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Rent Control Board
1685 Main Street
PO Box 2200
Santa Monica, California 90407-2200

City of
Santa Monica™

July 1, 2003

Dear Santa Monica Citizens,

The Santa Monica Rent Control Board is able to fund the 2003/04 budget with an annual registration fee of \$132, or \$11 per month.

This year's budget provides for two issues of the Rent Control Board's newsletter and a postcard mailing informing all tenants of their current rent. The Agency also plans to revise the Board's web site to facilitate ease of use and provide a more comprehensive selection of documents and petitions to be downloaded by internet users.

The budget also includes funds to reconfigure the front counter and public reception area in an effort to serve the public more efficiently and comfortably.

The adopted budget anticipates a deficit of \$245,581. The shortfall will be paid out of the Agency's reserves.

The Rent Control Board and staff will continue serving the public with prompt responses, improved communications, and efficient services.

Sincerely,

Mary Ann Yurkonis
Administrator

LABOR SUMMARY
 FY 2003/2004 - ADOPTED

<i>CLASSIFICATION</i>	<i>AUTHORIZED POSITIONS 2000/01</i>	<i>AUTHORIZED POSITIONS 2001/02</i>	<i>AUTHORIZED POSITIONS 2002/03</i>	<i>AUTHORIZED POSITIONS 2003/04</i>	<i>AMOUNT OF CHANGE FY02/FY03</i>
Administration	3.90	3.00	3.00	3.00	0.0
Hearings	9.25	8.25	7.25	8.50	+1.25
Public Information	16.20	14.60	16.70	15.00	-1.7
Legal	6.00	4.00	4.00	4.00	0.0
TOTAL	35.35	29.85	30.95	30.50	-0.45

PERMANENT STAFF BY CLASSIFICATION
 FY 2003/2004 - ADOPTED

<i>CLASSIFICATION</i>	<i>AUTHORIZED POSITIONS 2000/01</i>	<i>AUTHORIZED POSITIONS 2001/02</i>	<i>AUTHORIZED POSITIONS 2002/03</i>	<i>AUTHORIZED POSITIONS 2003/04</i>	<i>AMOUNT OF CHANGE FY02/FY03</i>
Administrator	1.00	1.00	1.00	1.00	0.00
Administrator Analyst	0.90	0.90	0.90	0.00	-0.90
Assist. Public Information Mgr.	0.00	0.90	0.90	0.90	0.00
Billing Coordinator	1.00	1.00	1.00	1.00	0.00
Budget/Office Coordinator	1.00	1.00	1.00	1.00	0.00
Database Coordinator	1.00	0.90	0.90	0.90	0.00
General Counsel	1.00	1.00	1.00	1.00	0.00
Hearings Department Mgr.	1.00	1.00	1.00	1.00	0.00
Hearing Investigator	1.00	1.00	1.00	1.00	0.00
Hearing Examiner	2.25	2.25	2.25	2.50	+0.25
Information Coordinator	4.70	4.20	6.20	6.30	+0.10
Legal Secretary II	2.00	1.00	1.00	1.00	0.00
Office Coordinator	2.00	2.00	2.00	2.00	0.00
Public Information Mgr.	1.00	1.00	1.00	1.00	0.00
Senior Adm. Analyst	1.80	.90	1.00	1.00	0.00
Sr. Information Coordinator	1.00	1.00	1.00	1.00	0.00
Sr. Oper. Analyst	0.90	0.00	0.00	0.00	0.00
Staff Assistant III	5.00	3.00	2.00	3.00	+1.00
Staff Assistant IV	2.00	2.00	2.00	1.00	-1.00
Staff Attorney	3.00	2.00	2.00	2.00	0.00
Sys. Admin. / Prog. Analyst	1.80	1.80	1.80	1.90	+0.10
TOTAL	35.35	29.85	30.95	30.50	-0.45

AGENCY BUDGET

OBJ	DESCRIPTION	FY 99/00	FY 00/01	FY 01/02	FY 02-03	FY 02-03	FY 03-04
		ACTUAL EXPENSES	ACTUAL EXPENSES	ACTUAL EXPENSES	ACTUAL BUDGET	PROJECTED EXPENSES	ADOPTED BUDGET
1100	PERMANENT EMPLOYEES	2,356,899	2,271,672	2,132,900	2,393,645	2,236,558	2,459,408
1104	BOARD ALLOWANCE	6,525	6,525	6,300	10,500	7,425	9,000
1149	OVERTIME	14,705	11,070	15,722	8,440	7,057	7,950
1150	AS-NEEDED EMPLOYEES	30,681	36,598	33,287	16,224	23,619	1,150
1171	MEDICARE EMP CONT	24,538	23,023	24,149	24,293	23,482	24,280
1173	INS-COMPENSATION	15,800	15,800	20,300	16,400	16,400	20,900
1174	INS-EMPL HEALTH/DENT	243,494	245,196	174,829	197,120	196,173	221,650
1177	RETIREMENT CONTRIB	148,996	142,130	0	153,716	143,064	221,596
1194	MEDICAL TRUST			53,250	54,528	51,262	52,824
1197	OTHER FRINGE BENEFITS	20,412	17,484	48,245	24,760	23,223	25,584
	TOTAL SALARIES & WAGES	2,862,050	2,769,498	2,508,982	2,899,627	2,728,262	3,044,342
2221	UTIL-TELEPHONE	38,961	53,773	40,590	41,889	41,889	41,889
2231	OFFICE SUPPLIES	15,885	11,368	14,147	12,118	11,702	12,250
2232	POSTAGE	29,782	33,669	31,881	32,500	34,210	36,500
2233	INVENTORY ISSUES	4,919	3,189	4,299	4,800	4,800	5,200
2254	ADVERTISING	4,637	4,982	7,374	8,000	8,000	8,000
2261	EQUIPMENT RENTAL	1,004	1,054	252	120	120	120
2262	RENT	132,049	132,931	138,296	117,579	116,157	27,150
2271	AUTO REIMBURSEMENT	11,220	11,246	11,220	11,220	11,220	11,220
2272	MILEAGE	833	753	790	875	875	720
2282	CONF-MTGS-TRAVEL	6,711	4,525	6,001	6,000	6,000	6,000
2290	MEMBERSHIPS & DUES	3,749	3,281	3,240	3,743	3,210	3,998
2294	INS-VEHICLES	0	500	500	1,500	1,500	1,600
3302	INS-COMPREHENSIVE	32,659	23,043	21,980	24,538	28,459	35,427
4404	BOOKS & PERIODICALS	3,623	10,057	9,201	8,440	8,790	9,440
4411	PRINTING	21,734	21,566	21,805	20,850	21,532	21,344
4434	INDIRECT COSTS	170,820	168,300	187,551	219,179	219,179	200,778
4439	OTHER COSTS	7,150	29,730	9,047	9,900	9,900	9,900
5501	CONTRACTUAL SERVICES	35,482	35,699	101,700	84,736	74,677	45,890
5506	PROF SERVICES	56,916	47,385	77,057	62,200	57,200	99,994
5511	LEGAL EXPENSE	64,743	2,086	44,171	110,000	110,000	100,000
5521	TRAINING	5,139	4,319	4,341	44,270	30,456	28,070
5523	ADMIN. RECORDS	0	4,568	0	4,500	4,500	4,500
7724	SERVICE AGREEMENTS	57,001	52,726	21,818	26,164	27,082	31,565
	TOTAL SUPPLIES & EXPENSES	705,017	660,749	757,261	855,121	831,459	741,555
8803	COMPUTER SYSTEMS	39,181	33,279	148,555	42,500	33,040	18,500
8808	OFFICE EQUIPMENT	6,854	17,207	16,267	14,703	14,703	11,257
8820	BLDG. RENOVATION	0	0	20,346	22,000	6,226	21,000
8855	RESVE-SYST. UPGRADE	8,660	0	0	0	0	0
	TOTAL CAPITAL OUTLAY	54,695	50,486	185,168	79,203	53,968	50,757
	TOTAL BUDGET	3,621,764	3,480,732	3,451,411	3,833,950	3,613,690	3,836,654

