

Town of Atherton, Proposal to Provide a Full Cost Allocation Plan and User Fee Study

March 3, 2023

Capital Accounting Partners, LLC
3570 Buena Vista Drive
Sacramento, CA 95864
(916) 670-0001

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Letter of Transmittal

March 3, 2023

Town of Atherton
Robert Barron, III
Finance Department
80 Fair Oaks Lane
Atherton, CA 94027

Re: Full Cost Allocation Study, Staff Hourly Rate Calculations, and User Fee Study

Capital Accounting Partners, LLC (CAP) is very pleased to provide for your consideration our proposal to provide an Indirect Cost Allocation Plan, calculations of staff productive hourly rates, and conduct a Comprehensive User Fee Study. These services are the exclusive focus of CAP. With this specialization, we can produce the highest value for the resources invested. The two consultants bring more than forty-five years of combined public-sector consulting. This experience includes preparing over 1000 cost allocation plans and nearly 90 user fee studies.

Capital Accounting Partner's key individuals

The individuals listed below are the same partners involved in conducting a similar project for the Town of Atherton in 2013.

Nicky Lettini, MBA is the owner & principal consultant. She will be managing the preparation of the cost allocation plans. Nicky has:

- Prepared over 1000 complete cost plans and cost of service analysis in her twenty years of consulting; and
- Defended numerous cost plans and ICRP/ICAP with auditors and cognizant agencies and has succeeded in all of them.

Daniel Edds, MBA, will be the principal consultant on the user fee study. Besides twenty-five years of experience consulting with local and State government agencies, Dan brings several specialized skills to the Town of Atherton:

- Senior Baldrige Quality Criteria examiner;
- Certified group facilitator;
- Certified in strategic planning; and
- Author of articles on the role of user fees in municipal government.

Why Capital Accounting Partners?

Capital Accounting Partners has extensive experience, skills, talent, and the most reliable software platform to complete this project to your specifications and satisfaction. The following will outline a few of the benefits you will receive by working with CAP:

Experience: Consultants assigned to this project have over forty-five years of experience in preparing cost allocation plans and user fee studies.

Partnership: We believe a true partnership in the approach produces better results.

- Quality:* With our designed processes and state-of-the-art software, the Town can be confident the results are accurate and thoroughly defensible.
- Efficiency:* Our designed processes have been developed throughout our experience to eliminate wasted effort and deliver your project on time and on budget.
- Transparency:* Transparency. Our systems and approach are designed for transparent results and analysis.

Additional factors to take into consideration during your evaluation of the proposal are:

Small Business Certification (#0046082) – Capital Accounting Partners, LLC has received certification from the Office of Small Business and DVBE Services, Procurement Division, Department of General Services, State of California. In addition, we are a **majority woman-owned business**.

Thank you for the opportunity to submit this proposal. We look forward to working with you and developing a process that will allow additional reimbursements into the Town of Atherton's General Fund that can help provide resources in areas that may be lacking.

Sincerely,



Nicolie Lettini, MBA
Owner

Questions regarding this proposal can be addressed to:

Dan Edds

425.269.8854

danedds@mycapartner.com

Executive Summary

Our Client's Experience

Capital Accounting Partners was incorporated in 2007 to provide high-quality indirect cost allocation plans and user fee studies. After serving national and regional firms, Capital Accounting Partners was incorporated to provide our clients with a more personal and "hands-on" experience. We felt there was room for a quality approach providing more than "just a number." Consistently, we hear, "you ask us excellent questions." Consequently, our success is built on the rather simple idea – the customer experience is essential. We approach each project from the view that front-line staff, building inspectors, plan reviewers, budget analysts, and external stakeholders all have a valuable "voice" and perspective. Thus, our systems and processes are designed to capture those voices.

Our Results – Telling a Story

In our view, data analysis tells a story, and we want to communicate that story well. For example, recent projects have told different stories:

- Our work resulted in funding being to fire prevention budgets to improve public safety.
- Our work has resulted in a state legislative committee recommending the status of a Public Nonprofit Benefit Corporation be maintained rather than creating a new state agency.

Our Experience

The team we propose to the Town of Atherton is one of the most experienced on the West Coast.

Nicky Lettini (owner of firm) has personally prepared over 1000 indirect cost allocation plans. In addition, she has the perspective and experience of having defended numerous cost plans and ICRP/ICAP with auditors and cognizant agencies and has succeeded in all of them.

Dan Edds (partner in the firm) has personally conducted over ninety user fee studies with most of them having a development services component. In addition, he brings the added experience of expertise in process and project management. He is a certified Project Manager Professional (PMP) and a certified lean practitioner.

