public Works - Governmental Building	8	Public Works	27.6%	$ -	$ -
103	Buildings,Facilities & Infrast	4202	PW-Community Center	9	Public Works - Community Facilities	22.7%	$ -	$ -
103	Buildings,Facilities & Infrast	4302	PW-Ives Pool	9	Public Works - Community Facilities	22.7%	$ -	$ -
104	Equip,Technology & Vehicles	0000	Non Departmental	6	Fire & Prevention	18.6%	$ -	$ -
104	Equip,Technology & Vehicles	3102	Fire & Prevention	6	Fire & Prevention	18.6%	$ -	$ -
104	Equip,Technology & Vehicles	3202	Police	7	Police	13.9%	$ -	$ -
104	Equip,Technology & Vehicles	4102	Public Works - Corporation Yard	8	Public Works	27.6%	$ -	$ -
105	Pension & OPEB Fund	1401	Finance	2	General Government	n/a	$ 12,775	$ -
120	Tree Replacement Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
120	Tree Replacement Fund	2102	Planning	3	Planning	11.6%	$ -	$ -
120	Tree Replacement Fund	4103	Public Works - Streets	8	Public Works	27.6%	$ -	$ -
120	Tree Replacement Fund	4104	Public Works - Parks & Landscaping	8	Public Works	27.6%	$ -	$ -
122	PermitTechnology Fund	2102	Planning	3	Planning	11.6%	$ 21,185	$ 2,463
122	PermitTechnology Fund	2202	Building	4	Building	12.3%	$ 327	$ 40
123	Street Pavement Reserve	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
123	Street Pavement Reserve	2350	Engineering	5	Engineering	7.6%	$ -	$ -
123	Street Pavement Reserve	2351	Engineering	5	Engineering	7.6%	$ -	$ -
124	Measure T& Q (Y)	4103	Public Works - Streets	8	Public Works	27.6%	$ -	$ -
125	Vehicle Abatement	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
126	Tobacco Mgmnt Program Fund	3202	Police	7	Police	13.9%	$ 1,964	$ 273
127	Flood Mitigation Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
127	Flood Mitigation Fund	4202	PW-Community Center	9	Public Works - Community Facilities	22.7%	$ -	$ -
128	Police Endowment Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
128	Police Endowment Fund	3202	Police	7	Police	13.9%	$ 10,303	$ 1,430
200	Gas Tax Fund	4103	Public Works - Streets	8	Public Works	27.6%	$ 185,773	$ 51,311
201	Measure M-Road Mtn	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
202	Measure M-ParkImpr Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
203	Art In-Lieu Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ 7,011	$ -
203	Art In-Lieu Fund	2102	Planning	3	Planning	11.6%	$ 28,500	$ 3,313
203	Art In-Lieu Fund	4104	Public Works - Parks & Landscaping	8	Public Works	27.6%	$ 188	$ 52

Exhibit 12a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Interfund Charge for Citywide Central Services by Organizational Unit within Funds

Fund		Organization		Classification for Indirect Rates (i.e., Department Description)		Indirect Rate Method: Direct Cost		
No.	Title	No.	Title	No.	Title	Applicable Indirect Rate [a]	Rate Basis [b]	Charge for Central Services
204	Housing Linkage Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
205	Inclusionary Housing Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
207	Downtown Improvement District Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ 7,300	$ -
208	General Plan Update Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
208	General Plan Update Fund	2102	Planning	3	Planning	11.6%	$ -	$ -
209	SLESF Grant Fund	3202	Police	7	Police	13.9%	$ -	$ -
211	Transportation Grants	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
211	Transportation Grants	2102	Planning	3	Planning	11.6%	$ 185,582	$ 21,574
212	Park In-Lieu Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
212	Park In-Lieu Fee Fund	2102	Planning	3	Planning	11.6%	$ -	$ -
212	Park In-Lieu Fee Fund	9971	Debt Service	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
213	Traffic Impact Fee Fund	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
213	Traffic Impact Fee Fund	2102	Planning	3	Planning	11.6%	$ 1,056	$ 123
215	Street Lighting Assess District	1401	Finance	2	General Government	n/a	$ 14,635	$ -
215	Street Lighting Assess District	4103	Public Works - Streets	8	Public Works	27.6%	$ 114,187	$ 31,539
216	CDBG ADA Transitional Plan	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
217	Road Mtn & Rehab (SB1)	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
217	Road Mtn & Rehab (SB1)	2302	Engineering	5	Engineering	7.6%	$ -	$ -
218	Park Land & Development Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
219	Gen Government Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
220	Fire Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
221	Stormwater Facilities Fee	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
233	COMMUNITY FUND	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
240	BSCC - Wellness/Mental Health	3202	Police	7	Police	13.9%	$ -	$ -
245	OTS Police Fed Grants	3202	Police	7	Police	13.9%	$ 25,990	$ 3,608
247	Suppl Plng Grant (SB2&LEAP)	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
247	Suppl Plng Grant (SB2&LEAP)	2102	Planning	3	Planning	11.6%	$ 10,330	$ 1,201
248	Measure H-Fire Sales Tax	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
248	Measure H-Fire Sales Tax	3102	Fire & Prevention	6	Fire & Prevention	18.6%	$ 67,757	$ 12,576
248	Measure H-Fire Sales Tax	9974	Debt Service	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
401	Woodstone Ctr Assess District DS	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
401	Woodstone Ctr Assess District DS	9970	Debt Service	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -

Exhibit 12a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Interfund Charge for Citywide Central Services by Organizational Unit within Funds

Fund		Organization		Classification for Indirect Rates (i.e., Department Description)		Indirect Rate Method: Direct Cost		
No.	Title	No.	Title	No.	Title	Applicable Indirect Rate [a]	Rate Basis [b]	Charge for Central Services
402	CREBS DS Fund	9973	Debt Service	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
500	WATER FUND	0000	Non Departmental	10	Public Works - Water Utility	35.5%	$ 852,863	$ 302,699
500	WATER FUND	1001	City Council	10	Public Works - Water Utility	35.5%	$ -	$ -
500	WATER FUND	1101	City Manager	10	Public Works - Water Utility	35.5%	$ -	$ -
500	WATER FUND	1201	City Attorney	10	Public Works - Water Utility	35.5%	$ -	$ -
500	WATER FUND	1301	City Clerk	10	Public Works - Water Utility	35.5%	$ -	$ -
500	WATER FUND	1401	Finance	10	Public Works - Water Utility	35.5%	$ 27,421	$ 9,732
500	WATER FUND	2102	Planning	10	Public Works - Water Utility	35.5%	$ -	$ -
500	WATER FUND	2202	Building	10	Public Works - Water Utility	35.5%	$ -	$ -
500	WATER FUND	2302	Engineering	10	Public Works - Water Utility	35.5%	$ -	$ -
500	WATER FUND	3102	Fire & Prevention	10	Public Works - Water Utility	35.5%	$ -	$ -
500	WATER FUND	4102	Public Works - Corporation Yard	10	Public Works - Water Utility	35.5%	$ -	$ -
500	WATER FUND	4106	Public Works - Governmental Building	10	Public Works - Water Utility	35.5%	$ -	$ -
500	WATER FUND	4402	PW-Uitility	10	Public Works - Water Utility	35.5%	$ 1,291,386	$ 458,340
500	WATER FUND	9971	Debt Service	10	Public Works - Water Utility	35.5%	$ -	$ -
500	WATER FUND	9973	Debt Service	10	Public Works - Water Utility	35.5%	$ -	$ -
500	WATER FUND	9974	Debt Service	10	Public Works - Water Utility	35.5%	$ -	$ -
500	WATER FUND	9976	Debt Service	10	Public Works - Water Utility	35.5%	$ -	$ -
500	WATER FUND	9977	Debt Service	10	Public Works - Water Utility	35.5%	$ -	$ -
500	WATER FUND	9980	Debt Service	10	Public Works - Water Utility	35.5%	$ -	$ -
501	Water Enterprise Capital Proj Fund	0000	Non Departmental	10	Public Works - Water Utility	35.5%	$ -	$ -
501	Water Enterprise Capital Proj Fund	2350	Engineering	10	Public Works - Water Utility	35.5%	$ -	$ -
501	Water Enterprise Capital Proj Fund	2351	Engineering	10	Public Works - Water Utility	35.5%	$ -	$ -
501	Water Enterprise Capital Proj Fund	4150	Public Works	10	Public Works - Water Utility	35.5%	$ -	$ -
501	Water Enterprise Capital Proj Fund	4151	Public Works	10	Public Works - Water Utility	35.5%	$ -	$ -
502	Water Connection Fee Fund	0000	Non Departmental	10	Public Works - Water Utility	35.5%	$ -	$ -
510	WasteWater Enterprise Fund	0000	Non Departmental	11	Public Works - Wastewater Utility	21.6%	$ 908,934	$ 196,716
510	WasteWater Enterprise Fund	1001	City Council	11	Public Works - Wastewater Utility	21.6%	$ -	$ -
510	WasteWater Enterprise Fund	1101	City Manager	11	Public Works - Wastewater Utility	21.6%	$ -	$ -
510	WasteWater Enterprise Fund	1201	City Attorney	11	Public Works - Wastewater Utility	21.6%	$ -	$ -
510	WasteWater Enterprise Fund	1301	City Clerk	11	Public Works - Wastewater Utility	21.6%	$ -	$ -
510	WasteWater Enterprise Fund	1401	Finance	11	Public Works - Wastewater Utility	21.6%	$ 27,797	$ 6,016

