



Local Agency Formation Commission  
2222 M Street  
Merced, CA 95340  
Phone (209) 385-7671 / Fax (209) 726-1710  
www.lafcomerced.org

Date: July 18, 2019 (Agenda)  
To: LAFCO Commissioners  
From: *BN*  
Bill Nicholson, Executive Officer  
RE: Budget Transfer for Executive Officer Compensation  
(Agenda Item VI.E)

In the current Fiscal Year 2018/19 Budget, the contract Executive Officer position was allocated 400 hours of time with a corresponding allocation of \$46,180 in pay in Account No. 21810. From the beginning of the Fiscal Year (July 1<sup>st</sup>) through May 24, 2019, the Executive Officer expended the full 400 hours of budgeted time, with no funding remaining for the balance of May or the month of June. In addition, the compensation rate for the year was at an adjusted rate 3% higher than originally budgeted due to a Consumer Price Index increase which is part of the Executive Officer contract with Merced LAFCo. Therefore approval of a budget transfer is requested for the balance of the month of May (10.25 hours) and the month of June (15.25 hours) for a total increase of \$2,943.97 fiscal year at the current billable rate of \$115.45/hour.

Additional hours were required for the 2018/19 fiscal year, primarily due to the limited amount of staff support available to LAFCo provided by the County Community and Economic Development Department. The primary activity of the Executive Officer has been processing all applications – such as the Southeast Gustine Reorganization, completing steps for the formation of the Amsterdam Water District, and reviewing drafts of the various application materials for the recently submitted annexation to the Le Grand-Athlone Water District and related sphere of influence expansion. Another significant task has been conducting research to complete the Draft Municipal Service Review for the special districts providing sewer and/or potable water supply to unincorporated urban communities, with assistance from Tiffany Ho, Planner II.

An increase in hours for FY 2019-20 was not included in the recently adopted budget, but the Executive Officer commits to being more proactive to anticipate any limitation in funding for the current fiscal year and, if necessary, bring a requested budget transfer to the Commission early in the fourth quarter. It is also anticipated that support planning staff may be better positioned to help process boundary change applications in the coming year.

#### REQUESTED ACTION

Approve the budget transfer from Account No. 21840 "Professional & Special Services – Administrative Services" in the amount of \$2,943.97 to Account No. 21810 "Professional and Special Services – Contractual Agreements" and increase the total number of hours budgeted from 400 to 425.5 hours for the prior 2018-19 Fiscal Year.