



Rent Control Board

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Santa Monica

Rent Control Board

ANNUAL

OPERATING

BUDGET

FY 2011/2012

BOARD MEMBERS

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Adopted

June 9, 2011



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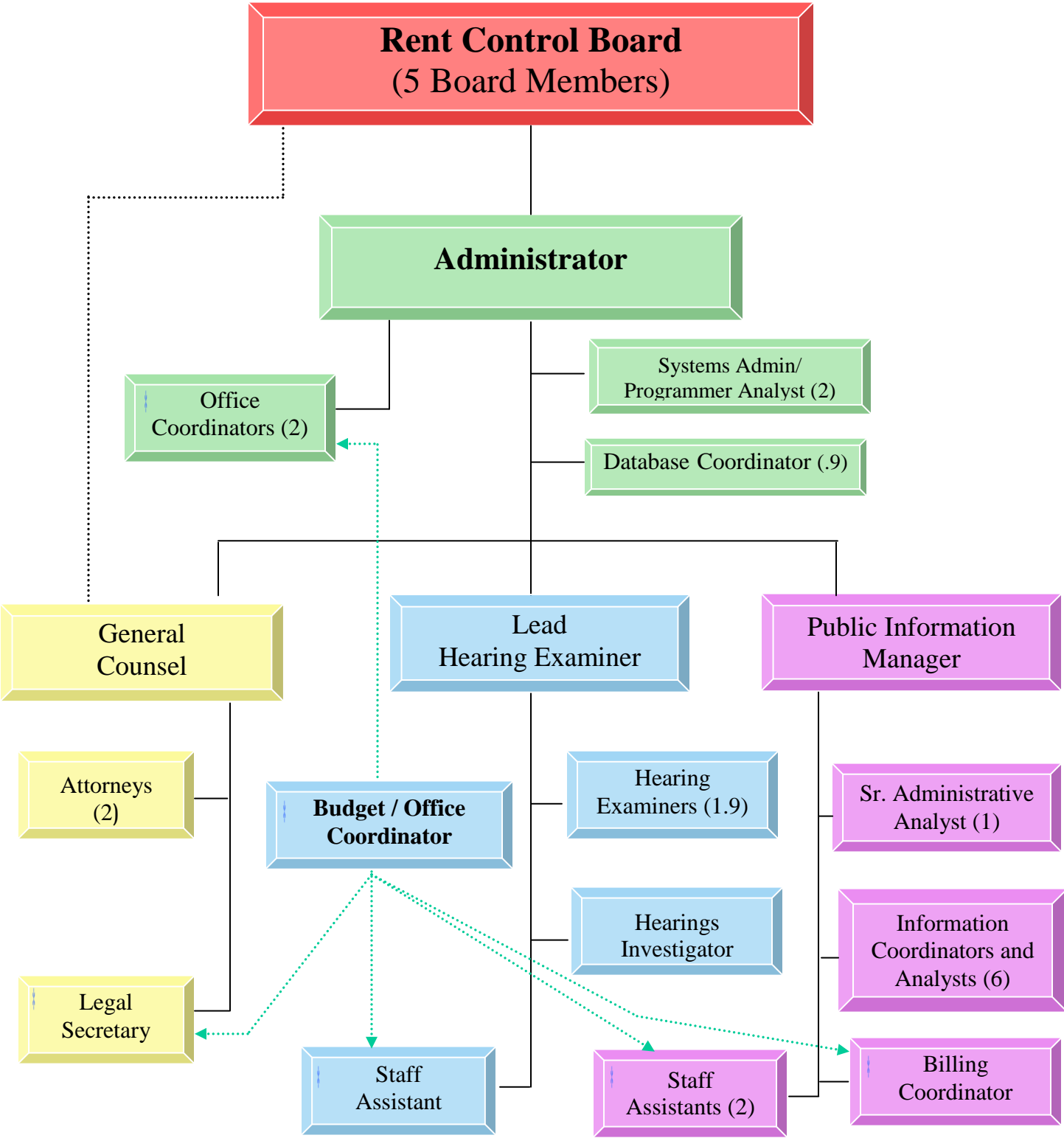
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Santa Monica Rent Control Board Organization Chart