SALARIES AND WAGES

1100 PERMANENT EMPLOYEES  **ALLOCATION:**
\$2,459,408

Total Agency Positions -- 30.50

•Administration	3.00 positions	\$297,413
•Hearings	8.50 positions	721,422
•Public Information	15.00 positions	1,040,706
•Legal	4.00 positions	399,867
•Agency Total	30.50 positions	\$2,459,408

A cost-of-living increase is imputed for all salaries. Calculations of other staff benefits including deferred compensation, bonus for outstanding work, payouts and summer incentives are included.

1104 BOARD ALLOWANCE  **ALLOCATION:**
\$9,000

Rent Control Board Commissioners each receive \$75 per meeting they attend. This allocation provides funds for twenty four meetings.

1149 OVERTIME  **ALLOCATION:**
\$7,950

The allocation covers \$600 for Administration, \$4,600 for Hearings, \$2,500 for Public Information and \$250 for legal work which cannot be completed in regularly scheduled hours. Most overtime hours in the Public Information Department are incurred during the summer months and to attend community meetings. The overtime for the Hearings Department will be used mostly by a part-time hearing officer during those times when the work flow is particularly heavy or when she is working on complex cases.

1150 AS-NEEDED
EMPLOYEES



ALLOCATION:
\$1,150

The allocation includes funds for a temporary legal secretary for times when the workload cannot be handled by permanent staff and/or to cover vacations and other absences by permanent staff.

1171 INSURANCE,
MEDICARE



ALLOCATION:
\$24,280

Medicare regulations require that a contribution of 1.45 percent of permanent and as-needed staff salaries be made for all employees hired after April, 1986.

1173 INSURANCE
WORKERS' COMPENSATION



ALLOCATION:
\$20,900

The Rent Control Board participates in the City of Santa Monica Workers' Compensation Fund. The Agency's share is based on the number of employees, with a factor for past and existing claims. The City's total Workers' Compensation budget is \$7.31 million. The Rent Control allocation of \$20,900 represents .3% of the total costs.

1174 INSURANCE,
EMPLOYEE HEALTH AND DENTAL



ALLOCATION:
\$221,650

The allocation is based on the standard premiums for both the health and dental plans and includes funding for health and dental benefits for all permanent employees and their dependents. This budget uses standard amounts for each employee. Individual plan changes during the fiscal year may affect the amount actually expended.

1177 RETIREMENT
CONTRIBUTION



ALLOCATION:
\$221,596

For fiscal year 03/04 the contribution rates have increased to 9.89% of staff salaries from 7% due to current financial conditions and are expected to continue to increase in the future.

1194 MEDICAL
TRUST



ALLOCATION:
\$52,824

The Employee Medical Benefit Trust fund was established effective July 2001. Pursuant to the umbrella agreement the Rent Control Board entered into with the Agency employees, the Agency is contributing \$142 per month for each permanent employee.

1197 OTHER
FRINGE BENEFITS



ALLOCATION:
\$25,584

This line item includes life and accident insurance, unemployment insurance, the Employee Assistance Program (counseling), Managed Mental Health (substance abuse and mental health treatment), long term disability insurance and DCAP (childcare subsidies for income-qualifying employees).

SUPPLIES AND EXPENSES

2221 UTILITIES  **ALLOCATION:**
TELEPHONE **\$41,889**

This allocation covers telephone expenses for the Agency including computer network connections.

2231 OFFICE  **ALLOCATION:**
SUPPLIES **\$12,250**

The Rent Control Board purchases its office supplies through the City's Purchasing Department which contracts with an office supply vendor each year. This allocation includes traditional office supplies and funds to purchase computer supplies and accessories such as connector cables, storage disks, printer cartridges and paper.

2232  **ALLOCATION:**
POSTAGE **\$36,500**

This allocation covers postage for annual mass mailings and other regular mailings:

- General Adjustment/Registration Fee Mailings 9,100
- Newsletter Mailings (2) 12,950
- Postcard Mailing (1) 4,300
- General Mailings 8,750
- Miscellaneous Postal Fees 1,400

2233 INVENTORY
ISSUES



ALLOCATION:
\$5,200

This line item represents purchases made through the City's warehouse for copy paper, drinking cups and paper towels as well as paper supplies used for letterhead and office envelopes.

2254



ADVERTISING

ALLOCATION:
\$8,000

This allocation covers the cost of publishing public notices and other announcements required by law.

2261 EQUIPMENT
RENTAL



ALLOCATION:
\$120

To lease the water coolers in the Rent Control Offices.

2262



RENT

ALLOCATION:
\$27,150

There is insufficient space in City Hall to provide space for hearing rooms. In April 2003, the Agency signed a two-year lease for new hearing rooms. This allocation includes funds to rent 1,086 square feet of space for the fiscal year. The lease provides for nine monthly payments of \$2,009.10 and three monthly payments of \$2,089.46. The allocation also includes the cost of parking (\$150 per month) and operating expense increases (estimated at \$1,000 for the year).

2271 AUTO 
REIMBURSEMENT

ALLOCATION:
\$11,220

This line item represents monthly car allowances for staff.

2272 
MILEAGE

ALLOCATION:
\$720

This allocation provides mileage reimbursements at 32.5 cents per mile.

2282 
CONFERENCES,
MEETINGS, TRAVEL

ALLOCATION:
\$6,000

The Board and staff incur travel expenses for trips to Sacramento to advocate and testify regarding proposed state legislation that would affect Santa Monica Rent Control and to coordinate with other rent control agencies. This account also includes expenses related to conducting Board meetings.

2290 
MEMBERSHIP
AND DUES

ALLOCATION:
\$3,998

It is the policy of the Board to pay the California State Bar dues of attorneys employed by the Board. Additionally, this allocation includes funds for staff to participate in professional management organizations and associations.

2294 
INSURANCE,
VEHICLES

ALLOCATION:
\$1,600

This coverage is provided through the City of Santa Monica for liability when employees use their personal automobiles as part of their work.

3302 INSURANCE,
COMPREHENSIVE



ALLOCATION:
\$35,502

- ❖ General Liability: \$34,844

The Agency carries a \$1,000,000 combined single limit liability policy with a \$1,000 deductible for bodily injury and damage.

- ❖ Multi-Peril Insurance for Property at City Hall and the Hearings Department hearing rooms: \$400

Includes fire and theft of office equipment, furniture and valuable papers as well as computer equipment and software at both office locations. The Hearings Department lease requires that the Agency provide multi-peril insurance. This policy, through the City of Santa Monica, provides \$1,000,000 coverage for the building with a \$1,000 deductible.

- ❖ Faithful Performance Bond: \$258

All Agency employees are covered by a \$25,000 faithful performance bond.

