

Agenda Item Number 12.b.

FY 2011-12 Member Dues Rates

Presenter: George Kloeppe

Action Recommended: Approve Dues Rates for Coming Year

Background:

LCOG's Bylaws require adoption of dues rates not less than five months prior to the start of a new fiscal year. The agency's tradition of adjusting dues rates to reflect published inflation levels was not followed for the past two years' Dues Schedules. Rather, in recognition of the financial pressures on member governments, the Board has held rates at the FY 2008-09 levels. However, during these years, even the modest inflation experienced in the local economy has taken a toll on the buying power of LCOG's dues revenue. After consideration of the economy and the financial health of the membership, the Executive Director recommends the following action to the Board of Directors. The Executive Committee considered Kloeppe's proposal and took no advisory action at its November 4 meeting.

Recommendation:

That the Board (1) maintain the basic dues structure that has been in place for a number of years; and (2) adjust the rates that have been in place since FY 2008-09 by 1.15 percent (the August Annual 2010 CPI-U for the U.S.). This proposed adjustment would partially offset the inflation experienced during the past three years (approximately 1.6 percent annualized for the past 36 months).

The following rates for the FY 2011-12 LCOG Dues Schedule are proposed and recommended for approval:

<u>Member Class</u>	<u>2010-11 Rate</u>	<u>2011-12 Rate</u>
Lane County	0.260	0.263
Cities	0.470	0.475
Schools	0.117	0.118
Utilities	0.117	0.118
Spec. Districts	\$470	\$475

The attached table is for illustrative purposes only. The certified population figures, upon which the final Dues Schedule for 2012 will be based, are not yet available. Consequently, current year's service account and student enrollment data and the preliminary population figures are used to illustrate the budgetary difference that will be experienced under the recommended 2012 rates. As soon as final numbers are available, the Board's action on this item will be communicated to the membership with specific figures to be incorporated into budgets this spring.