Exhibit 12a

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Interfund Charge for Citywide Central Services by Organizational Unit within Funds

Fund		Organization		Classification for Indirect Rates (i.e., Department Description)		Indirect Rate Method: Direct Cost		
No.	Title	No.	Title	No.	Title	Applicable Indirect Rate [a]	Rate Basis [b]	Charge for Central Services
510	WasteWater Enterprise Fund	2102	Planning	11	Public Works - Wastewater Utility	21.6%	$ -	$ -
510	WasteWater Enterprise Fund	2202	Building	11	Public Works - Wastewater Utility	21.6%	$ -	$ -
510	WasteWater Enterprise Fund	2302	Engineering	11	Public Works - Wastewater Utility	21.6%	$ -	$ -
510	WasteWater Enterprise Fund	4102	Public Works - Corporation Yard	11	Public Works - Wastewater Utility	21.6%	$ -	$ -
510	WasteWater Enterprise Fund	4106	Public Works - Governmental Building	11	Public Works - Wastewater Utility	21.6%	$ -	$ -
510	WasteWater Enterprise Fund	4402	PW-Uitility	11	Public Works - Wastewater Utility	21.6%	$ 717,516	$ 155,289
510	WasteWater Enterprise Fund	4502	PW Subregional O&M	11	Public Works - Wastewater Utility	21.6%	$ 2,118,436	$ 458,483
510	WasteWater Enterprise Fund	9971	Debt Service	11	Public Works - Wastewater Utility	21.6%	$ -	$ -
510	WasteWater Enterprise Fund	9974	Debt Service	11	Public Works - Wastewater Utility	21.6%	$ -	$ -
510	WasteWater Enterprise Fund	9980	Debt Service	11	Public Works - Wastewater Utility	21.6%	$ -	$ -
511	Sewer Enterprise Capital Proj Fund	0000	Non Departmental	11	Public Works - Wastewater Utility	21.6%	$ -	$ -
511	Sewer Enterprise Capital Proj Fund	2350	Engineering	11	Public Works - Wastewater Utility	21.6%	$ -	$ -
511	Sewer Enterprise Capital Proj Fund	2351	Engineering	11	Public Works - Wastewater Utility	21.6%	$ -	$ -
511	Sewer Enterprise Capital Proj Fund	4150	Public Works	11	Public Works - Wastewater Utility	21.6%	$ -	$ -
511	Sewer Enterprise Capital Proj Fund	4151	Public Works	11	Public Works - Wastewater Utility	21.6%	$ -	$ -
601	Insurance & Benefit-ISF	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ 1,276,211	$ -
700	General Capital Projects	2150	Planning	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
700	General Capital Projects	2151	Planning - [Title]	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
700	General Capital Projects	2350	Engineering	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
700	General Capital Projects	2351	Engineering	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
700	General Capital Projects	4151	Public Works	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -
800	General Fixed Assets	0000	Non Departmental	0	Unclassified / CIP, ISF, Transfer	n/a	$ -	$ -

[a] Refer to Exhibit 11b.

[b] Refer to Exhibit 11a.

Exhibit 12b

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Interfund Charge for Citywide Central Services by Fund [a]

Fund [b]		Possible Charge for Central Services Allocated in this Plan [c]	Comment
No.	Title		
100	GENERAL FUND	$ 1,933,137 [d]	
103	Buildings,Facilities & Infrast	$ -	
104	Equip,Technology & Vehicles	$ -	
105	Pension & OPEB Fund	$ -	
120	Tree Replacement Fund	$ -	
121	BSA Fund-SB1473 Fee	$ -	
122	PermitTechnology Fund	$ 2,503	
123	Street Pavement Reserve	$ -	
124	Measure T& Q (Y)	$ -	
125	Vehicle Abatement	$ -	
126	Tobacco Mgmnt Program Fund	$ 273	
127	Flood Mitigation Fund	$ -	
128	Police Endowment Fund	$ 1,430	
200	Gas Tax Fund	$ 51,311	
201	Measure M-Road Mtn	$ -	
202	Measure M-ParkImpr Fund	$ -	
203	Art In-Lieu Fund	$ 3,365	
204	Housing Linkage Fee Fund	$ -	
205	Inclusionary Housing Fund	$ -	
206	Bldg Permit Incremental Fund	$ -	
207	Downtown Improvement District Fund	$ -	
208	General Plan Update Fund	$ -	
209	SLESF Grant Fund	$ -	
210	Asset Forfeitures Fund-State	$ -	
211	Transportation Grants	$ 21,574	
212	Park In-Lieu Fee Fund	$ -	
213	Traffic Impact Fee Fund	$ 123	
214	Underground Utilities Fee Fund	$ -	
215	Street Lighting Assess District	$ 31,539	
216	CDBG ADA Transitional Plan	$ -	
217	Road Mtn & Rehab (SB1)	$ -	
218	Park Land & Development Fee	$ -	

Exhibit 12b

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Interfund Charge for Citywide Central Services by Fund [a]

Fund [b]		Possible Charge for Central Services Allocated in this Plan [c]	Comment
No.	Title		
219	Gen Government Facilities Fee	$ -	
220	Fire Facilities Fee	$ -	
221	Stormwater Facilities Fee	$ -	
233	COMMUNITY FUND	$ -	
240	BSCC - Wellness/Mental Health	$ -	
244	SACA Grant	$ -	
245	OTS Police Fed Grants	$ 3,608	
246	BSCC 1:4:1 Youth	$ -	
247	Suppl Plng Grant (SB2&LEAP)	$ 1,201	
248	Measure H-Fire Sales Tax	$ 12,576	
401	Woodstone Ctr Assess District DS	$ -	
402	CREBS DS Fund	$ -	
500	**WATER FUND**	**$ 770,772**	This represents the maximum interfund charge for allocated central services.
501	Water Enterprise Capital Proj Fund	$ -	
502	Water Connection Fee Fund	$ -	
510	**WasteWater Enterprise Fund**	**$ 816,504**	This represents the maximum interfund charge for allocated central services.
511	Sewer Enterprise Capital Proj Fund	$ -	
Total Interfund Charges Calculated		**$ 3,649,917**	

[a] The charge for Citywide central services is derived from indirect rates by department and applied to departmental costs budgeted in the fund. Refer to Exhibit 12a for detail.

[b] Refer to list of funds on Workspace 2.

[c] Values represent calculated amounts only. The City must determine sufficiency, feasibility, and allowability of imposing a charge for central services in each individual fund.

[d] Allocated costs serving as the basis for these charges all exist in the General Fund; therefore, this amount is that which remains in the General Fund, representing the allocated share of central services to direct services organizational units budgeted in the General Fund.

Workspace 1 - Not Printed / Reference Workbook for Detailed List

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

General Ledger, Expenditures Only, for Actual 2024-25

Data Source: "24-25 Budget to Actual.xls" as of 2/11/2026

Totals:						*$ 25,683,815*	*$ 25,683,815*	*$ 874,666*	*$ 586,071*	*$ 1,414,474*	*$ 1,142,911*	*$ 1,761,797*	*$ -*	*$ 1,276,211*	*$ 2,131,210*	*$ -*	*$ 4,695,041*	*$ 99,626*	*$ 4,672,980*	
Fund		**Organization**		**Object**		**Data Value**	**Adjustments to Derive Net Operating Expenditures Allocation Metric**					**Adjustments to Derive Modified Operating Expenditures Allocation Metric**					**Labor Costs for Indirect Rates**		**Additional Metrics**	
No.	**Title**	**No.**	**Title**	**No.**	**Title**	**Actual 2024-25**	**Expenditure Values Only**	**Debt Service**	**Capital**	**Depreciation**	**Transfers & Financing Uses**	**Overhead Charge**	**ISF Charges**	**Large Payments**	**Distorting Expense**	**Extraordinary Expense**	**Salaries - Full Time**	**Salaries - Part Time**	**Services & Supplies Accounts**	

Workspace 2 - Not Printed / Reference Workbook for Detailed List

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Chart of Accounts

Data Source: Derived from data cited in Workspace 1.