4404 BOOKS AND
PERIODICALS



ALLOCATION:
\$9,440

This allocation covers purchase of books and materials on rent control and housing issues, updates to the legal library, computer manuals, and subscriptions to newspapers and journals.

4411 PRINTING



ALLOCATION:
\$21,344

- Charter Amendment and Regulations, Instructions, Information sheets, and Miscellaneous 2,610
- Newsletter (2 issues) and MAR Postcard (1) 9,110
- General Adjustment Letters 6,350
- Registration Fee Letters/Envelopes 1,790
- Owner and Tenant Vacancy Registration Forms 1,484

4434 ADMINISTRATIVE
INDIRECT COSTS



**ALLOCATION:
\$200,778**

Each year the City assesses the Agency for services it provides the Agency. This fee covers maintenance costs of office space within City Hall and the various services provided by the departments of Finance, Purchasing, Personnel, General Services and Information Systems. These costs are distributed according to an allocation base, which approximates the Rent Control Board's share of overhead and service costs.

The following itemizes the sources of the charges, a description of services rendered, the allocation base used, and the percentage used to calculate the Rent Control assessment. A credit of \$816 for tuition reimbursement is included.

❖ Audit Expenses: \$971

Services Rendered - In accordance with generally accepted municipal accounting principles, the financial records of the Agency are audited by professional outside auditors. The City Finance Director is responsible for overseeing that audit process.

Allocation Base - Total direct costs in 2001/02.

Allocation Percentage - 1.16% of total audit costs to the City.

❖ City Manager: \$1,478

Services Rendered - Advice about administrative and policy matters.

Allocation Base - Detailed time records of City Manager staff time spent on Rent Control matters.

Allocation Percentage - .10%

❖ Information Systems, Operations: \$34,697

Services Rendered - Use of City's computer system, advice and assistance on hardware components.

Allocation Base - Detailed time records of quarterly time assignments.

Allocation Percentage - .71%

❖ Finance, Accounts Payable: \$9,163

Services Rendered - Disbursing funds to vendors and conducting other necessary accounting activities.

Allocation Base - Number of warrants issued in 2001/02.

Allocation Percentage - 1.43%

❖ Finance, Collections: \$0

Services Rendered - Assisting City departments in the collection of overdue fees, such as registration fees.

Allocation Base - Weighted average based on number of accounts and amount collected.

Allocation Percentage - 0%

❖ Finance, General Ledger: \$12,019

Services Rendered - Disbursing funds to vendors and conducting other necessary accounting activities.

Allocation Base - Total expenditures in 2001/02

Allocation Percentage - 1.16%

❖ Finance, Payroll: \$11,225

Services rendered - Processing the payroll for the Rent Control staff.

Allocation Base - Authorized full-time positions in 2001/02.

Allocation Percentage - 1.61%

❖ Finance, Treasurer/Management: \$21,836

Services Rendered - The management and investment of Rent Control funds. For 2003/2004 the expected rate of return on invested Rent Control funds is 2.15%.

Allocation Base - These costs are divided equally among all interest earning funds.

Allocation Percentage - 3.57%

❖ Finance, Treasurer/Receipts: \$8,447

Services Rendered - Processing the registration fees submitted by property owners and miscellaneous revenue collections.

Allocation Base - Cash receipts issued in 2001/02.

Allocation Percentage - 2.22%

❖ General Services, City Hall Maintenance: \$70,715

Services Rendered - City Hall maintenance includes custodial work, window cleaning and utility expenses for City Hall.

Allocation Base - Square feet occupied by Rent Control Board offices in City Hall.

Allocation Percentage - 5.08%

❖ General Services, Public Facilities: \$4,474

Services Rendered - Repairs, replacements and renovations, such as carpentry and plumbing, relating to City Hall offices.

Allocation Base - Actual labor hours less amount charged directly.

Allocation Percentage - .22%

❖ Human Resources, General; \$20,461

Services Rendered - Information about contemporary municipal personnel practices, salary surveys, and career development for Rent Control staff.

Allocation Base - Authorized full-time positions.

Allocation Percentage - 1.51%

❖ Human Resources, Recruitment: \$142

Services Rendered - Administrative activities related to recruiting of permanent and as-needed staff, including advertising, testing, interviewing, ranking candidates.

Allocation Base - Weighted number of employees recruited in 2001/02.

Allocation Percentage - 0.02%

❖ Purchasing: \$5,271

Services Rendered - Administration of the low bid centralized purchasing system, including identification of lowest bidder and issuance of purchase orders.

Allocation Base - Purchase orders placed by the Rent Control Agency in 2001/02.

Allocation Percentage - 1.07%

❖ Warehouse: \$695

Services Rendered - Storing office supplies which are purchased in large volume and disbursed upon request. Charges are not incurred until the disbursement is made.

Allocation Base - Proportionate share of dollar value of annual issues in 2001/02.

Allocation Percentage - .45%



4439 OTHER
COSTS

ALLOCATION:
\$9,900

The allocation includes costs for cable television coverage of 18 televised Rent Control Board meetings at \$550 per meeting.



5501 CONTRACTUAL
SERVICES

ALLOCATION:
\$45,890

This budget includes costs to complete the conversion of our current microfiche system to a scanned digital image system.

- ❖ Administration: \$26,690
 - Conversion of paper site file records to scanned images \$12,000
 - Mailhouse services for mass mailings 3,540
 - Mailhouse services for the newsletter & postcard 4,400
 - Design and layout services for the newsletter 5,850
 - Access to the County Assessor's database through DataQuick 900
- ❖ Hearings: \$13,200
 - Attorney service to serve subpoenas and advance witness fees \$2,600
 - Storage and retrieval of files 10,600
- ❖ Legal: \$6,000
 - Messenger service \$6,000

5506 PROFESSIONAL
SERVICES



ALLOCATION:
\$99,994

❖ Administration: \$46,250

46,250 for lobbyist to represent the Board's interests in Sacramento and for statewide and national legislative advocacy. The allocation includes funds for travel related expenses.

❖ Hearings: \$42,644

38,194 for contract hearing officer to hold hearings
3,000 for interpreters at hearings and Board meetings
1,450 for police/security services at hearings

❖ Legal: \$11,100

The Board has contracted with a real estate appraiser and contractor consultant in connection with removal permits, construction-related petitions.

5511 LEGAL
EXPENSE



ALLOCATION:
\$100,000

The allocation covers the direct costs of litigation, outside counsel, title searches, depositions, and a reserve for potential legal liabilities.

5521
TRAINING



ALLOCATION:
\$28,070

The Agency encourages staff to acquire training and skills that will enhance their contribution to the Agency and further their promotional opportunities. This allocation includes funds for Agency-wide training programs which the Agency plans for this fiscal year. The allocation also provides funds for courses, seminars and workshops conducted by universities, professional associations and other educational organizations and for Continuing Legal Education that the State Bar requires for attorneys.

5523 ADMINISTRATIVE
RECORDS



ALLOCATION:
\$4,500

The allocation covers the reimbursement of administrative records costs paid by parties who challenge a Rent Board decision in court. If the party wins on any issue, the Board must reimburse the party for the cost of preparing the record. The amount of the allocation is based largely on the amount of administrative records fees collected during the prior year.