Maximizing Cost Recovery, Improving Customer Service, and Funding Critical Services

From reading the RFP and our experience, we understand that the Town desires to capture as much cost into its fee structure as reasonably possible. To do this, it needs a high-quality indirect cost allocation plan (full cost plan), and a fully compliant Super Circular 2 CFR 200 plan to recover overhead on State and Federal grants.

We have seen the devastating impacts when cities ignore their indirect cost plans and user fees. Thus, we know that the impact of a quality cost plan and user fee study gets personal at some point. This is the lens through which we do our work. This also impacts our approach to these projects. We have found a direct correlation between the time we spend on-site, working collaboratively with staff, and the quality & confidence in the results.

Why choose Capital Accounting Partners

We understand that the Town will have a choice of several firms. Any of which will provide numbers that are reasonable and defensible. There are three reasons why the Town should select Capital Accounting Partners:

1. **Our Experience.** In accepting work from our clients, we do so with the understanding that they are looking for something more than a number. They want a partner.
2. **Your Value.** Our systems and processes are designed to provide the highest value for the resources (both financial and human) invested.
3. **Our Commitment.** Time spent on site, working directly with staff, understanding our clients processes, and understanding local issues demonstrates our commitment to our clients.



THE QUALITY OF A USER FEE STUDY IS IN DIRECT PROPORTION TO TIME SPENT ONSITE WITH CITY STAFF

Company General Information

Legal name of firm	Capital Accounting Partners, LLC (CAP)
Address	3570 Buena Vista Drive, Sacramento, CA 95864 6046 118 th Ave SE Bellevue, WA 98006
Legal form of company	Limited Liability Company
Telephone	Sacramento: 916.670.0001 Bellevue: 425.269.8854
Fax	309.404.0697
Years in business	Capital Accounting Partners was incorporated in 2007
Full-time personnel	Nicolie Cass Lettini, MBA Dan Edds, MBA, PMP

Questions about this proposal should be addressed to:

Daniel B Edds
danedds@mycapartner.com
 (425) 269-8854

Qualifications and Experience of the Firm

Question	Response
History and Organizational Structure	Capital Accounting Partners was incorporated in 2007 to provide high-level and personalized services in preparing and delivering Cost Allocation Plans and User Fee Studies.
Primary Business	Indirect Cost Allocation Plans and User Fee Studies
Managing Office	Sacramento, CA
Experience in Conducting Full Cost Plans and User Fee Studies	Our staff represent the preparation of over 1000 indirect cost plans and nearly ninety cost of service studies. In addition, you will find articles in the National Financial Review (GFOA) that Mr. Dan Edds has written. He is the only user fee study consultant to have his work published in this national publication.
Managing Office for the Cost Plan	Sacramento, CA
Experience in Preparing Full Cost and OMB 2 CFR Part 225 Cost Plans	
Competitive Differences – Cost Allocation Plans	There are two main platforms for preparing cost allocation plans: <ol style="list-style-type: none"> 1. Excel Spreadsheets; and 2. Databases.

	<p>Capital Accounting Partners utilizes a database model. This provides several key advantages:</p> <ol style="list-style-type: none"> 1. Databases easily confirm the double step-down methodology required by OMB 2 CFR Part 225. This is a function that is extremely difficult for spreadsheets, if not impossible; 2. Structural changes are easy. They require no reprogramming a spreadsheet model; 3. There are no formulas and links that break; 4. Numerous reports can be generated using the report tool; 5. Project time is spent working with staff, reviewing impacts on individual departments and programs, rather than creating customer spreadsheets that have to be redone at the first organizational change; and 6. Expenditure data can be directly uploaded into the database rather than rekeying the data and fixing the resulting errors.
<p>Competitive Differences – User Fee Studies</p>	<p>Three differences highlight our approach:</p> <ol style="list-style-type: none"> 1. More time onsite. By working directly with staff and leadership, we reduce errors and complete the project faster; 2. Formal quality assurance process; and 3. Project management. Dan Edds is one of the few user fee consultants with the formal Project Manager Professional (PMP) certification.

Qualifications and Experience of Proposed Project Team

Our two consultants for the project represent over forty-five years of experience in preparing cost plans and user fee studies. In addition, our expertise and professional training extend to process and organizational performance, project management, facilitation, and strategic planning.

Summary of Qualifications for Daniel B. Edds, MBA, PMP

Dan Edds will provide overall project management and will be the Town's primary point of contact. In addition, with over twenty-five years of experience consulting with public agencies, the Town will utilize one of the region's most experienced user fee study experts.

