



## Item #09-4-3 Information

### Strategic Planning Committee

April 10, 2009

#### Member Agency Dues and Fiscal Year 2009–10 Board and Advocacy Budget

**Issue:** To review the fiscal year Member Agency dues and 2009–10 budget for the Board and Advocacy Fund.

**Recommendation:** Information only. To give staff input as we prepare for May agenda items.

**Discussion:** Under Federal rules, the Board and Advocacy budget is a self-contained fund separate from the Overall Work Program (OWP). The annual member dues and interest earnings from the SACOG general fund are the major sources of revenue for the fund. Costs that must be charged to this fund include Board meeting and travel expenses, memberships in various organizations with primarily lobbying efforts, the contracts for Mike Miller (The Ferguson Group) and Jack Molodanof (Molodanof Government Relations), and the labor costs associated with the Executive Director and other SACOG staff as they advocate for legislation or have other work directly related to the Board.

SACOG has received a request from the City of Roseville (attached) requesting a 20% reduction in their dues for Fiscal Year 2009–10, and based on the discussion at this committee in March, it is clear that others may have an interest in a reduction in their dues this year as well. At this time, there is \$168,856 in the reserve fund for this account established by the Board several years ago. The seed money, \$78,196, for this reserve is from an insurance payment from four years ago, the rest from accumulated interest earnings and a few dollars left over each year from unspent budget. This committee strongly indicated that it would not support spending down the entire amount of the reserve in any one year.

Based on the current year's dues that would normally be invoiced, \$355,337, an across the board 20% reduction would equal \$71,067, nearly the amount of the legal settlement amount. If the \$71,067 of reserve were used to supplement fiscal year 09–10's dues amount, it would leave \$97,789 remaining in the reserve to be used either in future years or for unexpected expenditures. Staff believes that given the current financial crisis many of our members are facing that the 20% dues reduction for all members is the right thing to do for this next year. The obvious long-term risk is if members interpret this as a permanent dues reduction. That would not be sustainable without a significant reduction in fees paid to Board members for meeting attendance and travel and/or SACOG's federal and state advocacy efforts.

The budget attached here incorporates the use of the reserve to balance the budget.

Approved by:

Mike McKeever  
Executive Director

Key Staff: Karen Wilcox, Director of Finance, (916) 340-6210

MM:ef

Attachment

March 16, 2009

Karen L. Wilcox  
Director of Finance  
SACOG  
1415 L Street, Suite 300  
Sacramento, CA. 95814

Dear Karen,

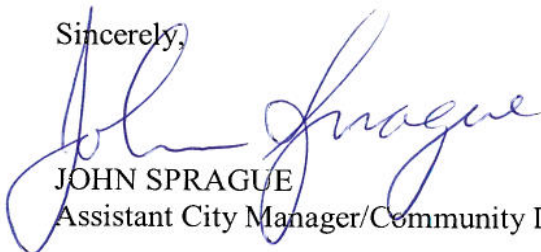
With the dramatic downturn in the economy, public agencies across the nation are suffering a significant reduction in General Fund revenues. This reduction in revenues has caused all of us to tighten our belts fiscally and closely scrutinize all expenses that we incur. Roseville greatly values our participation as a member of SACOG, and we wish to continue to participate. However, the significant reduction in General Fund revenues that we are experiencing has caused us to significantly reduce our operating expenses and evaluate our service levels. We respectfully request a 20% reduction for one year. With the Executive Director currently on a leave of absence, we are making this request through you.

The City of Roseville is making similar requests to all our partnering agencies. We have made numerous cuts to our budget including positions, materials and supplies, travel and training and are trying to avoid layoffs. The economic conditions that we are experiencing currently severely impact our ability to meet existing annual member dues.

Unfortunately, that is a position that Roseville and the other member agencies are facing as well. We are all facing some tough times, and our hope is that the economy will recover within a few years. But until then, Roseville has no choice but to reduce expenses.