Funds			Organizations (e.g., Department/Program)		Objects		
No.	Title	Category	No.	Title	No.	Title	Classification Note

Workspace 3 - Not Printed / Reference Workbook for Detailed List

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Labor Detail

Data Source: "22-23 Salaries and Benefits - Actuals.xls"

					Totals:	***93,736***	***45.07***	***$ 7,322,111***
Fund		**Organization**		**Position**				
No.	**Title**	**No.**	**Title**	**No.**	**Title**	**Compensated Hours**	**Imputed FTE**	**Total Position Cost**

Workspace 4 - Not Printed / Reference Workbook for Detail

CITY OF SEBASTOPOL | INDIRECT COST ALLOCATION PLAN FOR FY 2026-27 BUDGET

Data Development

Data Source: Questionnaires / Interviews, City System Exports, Other Available Sources

APPENDIX II

COMMITTEE PRESENTATION

MARCH 30, 2026

clearsource
FINANCIAL CONSULTING
7960 B Soquel Drive, Suite 363, Aptos, California 95003
CLEARSOURCEFINANCIAL.COM

CITY OF SEBASTOPOL

Indirect Cost Allocation Plan to Inform Budget FY 2026-27

Executive Summary | Prepared for Committee March 30, 2026

WORKING DRAFT AS OF 3/17/2026

clearsource
FINANCIAL CONSULTING

PRIMARY OUTCOME OF THIS COST ALLOCATION PLAN

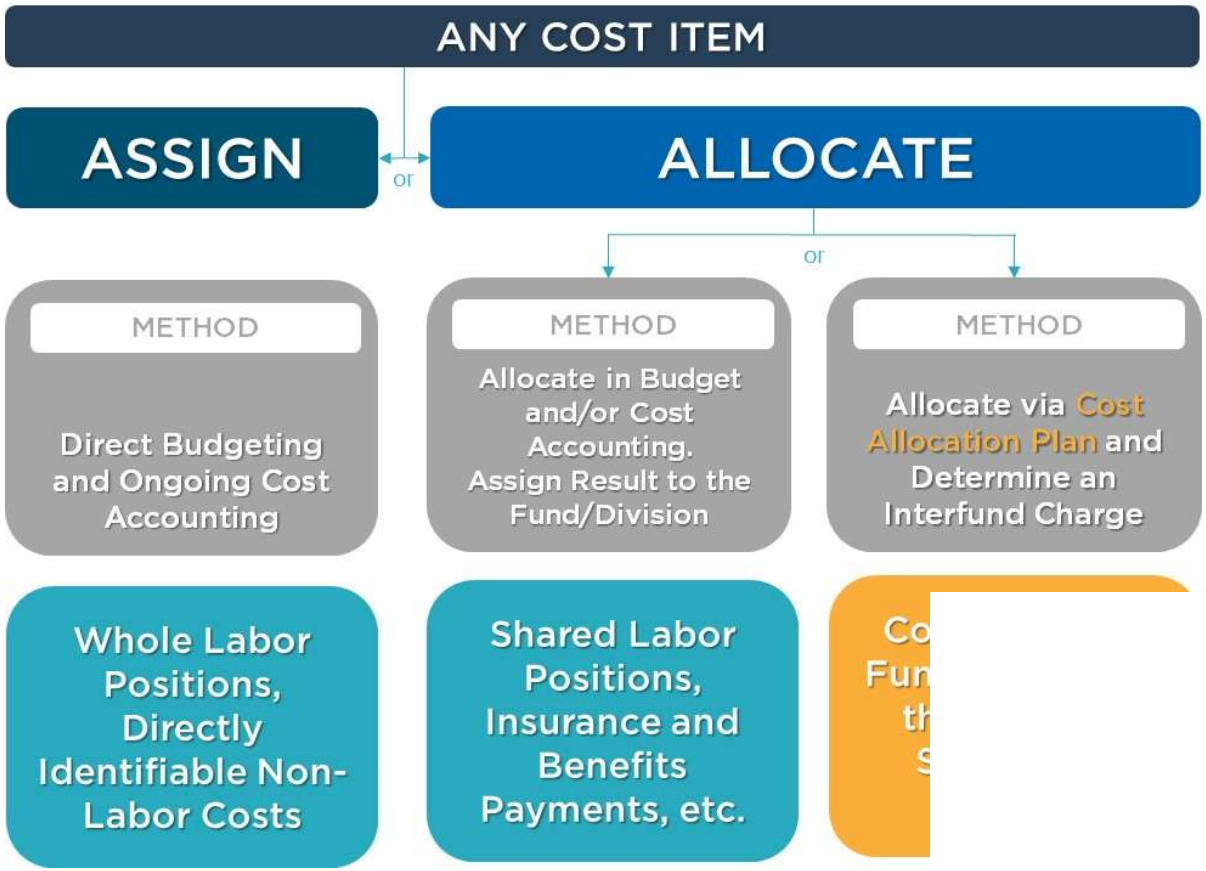
- An interfund charge for service (4998 Interfund Charges – Cost Plan) assessed on certain enterprise funds to reimburse the General Fund for central oversight, management, and support services
- Updates the Indirect Cost Allocation Plan developed in 2024 and updated in 2025, which replaced an allocation methodology previously established in 2001
- Outcomes presented here should inform budget development for next Fiscal Year 2026-27
- Specific direction was provided by the City to evaluate the impacts of alternative allocated cost pools, all of which result in decreased cost recovery to the General Fund in varying amounts, caused by reduced allocable costs serving as the basis for interfund charges

Orientation to the Cost Allocation Plan

clearsource
FINANCIAL CONSULTING

HOW DO COSTS GET TO A FUND AND/OR DIVISION?

- **Directly assigned** through budgeting and ongoing cost accounting
- **Allocated** through budgeting and/or cost accounting or through a **cost allocation plan (CAP)**



SCENARIO ATTRIBUTES IN THE CAP

Assumption / Variable in Plan Iteration	Cost Allocation Plan Iteration		
	Prior for FY 2025-26	Scenario A for FY 2026-27	Scenario B for FY 2026-27
Fiscal Year Basis for Allocated Expenditures	FY 2024-25 Budget	FY 2024-25 Actual	FY 2024-25 Actual
Inclusion of City Attorney as an Allocated Cost Pool	Yes	No	No
Exclusions of Costs Based on Federal Cost Claiming Principles	No	No	Yes

ALLOCATED ORGANIZATIONS IN THIS PLAN

- The General Fund accounts for departments or divisions which provide central oversight, management, or support service Citywide
- Total Allocable Central Services Cost is the value allocated in the CAP to benefitting departments Citywide

ALLOCATED ORGANIZATIONS

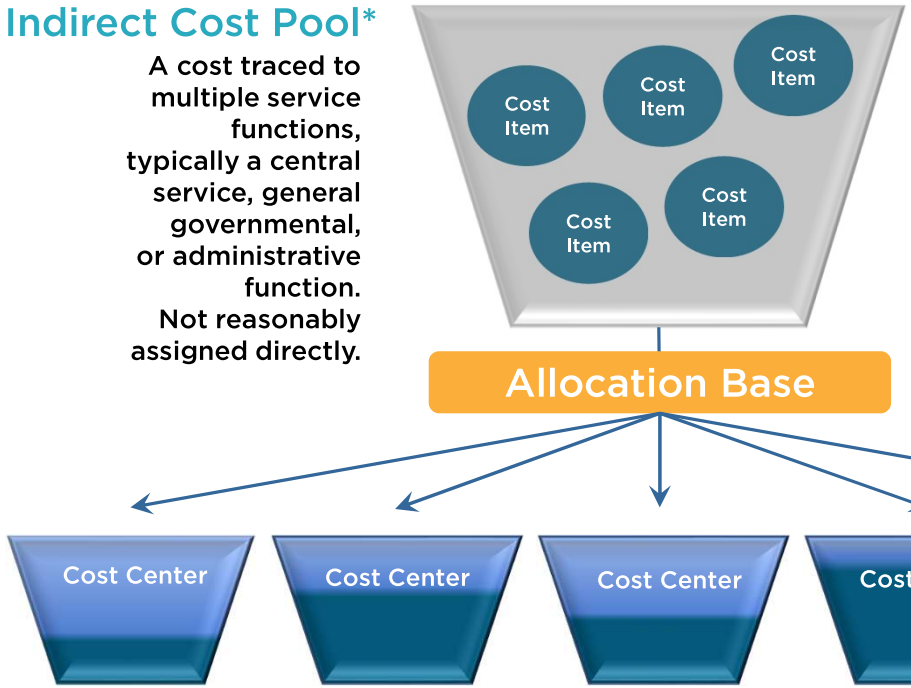
Central Services Department or Division	Allocable Cost Pool		
	FY 2025-26 Plan	FY 2026-27 Plan	
		Scenario A	Scenario B
Expenditure Year Basis for Allocated Costs	2024-25 Budget	2024-25 Actual	2024-25 Actual
100-10 | City Council	$ 195,825	$ 172,504	$ -
100-11 | City Manager	$ 698,385	$ 826,812	$ 805,112
100-12 | City Attorney	$ 647,900	$ -	$ -
100-13 | City Clerk	$ 335,603	$ 331,395	$ 326,337
100-14 | Finance / Administrative Services	$ 1,411,268	$ 1,353,783	$ 1,331,447
100-23 | Engineering	$ 258,296	$ 212,414	$ 212,393
100-41-02 | Public Works - Corporation Yard	$ 471,275	$ 491,133	$ 490,889
100-41-06 | Public Works - Governmental Building	$ 212,539	$ 164,750	$ 164,750
100-00 | Non Departmental	$ 146,940	$ 97,126	$ 97,126
Total Allocable Central Services Cost	**$ 4,378,031**	**$ 3,649,917**	**$ 3,428,053**
Difference from Prior Plan		$ (728,115)	$ (949,978)