Education

Master's Degree in Business Administration, International Business, Albers School of Business and Economics, Seattle University

Certifications:

- Project Manager Professional (PMP)
- Strategic Planning
- Group Facilitation
- Lean Practitioner
- Balanced Scorecard

**Other
Publications and Training Provided**

Baldrige Quality Criteria - Examiner
Author: Transformation Management, Spiro Press, London, England
Government Finance Review (GFOA) articles on user fees and performance management in the public sector
Regional trainings (OMFOA, WFOA, etc)
User Fee Studies
Calculating full cost
Performance management
Introduction to Activity Based Costing
Government Finance Officers Association: Performance management (both national and regional training)

Summary of Qualifications for Nicky Lettini, MBA – Cost Plan Consultant

Nicky has over twenty years of experience in preparing Indirect Cost Allocation Plans. This is her exclusive focus, so the Town will hire one of the country's most knowledgeable cost plan consultants. Furthermore, with her experience of preparing over 1000 cost plans, the Town can be assured that she will be able to address any problem that may be encountered. In addition, she is one of the few cost plan consultants that has defended numerous cost plans and ICRP/ICAP with auditors and cognizant agencies and has succeeded in all of them.

Education

Bachelor of Science in Managerial Economics from University of California, Davis and has her MBA in Accounting from California State University, Sacramento.

Training and Certifications:

OMB A-87 specialized training, provided by Management Concepts. This is a state approved course to learn the details of Super Circular 2 CFR Part 200 compliant plans.

Full resumes can be found in the appendix

Work Plan

Full Indirect Cost Allocation Plan

The purpose of an indirect cost allocation plan is to assign Town overhead expenses to those departments that receive (or consume) these expenses. Finance leadership can allocate these expenses to staff hourly rates, user fees, and grants where appropriate. By preparing these plans per 2 CFR part 200 concepts, the Town can be assured that the methodology is sound and fully accepted as a best practice by all branches of government.

Preparing an Indirect Cost Allocation Plan has three Phases

Phase 1: Gather Essential Cost and Allocation Statistical Data

Conduct interviews with applicable Town departments in developing service provisions, cost categories, and allocation criteria for current programs.

- Conduct informational sessions to educate Town staff on 2 CFR part 200 concepts and applications. Identify, if possible, any available data that can be incorporated into the cost allocation plans and look for opportunities to simplify data collection for future years.
- Schedule individual interviews with the necessary staff to discuss the information the consultant needs to complete the cost plan. These meetings are held to thoroughly understand the Department's major functions and how CAP can best allocate the costs to all departments that receive their services.
- Report on other matters that arise during our review and evaluation that the Town should consider in our professional opinion.

Phase 2: Build the Allocation Model

We use a proprietary database program to construct an indirect cost allocation plan. This technology provides several benefits over a more conventional spreadsheet model.

- Without rekeying numbers, we can upload financial and statistical data directly into our database. This reduces errors.
- We can provide a variety of standard reports without configuring the individual pages. This saves time and expense.
- We can spend time working directly with Town staff rather than custom configuring a spreadsheet with little customer value.
- We can provide reports that all federal, state, and local agencies widely accept.

This second phase is comprised of three steps:

- 1) Work with Town financial leadership to determine the best statistical data to allocate overhead expenses.
- 2) Gather overhead expenses.
- 3) Build data into the Full Cost Allocation Model.

Phase 3: Present the plan to the Town's management group and make necessary adjustments as requested

Confirming the accuracy and quality of results is a robust quality assurance plan. It is seldom that we will make a single presentation of the plan to the Town's management group. Preparing an indirect cost allocation plan and a user fee study is iterative. Creating a solid working relationship with a clear flow of communication is critical to the assurance of quality data and results.

This phase will involve:

- Reviewing the model with Town financial leadership.
- Adjusting data as appropriate.
- Preparing a final report, and
- Presenting the results to the Town Council as requested.

Calculating Productive Hourly Rates

Calculating productive hourly rates is relatively straightforward. However, some critical aspects ensure the most accurate rates, but also rates that can be defended if required.

Task 1: Determine the use of these rates

Municipal agencies have a variety of reasons to calculate rates for staff. Sometimes, the objective is just to recover the direct cost of the person. Other times, full-cost recovery is more critical. Therefore, our first objective is to determine how rates will be used and what is the objective of the Town.

Task 2: Determine how to allocate overhead and support costs

We understand costs as layers. There is a layer for Townwide overhead. There is a layer for Department overhead and support costs for Divisional overhead. Therefore, an important step is to identify these layers and determine the best allocation method for each staff position.