7724 SERVICE
AGREEMENTS



ALLOCATION:
\$31,565

This allocation covers the costs of purchasing service agreements for office equipment and computer hardware and software. In most cases, the agreements provide regular maintenance and repair of covered equipment at no additional cost.

- ❖ Administration: \$30,346
 - Hewlett Packard Computer Hardware and Software 23,293
 - Liberty Net Scanning System 6,853
 - City Hall alarm 200
- ❖ Hearings: \$1,219
 - Sony Recording Equipment 1,219

CAPITAL OUTLAY



8803 COMPUTER SYSTEMS

**ALLOCATION:
\$18,500**

This budget provides for the purchase of new printers for the Agency, some network related hardware, installation and upgrades to the Liberty Net Scanning system and software upgrades for the computer operating system for all agency computers.

In prior fiscal years, the Agency began a computer equipment replacement program in order to keep pace with changing computer technology and to ensure that the Agency's computer systems remain compatible with the City's systems. The process involved replacing computers whose maintenance agreements have expired. The purchase of the new computers was completed at the end of last fiscal year.

Staff will continue to implement a computer replacement program this year with the focus on the replacement of printers instead of computers. Staff anticipates that some printers will need to be replaced during this fiscal year. Staff is also planning to purchase one new laptop computer to be used by various staff when they are unable to use the office computers (one was already purchased in the prior fiscal year). Staff also anticipates that additional network hardware may be necessary in the upcoming fiscal year. The network hardware will allow all of the Agency's computers and peripherals to be connected to the network.

- ❖ Computers and Software: \$15,742
 - 3 printers and printer upgrades 6,560
 - Operating system software and Liberty Net software and installations 5,182
 - 1 Laptop Computer, accessories and software 4,000
- ❖ Network hardware: \$2,758

8808 OFFICE
EQUIPMENT



ALLOCATION:
\$11,257

- Miscellaneous office furniture/equipment 3,000
- Lease copier at City Hall 8,257

The allocation includes funds for office equipment and furniture for the Agency such as bookcases, desks and small cabinets.

The allocation also includes funds for monthly lease payments for the copier machine. The lease payments include costs for maintenance and supplies.

8820 BUILDING
RENOVATION



ALLOCATION:
\$21,000

This allocation includes funds to cover costs to reconfigure the front reception and counter area and a work area to accommodate the new scanning equipment.

8855 RESERVE FOR
CAPITAL EQUIPMENT



ALLOCATION:
\$0

As a number of major capital purchases were made in the prior fiscal year, no reserve allocations are requested at this time.

ADMINISTRATION DEPARTMENT



Administrator

Office Coordinator
(2.0)

CLASSIFICATION	AUTHORIZED POSITIONS FY 2002/2003	AUTHORIZED POSITIONS FY 2003/2004
Administrator	1.0	1.0
Office Coordinator	2.0	2.0
Total positions	3.0	3.0

DEPARTMENT DESCRIPTION

The Administration Department oversees the fiscal, personnel, contract administration, labor relations, public relations, research, planning and policy development activities of the Rent Control Agency. Along with general administrative activities, the department provides direct support to the elected Rent Control Board by preparing and distributing agenda

packages, scheduling Board meetings, producing and archiving Board actions and processing correspondence for the Board.

The Administrator, who heads the Administration Department as well as the Agency, is responsible for directing the overall operations of the Agency on behalf of the Board.

The staff includes two Office Coordinators who perform the administrative, record-keeping and clerical responsibilities for the Board and Administrator.

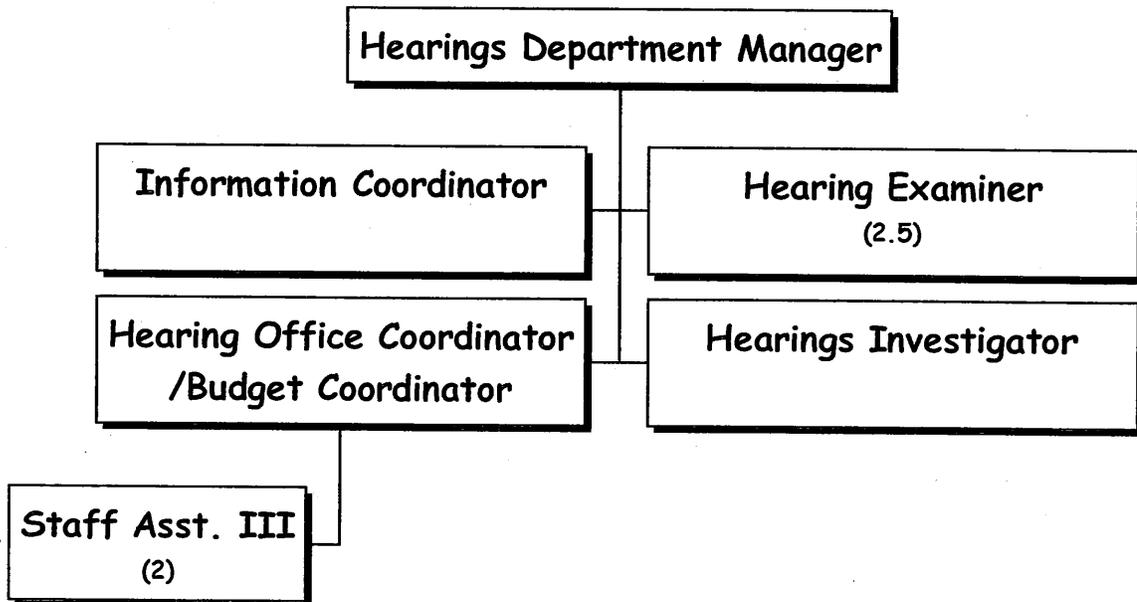
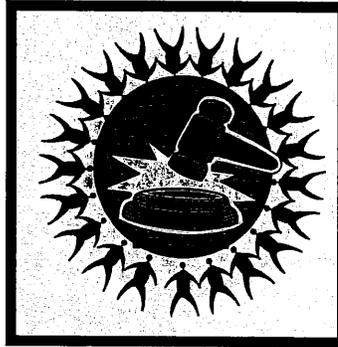
2003/2004 GOALS

1. Incorporate the processing of "Tenant Not in Occupancy" petitions into the regular workload of the Agency. Oversee the development of forms and procedures in all departments to efficiently process the new petitions.
2. Explore new ways to use staff training and meetings to promote teambuilding and communication.
3. Continue to oversee the implementation of new technology to enhance existing systems and functions in order to better serve the public and the Agency. Steps to accomplish this goal include the integration of digital cameras and peripherals, completing the conversion of microfiche images to scanned images and exploration of other applications for the scanning technology.
4. Develop and coordinate legislative positions with lobbyist and other rent control jurisdictions.