INDIRECT COST ALLOCATION PLAN (ANALYSIS)

- A rational method to distribute costs which support multiple activities across the City
- Processes costs that cannot be easily assigned to an end beneficiary without effort disproportionate to the results achieved
- Attributes the allocated cost to the City's direct public services
- Allocated costs are commonly referred to as "overhead"
- Informs a variety of cost recovery opportunities

Indirect Cost Pool*

A cost traced to multiple service functions, typically a central service, general governmental, or administrative function. Not reasonably assigned directly.



Expense categories, such as labor, materials, supplies, and services.

The data set used as the basis for distributing indirect cost pools to benefitted units.

Benefitted Units or "Direct Servic

Organizational departments/programs that represent the mission of the

* Frequently referred to in this plan as a "Central Services Function."

GUIDING PRINCIPLES IN CAP DEVELOPMENT

- Allocate across the entire organization without bias for ability or preference to pay
- Root allocated costs in recent or current documented fiscal year with confidence in reported or budgeted expense items
- Use allocation metrics based on readily available and replicable information to reflect current conditions, not created solely for cost allocation
- Generate allocated shares that reasonably reflect service or benefit received or represent an acceptable proportionality between benefitting units
- Attempt to avoid large swings from year to year unless underlying organizational change has occurred and warrant such swings
- Create a tool and method to support annual update and application of continually improving metrics
- Be mindful of downstream impacts to cost of service-based rates/fees (Prop 218, Prop 26), and transparent accounting for other programs

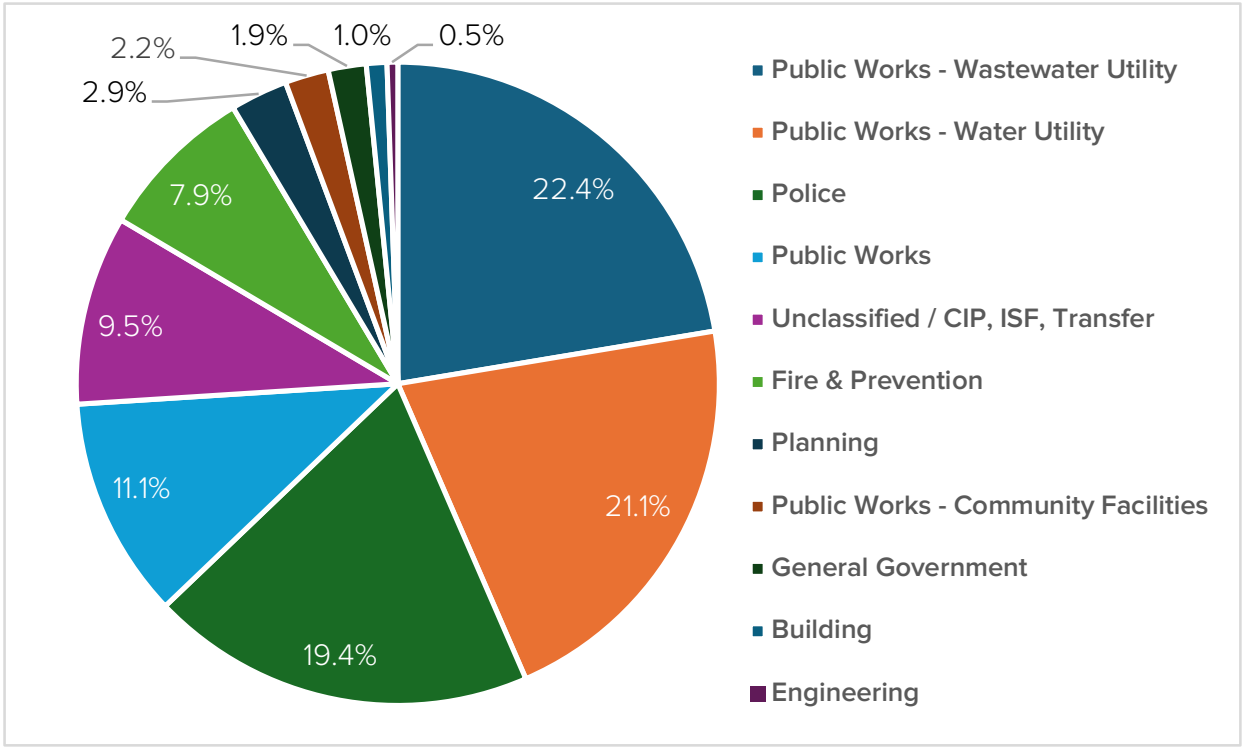
ALLOCATED COST POOLS AND ALLOCATION BASES IN THIS PLAN

- The CAP uses data from existing City systems, industry methods, and staff time estimates to derive a functional cost pool to be allocated from each cost center
- The CAP sets a readily accessible and replicable basis for reasonably allocating each function to benefitting departments

Central Services Department/Division and Functional Cost Pool Created by the Plan	Allocable Cost Pool			Allocation Basis
	Prior Plan	Scenario A	Scenario B	
100-10 | City Council	**$ 195,825**	**$ 172,504**	**$ -**	
Administrative Oversight	48,956	43,126	-	Compensated Labor Hours (Approx. FTEE)
General Fiscal Oversight	48,956	43,126	-	Net Operating Expense
Capital Fiscal Oversight	97,912	86,252	-	Capital Asset Value (Infrastructure)
Administrative Management	126,046	206,698	201,273	Compensated Labor Hours (Approx. FTEE)
General Fiscal Management	352,246	206,721	201,296	Net Operating Expense
Capital Fiscal Management	220,092	413,392	402,542	Capital Asset Value (Infrastructure)
100-12 | City Attorney	**$ 647,900**	**$ -**	**$ -**	
Citywide Service	647,900	-	-	Net Operating Expense
100-13 | City Clerk	**$ 335,603**	**$ 331,395**	**$ 326,337**	
Citywide Service	335,603	331,395	326,337	Net Operating Expense
100-14 | Finance / Administrative Services	**$ 1,411,268**	**$ 1,353,783**	**$ 1,331,447**	
Citywide Accounting / Budget	500,543	596,036	577,411	Net Operating Expense
Utility Billing & Support	340,734	304,493	302,241	Utility Accounts
Payroll	95,362	82,482	81,769	Compensated Labor Hours (Approx. FTEE)
Accounts Payable	83,442	72,171	71,548	Services & Supplies Expense
Accounts Receivable / Cash Receipts	47,681	41,241	40,885	Revenues Receipted
Information Technology Management	162,408	154,749	154,803	Personnel Count
Human Resources	181,098	102,612	102,790	Compensated Labor Hours (Approx. FTEE)
100-23 | Engineering	**$ 258,296**	**$ 212,414**	**$ 212,393**	
Technical Support - Public Projects	258,296	212,414	212,393	Capital Asset V
100-41-02 | Public Works - Corporation Yard	**$ 471,275**	**$ 491,133**	**$ 490,889**	
Department Administrative Management	235,637	245,567	245,445	Public Works P
Department Fiscal Management	235,637	245,567	245,445	Public Works M
100-41-06 | Public Works - Governmental Building	**$ 212,539**	**$ 164,750**	**$ 164,750**	
Governmental Facility Maintenance	212,539	164,750	164,750	Personnel Cour
100-00 | Non Departmental	**$ 146,940**	**$ 97,126**	**$ 97,126**	
Personnel Services	74,520	86,095	86,095	Compensated L
Information Technology Services	72,420	11,031	11,031	Personnel Cour
Total Allocable Central Services Cost	**$ 4,378,031**	**$ 3,649,917**	**$ 3,428,053**	

DISTRIBUTION OF CITYWIDE OVERHEAD TO DEPARTMENTS

- This is the resulting spread of the total $3.65 million in allocated central services costs to departmental designation in the CAP for Scenario A.
  (The spread is not materially different for Scenario B.)
- This informs Indirect Cost Rates (ICRs), which are used to determine interfund charges for service.