Task 3: Calculate the fully burdened hourly rate

We will provide a simple-to-follow spreadsheet that the Town can use for its purposes and enjoy the ability to update the rates as they change. This will allow the Town to capture as much costs as appropriate now, and into the future.

Preparing the User Fee Study

Maximize Cost Recovery, Improve Customer Service, Fund Critical Services

Our approach to a user fee study is to help our clients maximize the total value of public services. Therefore our user fee studies have three phases.

Phase 1: Pre-Project Planning

Each of our projects begins with the development of an extensive project plan. A project plan ensures that the Town will receive maximum value, staff time is utilized efficiently, and we can provide the best opportunity to implement the study fully.

Task 1. Develop a project charter

Our pre-project planning focuses on laying the foundation for fully implementing the new user fee models. This is a distinguishing characteristic of Capital Accounting Partners. Dan Edds might be one of the few user fee consultants in the nation who has held the distinguished Project Manager Professional (PMP) certification. A critical component of our project management approach is the completion of a project charter at the onset of a user fee study. This charter includes, at a minimum:



- Project imperatives – what must happen and when.
- Critical success factors – how will the Town determine project success?
- Project scope and expectations – what are the Town's objectives?
- Internal and external stakeholders.
- Risks to full implementation – and how to mitigate them.
- Project work plan – including data required and how this will impact the schedule.

Task 2 Research and Initial Data Collection

A significant component of project planning is to conduct a thorough review of the organizational structure and budgets for each division within the Department. This is foundational before analysis can begin. It also means understanding the administration of each Department and how to allocate those costs to each supported division.

Phase 2: Calculating the Cost of User Fees

Phase 2 is the analytical phase of a user fee study. This phase requires the most staff time. The focus is on capturing the cost based on understanding underlying business processes. This is where the experience of CAP brings value to the Town. After personally preparing nearly ninety user fee studies and over 1000 cost allocation plans, there is little that we have not encountered.

Scope of User Fees

Based on reading the RFP, we will assess the cost and cost recovery of the following fee categories:

- 1) Building fees
- 2) Planning fees
- 3) Private Development fees
- 4) Police fees
- 5) Parks fees, where appropriate.

Task 1. Research, Data Collection, and Staff Interviews

Our approach results in a completely updated fee schedule that reflects current operating procedures. This means we evaluate the current fee schedule based on how permits, licenses, and applications are being processed.

In addition, we look for gaps in the existing fee structure for potential new revenues. Examples of this include:

- Funding sources for long-range planning.
- Funding for upgrades to permitting technology.

Our approach has resulted in major upgrades to fire prevention staffing, long-overdue upgrades in permitting technology, dedicated funding sources to long-range planning, and additional resources to upgrade customer services.

Task 2. Calculate the Cost of Flat Fees

Our approach to calculating the cost of flat fees is based on the principles of Activity Based Costing. This methodology first identifies the core business processes within a Division or work unit. This is done in collaboration with staff. For our purposes, this task will be a confirmation of the prior work that has already been completed. Then, in focus group workshops, we will conduct interviews with staff to determine time estimates for each step relative to each flat fee.

The following graph illustrates the kind of data we collect for flat fees.

Position Number	Administrative Assistant	Administrative Associate I	Administrative Associate II	Administrative Associate III	Assistant Director Planning & Community Environment	Chief Planning Official	Project Engineer	Senior Management Analyst	Senior Planner	Senior Project Engineer
6										
7	1,513	1,588	1,550	3,081	1,438	1,102	2,619	1,588	12,151	3
8	0	71	471	1,940	951	907	2,428	0	10,848	
9	\$ 81.84	\$ 70.16	\$ 77.31	\$ 82.86	\$ 182.95	\$ 162.68	\$ 130.21	\$ 122.23	\$ 122.33	\$ 130
257	Preliminary Review									
258		0.167	0.750						0.750	
259						1,000			10,000	
260	Environmental Compliance									
261	Directors Approval									
262	Directors hearing									
263	Architectural and/or historical boards									
264	Planning, Transportation Commission, DRC Meetings									
265	City Council Meetings & appeals									
266	Plan Check Review									
267	Planning inspection									
268	Project Management									
269	Transportation review									
270	Time assigned to deposit based fees									
271	CIP work									
272	Legal review									
273	0.000	0.167	0.750	1.000	0.000	4.000	1.000	0.000	13.750	0.0
274	0.000	2.338	10.500	14.000	0.000	58.000	14.000	0.000	192.500	0.0
275	0.00%	0.15%	0.68%	0.45%	0.00%	5.08%	0.53%	0.00%	1.58%	0.0
276	\$0.00	\$164.03	\$811.71	\$1,180.07	\$0.00	\$9,110.32	\$1,822.89	\$0.00	#####	\$0
277										
278										

Task 3 Calculate the Cost of Valuation Based Fees (if used)

Calculating the cost of a valuation-based permit fee is a function of:

- 1) Calculating the revenue required to recover the full cost of inspection services, and
- 2) Calculating the multiplier required to recover the full cost of inspection services from the total valuation of all construction project.
- 3) Create multiple tiers as construction projects increase in value and complexity.

