



San Diego County
Local Agency Formation Commission
 Regional Service Planning | Subdivision of the State of California

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AGENDA REPORT
 Consent | Action

May 6, 2019

TO: Commissioners

FROM: Keene Simonds, Executive Officer
 Ruth Arellano, Executive Assistant

**SUBJECT: Commissioner Compensation |
 Amending Rules to Expand Per Diem Coverage**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider approving amendments to existing rules to expand the coverage of per diem payments to include attendance at standing and ad hoc committee meetings. The amendments would also apply to meetings organized by CALAFCO or the Southern Region of LAFCOs. Costs associated with the expanded per diem coverage are estimated to tally no more than \$6,000 per year and were incorporated into the adopted operating budget for 2019-2020. Staff recommends the Commission approve the amendments with any desired changes.

BACKGROUND

**Per Diems |
 Policies and Rates**

San Diego LAFCO Rule No. 2-10 authorizes the payment of per diems to Commissioners for their time in attending regular and special meetings. This rule was established in 1991 in step with an enabling change in LAFCO law with the initial rate set at \$50. The rate was subsequently increased to the current amount of \$200 in May 2018. In the late 2000s, and consistent with changes in Internal Revenue Service directives, Commissioners became

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LAFCO employees for tax purposes and the per diems were adjusted to include Federal and State withholdings.¹

DISCUSSION

This item is for San Diego LAFCO to consider approving rule amendments to expand the coverage of per diem payments for Commissioners. The proposed expansion would cover Commissioners' attendance at standing and ad hoc committee meetings as well as outside meetings organized by CALAFCO or the Southern Region of LAFCOs. It is also proposed coverage would be limited to no more than five per diems monthly. The amendments are being forwarded by the Executive Officer and precede the Commission approving the associated funding in April in conjunction with adopting a final budget for 2019-2020.²

ANALYSIS

Increasing per diem coverage at San Diego LAFCO to include standing and ad hoc committee meetings as well as outside activities with CALAFCO or the Southern Region of LAFCOs appropriately compensates Commissioners for their additional time expended in performing related duties. These related duties range from advising on policy development to participating in ongoing education and directly benefit LAFCO and its organizational capacity. Annual costs are expected to tally no more than \$6,000 and can be readily accommodated through prior budget actions.

It is separately noted an update to clarify reimbursement allowances consistent with County of San Diego policies is warranted and will be presented at a future meeting.

RECOMMENDATION

It is recommended San Diego LAFCO approve the proposed amendments to LAFCO Rule No. 2-10 involving per diem coverage as described above. This recommendation is consistent with Alternative One outlined in the proceeding section.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO through a single motion:

Alternative One (recommended):

Approve the proposed amendments to Rule No. 2-10 as shown in Attachment One with any desired changes.

Alternative Two:

Continue to the next regular meeting and provide direction to staff as needed.

¹ The referenced rule separately provides reimbursements for costs expended in attending Commission meetings, including – but not limited to – automobile miles, tolls, and parking.

² It is also proposed the per diem amendments apply retroactively to April 8, 2019.

Alternative Three

Take no action.

PROCEDURES

This item has been placed on San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

Respectfully,



Keene Simonds
Executive Officer

Attachment:

- 1) Proposed Amendments to LAFCO Rule No. 2-10 with Track Changes

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2.10 PER DIEMS AND REIMBURSEMENTS –

Pursuant to Government Code Section 56334, which permits LAFCOs to authorize payment of per diems to commissioners for attending meetings and in performing the duties of their office, attendance of commission meetings, the Commission has established a per diem rate of \$200. Per diems shall be provided to Commissioners (regulars and alternates) for each day Commissioners and Alternates are in attendance at commission meetings. Per diems shall also be provided for each day in attendance at standing or ad hoc committee meetings as well as official meetings, conferences, and trainings organized by the California Association of LAFCOs or the Southern Region of LAFCOs. No Commissioner shall receive more than five per diems per month. Commissioners ~~and Alternates~~ shall also be reimbursed for reasonable and necessary expenses incurred in attending meetings and in performing official LAFCO duties.

Pursuant to Government Code Section 56380, the Commission shall make its own provisions for the usual and necessary operating expenses incurred by the Local Agency Formation Commission. To facilitate compatibility between the Commission and County reimbursement practices, San Diego LAFCO will adhere to the following rules:

1. The San Diego Local Agency Formation Commission adopts the County's guidelines for out-of-county/in-county business and expense reimbursement;
2. Authorizes the Executive Officer or the Commission Chairman/Chairwoman to approve necessary exceptions to the normal maximum rates and types of expense claims allowed by the County; and
3. On a quarterly basis, the Executive Officer will notify the Commission of any exceptions authorized under Item 2 above that significantly depart from County guidelines.

Adoption History: Article II, Sections 2.10

Adopted March 4, 1991

Updated February 7, 2000

Re-affirmed and adopted December 4, 2000

Reaffirmed February 4, 2002

Administratively Revised and Updated May 24, 2005

Comprehensively Updated and re-adopted March 3, 2008

Amended May 7, 2018

Amended May 6, 2019 (proposed)

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