

CITY OF SANIBEL

RESOLUTION 15-016

A RESOLUTION ADOPTING A COST ALLOCATION PLAN, (ALSO KNOWN AS AN INDIRECT COST PLAN) FOR THE FISCAL YEAR 2014-15; AUTHORIZING THE CITY MANAGER TO EXECUTE THE CERTIFICATE OF COST ALLOCATION PLAN IN ACCORDANCE WITH THE REQUIREMENTS OF OMB CIRCULAR A-87 AND FULL COST PLAN; AUTHORIZING THE DISTRIBUTION OF THE CENTRAL SERVICE OVERHEAD COSTS TO QUALIFYING GRANTS AND ENTERPRISE FUNDS; ESTABLISHING THAT REGULAR UPDATES TO THE COST ALLOCATION PLAN BE MADE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City incurs central service overhead costs, such as expenses for administrative, legal, financial, insurance and data processing services, which are provided to other governmental departments and not directly to the general public; and

WHEREAS, the Federal Office of Management and Budget (OMB) has approved a method for cities to recover these overhead costs which are provided for the administration of grants, in OMB Circular A-87; and

WHEREAS, this is an approved method of recovering central services expenses for the City, pursuant to OMB Circular A-87; and

WHEREAS, the City engaged the services of Maguire Associates of Virginia, Inc., whose cost allocation software is fully copyrighted with the Library of Congress, to develop an indirect cost allocation plan in conformance with OMB A-87 and full cost plan, in order to recover these costs from grants and enterprise funds.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Sanibel, Lee County, Florida:

Section 1. The Cost Allocation Plan prepared by Maguire Associates of Virginia, Inc. for Fiscal Year 2014-15, which is attached hereto and incorporated herein by this reference, is hereby adopted.

Section 2. The City Manager is hereby authorized to execute the Certificate of Cost Allocation Plan in accordance with the requirements of OMB Circular A-87 and full cost plan in order to recover indirect costs from applicable grant-funded projects.

Section 3. The City Manager is hereby authorized to utilize this fiscal year 2014 cost allocation plan to make preliminary charges to current fiscal year 2015 grants and enterprise funds for central services overhead costs. Except that, in the case of enterprise funds, a partial indirect cost charge may be made if, by applying 100% of the calculated overhead costs, the provisions of bond covenants would not be met.

Section 4. The City Manager is hereby authorized to have the Cost Allocation Plan regularly maintained and updated in order to effect the recovery of central service overhead costs from enterprise funds and grants in accordance with OMB Circular A-87 and full cost plan as it may be amended from time to time. Fiscal year 2015 charge adjustments to affected enterprise and grant funds will be made if the updated plan reveals changes from the preliminary charges made in accordance with the fiscal year 2014 Plan.

Section 5. Effective date.

This resolution shall take effect immediately upon adoption.

DULY PASSED AND ENACTED by the Council of the City of Sanibel, Lee County, Florida, this 3rd of March, 2015.

AUTHENTICATION: _____
Kevin Ruane, Mayor Pamela Smith, City Clerk

APPROVED AS TO FORM: _____
Kenneth B. Cuyler, City Attorney Date

Vote of Council Members:

Ruane _____
Congress _____
Denham _____
Harrity _____
Jennings _____

Date filed with City Clerk: _____