Task 4 Deposit-Based Fees for Service

Deposit-based fees are a function of:

Thank you (Dan) for all of your work and guidance on our User Fee Study. As always it was a joy working with you – the analysis was thorough and thoughtful, and you always distill the information into manageable bites.

Heather Richards, PCED
 Planning Director
 City of McMinnville

- 1) An accurate calculation of productive hourly rates for each staff position, and
- 2) The staff accurately assign their time to deposit-based projects.

Therefore, the first step is accurately calculating productive hourly rates for each position. This is a standard part of every user fee study we complete. These hourly rates include:

- Calculation of productive hours.
- Salary and benefit costs are organized by position.
- An allocation of services & supplies to each position.
- An allocation of Townwide and Department overhead to each position.

Finally, we will review total hours assigned to deposit-based fees to determine the accuracy of staff assigning their time to these fees.

Task 5. Compare service costs with existing recovery levels

Comparing service costs with recovery levels is a standard part of our analysis. The Town can expect to receive a complete comparison of existing revenues with full cost recovery. Understanding the difference between current cost recovery levels and the full cost of services will often drive the Council's decision concerning implementation.

Task 6 Recommend potential new fees for services that the Town currently provides but does not have any fees and/or charges established

The Town can expect a fee schedule that has been thoroughly reviewed and updated to current processing requirements. By working directly with staff, we will review each fee to ensure it fully reflects the needs of each Department and the Town. We will also look for gaps where fees are missing, or current fee descriptions need adjustment. For example, we will frequently adjust descriptions so a fee can scale for size. An example might be redefining a reroof based on size rather than a single flat rate. This allows for scaling from the smallest to the largest reroof.

This phase will result in a complete understanding of cost and each of the following factors that are standard calculations in our analysis.

Standard Reports and Analyses

	Standard
Requested Analyses	
Full cost	√
Recommended and current cost recovery levels	√
Direct cost	√
Indirect cost	√
Overhead costs	√
Additional Analyses	

	Standard
Comparison of full cost to current price	√
Compare current annual revenue against revenue at full cost	√
Quality assurance analysis	√
Annual revenues at targeted price	√
Reserve requirements	√

Phase 3: Implementation

As we stated earlier, our focus in pre-project planning is to lay the foundation for fully implementing the new user fee model.

Task 1. Develop Long-Term Strategy for Full Cost Recovery

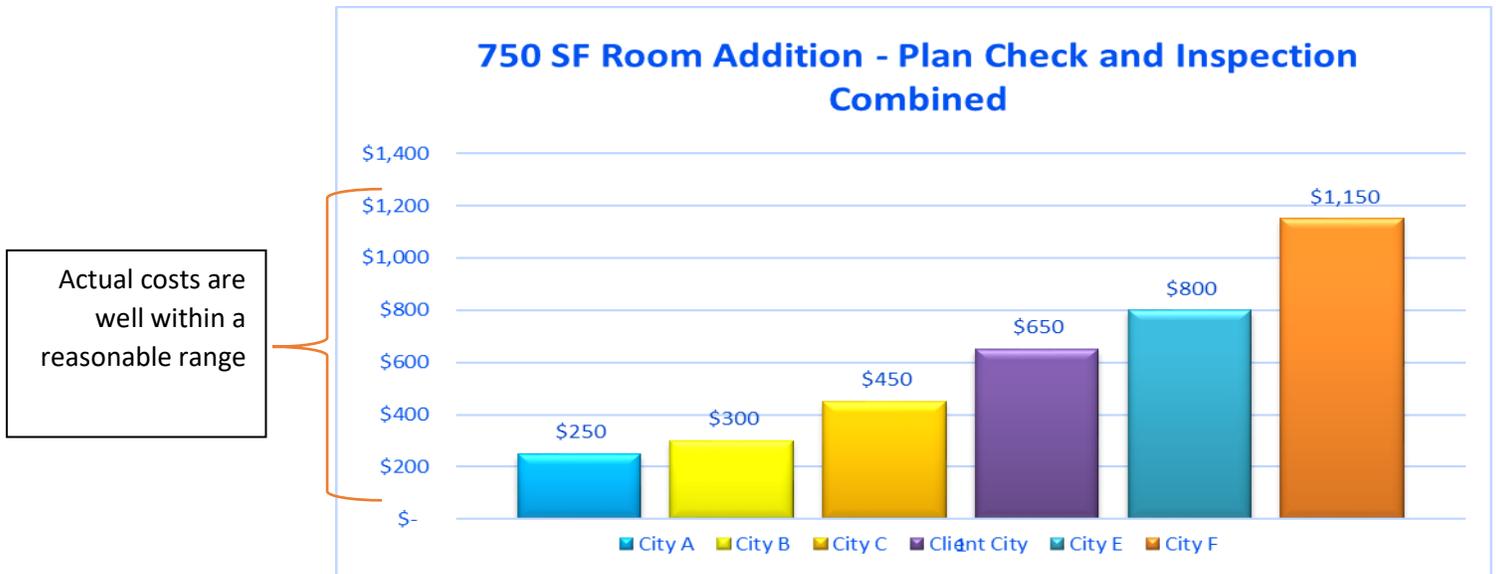
Our best value is to develop a long-term strategy for cost recovery. This provides a framework for implementing a new schedule of fees now and into the future. Furthermore, it sets the possibility of policy discussions that protect Town revenues far into the future.