These are department “designations” in the CAP, not always exact departments in the City’s accounting and organization structure. These departmental designations are structured to consolidate divisions of like services and produce expressions of Citywide overhead reasonable and undistorted to the underlying direct service provided by the grouped divisions.

INDIRECT COST RATE (ICR) BY DEPARTMENT

- A percent of a cost basis that reflects a department's share of Citywide overhead
- ICR as a percent of direct expense by "Department" will likely be most appropriate for Sebastopol
- Overhead follows departments into each fund and/or to other cost recovery applications
- Provides a relatively stable outcome applicable to changing costs year over year
- Caution: Comparisons between departments are not meaningful. Each department has a unique cost profile on which its allocated overhead is expressed.

INDIRECT COST RATES
(RATIO OF RECEIVED OVERHEAD TO RECEIVER S DIRECT COSTS)

Departmental Designation in the CAP	Prior Plan		
Planning	15.2%	11.6%	10.8%
Building	16.4%	12.3%	11.6%
Engineering	11.1%	7.6%	7.1%
Fire & Prevention	24.1%	18.6%	17.8%
Police	17.5%	13.9%	12.8%
Public Works	31.4%	27.6%	26.7%
Public Works - Community Facilities	23.4%	22.7%	21.9%
Public Works - Water Utility	37.2%	35.5%	33.0%
Public Works - Wastewater Utility	24.3%	21.6%	20.0%
Composite for the City	**16.6%**	**13.7%**	**12.4%**

Interfund Charges for Central Service

clearsource
FINANCIAL CONSULTING

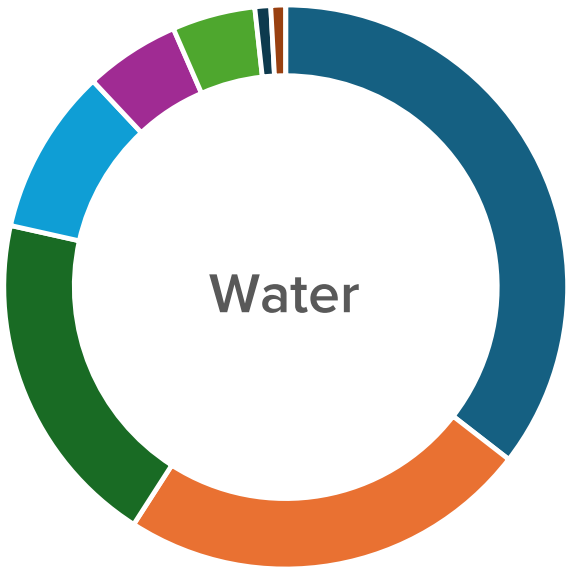
CALCULATED INTERFUND CHARGES FOR SERVICE

These values are directly comparable to values presented in the FY 2025-26 adopted budget, accounted as "4998 Interfund Charges – Cost Plan."

Fund Receiving an Interfund Charge for Service and Reimbursing the General Fund	Interfund Charge for Service			
	SCENARIO A		SCENARIO B	
	Maximum Charge in This Plan	Distribution of Outcomes		
500 | Water	$ 770,772	21%	$ 717,187	21%
510 | Wastewater	$ 816,504	22%	$ 755,874	22%
Reimbursement to the General Fund for Allocated Central Services in this Plan	**$ 1,587,276**	**43%**	**$ 1,473,061**	**43%**
Other Non-General Funds Not Previously Charged	$ 129,504 [a]	4%	$ 123,758 [a]	4%
100 | General Fund - Remaining Central Services Borne	$ 1,933,137	53%	$ 1,831,234	53%

[a] The City would need to evaluate eligibility and sufficiency of funding sources to accept the calculated charge from this Plan.

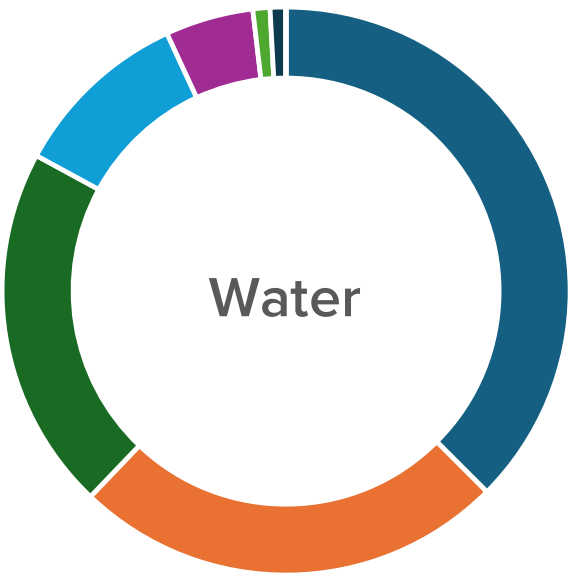
SCENARIO A
COMPOSITION OF INTERFUND CHARGE ON UTILITIES





Central Services Department/Division or Functional Cost Pool Created by the Plan	Received by Water	Received by Wastewater
100 14 | Finance / Administrative Services:		
Citywide Accounting / Budget	$ 63,483	$ 110,284
Utility Billing & Support	$ 162,058	$ 162,058
Payroll	$ 6,374	$ 5,806
Accounts Payable	$ 11,064	$ 3,032
Accounts Receivable / Cash Receipts	$ 16,880	$ 22,647
Information Technology Management	$ 5,555	$ 4,685
Human Resources	$ 7,929	$ 7,223
100 11 | City Manager	$ 181,933	$ 200,781
100 41 02 | Public Works Corporation Yard	$ 149,777	$ 102,480
100 23 | Engineering	$ 73,404	$ 75,345
100 10 | City Council		
100 13 | City Clerk		
100 00 | Non Departmental		
100 41 06 | Public Works Governmental		
100 12 | City Attorney	$	$
Total Allocated Central Services Cost Received	$ 770,772	$ 816,504

SCENARIO B
COMPOSITION OF INTERFUND CHARGE ON UTILITIES





Central Services Department/Division or Functional Cost Pool Created by the Plan	Received by Water	Received by Wastewater
100 14 | Finance / Administrative Services:		
Citywide Accounting / Budget	$ 61,236	$ 106,381
Utility Billing & Support	$ 160,391	$ 160,391
Payroll	$ 6,299	$ 5,738
Accounts Payable	$ 10,932	$ 2,995
Accounts Receivable / Cash Receipts	$ 16,686	$ 22,386
Information Technology Management	$ 5,538	$ 4,670
Human Resources	$ 7,918	$ 7,213
100 11 | City Manager	$ 176,433	$ 194,687
100 41 02 | Public Works Corporation Yard	$ 149,165	$ 102,062
100 23 | Engineering	$ 73,172	$ 75,108
100 13 | City Clerk		
100 00 | Non Departmental		
100 41 06 | Public Works Governmental		
100 10 | City Council		
100 12 | City Attorney	$	$
Total Allocated Central Services Cost Received	$ 717,187	$ 755,874

COMPARISON TO PRIOR YEAR CHARGES (1/2)

- Total reimbursement to the General Fund would decrease from utility funds in FY 2026-27 in both scenarios:
- This increases cost burden on the General Fund compared to current fiscal year recovery
  - $209,048 additional burden to the General Fund in Scenario A
  - $323,263 additional burden to the General Fund in Scenario B

Fund Receiving an Interfund Charge for Service and Reimbursing the General Fund	Interfund Charge for Service SCENARIO A		
	Maximum Charge in This Plan for FY 2026-27	Current Charge in FY 2025-26 Budget	Change in This Plan
500 | Water	$ 770,772	$ 845,358	$ (74,586)
510 | Wastewater	$ 816,504	$ 950,965	$ (134,461)
Reimbursement to the General Fund for Allocated Central Services in this Plan	**$ 1,587,276**	**$ 1,796,323**	**$ (209,048)**
Other Non-General Funds Not Previously Charged	$ 129,504		
100 | General Fund - Remaining Central Services Borne	$ 1,933,137		
Total Central Services Allocated in this Plan	**$ 3,649,917**		