ADMINISTRATION

OBJ	DESCRIPTION	FY 99/00 ACTUAL EXPENSES	FY 00/01 ACTUAL EXPENSES	FY 01/02 ACTUAL EXPENSES	FY 02-03 ACTUAL BUDGET	FY 02-03 PROJECTED EXPENSES	FY 03-04 ADOPTED BUDGET
1100	PERMANENT EMPLOYEES	330,629	258,871	275,738	288,435	284,621	297,413
1104	BOARD ALLOWANCE	6,525	6,525	6,300	10,500	7,425	9,000
1149	OVERTIME	484	484	864	600	282	600
1150	AS-NEEDED EMPLOYEES	0	0	0	0	0	0
1171	MEDICARE EMP CONT	2,087	2,087	2,360	2,171	1,980	2,230
1173	INS-COMPENSATION	15,800	15,800	20,300	16,400	16,400	20,900
1174	INS-EMPL HEALTH/DENT	24,490	24,490	17,642	18,480	20,465	21,450
1177	RETIREMENT CONTRIB	17,201	17,201	0	18,430	18,387	26,938
1194	MEDICAL TRUST			5,112	5,112	5,112	5,112
1197	OTHER FRINGE BENEFITS	2,376	2,376	33,765	3,617	3,617	3,837
	TOTAL SALARIES & WAGES	399,592	327,834	362,080	363,744	358,289	387,480
2221	UTIL-TELEPHONE	38,961	53,773	40,590	41,889	41,889	41,889
2231	OFFICE SUPPLIES	3,448	2,892	3,033	8,050	8,050	8,150
2232	POSTAGE	28,382	32,870	31,881	32,500	34,210	36,500
2233	INVENTORY ISSUES	719	529	214	4,800	1,549	5,200
2254	ADVERTISING	4,637	4,982	7,374	8,000	8,000	8,000
2261	EQUIPMENT RENTAL	228	239	252	120	120	120
2262	RENT	0	0	0	0	0	0
2271	AUTO REIMBURSEMENT	4,020	4,033	4,020	4,020	4,020	4,020
2272	MILEAGE	0	60	0	875	875	720
2282	CONF-MTGS-TRAVEL	6,711	4,525	6,001	6,000	6,000	6,000
2290	MEMBERSHIPS & DUES	609	566	660	650	590	650
2294	INS-VEHICLES	0	500	500	1,500	1,500	1,600
3302	INS-COMPREHENSIVE	23,905	23,043	21,980	24,538	28,459	35,427
4404	BOOKS & PERIODICALS	429	839	602	1,600	1,073	1,200
4411	PRINTING	21,734	21,566	21,805	20,850	21,532	21,344
4434	INDIRECT COSTS	170,820	168,300	187,551	219,179	219,179	200,778
4439	OTHER COSTS	7,150	29,730	7,994	9,900	9,900	9,900
5501	CONTRACTUAL SERVICES	13,434	13,773	79,534	67,644	59,824	26,690
5506	PROF SERVICES	41,207	39,749	65,766	46,250	46,250	46,250
5511	LEGAL EXPENSE	0	0	0	0	0	0
5521	TRAINING	573	364	1,806	36,000	22,919	15,000
5523	ADMIN. RECORDS	0	0	0	0	0	0
7724	SERVICE AGREEMENTS	51,460	46,262	20,309	24,945	25,863	30,346
	TOTAL SUPPLIES & EXPENSES	418,427	448,595	501,873	559,310	541,801	499,784
8803	COMPUTER SYSTEMS	39,181	33,279	148,555	42,500	33,040	18,500
8808	OFFICE EQUIPMENT	6,854	16,207	16,267	14,703	14,703	11,257
8820	BLDG. RENOVATION	0	0	20,346	22,000	6,226	21,000
8855	RESVE-SYST. UPGRADE	8,660	0	0	0	0	0
	TOTAL CAPITAL OUTLAY	54,695	49,486	185,168	79,203	53,968	50,757
	TOTAL BUDGET	872,713	825,915	1,049,121	1,002,257	954,058	938,021

HEARINGS DEPARTMENT



CLASSIFICATION	AUTHORIZED POSITIONS FY 2002/2003	AUTHORIZED POSITIONS FY 2003/2004
Department Manager	1.00	1.00
Hearing Examiner	2.25	2.50
Hearings Investigator	1.00	1.00
Information Coordinator	1.00	1.00
Budget/Office Coordinator	1.00	1.00
Staff Assistant III	1.00	2.00
Total positions	7.25	8.50

DEPARTMENT DESCRIPTION

The Hearings Department is responsible for completing the following tasks on petitions, complaints and applications filed by landlords and tenants: scheduling hearings, sending notices, conducting investigations, drafting and issuing subpoenas for parties and documents, conducting administrative hearings, and issuing recommendations, decisions and addenda. The department also handles mediation of decrease and excess rent cases and mediates disputes between landlords and tenants which are not part of on-going cases.

The Hearing Officers' major responsibility is conducting administrative hearings, gathering evidence and issuing written decisions based on the evidence. Administrative hearings are held on a variety of issues, including rent increases, rent decreases, excess rent complaints, tenants not in occupancy, exemptions, and base rent and amenities issues. One Hearing Officer acts as a settlement facilitator of excess rent complaints and rent decrease petitions, often enabling the parties to come to an agreement without the necessity of a hearing.

The Hearings Investigator conducts inspections of properties for which rent decrease petitions have been filed and follow-up inspections to see whether or not the units have been repaired as required by the Rent Control Board's decision. The Inspector also conducts inspections for the Agency regarding occupancy and unit identification.

The Information Coordinator assigned to the Hearings Department is responsible for verifying MAR's from decisions and addenda for input into the database and researching complicated MAR histories.

The Budget/Office Coordinator performs duties specific to the Hearings Department as well as Budget related duties for the Agency. The Office Coordinator screens petitions, supervises clerical staff, interacts with the public on a variety of matters and orders supplies for the Department. The Budget duties for the Agency include budget preparation and monitoring, fiscal planning and evaluation of expenditures, and complex technical reports.

The Staff Assistants, along with clerical staff from other parts of the Agency, provide support to the department through sending out notices of hearings, typing decisions and processing documents for the document imaging system.

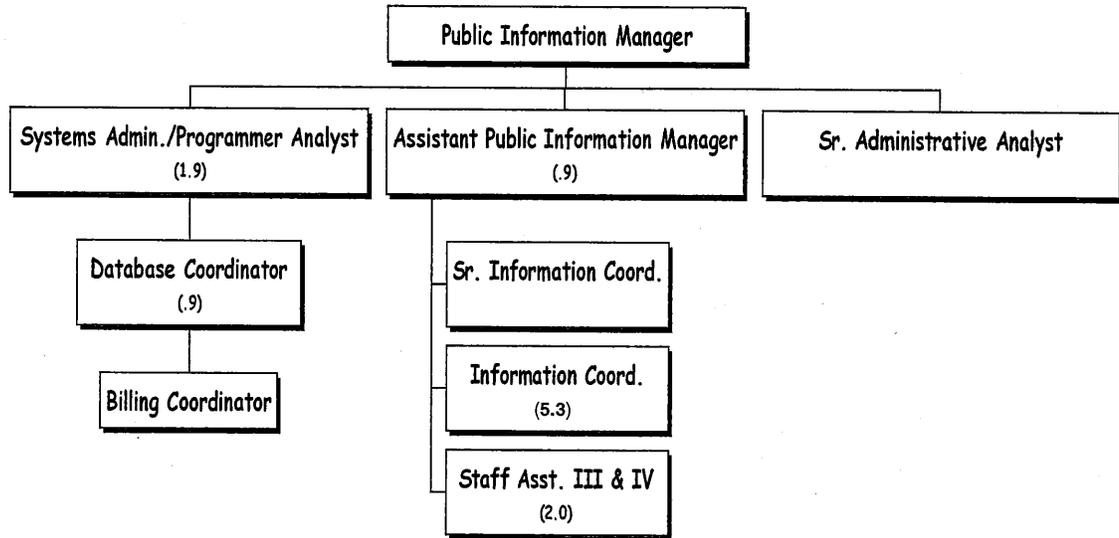
2003/2004 GOALS

1. Incorporate the new "Tenant Not in Occupancy" petitions into the Board's hearing process.
2. Effectuate a smooth transition into the new hearings space.
3. Oversee the processing of exemptions including lapsing of exemptions for properties no longer eligible.
4. Continue coordinating interaction, including inter-departmental training, with other City Departments regarding habitability and construction issues affecting tenants.