Task 2. Comparison study

At CAP, we believe that a comparison of surrounding cities is an essential component of implementing a schedule of user fees. After completing over ninety user fee studies, Dan Edds has developed an approach that maximizes the value of comparisons. This approach looks at essential user fees and common development projects. We have seen that the greatest value of comparisons comes when comparing development projects instead of the simple comparing of fees.

As the preceding graph illustrates, the Town can expect a complete and robust analysis with more than adequate supporting documentation. We also can provide additional analysis if required.

We approach comparison studies based on the fundamental idea that "less is more." Instead of comparing the entire universe of fees, we find the greatest value in comparing 5-6 critically important fees in each category. The result is the identification of clear trends, so the Council can see the ranges, as the following graphic will illustrate.



Task 3. How to Update User Fees

From our experience, very few cities update their fees using either a template we have provided or the Excel-based models we provide. Most cities in California apply an annual labor cost adjustment to their fees each year and follow up with a comprehensive user fee study every four to five years. Our recommended approach will save the Town numerous hours each year. However, we are happy to teach the Town how to update our costing models if it feels this is the best option.

Task 4. Prepare a report

In this task, we will prepare a full and comprehensive report that will review:

- The project scope and objectives.
- The methodologies of conducting the analysis.
- Summary of current and potential cost recovery for each division within the new Department.
- Long-term recommendations to maintain full cost recovery over time.

Task 5. Presentation to Finance Sub-committee and/or Stakeholder Group

One of the best ways to ensure full implementation of a user fee study is to present the findings to a sub-committee or stakeholder group before submitting to the full Council. This provides the opportunity to gain feedback, adjust the report where appropriate, and be fully prepared for a presentation to the Town Council.

Task 6. Presentation to the full Town Council

This presentation will facilitate understanding of the Council to the analysis and the long-term implications of full cost recovery. The Capital Accounting Partners team has made many presentations to

Councils and policy governing bodies. We will be fully prepared to respond to any question the Council may ask.

We will work with staff to design a presentation appropriate to the Town's needs. Generally, there are three types of presentations we participate in:

Expert witness. We will work with staff to develop a presentation, but the actual presentation is done by staff and leadership. We are available for specific questions that may arise that we alone can respond to.

Project review. We will design a presentation that may take 15-20 minutes. Then, we review the methodology and results. A vote on full implementation is typically at a later date.

Study session. We will work with staff to design a presentation allowing the Council to thoroughly review and analyze the project. In these sessions, they want a thorough review of the costing methodologies, policy implications, defensibility, and community impact. These are typically at least sixty minutes in duration.

E. Fees

The following cost proposal is based on the following assumptions:

- 1) Agreed upon meeting will be maintained.
- 2) Data provided by the City will be accurate and in a format that can be easily utilized.
- 3) Excessive delays and rework due to changes in staffing, internal reviews, and scheduling may incur additional costs.

We invoice monthly based on the work completed.