Fund Receiving an Interfund Charge for Service and Reimbursing the General Fund	Interfund Charge for Service SCENARIO B		
	Maximum Charge in This Plan for FY 2026-27	Current Charge in FY 2025-26 Budget	Change in This Plan
500 | Water	$ 717,187	$ 845,358	$ (128,171)
510 | Wastewater	$ 755,874	$ 950,965	$ (195,091)
Reimbursement to the General Fund for Allocated Central Services in this Plan	**$ 1,473,061**	**$ 1,796,323**	**$ (323,263)**
Other Non-General Funds Not Previously Charged	$ 123,758		
100 | General Fund - Remaining Central Services Borne	$ 1,831,234		
Total Central Services Allocated in this Plan	**$ 3,428,053**		

COMPARISON TO PRIOR YEAR CHARGES (2/2)

- Outcomes continue to represent an overall decrease in historical levels of General Fund cost recovery from the utilities, due to the recent implementation of a new Indirect Cost Allocation Plan

Fund Receiving an Interfund Charge for Service and Reimbursing the General Fund	Interfund Charge for Service by Year				Total Four Year Change	
	FY 2023-24 [a]	FY 2024-25 [b]	FY 2025-26 [c]	FY 2026-27 [d]	$-Change	%-Change
SCENARIO A						
500 | Water	$ 1,363,096	$ 852,863	$ 845,358	$ 770,772	$ (592,324)	-43%
510 | Wastewater	$ 1,113,046	$ 908,934	$ 950,965	$ 816,504	$ (296,543)	-27%
Reimbursement to the General Fund for Allocated Central Services	**$ 2,476,143**	**$ 1,761,797**	**$ 1,796,323**	**$ 1,587,276**	**$ (888,867)**	**36%**
SCENARIO B						
500 | Water	$ 1,363,096	$ 852,863	$ 845,358	$ 717,187	$ (645,910)	-47%
510 | Wastewater	$ 1,113,046	$ 908,934	$ 950,965	$ 755,874	$ (357,172)	-32%
Reimbursement to the General Fund for Allocated Central Services	**$ 2,476,143**	**$ 1,761,797**	**$ 1,796,323**	**$ 1,473,061**	**$ (1,003,082)**	**41%**

[a] Based on values derived from a cost allocation methodology established in 2001.
[b] Based on a new Indirect Cost Allocation Plan developed in 2024.
[c] Based on an update to the Indirect Cost Allocation Plan in 2025.
[d] Based on an update to the Indirect Cost Allocation Plan with material changes to allocable costs from prior two years in 2026.

NEXT STEPS

- Review these outcomes at Committee(s) level
- Examine alternate paths (next slide)
- Receive and accept the final Cost Allocation Plan or alternate path at City Council level
- Apply results in budget development for Fiscal Year 2026-27 by using the dollar values presented as the budgeted interfund charge (4998, Interfund Charge-Cost Plan)

Alternate Paths

clearsource
FINANCIAL CONSULTING

ALTERNATE PATHS FOR THE INTERFUND CHARGES FOR SERVICE

Additional Scenarios 1-3 are described at right and compared to the previously presented Scenarios A-B.

	Assumption / Variable in Plan Iteration	Interfund Charge for FY 2026 27		
		Water	Wastewater	Impact to General Fund
0	**Budgeted Charge in FY 2025-26** Based on CAP Use of Budgeted Expenditures	$ 845,358	$ 950,965	$ -
1	**Inflation-Adjusted Charge in FY 2026-27** Based on Prior Year CAP Outcomes "Status Quo"	$ 866,492	$ 974,739	$ 44,908
2	**Inflation-Adjusted Charge in FY 2026-27** Based on Prior Year CAP Outcomes Excluding City Attorney	$ 773,874	$ 828,478	$ (193,971)
3	**Inflation-Adjusted Charge in FY 2026-27** Based on Prior Year CAP Outcomes Excluding City Attorney & City Council	$ 722,058	$ 771,232	$ (303,033)
A	**CAP-Based Charge in FY 2026-27** Use of Prior Year Actual Expenditures Excluding City Attorney	$ 770,772	$ 816,504	$ (209,048)
B	**CAP-Based Charge in FY 2026-27** Use of Prior Year Actual Expenditures Excluding City Attorney & Other Items Not Allowed in Federal Cost-Claiming	$ 717,187	$ 755,874	$ (323,263)

Utility Counter Customer Service Hours Survey

Agency	Utility Counter Hours	Days Available	Closed for lunch?	Appointment Required?	Notes
City of Cloverdale	7:30 to 12PM 1PM to 5PM	Monday - Thursday	Y	No	
City of Cotati	7:30 to 12PM 1PM to 5PM	Monday - Thursday	Y	No	Are piloting being open between 7:30-5:30pm in Nov or Dec to see if it is viable.
City of Healdsburg	7:30AM to 5:30PM 8AM to 5PM (F)	Monday - Thursday, every other Friday	N	No	
Town of Windsor	8AM to 5PM	Monday - Thursday	N	No	Also have 7-8am & 5-6 pm available by phone or email
City of Santa Rosa	9AM to 4PM 9AM to 3PM (F)	Monday - Thursday, every other Friday	N	No	Phone hours are 8AM to 5PM M-F
City of Rohnert Park	8AM to 5PM	Monday - Friday	N	No	
City of Sonoma	8AM to 5PM, by appt on Fridays	Monday - Thursday	N	Only on Fridays	Feedback: they had to expand their customer svs hrs to meet public demand.
City of St. Helena	9AM to 12PM, 1PM-4PM	Monday - Friday	Y	No	
City of Calistoga	8AM to 4:30PM	Monday - Friday	N	No	
City of Petaluma	9AM to 3PM	Monday - Thursday	N	No	



CITY OF SEBASTOPOL

Sonoma County, California

REQUEST FOR PROPOSALS

COST ALLOCATION PLAN

Issue Date: September 23, 2026

Proposals Due: October 14, 2026 at 5:00 p.m. PDT

RFP Contact: Mary Gourley, City Manager

Email: mgourley@cityofsebastopol.gov

Phone: (707) 823-1153

Deliver electronic proposals (PDF) to: mgourley@cityofsebastopol.gov
Subject line: [FIRM NAME] – Cost Allocation Plan RFP

City of Sebastopol
7120 Bodega Avenue | P.O. Box 1776 Sebastopol, CA
95472 www.cityofsebastopol.gov

Proposals must be received by the due date and time. Late proposals will not be considered.

TABLE OF CONTENTS

Section	Page
I. Introduction	4
II. Background	5
III. Project Objectives	5
IV. Scope of Services	6
V. Submittal Requirements	8
VI. Submission of Proposal	9
VII. Selection Criteria and Process	9
VIII. Anticipated Timeline	10
IX. Questions, Addenda, and City Website	10
X. Attachments	10

I. INTRODUCTION

The City of Sebastopol ("City") is soliciting proposals from qualified professional consulting firms ("Consultant" or "Proposer") to conduct an independent evaluation of the City's existing cost allocation methodologies and develop an updated Cost Allocation Plan ("CAP" or "Plan"). The selected Consultant will review the current Cost Allocation Plan, evaluate existing allocation methodologies and practices, identify opportunities for improvement, and prepare a transparent, defensible, and user-friendly Cost Allocation Plan together with a flexible, well-documented Excel-based model that City staff can maintain and update annually.

The City seeks a Plan that accurately allocates costs among departments, funds, and programs; supports informed financial decision-making; enhances transparency; and provides a sustainable framework for future annual updates. The City also seeks recommendations regarding allocation methodologies, cost recovery practices, time-based costing approaches, and other improvements that may strengthen the accuracy, equity, and defensibility of cost allocations, particularly as they relate to enterprise fund operations.

There is no expressed or implied obligation for the City to reimburse responding firms for any expenses incurred in preparing proposals in response to this Request for Proposals (RFP). The City reserves the right to retain all proposals submitted and to use any ideas contained within a proposal regardless of whether the firm is ultimately selected. Submission of a proposal indicates acceptance of the conditions contained in this RFP unless specifically noted in the proposal and subsequently agreed to in the final professional services agreement.

To be considered, one electronic copy (PDF) of the complete proposal must be received by the City no later than

October 14, 2026 at 5:00 p.m. PDT

Proposals shall be submitted electronically to:

mgourley@cityofsebastopol.gov

with the subject line **"[FIRM NAME] – Cost Allocation Plan RFP."** Late proposals will not be considered.

The City reserves the right to reject any or all proposals, waive minor irregularities, request additional information from proposers, and negotiate with the selected firm as necessary to achieve the objectives of this RFP.