ADOPTED LABOR SUMMARY

FY 2011/2012

CLASSIFICATION	AUTHORIZED POSITIONS 2008/2009	AUTHORIZED POSITIONS 2009/2010	AUTHORIZED POSITIONS 2010/2011	ADOPTED POSITIONS 2011/2012	AMOUNT OF CHANGE 10/11 -- 11/12
Administration	5.80	5.80	5.90	5.90	0.00
Hearings	6.00	6.00	5.80	5.90	+0.10
Public Information	12.60	10.60	11.00	11.00	0.00
Legal	4.00	4.00	4.00	4.00	0.00
Total	28.40	26.40	26.70	26.80	+0.10

PERMANENT STAFF BY CLASSIFICATION

FY 2011/2012

CLASSIFICATION	AUTHORIZED POSITIONS 2008/09	AUTHORIZED POSITIONS 2009/10	AUTHORIZED POSITIONS 2010/11	ADOPTED POSITIONS 2011/12	AMOUNT OF CHANGE 10/11 -- 11/12
Administrator	1.00	1.00	1.00	1.00	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	0.90	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	0.00	0.00	0.00
Hearings Investigator	1.00	1.00	1.00	1.00	0.00
Hearing Examiner	2.00	2.00	2.80	2.90	+0.10
Information Analyst	1.00	3.60	4.00	4.00	0.00
Information Coordinator	4.60	2.00	2.00	2.00	0.00
Legal Secretary II	1.00	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
Sr. Administrative Analyst	2.00	1.00	1.00	1.00	0.00
Sr. Information Coordinator	1.00	0.00	0.00	0.00	0.00
Sr. Litigation Staff Attorney	1.00	1.00	1.00	1.00	0.00
Staff Assistant III	3.00	3.00	3.00	3.00	0.00
Staff Attorney	1.00	1.00	1.00	1.00	0.00
Sys. Admin. / Prog. Analyst	1.90	1.90	2.00	2.00	0.00
TOTAL	28.40	26.40	26.70	26.80	+0.10

RENT CONTROL AGENCY GOALS 2011-2012

Goal: Ensure compliance with the rent control law and take affirmative legal action where indicated.

- ✚ Increase number of controlled units by reviewing validity of property use exemptions (non-rental, commercial and hotel/motel).
- ✚ Review registration status of controlled properties monthly.
- ✚ Monitor tenant evictions from controlled units.

Goal: Increase citizens' knowledge of the rent control law and its protections.

- ✚ Continue to hold tenant and landlord educational seminars.
- ✚ Disseminate current information on the rent control law and related topics by mailing two newsletters and a summer mailing to tenants and owners and by updating and creating information sheets.
- ✚ Continue to update and enhance the Agency's website and Facebook page.
- ✚ Coordinate with the local press to seek coverage of rent control topics and related tenant/landlord issues.

Goal: Coordinate with other agencies in pursuit of common objectives.

- ✚ Enhance withdrawing owners' adherence to restrictions imposed by the Ellis Act and Rent Control Law through participation in the Ellis Task Force.
- ✚ Improve health and safety in living environments.
 - Coordinate with City Attorney's office to increase awareness of City Council-approved smoking restrictions in common areas of multi-family housing.
 - Collaborate with Code Compliance office to encourage correction of code violations and unsafe conditions.
- ✚ Increase coordination of services provided by Rent Control and other city departments serving the same constituent base (Building and Safety, Planning, Housing and the City Attorney Consumer Protection Unit).
 - Develop training experiences for staff members to understand related functions and procedures in other departments.
 - Identify methods to streamline provision of services and avoid duplication of efforts between departments.
- ✚ Increase compliance with the provisions of Measure RR regarding non-rent control tenants by coordinating with the City Attorney's Office on development of hand-outs and methods of response to public inquiries.

Goal: Enhance Rent Control Board members' knowledge of effective governance by providing training in the Brown Act, conflict of interest, and related government ethics issues.

- ✚ Provide topical published materials to Board members.
- ✚ Continue to monitor Board members' status as renters and/or landlords.