Consultant Hours and Costs	Consultants		
	Lettni	Edds	Totals
	\$ 210	\$ 210	
Full Cost Allocation Plan			
Task Plan			
Phase 1	8		\$ 1,680
Phase 2	15		\$ 3,150
Phase 3	6		\$ 1,260
			\$ -
Total Estimated Labor	29		\$ 6,090
Calculate Fully Burdened Productive Hourly Rates			
Task Plan			
Calculate Fully Burdened Productive Hourly Rates		8	\$ 1,680
Total Estimated Labor		8	\$ 1,680
Comprehensive User Fee Study			
Task Plan			
Phase 1: Pre-Project Planning			\$ -
Task 1. Develop a project charter		2	\$ 420
Task 2. Research and Initial Data Collection		3	\$ 630
Phase 2: Calculating the Cost of User Fees			\$ -
Task 1. Research, Data Collection, and Staff Interviews		26	\$ 5,460
Task 2. Calculate the Cost of Flat Fees		12	\$ 2,520
Task 3. Calculate the Cost of Valuation Based Fees		12	\$ 2,520
Task 4. Deposit Based Fees for Service		8	\$ 1,680
Task 5. Compare service costs with existing recovery levels		4	\$ 840
Task 6. Recommend potential new fees and charges for services that the City currently provides but does not have any fees and/or charges established		2	\$ 420
Phase 3: Implementation (including report template creation)			\$ -
Task 1. Develop Long-Term Strategy for Full Cost Recovery		2	\$ 420
Task 2. Comparison study		14	\$ 2,940
Task 3. How to Update User Fees		1	\$ 210
Task 4. Prepare a report		16	\$ 3,360
Task 5. Presentation to Finance Sub-committee and/or Stakeholder Group		4	\$ 840
Task 6. Presentation to the full Town Council		8	\$ 1,680
			\$ -
Total Estimated Labor	0	114	\$ 23,940
Expenses			\$ 2,000
Total Project Budget			\$ 33,710

F. References

Each of these projects are either current or have been completed within the last five years. We invite the City to contact any or all of them.

References for Indirect Cost Allocation Plans

Each of these projects are current and/or completed within the last 2-3 years.

 <p>City of Santa Barbara OMB A-87 Cost Allocation and Full Cost Allocation Plans</p> <p>Michael Pease 735 Anacapa St. Santa Barbara, CA 93101 805.564.5337</p>	 <p>The City of Burbank Full Cost Allocation Plan</p> <p>Preparation of full cost plan. Current and ongoing engagement.</p> <p>Jennifer Becker 275 East Olive Avenue, PO Box 6459 Burbank, CA 91510 818.238.5507</p>
 <p>Sacramento Housing and Redevelopment Agency OMB A-87 Cost Allocation Plan</p> <p>Kelly Tang 801 12th Street Sacramento, CA 95814 916.449.6217</p>	 <p>Buncombe County, NC Full Cost Allocation Plan and OMB A-87 Cost Allocation Plan</p> <p>Blair Chamberlain PO BOX 7526 Asheville, NC 28802 828.250.4816</p>
 <p>City of Tehachapi Full Cost Allocation Plan and User Fee Study</p> <p>Initial project was in 2015. A user fee update was in 2018, and Capital Accounting Partners is currently conducting a Comprehensive user fee update.</p> <p>Jay Schlosser</p>	 <p>City of Fremont Indirect Cost Allocation Plan and Comprehensive User Fee Study</p> <p>Preparation of full cost plan. Current and ongoing engagement.</p> <p>Mike Sung 3300 Capitol Ave. Fremont, CA 94538 510.494.4608</p>

<p>115 South Robinson Street Tehachapi, CA 93561 jschlosser@tehachapicityhall.com> 661.822.2200</p>	
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References for User Fee Studies

Each of these projects were completed within the last two years.

<p>City of Palo Alto</p>  <p>In November of 2014 the City engaged Capital Accounting Partners to provide a cost of service study for the Community Development and Development Services organization. This project is moving to Council review and adoption shortly.</p> <p>In October of 2015 the City extended the contract to include full review of all Development Services fees, reserve fund policies, and total revenues. By July of 2016 the Department will formally become an enterprise fund.</p> <p>Jessie Deschamps 650.329.2429 Jessie.deschamps@cityofpaloalto.org</p>	<p>City of Los Altos Hills</p>  <p>The City Manager engaged Capital Accounting Partners to review their Building fees and processes for collecting them. The objective is to determine if fees are appropriate relative to the City's cost.</p> <p>Current project</p> <p>Peter Pirnejad City Manager ppirnejad@losaltoshills.ca.gov 650-947-2514</p>
<p>City of Manteca</p>  <p>In late 2015 the City engaged Capital Accounting Partners to conduct a user fee study of its Community Development Department. The final scope included a complete revamping of its building fees from a cost per square foot structure to a more traditional valuation structure, assessment of planning and</p>	<p>California State Board of Pharmacy</p> <p>In April of 2022 the State Department of Consumer Affairs(DCA) engaged Capital Accounting Partners to conduct a fee audit for the State Board of Pharmacy. Boards and Bureaus of DCA are required to be self-funding so maintaining accurate licensing fees is critical to their sustainability.</p> <p>The project is current and ongoing.</p>