HEARINGS

OBJ	DESCRIPTION	FY 99/00 ACTUAL EXPENSES	FY 00/01 ACTUAL EXPENSES	FY 01/02 ACTUAL EXPENSES	FY 02-03 ACTUAL BUDGET	FY 02-03 PROJECTED EXPENSES	FY 03-04 ADOPTED BUDGET
1100	PERMANENT EMPLOYEES	596,615	646,216	568,432	637,832	640,297	721,422
1104	BOARD ALLOWANCE	0	0	0	0	0	0
1149	OVERTIME	2,768	6,303	11,844	4,600	4,600	4,600
1150	AS-NEEDED EMPLOYEES	15,828	15,999	33,090	15,104	23,619	0
1171	MEDICARE EMP CONT	4,458	4,629	5,135	4,695	4,594	5,122
1173	INS-COMPENSATION	0	0	0	0	0	0
1174	INS-EMPL HEALTH/DENT	65,392	71,353	47,893	49,280	48,943	64,350
1177	RETIREMENT CONTRIB	38,039	39,857	0	40,666	41,291	64,974
1194	MEDICAL TRUST	0		14,058	13,632	13,632	15,336
1197	OTHER FRINGE BENEFITS	5,981	5,129	4,619	7,569	6,032	8,242
	TOTAL SALARIES & WAGES	729,082	789,485	685,070	773,378	783,007	884,046
2221	UTIL-TELEPHONE	0	0	0	0	0	0
2231	OFFICE SUPPLIES	4,377	2,679	2,693	1,958	1,011	400
2232	POSTAGE	1,401	800	0	0	0	0
2233	INVENTORY ISSUES	650	934	191	0	0	0
2254	ADVERTISING	0	0	0	0	0	0
2261	EQUIPMENT RENTAL	776	815	0	0	0	0
2262	RENT	132,049	132,931	138,296	117,579	116,157	27,150
2271	AUTO REIMBURSEMENT	2,400	2,413	2,400	2,400	2,400	2,400
2272	MILEAGE	810	694	695	0	0	0
2282	CONF-MTGS-TRAVEL	0	0	0	0	0	0
2290	MEMBERSHIPS & DUES	1,335	1,110	1,250	1,434	1,250	1,734
2294	INS-VEHICLES	0	0	0	0	0	0
3302	INS-COMPREHENSIVE	0	0	0	0	0	0
4404	BOOKS & PERIODICALS	2,783	2,411	0	400	0	200
4411	PRINTING	0	0	0	0	0	0
4434	INDIRECT COSTS	0	0	0	0	0	0
4439	OTHER COSTS	0	0	1,052	0	0	0
5501	CONTRACTUAL SERVICES	17,544	16,573	15,108	10,792	10,283	13,200
5506	PROF SERVICES	5,514	1,978	3,604	5,950	5,950	42,644
5511	LEGAL EXPENSE	0	0	0	0	0	0
5521	TRAINING	799	1,109	1,206	1,500	1,753	2,000
5523	ADMIN. RECORDS	0	0	0	0	0	0
7724	SERVICE AGREEMENTS	5,542	6,465	1,509	1,219	1,219	1,219
	TOTAL SUPPLIES & EXPENSES	175,980	170,912	168,004	143,232	140,023	90,947
8803	COMPUTER SYSTEMS	0	0	0	0	0	0
8808	OFFICE EQUIPMENT	0	0	0	0	0	0
8820	BLDG. RENOVATION	0	0	0	0	0	0
8855	RESVE-SYST. UPGRADE	0	0	0	0	0	0
	TOTAL CAPITAL OUTLAY	0	0	0	0	0	0
	TOTAL BUDGET	905,061	960,396	853,074	916,609	923,030	974,993

PUBLIC INFORMATION DEPARTMENT



<u>CLASSIFICATION</u>	<u>AUTHORIZED POSITIONS FY 2002/2003</u>	<u>AUTHORIZED POSITIONS FY 2003/2004</u>
Public Information Manager	1.00	1.00
Assistant Public Info. Manager	.90	.90
Sr. Administrative Analyst	1.00	1.00
Systems Administrator/ Programmer Analyst	1.80	1.90
Administrative Analyst	.90	0.00
Database Coordinator	.90	.90
Information Coordinator	5.20	5.30
Sr. Information Coordinator	1.00	1.00
Billing Coordinator	1.00	1.00
Staff Assistant IV	2.00	1.00
Staff Assistant III	1.00	1.00
Total positions	16.70	15.00

DEPARTMENT DESCRIPTION

The Public Information Department responds to public inquiries regarding the Rent Control Law. The department also maintains manual and electronic files, and researches the current legal rent level and history of administrative and legal activity affecting each controlled unit in the City.

The Assistant Department Manager oversees project work of Information Coordinators and staff assistants and acts as liaison with City Departments on construction and development issues. The Senior Administrative Analyst investigates and writes staff reports on exemptions, supervises the Vacancy Increase Program, produces the newsletter, and works on special projects including public information and community outreach.

Information Coordinators handle a variety of tasks central to providing information to the public regarding the Rent Control Law and regulations, state laws, and Maximum Allowable Rent levels for controlled rental units. Information Coordinators process new and amended registration forms; review petitions for rent increases, decreases, tenants not in occupancy and complaints of excess rent; pursue outstanding registration fees through small claims actions; and investigate and lapse owner-occupied exemptions when appropriate.

Staff assistants provide support to the department through processing Vacancy Increase Registrations, maintaining the property files, producing memos and letters, receiving and directing calls from the public, and preparing informational mailings.

The Billing Coordinator, with help from the staff assistants, inputs changes into the database, issues registration fee bills to owners of controlled properties, collects fees, maintains the electronic billing history, and processes owner-occupied, single family dwelling, Section 8, and low-income senior and disabled fee waiver applications.

The computer staff maintains the database and word processing systems, generates computer reports, and coordinates Agency activities that rely on the computer, such as development of the web site. They develop and update programs, design and install new systems to meet changing Board requirements, and maintain the capabilities of the computer and peripheral electronic equipment.

