

# South Bay Cities Council of Governments

April 27, 2023

TO: SBCCOG Board of Directors  
FROM: SBCCOG Steering Committee  
SUBJECT: 2023-2024 Dues Increase

## BACKGROUND

The South Bay Cities Council of Governments (SBCCOG) Ad Hoc Finance Committee has reviewed several dues scenarios and is recommending an increase in dues for 2023-2024 Fiscal Year. Their recommendation combines the dues with the assessment into one formula with a CPI increase. It is Option #3 on the previous charts that were reviewed.

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 due's formula is more equitable for all cities.

The committee is also recommending a CPI increase which would be based on the average of the CPI in July of the last 3 years. This percentage is 4.5%. Since the time of the last increase, costs have continued to rise – such as rent, supplies, goods & services, etc.

The last dues increase was in fiscal year 2019-2020 which was the last year of a \$20,000 per year split among each member by formula to fund reserve. Reserves are fully funded and will be assessed again in the next fiscal year.

In compliance with the SBCCOG By-Laws, cities were informed of the potential intent to increase dues in February 2023. The purpose for bringing this issue up now is so that the 23-24 budget should include the amount of dues for the coming year. If approved, the new dues formula and amounts will go into effect July 1, 2023.

## RECOMMENDATION

That the Board approve the new dues formula which combines the dues with the assessment and includes a 4.5% CPI adjustment to go into effect for Fiscal Year 2023-2024 as described in Option #3 shown below.

**FY 2022-2023**  
**NO DUES INCREASE SINCE FY 2019-20**

City of/Entity	Current Assessment Fee	Current Membership Dues	Current Assessment Fee + Membership Dues	Option 3 Option 2 + Average CPI Increase for 2020-2022 (4.5%)
El Segundo	2,000	16,551	18,551	20,601
Hermosa Beach	2,000	12,067	14,067	15,020
Lomita	2,000	10,745	12,745	13,374
Palos Verdes Estates	2,000	10,145	12,145	12,627
Rolling Hills	2,000	6,207	8,207	7,726
Rolling Hills Estates	2,000	8,972	10,972	11,167
Gardena	3,250	21,802	25,052	27,137
Lawndale	3,250	14,315	17,565	17,818
Manhattan Beach	3,250	17,433	20,683	21,699
Rancho Palos Verdes	3,250	15,526	18,776	19,325
Redondo Beach	3,250	24,234	27,484	30,164
Carson	4,500	26,828	31,328	33,392
City of Los Angeles	4,500	46,168	50,668	57,464
County of Los Angeles	4,500	47,311	51,811	58,887
Hawthorne	4,500	27,403	31,903	34,108
Inglewood	4,500	40,624	45,124	50,564
Torrance	4,500	46,168	50,668	57,464
<b>Total</b>	<b>55,250</b>	<b>392,499</b>	<b>447,749</b>	<b>488,536</b>