<p>engineering fees, and expanding fire prevention fees to fully reflect prevention operations.</p> <p>Contact:</p> <p>Brad Wungluck - CBO, CASp Chief Building Official 209-456-8562 bwungluck@ci.manteca.ca.us</p>	<p>Lori Martinez,</p> <p>Senior Admin and Policy Manager California State Board of Pharmacy (916) 518-3078</p>
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Appendix – Full Resumes:

Nicolie Lettini, MBA – Primary Cost Plan Consultant

Nicky has prepared over 1000 complete cost plans and cost of service analysis in her fifteen years of consulting. As a former senior consultant with Maximus and Public Resource Management Group, LLC (now MGT), Nicky gained a broad base of experience working for state and local governments throughout California, Nevada, Oregon, Washington, Texas, New Mexico, and Colorado. Her excellent working rapport with the State Controller's staff and her genuine desire to help her clients provides a level of service second to none.



Because of her strong desire to provide unprecedented customer satisfaction, Nicky formed Capital Accounting Partners, LLC (CAP) in partnership with Tillman Sherman. Her reputation for attention to detail and responsiveness to client needs quickly built her client roster.

Nicky's number one goal in every project is to provide her client the highest level of service. She brings a depth of knowledge and experience to the complexities of cost plans and cost of services analysis. Most importantly, she spends the time necessary working with you and your staff on the level of detail needed to take full advantage of every benefit the cost plan can provide while assuring costs are properly allocated by the Department. Nicky is able to identify practices and procedures to make future plans easier to prepare. She will offer alternatives for improving the process, when appropriate.

Her commitment is to see that the plan is done right the first time while exceeding all of your expectations.

In addition to Nicky's commitment to her clients, she is also committed to staying abreast of local government rules and regulations, including the Office of Management and Budget A-87 Regulations and has received formal training endorsed by the State of California.

Education	Bachelor of Science in Managerial Economics from the University of California, Davis and has her MBA in Accounting from California State University, Sacramento.
Training and Certifications:	OMB A-87 specialized training, provided by Management Concepts. This is a state approved course to learn the ins and outs of the Circular. This course gives you continuing education credits and gives me a special insight in to the circular OMB A-87 guidelines that I will be able to share with you.

Daniel B. Edds, MBA, PMP – Primary User Fee Consultant

Dan is a project manager with Capital Accounting Partners (CAP). He has more than twenty-five years of experience consulting within the public sector. His operational improvement work has involved problem-solving and improvement opportunities for core business processes. In these projects, business processes are evaluated for cost, and opportunities for improvement. The result is a clear understanding of how to improve the delivery of services, lower long-term operational cost, and increase staff productivity. In addition, Mr. Edds has extensive training in facilitation, group decision-making and strategic planning from the Institute of Cultural Affairs.



Prior to joining CAP he was a project manager with FCS GROUP, a regional firm out of Redmond, Washington. He also served for five and a half years as senior project manager with a major international governmental consulting firm with offices in the western United States. In that position, he conducted and managed financial and operational analysis with numerous counties and cities. His work has involved process analysis for the purpose of restructuring fees for full cost recovery of Land Development, Planning, Public Works, Recreation, Police, Fire Prevention, Hazardous Materials, GIS, Library and other services.

Education	Masters of Business Administration from the Albers School of Business and Economics at Seattle University
Training and Certifications:	<ul style="list-style-type: none"> ● Professional Project Manager (PMP); ● Kaplan Norton Balanced Scorecard Graduate; ● Senior Baldrige Quality Award Examiner; ● Strategic Planner; ● Group facilitator; and ● Lean Principles.
Publications and Training Provided	<ul style="list-style-type: none"> ● Author, <i>Transformational Management</i>, Spiro Press, 2003 ● <i>Performance Management as a Sustainable Enterprise</i> - Government Finance Review ● <i>Managing User Fees</i> - Government Finance Review ● Calculating The Cost of Government Services – Oregon Municipal Finance Officers Association ● Strategic Project Management – Various