AGENCY BUDGET

OBJ	DESCRIPTION	FY 06-07 ACTUAL EXPENSES	FY 07-08 ACTUAL EXPENSES	FY 08-09 ACTUAL EXPENSES	FY 09-10 ACTUAL EXPENSES	FY 10-11 REVISED BUDGET	FY 10-11 PROJECTED EXPENSES	FY 11-12 ADOPTED BUDGET
1100	PERMANENT EMPLOYEE	2,567,750	2,613,697	2,676,316	2,769,054	2,911,406	2,922,075	3,002,173
1104	BOARD ALLOWANCE	6,075	6,675	4,800	6,000	6,375	7,125	6,375
1149	OVERTIME	4,993	7,207	6,568	5,678	5,000	4,619	5,000
1150	AS-NEEDED EMPLOYEES	57,132	14,169	20,340	27,836	0	14,880	0
1171	MEDICARE EMP CONT	27,566	28,946	32,640	34,407	36,799	39,478	41,210
1173	INS-COMPENSATION	22,800	19,100	19,800	19,900	20,800	20,800	17,798
1174	INS-EMPL HEALTH/DENT	298,099	302,674	331,198	336,885	356,126	336,727	353,755
11743B	Health	267,352	270,186	298,706	305,030	323,473	305,751	318,515
11748	Dental	27,128	28,851	28,725	28,195	28,820	27,177	31,406
11749	Vision	3,619	3,638	3,768	3,661	3,833	3,798	3,834
1177	RETIREMENT CONTRIB	364,067	423,921	416,721	394,700	450,321	453,348	554,795
1194	MEDICAL TRUST	46,292	45,014	46,576	44,446	46,008	46,008	46,008
1197	OTHER FRINGE BENEFIT	8,285	27,215	18,769	29,372	13,190	13,825	10,631
	TOTAL SALARIES & WAGES	3,403,058	3,488,620	3,573,728	3,668,278	3,846,026	3,858,888	4,037,744
2221	UTIL-TELEPHONE	25,656	23,854	24,850	23,491	28,000	28,000	27,000
2231	OFFICE SUPPLIES	11,383	12,535	14,259	12,759	14,100	13,044	14,100
2232	POSTAGE	36,468	36,202	37,313	38,163	40,000	40,017	40,000
2233	INVENTORY ISSUES	4,535	3,424	3,822	4,597	4,400	3,763	4,400
2254	ADVERTISING	5,506	2,769	446	3,011	2,500	2,500	2,500
2261	EQUIPMENT RENTAL	76	48	48	48	120	44	120
2262	RENT	25,265	23,831	8,206	12,144	15,552	13,729	1,100
2271	AUTO REIMBURSEMENT	8,015	7,020	7,620	5,020	5,820	4,620	5,820
2272	MILEAGE	357	361	338	363	400	226	375
2282	CONF-MTGS-TRAVEL	6,707	7,642	5,911	6,813	7,200	7,200	7,200
2290	MEMBERSHIPS & DUES	3,695	3,509	2,935	2,825	3,470	2,775	3,010
2294	INS-VEHICLES	900	900	900	1,900	2,040	2,040	0
3302A	INS-COMPREHENSIVE			-7,640	0	700	700	0
3302B	INS-COMPREHENSIVE	38,168	41,921	30,232	8,669	10,308	15,385	20,618
4404	BOOKS & PERIODICALS	12,295	11,279	12,340	13,611	12,900	14,785	15,700
4411	PRINTING	25,099	23,653	24,285	25,454	30,745	30,745	31,800
4434	INDIRECT COSTS	268,156	237,545	237,725	267,442	278,769	278,769	287,132
4439	OTHER COSTS	30,474	30,950	34,686	25,092	32,700	32,700	7,700
5501	CONTRACTUAL SERVICE	30,969	27,638	27,657	26,881	32,000	24,848	24,300
5506	PROF SERVICES	73,790	70,242	83,149	66,526	62,000	60,637	66,500
5511	LEGAL EXPENSE	12,062	44,700	8,597	37,720	50,000	53,000	50,000
5521	TRAINING	5,351	5,768	6,748	9,867	12,100	9,482	12,000
7724	SERVICE AGREEMENTS	32,851	35,043	35,928	38,852	39,500	33,452	41,000
	TOTAL SUPPLIES & EXPENSES	657,779	650,833	600,355	631,248	684,624	671,760	662,375
8803	COMPUTER SYSTEMS	7,219	7,436	8,389	4,919	5,200	5,200	5,200
8808	OFFICE EQUIPMENT	11,844	10,760	10,393	9,205	9,500	9,500	9,500
8820	BLDG. RENOVATION	952	4,170	813	2,983	1,000	1,000	1,000
8855	RESVE-SYST. UPGRADE	0	0	0	0	0	0	0
	TOTAL CAPITAL OUTLAY	20,015	22,365	19,594	17,107	15,700	15,700	15,700
	TOTAL BUDGET	4,080,851	4,161,815	4,193,679	4,316,633	4,546,350	4,546,350	4,715,819

SALARIES AND WAGES

1100 PERMANENT EMPLOYEES



**ALLOCATION:
\$3,002,173**

Total Agency Positions - 26.80

•Administration	5.90	positions	\$711,979
•Hearings	5.90	positions	748,718
•Public Information	11.00	positions	975,206
•Legal	4.00	positions	566,270
•Agency Total	26.80	positions	\$3,002,173

A cost-of-living increase is imputed for all salaries. Calculations of other staff benefits including deferred compensation and various payouts are included.

