

South Bay Cities Council of Governments

May 23, 2019

TO: SBCCOG Board of Directors

FROM: SBCCOG Steering Committee

SUBJECT: Increase to Annual SBCCOG Member Dues

Adherence to Strategic Plan:

Goal D: Organizational Stability. Be a high performing organization with a clear path to long-term financial health, staffing continuity and sustained board commitment.

BACKGROUND

At the March 28, 2019 Board of Directors meeting, a motion was approved to consider a 5.4% dues increase for the coming year for a total of \$20,000.

This action was consistent with the recommendation of the Ad Hoc Finance Committee which met during the FY2014-2015 period and with the consensus of city managers at that time, dues were to be increased just under 7% - or \$20,000 - each year for 5 years to build the SBCCOG's reserves. This is year 5.

The attached table shows the allocation to each city of the \$20,000 increase to the total dues collected for the FY2019-2020. Each city will share in equal proportion with a 5.4% increase.

There has been a 60 day notice of the dues increase pursuant to the Bylaws. Also, the Bylaws require an affirmative vote of 2/3 of the total voting membership of the Governing Board to be approved.

Please note that there will be a meeting of the Ad Hoc Finance Committee scheduled shortly into the new fiscal year to consider the dues after the current 5 year dues increase schedule ends on June 30, 2020.

RECOMMENDATION

Pursuant to the recommendation of the former Ad Hoc Finance Task Force, it is recommended that the Board increase dues by a total of \$20,000 for 2019-2020 per the attached table.

SBCCOG DUES Calculations based upon proportional increases - Increase \$100,000 over 5 year period

							2015-2016	2016-2017	2017-2018	2018-2019	NEW DUES - 2019-2020	
	CITY	2010 CENSUS POPULATION	POPULATION %	2012 BUDGETS	EXP %	Current Dues based on year 2000 data plus assessment	Increase \$20,000/yr.	Increase \$20,000/yr.	Increase \$20,000/yr.	Increase \$20,000/yr.	Increase \$20,000/yr.	% change proposed dues increase
1	CARSON	91,714	0.088450	78,718,066	0.05035	\$ 19,989.00	\$ 21,360	\$ 22,727	\$ 24,094	\$ 25,461	\$ 26,828	5.4%
2	EL SEGUNDO	16,654	0.016061	87,793,379	0.05616	\$ 12,332.00	\$ 13,178	\$ 14,021	\$ 14,865	\$ 15,708	\$ 16,551	5.4%
3	GARDENA	58,829	0.056736	68,544,017	0.04384	\$ 16,244.00	\$ 17,358	\$ 18,469	\$ 19,580	\$ 20,691	\$ 21,802	5.4%
4	HAWTHORNE	84,293	0.081293	92,515,065	0.05918	\$ 20,417.00	\$ 21,817	\$ 23,214	\$ 24,610	\$ 26,006	\$ 27,403	5.4%
5	HERMOSA BEACH	19,506	0.018812	27,313,810	0.01747	\$ 8,991.00	\$ 9,608	\$ 10,223	\$ 10,837	\$ 11,452	\$ 12,067	5.4%
6	INGLEWOOD	109,673	0.105770	180,375,719	0.11538	\$ 30,268.00	\$ 32,344	\$ 34,414	\$ 36,484	\$ 38,554	\$ 40,624	5.4%
7	LAWDALE	32,769	0.031603	14,968,417	0.00957	\$ 10,666.00	\$ 11,398	\$ 12,127	\$ 12,856	\$ 13,586	\$ 14,315	5.4%
8	LOMITA	20,256	0.019535	15,752,474	0.01008	\$ 8,006.00	\$ 8,555	\$ 9,103	\$ 9,650	\$ 10,198	\$ 10,745	5.4%
9	LOS ANGELES	145,438	0.140262	258,394,355	0.16528	\$ 34,399.00	\$ 36,758	\$ 39,111	\$ 41,463	\$ 43,816	\$ 46,168	5.4%
10	MANHATTAN BEACH	35,135	0.033885	70,820,376	0.04530	\$ 12,989.00	\$ 13,880	\$ 14,768	\$ 15,656	\$ 16,545	\$ 17,433	5.4%
11	PALOS VERDES ESTATES	13,438	0.012960	15,136,759	0.00968	\$ 7,559.00	\$ 8,077	\$ 8,594	\$ 9,111	\$ 9,628	\$ 10,145	5.4%
12	RANCHO PALOS VERDES	41,643	0.040161	22,463,355	0.01437	\$ 11,568.00	\$ 12,361	\$ 13,153	\$ 13,944	\$ 14,735	\$ 15,526	5.4%
13	REDONDO BEACH	66,748	0.064373	103,573,993	0.06625	\$ 18,056.00	\$ 19,294	\$ 20,529	\$ 21,764	\$ 22,999	\$ 24,234	5.4%
14	ROLLING HILLS ESTATES	8,067	0.007780	7,630,943	0.00488	\$ 6,685.00	\$ 7,143	\$ 7,601	\$ 8,058	\$ 8,515	\$ 8,972	5.4%
15	ROLLING HILLS	1,860	0.001794	2,559,483	0.00164	\$ 4,625.00	\$ 4,942	\$ 5,259	\$ 5,575	\$ 5,891	\$ 6,207	5.4%
16	TORRANCE	145,438	0.140262	258,394,355	0.16528	\$ 34,399.00	\$ 36,758	\$ 39,111	\$ 41,463	\$ 43,816	\$ 46,168	5.4%
17	COUNTY OF LOS ANGELES	145,438	0.140262	258,394,355	0.16528	\$ 35,250.00	\$ 37,668	\$ 40,078	\$ 42,489	\$ 44,900	\$ 47,311	5.4%
		1,036,899	1.000000	1,563,348,921	1.000000	\$ 292,443.00	\$ 312,500.00	\$ 332,500.00	\$ 352,500.00	\$ 372,500.00	\$ 392,500.00	
						Total Dues:	\$ 312,500.00	\$ 332,500.00	\$ 352,500.00	\$ 372,500.00	\$ 392,500.00	

source => <http://www.sco.ca.gov/Files-ARD-Local/LocRep/1112cities.pdf>