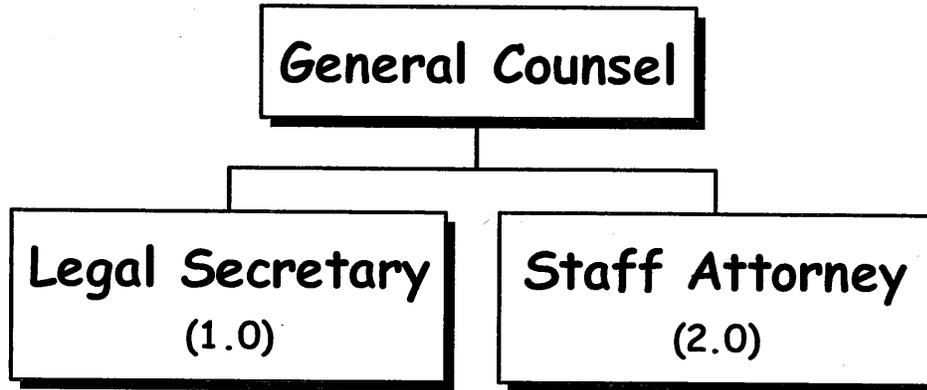
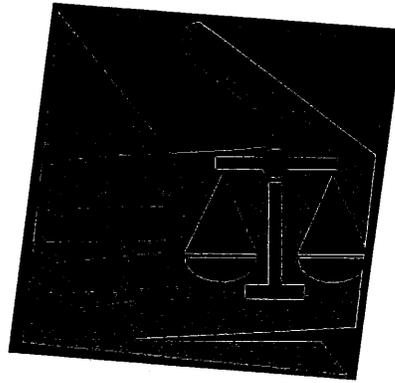
2003/2004 GOALS

1. Reconfigure public counter and adjacent staff area for improved public service and to incorporate new scanned document retrieval system.
2. Revise the Board's web site to facilitate ease of use and provide a more comprehensive selection of documents and petitions to be downloaded by Internet users.
3. Provide access to public outreach materials, forms and petitions through the City's FAX on Demand system.
4. Standardize the publication schedule of informational mailings including the newsletter, MAR postcard, fee waiver renewals and summer mailings.

PUBLIC INFORMATION

OBJ	DESCRIPTION	FY 99/00	FY 00/01	FY 01/02	FY 02-03	FY 02-03	FY 03-04
		ACTUAL EXPENSES	ACTUAL EXPENSES	ACTUAL EXPENSES	ACTUAL BUDGET	PROJECTED EXPENSES	ADOPTED BUDGET
1100	PERMANENT EMPLOYEES	944,787	886,149	943,078	1,080,624	944,893	1,040,706
1104	BOARD ALLOWANCE	0	0	0	0	0	0
1149	OVERTIME	3,309	2,553	2,811	3,000	2,174	2,500
1150	AS-NEEDED EMPLOYEES	1,122	20,599	9	0	0	0
1171	MEDICARE EMP CONT	10,580	9,382	11,045	11,800	12,065	11,109
1173	INS-COMPENSATION	0	0	0	0	0	0
1174	INS-EMPL HEALTH/DENT	123,772	121,460	93,134	104,720	103,048	107,250
1177	RETIREMENT CONTRIB	62,083	56,726	0	69,948	60,134	93,750
1194	MEDICAL TRUST	0		27,264	28,968	25,844	25,560
1197	OTHER FRINGE BENEFITS	7,487	6,955	6,882	8,803	8,803	8,613
	TOTAL SALARIES & WAGES	1,153,141	1,103,825	1,084,222	1,307,863	1,156,960	1,289,488
2221	UTIL-TELEPHONE	0	0	0	0	0	0
2231	OFFICE SUPPLIES	7,092	5,263	7,532	2,110	2,641	3,500
2232	POSTAGE	0	0	0	0	0	0
2233	INVENTORY ISSUES	3,471	1,640	3,256	0	3,251	0
2254	ADVERTISING	0	0	0	0	0	0
2261	EQUIPMENT RENTAL	0	0	0	0	0	0
2262	RENT	0	0	0	0	0	0
2271	AUTO REIMBURSEMENT	2,400	2,400	2,400	2,400	2,400	2,400
2272	MILEAGE	12	0	96	0	0	0
2282	CONF-MTGS-TRAVEL	0	0	0	0	0	0
2290	MEMBERSHIPS & DUES	0	0	0	225	0	100
2294	INS-VEHICLES	0	0	0	0	0	0
3302	INS-COMPREHENSIVE	0	0	0	0	0	0
4404	BOOKS & PERIODICALS	412	0	0	40	0	40
4411	PRINTING	0	0	0	0	0	0
4434	INDIRECT COSTS	0	0	0	0	0	0
4439	OTHER COSTS	0	0	0	0	0	0
5501	CONTRACTUAL SERVICES	0	0	0	0	0	0
5506	PROF SERVICES	0	0	0	0	0	0
5511	LEGAL EXPENSE	0	0	0	0	0	0
5521	TRAINING	2,412	200	1,124	5,270	3,580	8,570
5523	ADMIN. RECORDS	0	0	0	0	0	0
7724	SERVICE AGREEMENTS	0	0	0	0	0	0
	TOTAL SUPPLIES & EXPENSES	15,799	9,503	14,407	10,045	11,872	14,610
8803	COMPUTER SYSTEMS	0	0	0	0	0	0
8808	OFFICE EQUIPMENT	0	0	0	0	0	0
8820	BLDG. RENOVATION	0	0	0	0	0	0
8855	RESVE-SYST. UPGRADE	0	0	0	0	0	0
	TOTAL CAPITAL OUTLAY	0	0	0	0	0	0
	TOTAL BUDGET	1,168,940	1,113,328	1,098,629	1,317,909	1,168,832	1,304,098

LEGAL DEPARTMENT



CLASSIFICATION	AUTHORIZED POSITIONS FY 2002/2003	AUTHORIZED POSITIONS FY 2003/2004
General Counsel	1.0	1.0
Staff Attorney	2.0	2.0
Legal Secretary	1.0	1.0
Total positions	4.0	4.0

DEPARTMENT DESCRIPTION

The Legal Department prepares staff reports on appeal of hearing officer and administrative decisions and removal applications, and presents these reports to the Board.

The Legal Department undertakes defense of Board decisions and the Rent Control Law and Board regulations in judicial proceedings. It is responsible for commencement of legal actions to enforce the Rent Control Law and Board regulations.

The Department provides legal advice to the Board, Administrator and departments of the Rent Control Agency. It also drafts regulations for Board consideration and adoption. Upon request from the Board or staff, the Legal Department analyzes and prepares written opinions on legal issues.

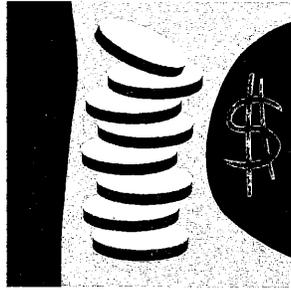
2003/2004 Goals

1. Monitor Ellis activity to ascertain if recent amendments to the Ellis Act have curtailed abuses; develop additional legislative proposals to respond to current problems with Ellis Act.
2. Develop better systems for monitoring accuracy of base rents after vacancy registered by owners and for obtaining correction of those which are incorrectly registered.
3. Continue to work with other rent-control jurisdictions to develop legislative solutions to problems created by the Costa-Hawkins Act.
4. Establish better coordination with the City Attorney's office to solve problems with tenant harassment and relocation fee payments for tenants