If you have any questions, feel free to contact me at (916) 774-5334.

Sincerely,



JOHN SPRAGUE  
Assistant City Manager/Community Development Director

cc: Councilmember Jim Gray, Roseville

**SACRAMENTO AREA COUNCIL OF GOVERNMENTS  
BOARD OF DIRECTORS AND ADVOCACY  
Fiscal Year 2009-10  
With Comparison to Fiscal Year 2008-09**

<b><u>REVENUE:</u></b>	<b><u>Fiscal Year 2009-10</u></b>	<b><u>Fiscal Year 2008-09</u></b>	<b><u>Difference</u></b>
Membership Dues	\$ 284,270	\$ 349,485	
Reserve Funds	\$ 71,067		
SACOG funding for employee's travel costs	1,000	\$ 1,000	
Other Local Funds - (est. interest on general account)	64,000	64,000	
<b>TOTAL REVENUES:</b>	<b><u>\$ 420,337</u></b>	<b><u>\$ 414,485</u></b>	<b><u>\$ 5,852</u></b>
 <b><u>EXPENDITURES:</u></b>			
Meetings / Training / Travel Expenses	\$ 30,500	\$ 25,500	\$ 5,000
Executive Director	\$ 7,000		
Other Employees	2,000		
Board of Directors	4,000		
Study Mission	5,000		
Board to Cap-to-Cap	5,000		
CTC/MTC Advisory sponsorships	5,000		
Refreshments for meetings	2,500		
Board Reimbursement	86,613	86,613	-
Board Parking Passes	2,000	2,000	-
Consultants	193,120	194,700	(1,580)
Federal Legislative Consultant	120,820		
State Legislative Consultant	72,300		
Other Expenses	1,000	1,000	-
Memberships	40,950	40,198	752
NARC	10,000		
Climate Communities	12,000		
CALCOG dues	17,850		
California Transit Association	1,100		
Awards	500	500	-
Employee's travel costs above allowed reimbursed rate	1,000	1,000	
Labor, Benefits, and Overhead	64,654	62,974	1,680
<b>TOTAL EXPENDITURES</b>	<b><u>\$ 420,337</u></b>	<b><u>\$ 414,485</u></b>	<b><u>\$ 5,852</u></b>

If necessary, in order to cover costs for additional labor costs, staff is authorized to use up to \$10,000 in interest earnings from the building proceeds account.

