



Requested Action:

Authority Board considers approval of membership dues covering Authority general and administrative costs estimated to not exceed \$410,000 in fiscal year 2024, which equates to dues per member of \$45,000 (9 members total) and \$5,000 per Associate Member (1 member total). Authorize release of invoices in January 2024.

Detailed Description/Background:

Authority Board dues are reassessed annually, and the 2024 dues need to be established for invoicing Authority Board members in January 2024. This year's assessment used an evaluation of the 2023 dues to separate project agreement costs from general and administrative costs per Section 5 of the Joint Powers Agreement.

Revenue Assumptions:

Authority revenue consists entirely of Authority Board dues. The following assumptions were used to establish dues.

1. Membership dues are recommended to be decreased by \$5,000 to \$45,000 per year for a seat and remain the same of \$5,000 per year for an associate membership.
2. Membership levels remain unchanged from 2023: 9 Seats and 1 Associate Member (non-voting) positions.

Expense Assumptions:

Authority Board (AB) general and administrative costs are a function of direct expenses (e.g., cost of the Maxwell office) and shared expenses (i.e., Board Clerk and a share of ED time).

This year's evaluation incorporated a review of last year's cost allocation approach. The review found the Authority's General Counsel's 2023 budget was higher than anticipated, and some expenses were not directly related to general and administrative costs. General Counsel's AB 2024 expenses are expected to be about the same as 2023 actual expenses. This primarily allows for a decrease in Authority Board 2024 membership dues.

Staff expects future annual assessments would primarily consist of inflationary adjustments since the assessment assumes fixed amounts of the shared expenses and the direct expenses, barring any unforeseen major future changes in the administration of the AB.

Prior Authority Board Action:

November 2022: Approved the Authority Board membership dues for Authority-funded activities in fiscal year 2023, which occurred between January 1, 2023 and December 31, 2023, and authorized release of invoices.

Fiscal Impact/Funding Source:

The reduced AB dues revenue within the remainder of the A3 work period is expected to be approximately \$90,000 total for the next two years (i.e., \$45,000 per year). This reduction can be accommodated within the overall work plan budget without an impact.

Staff Contact:

Trapasso

Primary Service Provider:

Project Controls.

Attachments:

None