LEGAL

OBJ	DESCRIPTION	FY 99/00 ACTUAL EXPENSES	FY 00/01 ACTUAL EXPENSES	FY 01/02 ACTUAL EXPENSES	FY 02-03 ACTUAL BUDGET	FY 02-03 PROJECTED EXPENSES	FY 03-04 ADOPTED BUDGET
1100	PERMANENT EMPLOYEES	484,868	480,436	345,653	386,754	366,748	399,867
1104	BOARD ALLOWANCE	0	0	0	0	0	0
1149	OVERTIME	8,144	1,730	205	240	0	250
1150	AS-NEEDED EMPLOYEES	13,731	0	188	1,120	0	1,150
1171	MEDICARE EMP CONT	7,413	6,925	5,609	5,628	4,843	5,818
1173	INS-COMPENSATION	0	0	0	0	0	0
1174	INS-EMPL HEALTH/DENT	29,840	27,893	16,161	24,640	23,717	28,600
1177	RETIREMENT CONTRIB	31,673	28,346	0	24,673	23,252	35,934
1194	MEDICAL TRUST	0	0	6,816	6,816	6,674	6,816
1197	OTHER FRINGE BENEFITS	4,568	3,024	2,979	4,771	4,771	4,892
	TOTAL SALARIES & WAGES	580,237	548,354	377,610	454,641	430,005	483,327
2221	UTIL-TELEPHONE	0	0	0	0	0	0
2231	OFFICE SUPPLIES	968	534	889	0	0	200
2232	POSTAGE	0	0	0	0	0	0
2233	INVENTORY ISSUES	79	86	639	0	0	0
2254	ADVERTISING	0	0	0	0	0	0
2261	EQUIPMENT RENTAL	0	0	0	0	0	0
2262	RENT	0	0	0	0	0	0
2271	AUTO REIMBURSEMENT	2,400	2,400	2,400	2,400	2,400	2,400
2272	MILEAGE	12	0	0	0	0	0
2282	CONF-MTGS-TRAVEL	0	0	0	0	0	0
2290	MEMBERSHIPS & DUES	1,805	1,605	1,330	1,434	1,370	1,514
2294	INS-VEHICLES	0	0	0	0	0	0
3302	INS-COMPREHENSIVE	8,754	0	0	0	0	0
4404	BOOKS & PERIODICALS	0	6,808	8,598	6,400	7,717	8,000
4411	PRINTING	0	0	0	0	0	0
4434	INDIRECT COSTS	0	0	0	0	0	0
4439	OTHER COSTS	0	0	0	0	0	0
5501	CONTRACTUAL SERVICES	4,504	5,353	7,058	6,300	4,571	6,000
5506	PROF SERVICES	10,194	5,657	7,687	10,000	5,000	11,100
5511	LEGAL EXPENSE	64,743	2,086	44,171	110,000	110,000	100,000
5521	TRAINING	1,354	2,645	205	1,500	2,205	2,500
5523	ADMIN. RECORDS	0	4,568	0	4,500	4,500	4,500
7724	SERVICE AGREEMENTS	0	0	0	0	0	0
	TOTAL SUPPLIES & EXPENSES	94,813	31,740	72,977	142,534	137,763	136,214
8803	COMPUTER SYSTEMS	0	0	0	0	0	0
8808	OFFICE EQUIPMENT	0	1,000	0	0	0	0
8820	BLDG. RENOVATION	0	0	0	0	0	0
8855	RESVE-SYST. UPGRADE	0	0	0	0	0	0
	TOTAL CAPITAL OUTLAY	0	1,000	0	0	0	0
	TOTAL BUDGET	675,050	581,094	450,587	597,175	567,769	619,541

REVENUE PROJECTION



Revenue for fiscal year 2003/2004 is projected to be \$3,591,073. The projection for revenue is based on the same registration fee that has been in effect for the past six years, \$11 per month or \$132 per year.

The sources of the Agency's revenue are registration fees, interest earnings on unexpended Rent Control funds, reimbursements for administrative records, limited filing fees and miscellaneous receipts.

Registration Fees The Santa Monica Rent Control Board's primary source of income has always been the registration fee paid on each rent controlled unit in the city. The number of billable units normally diminishes during the year as units become exempt or additional fee waivers are granted. A change in state law and Rent Control Regulations during fiscal year 2001/2002 regarding unsold TORCA units increased the number of billable units. TORCA units become permanently decontrolled as single family dwellings once they are separately sold. TORCA units will continue to be separately sold and, therefore, decontrolled and lost as billable units, but this will be a gradual process over the next several years.

Based on analysis of the database and projections of current trends such as fee waiver applications and rates of TORCA unit sales, the revenue projection is based on 26,500 billable units. (Includes surcharges for the last six units remaining in the Incentive Housing Program.) This projection reflects a decrease of 141 units from the 26,641 units billed for registration fees in June 2002.

Registration fee refunds occur when fees are paid at the beginning of the fiscal year for units which subsequently receive exemptions or fee waivers. Fee waivers are granted throughout the fiscal year for owner-occupied units, low income senior and disabled tenants and Section 8 tenants. Refunds are also given for overpayments of billed fees.

Refunds issued for FY 02/03 reflect an increase over the total amount of refunds projected for that time period. The increase was primarily due to refunds issued for units which were financed by the HUD "Home Program". Refunds of this type will not occur in fiscal year 2003/2004.

Refunds issued for Section 8 tenants continued to increase last fiscal year, while the number of senior fee waivers decreased. Staff believes this pattern will continue and is therefore projecting that \$17,500 will be refunded over the course of this fiscal year.

With a registration fee of \$11 per month, based on an estimate of 26,500 controlled billable rental units, the revenue would be \$3,498,000. Net registration fees after subtracting projected refunds (\$17,500) would be \$3,480,500.

Interest Earnings The second source of revenue is interest earnings on City-invested Rent Control funds, estimated to be \$98,373. The City Treasurer is estimating a rate of return on invested funds of only 2.15%; staff uses the same rate to estimate Board interest earnings on a declining balance.

Administrative Records The Agency provides administrative records as a reimbursable service to members of the public who request them. Staff estimates that the Agency will receive \$4,000 in new administrative records fees in 2003/04, some of which may need to be reimbursed. All unexpended funds will become unreserved funds for the Agency.

Filing Fees From time to time the Board has adopted filing fees for certain types of petitions. On June 10, 1999 the Board authorized the implementation of two new filing fees. The filing fee for processing a Vacant Unit Registration on a property which has an owner-occupied exemption was set at \$50. The filing fee to process an owner-occupied exemption application was set at \$100. Through March 2003, a total of \$3,750 was collected, the majority of which is attributed to owner-occupied exemption applications. Total projected filing fees are \$4,200.

Miscellaneous Charges Miscellaneous charges, such as those for Xerox, fiche or scanned copies, are projected to be \$4,000.

SOURCES OF REVENUE

Registration Fees - 26,500 units	\$3,498,000	
Refunded Registration Fees	- <u>17,500</u>	
Registration Fees Subtotal		3,480,500
Interest Earnings @ 2.15%		98,373
Administrative Records Charges		4,000
Filing Fees		4,200
Miscellaneous Charges		<u>4,000</u>
Total Revenue		\$3,591,073

At the end of fiscal year 2002/2003, the Agency's unreserved, undesignated fund balance, which is the Agency's "safety net" in case of emergency, is projected to be about \$1,900,000. The proposed budget has a deficit of \$245,581 with the expectation that the shortfall would be covered from undesignated funds.

BALANCE SHEET RESERVES

Balance sheet reserve accounts identify funds which had been designated for particular purposes during the budget cycle, but which could not be spent by the end of the fiscal year. The reserves are a form of savings account for specialized purposes.

<u>Reserve Name</u>	<u>Existing Reserves</u>	<u>Expected Additional Reserves</u>	<u>Total Projected Reserves</u>
General Emergency	\$64,697	\$0	\$64,697
Office Equipment	14,010	0	14,010
Legal/Administrative Records	<u>20,195</u>	<u>0</u>	<u>20,195</u>
Total	\$98,902	\$0	\$98,902