Amount in contingency before use above = \$168,856

Amount in contingency after use above = \$97,789

**SACRAMENTO AREA COUNCIL OF GOVERNMENTS  
ANNUAL MEMBERSHIP ASSESSMENTS  
Fiscal Year 2009-2010**

<b>Local Agency</b>	<b>Population (CA Dept. of Finance 01/07)</b>	<b>Population (CA Dept. of Finance 01/08)</b>	<b>Difference</b>	<b>Proposed Assessment @ 14¢ per capita plus .08% CPI</b>	<b>Assessment FY 08-09</b>	<b>Difference</b>
<b><u>El Dorado County:</u></b>						
Unincorporated	144,733	145,726	993	\$ 22,705	\$ 22,532	\$ 173
Placerville	10,237	10,271	34	1,600	1,594	6
<b><u>Placer County:</u></b>						
Unincorporated	107,389	108,894	1,505	\$ 16,966	\$ 16,718	\$ 248
Auburn	13,112	13,273	161	2,068	2,041	27
Colfax	1,838	1,855	17	289	286	3
Lincoln	37,410	39,758	2,348	6,194	5,824	370
Loomis	6,529	6,624	95	1,032	1,016	16
Rocklin	51,951	53,843	1,892	8,389	8,088	301
Roseville	106,266	109,154	2,888	17,007	16,543	464
<b><u>Sacramento County:</u></b>						
Unincorporated	561,951	563,514	1,563	\$ 87,797	\$ 87,484	\$ 313
Citrus Heights	87,017	87,321	304	13,605	13,547	58
Elk Grove	136,318	139,542	3,224	21,741	21,222	519
Folsom	70,835	72,590	1,755	11,310	11,028	282
Galt	23,469	23,913	444	3,726	3,654	72
Isleton	815	817	2	127	127	-
Rancho Cordova	59,056	60,975	1,919	9,500	9,194	306
Sacramento	467,343	475,743	8,400	74,122	72,755	1,367
<b><u>Sutter County:</u></b>						
Unincorporated	23,710	24,001	291	\$ 3,739	\$ 3,691	\$ 48
Live Oak	8,126	8,539	413	1,330	1,265	65
Yuba City	62,083	63,338	1,255	9,868	9,665	203
<b><u>Yolo County:</u></b>						
Unincorporated	23,172	23,265	93	\$ 3,625	\$ 3,607	\$ 18
Davis	64,938	65,814	876	10,254	10,109	145
West Sacramento	44,928	47,068	2,140	7,333	6,994	339
Winters	6,885	7,052	167	1,099	1,072	27
Woodland	54,060	55,867	1,807	8,704	8,416	288
<b><u>Yuba County:</u></b>						
Unincorporated	54,519	55,700	1,181	\$ 8,678	\$ 8,487	\$ 191
Marysville	12,713	12,719	6	1,982	1,979	3
Wheatland	3,513	3,510	(3)	547	547	-
<b><u>TOTAL</u></b>	<b><u>2,244,916</u></b>	<b><u>2,280,686</u></b>	<b><u>35,770</u></b>	<b><u>\$ 355,337</u></b>	<b><u>\$ 349,485</u></b>	<b><u>\$ 5,852</u></b>

**SACRAMENTO AREA COUNCIL OF GOVERNMENTS  
ANNUAL MEMBERSHIP ASSESSMENTS  
Fiscal Year 2009-2010**

<u>Local Agency</u>	<b>Proposed Assessment @ 14¢ per capita plus .08% CPI</b>	<b>20% Reduction</b>	<b>Difference</b>
<b><u>El Dorado County:</u></b>			
Unincorporated	\$ 22,705	\$ 18,164	\$ 4,541
Placerville	1,600	1,280	320
<b><u>Placer County:</u></b>			
Unincorporated	\$ 16,966	\$ 13,573	\$ 3,393
Auburn	2,068	1,654	414
Colfax	289	231	58
Lincoln	6,194	4,955	1,239
Loomis	1,032	826	206
Rocklin	8,389	6,711	1,678
Roseville	17,007	13,606	3,401
<b><u>Sacramento County:</u></b>			
Unincorporated	\$ 87,797	\$ 70,238	\$ 17,559
Citrus Heights	13,605	10,884	2,721
Elk Grove	21,741	17,393	4,348
Folsom	11,310	9,048	2,262
Galt	3,726	2,981	745
Isleton	127	102	25
Rancho Cordova	9,500	7,600	1,900
Sacramento	74,122	59,298	14,824
<b><u>Sutter County:</u></b>			
Unincorporated	\$ 3,739	\$ 2,991	\$ 748
Live Oak	1,330	1,064	266
Yuba City	9,868	7,894	1,974
<b><u>Yolo County:</u></b>			
Unincorporated	\$ 3,625	\$ 2,900	\$ 725
Davis	10,254	8,203	2,051
West Sacramento	7,333	5,866	1,467
Winters	1,099	879	220
Woodland	8,704	6,963	1,741
<b><u>Yuba County:</u></b>			
Unincorporated	\$ 8,678	\$ 6,942	\$ 1,736
Marysville	1,982	1,586	396
Wheatland	547	438	109
<b><u>TOTAL</u></b>	<b><u>\$ 355,337</u></b>	<b><u>\$ 284,270</u></b>	<b><u>\$ 71,067</u></b>