

South Bay Cities Council of Governments

February 23, 2023

TO: SBCCOG Board of Directors

FROM: SBCCOG Steering Committee

SUBJECT: 2023-2024 Dues – Notice of Intention to Consider an Increase in Dues

BACKGROUND

The Ad Hoc Finance Committee has reviewed the dues and they have a recommended scenario which they brought to the February Steering Committee and the Steering Committee concurred with their recommendation. It would combine the dues with the assessment and put them in the same formula. Currently, the assessment has placed cities in 3 population groups whereas the dues is a combination of population and general fund budget for a city. Combining the assessment into the dues formula is a more equitable amount to be assessed for all cities. They are also recommending a CPI increase as well, which would be based on the average of the CPI in July of the last 3 years.

In order to comply with the SBCCOG By-Laws, if there is going to be a dues increase, there needs to be a notice of intention to increase the dues sent 60 days before such an action.

The actual Bylaws provision reads as follow: *Dues. The Members of the Council shall be responsible for the payment to the Council annually, of dues and the amounts periodically budgeted by the Governing Board, as and for the operating costs of the Council ("Dues"). Sixty (60) days' notice shall be provided to Members of the date of the meeting at which any increase in the Dues is to be determined for the following year. If an increase in dues is proposed from the previous year, an affirmative vote of two-thirds (2/3) of the total voting membership of the Governing Board is required to set the new dues.*

RECOMMENDATION

The Steering Committee recommends that the Board state its intention to consider a dues increase for the coming year and notify all member agencies. The vote on this issue will be on the April 27 Board meeting agenda and will guide the development of the FY 2023-2024 budget.