It is anticipated that consultant selection and contract award will occur on November 17, 2026, with the project kickoff scheduled for December 1, 2026. A draft report and model are expected by January 19, 2027, with final deliverables, training, and Council presentation anticipated on February 16, 2027.

A. Term of Engagement

The City intends to enter into a Professional Services Agreement with the selected Consultant for the development of a Cost Allocation Plan and supporting model. The agreement will be based on a time-and-materials compensation structure with a not-to-exceed contract amount and a clearly defined scope of work.

Progress payments will be made monthly based on actual hours worked and approved reimbursable expenses. The City will retain ten percent (10%) of all payments until final acceptance of the Cost Allocation Plan, Excel model, and all required deliverables.

B. Inquiries

All questions regarding this RFP, the proposal process, or technical aspects of the project shall be submitted electronically to:
Mary Gourley, City Manager
mgourley@cityofsebastopol.gov

To ensure a fair and consistent procurement process, proposers shall not contact City Council members, Enterprise Fund Oversight Committee members, or other City employees regarding this RFP. Unauthorized contact may result

in disqualification from further consideration.

II. BACKGROUND

The City of Sebastopol is a general law city located in western Sonoma County, California, approximately 50 miles north of San Francisco. With a population of approximately 7,521 (2020 Census), Sebastopol is known for its agricultural heritage, commitment to sustainability, vibrant downtown, and high quality of life.

The City operates under a Council-Manager form of government with a five-member City Council elected at-large to staggered four-year terms. The Council appoints the City Manager and City Attorney.

The City provides a full range of municipal services, including police services, public works (streets, facilities, and parks), planning and building services, and administrative services. The City also owns and operates water and wastewater utility enterprise funds. Fire protection services are provided by the Gold Ridge Fire Protection District.

The City's most recently adopted budget (FY 2026-27) totals approximately $17.9 million. The adopted budget and supporting financial information are available on the City's website at City Budget Documents. The budget reflects ongoing fiscal challenges, including a projected General Fund deficit.

The City initiated a comprehensive review of its cost allocation methodology in FY 2023-24, resulting in the development of a new Indirect Cost Allocation Plan prepared by ClearSource Financial Consulting. The plan was presented to the City Council in February 2024 and incorporated into the FY 2024-25 budget, representing the first comprehensive review of the City's cost allocation practices since 2002. The plan is updated annually to support the City's ongoing commitment to financial transparency, accountability, and equitable cost allocation practices. Separately, the Sonoma County Civil Grand Jury issued a report in May 2026 that addressed municipal cost allocation practices.

The City is now seeking an independent evaluation of its current cost allocation methodologies and the development of an updated, transparent, defensible, and user-friendly Cost Allocation Plan. The selected consultant will assess existing methodologies, evaluate alternative allocation approaches where appropriate, and provide recommendations that support equitable cost recovery, financial transparency, and informed decision-making.

The City seeks a qualified consultant to perform a comprehensive review and update of the Cost Allocation Plan. The goals of this engagement include ensuring the Plan remains current with the City's organizational structure, services, and financial data; enhancing the transparency and usability of the supporting model; strengthening compliance with applicable legal and regulatory requirements; and supporting accurate and equitable allocation of costs among City departments, funds, and programs.

In addition, the Enterprise Fund Oversight Committee has expressed the importance of ensuring that enterprise fund allocations are transparent, understandable, and supported by clearly documented methodologies. The City encourages proposers to evaluate allocation approaches that are readily traceable to underlying cost drivers and that support compliance with applicable Proposition 218 and Proposition 26 requirements governing utility rates, fees, and charges.

III. PROJECT OBJECTIVES

The primary objective of this engagement is to produce a high-quality, defensible Cost Allocation Plan and accompanying dynamic model that enables the City to:

1. Accurately identify and allocate appropriate direct, indirect, and overhead costs across City departments, funds, services, and functions using well-documented, supportable methodologies.

2. Support transparent and equitable cost recovery, internal service charging, grant reimbursement claims, and enterprise fund allocations through methodologies that are clearly documented, readily traceable, and understandable to City staff, decision makers, auditors, and the public.

3. Provide City staff with a flexible, well-documented Excel model that can be easily updated annually or as

organizational changes occur, including the ability to perform scenario analyses for new or modified services.

4. Deliver clear documentation, training, and ongoing support so that the Plan and model remain practical management tools rather than static reports.

5. Identify policy, procedural, operational, or structural recommendations that would improve the City's cost accounting, cost recovery, and allocation practices.

6. Evaluate and recommend allocation methodologies that support compliance with applicable legal requirements, including Proposition 218 and Proposition 26 principles governing utility rates, fees, and charges.

7. Evaluate opportunities to utilize direct cost allocation, documented labor hours, activity-based costing, or other actual cost methodologies where practical and supportable, rather than relying exclusively on indirect allocation percentages.

IV. SCOPE OF SERVICES

The Consultant shall perform all work necessary to achieve the project objectives. The following scope is provided as a baseline; Proposers are encouraged to suggest refinements, enhancements, or alternative approaches that would deliver superior value while remaining within a reasonable budget and timeline.

Task 1: Project Initiation and Scope Refinement

- Conduct a kickoff meeting (virtual or on-site) with key City staff (City Manager, Administrative Services Director, department heads, and Enterprise Fund Oversight Committee representatives as appropriate) to confirm project goals, scope, timeline, data needs, and communication protocols.

- Review and discuss the City's current FY 2025-26 Cost Allocation Plan, the May 2026 Sonoma County Civil Grand Jury report, Enterprise Fund Oversight Committee work, and any specific concerns or priorities identified by the City.

- Finalize a detailed work plan and data request list.

Task 2: Data Collection, Review, and Interviews

- Collect and review current and prior-year budgets, actual expenditure data, organizational charts, position control, time studies (if available), existing allocation methodologies, and supporting documentation.

- Conduct interviews and/or working sessions with department directors and key staff to understand operational activities, time allocation, service levels, and any unique cost drivers or allocation challenges.

- Document current practices, identify gaps or inconsistencies in the existing CAP, and note areas where allocation bases may be improved for defensibility or equity (particularly for water and sewer enterprise funds).

- Assess the City's current staff time tracking systems, time studies, and timekeeping processes. Identify gaps in time tracking data and recommend improvements or a time tracking framework/module to support accurate, ongoing cost allocations and future Plan updates.

Task 3: Development / Update of Cost Allocation Model and Plan

- Develop or substantially update a comprehensive Cost Allocation Model in Microsoft Excel (or mutually agreed equivalent) utilizing the most recent adopted budget (FY 2026-27) and available actual data.

- The model shall meet or exceed the following requirements:
  - Full allocation of General Fund and other central service costs (finance, HR, IT, City Manager, Clerk, facilities, etc.) to benefiting departments and funds using appropriate, documented allocation bases.
  - Clear identification of direct costs, indirect/overhead costs, and resulting full cost of services by

department/function.

- Specific, transparent allocation to the Water and Sewer Enterprise Funds consistent with industry standards and applicable Proposition 218 and Proposition 26 requirements. The methodology shall be clearly documented and easily traceable to underlying cost drivers, allocation bases, and supporting data.
- Ability for the City to easily add, revise, or remove cost pools, allocation bases, or organizational units from year to year.
- Built-in scenario / "what-if" capability to estimate costs of new or expanded services.
- User-friendly interface with clear instructions, dropdowns or input cells where appropriate, and automated calculations.
- Identification of the total cost of providing each City service at the appropriate activity level and in a manner consistent with all applicable laws, statutes, rules, and regulations governing the collection of fees, rates, and charges by public entities.
- Determination of the appropriate General and Administrative overhead allocations to City activities and applicable overhead rates for use in calculating the City's billable hourly rates.
- Evaluate existing allocation methodologies and allocation bases and recommend modifications as necessary to improve transparency, defensibility, equity, and consistency with applicable legal requirements governing utility rates, fees, and charges. The Consultant should not assume that prior allocation percentages remain appropriate without independent analysis.
- Evaluate alternative methodologies, including the feasibility of direct charging of enterprise-related activities based on documented labor hours, operational activity, or other measurable service drivers where appropriate.
- Review allocation methodologies to identify and minimize potential duplication of costs between Water and Wastewater operations and other City functions.
- Prepare a written Cost Allocation Plan report that documents the methodology, allocation bases, resulting percentages/rates, key assumptions, supporting rationale, and any recommendations for policy or procedural improvements. The report shall clearly explain the basis for enterprise fund allocations and document how the selected methodology supports transparency, traceability, and defensibility.

Task 4: Reporting, Presentations, and Training

- Conduct a minimum of two (2) meetings/presentations with the Enterprise Fund Oversight Committee (EFOC) and/or Budget Committee — one to present and review the draft Plan and model, and one to address feedback and revisions as needed.

- Deliver a minimum of two (2) presentations to the City Council — one preliminary presentation of the draft findings and one formal presentation of the final Cost Allocation Plan and model for adoption.

- Provide comprehensive documentation including a user guide or instructions for annual model updates.

- Conduct one (1) on-site or virtual training session (2–3 hours) for designated City staff on maintaining and updating the model and Plan.

- Remain available (at no additional cost beyond reasonable expenses) for up to 12 months after final delivery to answer questions or assist with minor refinements, and to support the City in the event of an audit or challenge to the Plan (subject to a mutually agreed scope and rate for significant additional work).

Task 5: Deliverables

- Final Cost Allocation Plan report in editable Microsoft Word format (and PDF).

- Fully functional, documented Excel Cost Allocation Model with all supporting schedules, allocation worksheets, summary reports, and user instructions.

- Executive summary suitable for Council and public distribution.

- Presentation materials (PowerPoint) for staff and Council meetings.

- Training materials and recorded session (if virtual) or detailed notes.
- All working papers and source data files organized and provided electronically.
- Memorandum documenting compliance with Proposition 218 and Proposition 26 principles and explaining the rationale for enterprise fund allocation methodologies.

V. SUBMITTAL REQUIREMENTS

To be considered responsive, proposals must address all items below in the order presented and be clear, concise, and professionally presented. Proposals should demonstrate the firm's understanding of the City's needs, relevant experience, and proposed approach.

A. Cover Letter / Transmittal Letter

The letter must be signed by an individual authorized to bind the firm contractually. It should briefly state the proposer's understanding of the work, commitment to perform within the stated timeline, why the firm believes it is best qualified, and confirmation that the proposal is a firm offer for 120 days. Include name, title, address, phone, and email of the primary contact person.

B. Project Approach and Proposed Scope of Work

Provide a detailed description of the firm's proposed approach, including how the City's current FY 2025-26 Cost Allocation Plan will be leveraged, any recommended enhancements to the scope or methodology, phased work plan with measurable deliverables, quality control processes, and communication plan with City staff.

C. Project Schedule and Timeline

Submit a realistic project schedule (Gantt chart or detailed table) from kickoff through final Council presentation and training. Identify critical path items and any assumptions regarding City staff availability or data turnaround times.

D. Experience and Qualifications

Provide a brief history of the firm (year established, ownership, primary location, relevant service lines). Describe the firm's specific experience completing Cost Allocation Plans or similar fiscal studies for California cities, counties, or special districts—preferably those of comparable size with enterprise utility funds. Highlight any work involving water/sewer allocations, review of Grand Jury reports, or complex multi-fund environments. Note key program advantages that differentiate the firm.

E. Sample Completed Reports

Provide (or make available via secure link) two (2) recent examples of Cost Allocation Plans or comparable comprehensive fiscal studies the firm has completed for California local government clients. Include a brief description of the project scope and outcome for each.

F. References

Provide a minimum of three (3) client references for similar work performed within the past five (5) years. For each reference include: client name and location, project description and dates, key personnel assigned from your firm, client contact name/title/phone/email, and whether the project is complete.

G. Resumes and Qualifications of Proposed Personnel

Identify the proposed Project Manager/Lead Consultant and all key team members, their roles, office location, relevant experience (especially CAP work for CA agencies), education, certifications, and licenses. Attach brief resumes (1–2 pages each) for key personnel. The lead consultant should have substantial hands-on experience developing defensible cost allocation plans.

H. Fee Schedule and Cost Proposal

Submit a detailed fee proposal on a task-by-task basis. Include:

- Estimated total hours and not-to-exceed fee for the entire scope.
- Breakdown by major task/phase showing hours by personnel classification (Partner/Principal, Senior Consultant, Analyst, etc.) and applicable hourly rates.
- Standard published hourly rates for all proposed personnel (these rates will be used for any authorized additional work).
- Assumptions underlying the estimate (e.g., number of on-site visits, data availability, City staff support level).
- Identification of any reimbursable expenses (travel within the Bay Area/North Bay is generally not reimbursable unless pre-approved; virtual meetings are preferred where effective).

The City will not be responsible for costs incurred in preparing the proposal.

I. Conflict of Interest

Disclose any actual or potential conflicts of interest. The City will not contract with a firm if any principal, officer, or immediate family member has served as an elected official, employee, or board/commission member of the City who could influence the contract, or if any financial interest would be affected by the engagement. Proposals may be disqualified on conflict grounds.

J. Proposed Changes to Standard Agreement

The selected firm will be required to execute the City's standard Professional Services Agreement (sample available upon request). Any requested modifications to the standard terms (insurance requirements, indemnification, ownership of documents, etc.) must be clearly stated in the proposal. The City reserves the right to reject proposals with unacceptable modifications.

K. Insurance and Other

The selected Consultant will be required to maintain insurance meeting or exceeding the City's minimum requirements (Commercial General Liability $1M/$2M, Auto $1M, Workers' Compensation statutory, Professional Liability $1M/$2M). A certificate of insurance naming the City as additional insured will be required prior to contract execution. Proposers should confirm ability to meet these requirements.

VI. SUBMISSION OF PROPOSAL

Proposals must be submitted electronically as a single PDF file to Mary Gourley at mgourley@cityofsebastopol.gov no later than **October 14, 2026 at 5:00 p.m. PDT**. The email subject must read: "[FIRM NAME] – Cost Allocation Plan RFP". Proposals received after the deadline or that are incomplete will not be considered. The City reserves the right to reject any or all proposals, to waive minor irregularities, and to negotiate with one or more proposers.

VII. SELECTION CRITERIA AND PROCESS

Proposals will be evaluated based on the following criteria (not necessarily in order of weight):

1. Quality, completeness, and professionalism of the proposal and responsiveness to RFP requirements.
2. Demonstrated relevant experience performing Cost Allocation Plans and similar fiscal studies for California local governments, especially cities with enterprise utility funds.
3. Qualifications, experience, and availability of the proposed project team and lead consultant.
4. Soundness and creativity of the proposed approach and methodology, including how the existing CAP will be utilized and improved.
5. Reasonableness of the proposed fee relative to scope, and demonstrated ability to complete the project on schedule.
6. Strength of references and past performance on similar engagements.

7. Proposed management/communication plan and value-added recommendations.

After initial review, the City may invite one or more firms for interviews (virtual or in-person) or may proceed directly to contract negotiations with the highest-ranked proposer. Interviews, if held, are anticipated during the week of October 26, 2026. The City reserves the right to cancel this RFP, reject any or all proposals, or waive minor informalities if it is in the City's best interest.

VIII. ANTICIPATED TIMELINE

Note: The City reserves the right to adjust this schedule at its sole discretion. Proposers should build reasonable flexibility into their own schedules.

Date	Milestone
September 23, 2026	RFP Issued
September 30, 2026, at 5:00 p.m. PDT	Deadline for Written Questions
Week of October 5, 2026	City Responses and Addenda Issued
October 14, 2026, 5:00 p.m. PDT	Proposals Due
Week of October 26, 2026	Interviews (if required)
November 17, 2026 (City Council Meeting)	Proposed Contract Award
December 1, 2026	Project Kickoff Meeting
January 19, 2027	Draft Report & Model to City Staff
February 16, 2027 (City Council Meeting)	Final Report, Model, Training & Council Presentation

IX. QUESTIONS, ADDENDA, AND CITY WEBSITE

All questions must be submitted in writing via email to Mary Gourley at mgourley@cityofsebastopol.gov with the subject line "Cost Allocation Plan RFP Question – [FIRM NAME]". Questions must be received by the deadline listed in the timeline. Questions received after that date will not be answered. Responses to questions and any addenda will be posted on the City's website (www.cityofsebastopol.gov) under the Bids, RFPs, or Purchasing section (or equivalent). Proposers are solely responsible for checking the website for addenda prior to submitting a proposal. Oral communications are unofficial and non-binding.

X. ATTACHMENTS

The following will be made available upon request or via the City's website:

- Attachment A: Sample City of Sebastopol Professional Services Agreement (standard boilerplate)
- Attachment B: Most Recent Adopted City Budget (FY 2026-27) and Organizational Charts (Budget Documents)
- Attachment C: Current Cost Allocation Plan (FY 2025-26) for Reference (Cost Allocation Plan)
- Attachment D: Relevant Financial Policies and Prior Studies, as Applicable (Budget and Financial Policies)

By submitting a proposal, the Proposer acknowledges that they have read, understand, and agree to comply with all terms and conditions set forth in this Request for Proposals.