1104 BOARD ALLOWANCE



**ALLOCATION:
\$6,375**

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

1149 OVERTIME



**ALLOCATION:
\$5,000**

The allocation covers \$600 for Administration, \$2,200 for Hearings, \$2,000 for Public Information and \$200 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 for attending Agency-sponsored seminars and community meetings. The overtime for the Hearings Department will be used primarily by the Budget/Office Coordinator and the Hearings Investigator when necessary to complete time-sensitive projects.

**1150 AS-NEEDED
EMPLOYEES**



**ALLOCATION:
\$0**

Staff does not anticipate the need for hiring as-needed employees to supplement the existing permanent staff during the fiscal year. However, if help is needed during the year to cover any absences by permanent staff or to help with special projects, as-needed staff may be hired. Savings from the permanent employees' salaries will be used to offset the cost.

**1171 INSURANCE,
MEDICARE**



**ALLOCATION:
\$41,210**

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:
\$17,798**

The Rent Control Board participates in the City of Santa Monica Workers' Compensation Fund. The Agency's share is based on the total number of employees, with a factor for past and existing claims. The City's total Workers' Compensation budget is \$8.5 million. The Rent Control allocation of \$17,798 represents 0.24% of the total costs.

**1174 INSURANCE,
EMPLOYEE HEALTH, DENTAL AND VISION**



**ALLOCATION:
\$353,755**

The allocation is based on the 2011 premiums for the health, dental and vision plans that are provided for all permanent employees and their dependents. This budget uses actual amounts for each employee. Individual plan changes and/or rate changes during the fiscal year may affect the amount actually expended. In January 2011, Agency employees began making small contributions toward the cost of health insurance

premiums. As of January 2012, Agency employees will pay 5% of the premium for their selected healthcare plan.

•Health	\$318,515
•Dental	31,406
•Vision	3,834

1177 RETIREMENT CONTRIBUTION  **ALLOCATION: \$554,795**

For fiscal year 11/12 the retirement contribution rate of 19.2% of staff salaries reflects an increase from the 16.133% rate used in fiscal year 10/11.

1194 MEDICAL TRUST  **ALLOCATION: \$46,008**

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

1197 OTHER FRINGE BENEFITS  **ALLOCATION: \$13,788**

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 TELEPHONE  **ALLOCATION: \$27,000**

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

2231 OFFICE SUPPLIES  **ALLOCATION: \$14,100**

The Rent Control Board purchases 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 POSTAGE  **ALLOCATION: \$40,000**

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

- General Adjustment/Registration Fee Mailings \$ 8,300
- Newsletter Mailings (2) 22,000
- General Mailings 7,800
- Miscellaneous Postal Fees 1,900

**2233 INVENTORY
ISSUES**



**ALLOCATION:
\$4,400**

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 printed envelopes.

2254



ADVERTISING

**ALLOCATION:
\$2,500**

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

**2261 EQUIPMENT
RENTAL**



**ALLOCATION:
\$120**

This allocation is for leasing the water cooler in the Rent Control Office.

2262



RENT

**ALLOCATION:
\$1,100**

The Agency has insufficient space in City Hall to provide space for a hearing room. For many years the Agency has rented space outside of City Hall to hold hearings. Since October 2008, the Agency has leased space from the City's Housing and Economic Development Department located at 1901 Main Street. For fiscal year 2011/2012, staff will use conference rooms in City Hall in lieu of renting office space. The allocation is for one month's rent for the space at 1901 Main St.

**2271 AUTO
REIMBURSEMENT**



**ALLOCATION:
\$5,820**

This line item represents monthly car allowances for staff.

2272



MILEAGE

**ALLOCATION:
\$375**

This allocation provides mileage reimbursements at \$0.51 cents per mile.

2282 **CONFERENCES,
MEETINGS, TRAVEL**



**ALLOCATION:
\$7,200**

The Board and staff incur travel expenses for trips to Sacramento to attend conferences, 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 and training for Board members.

2290 **MEMBERSHIP
AND DUES**



**ALLOCATION:
\$3,010**

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.

3302 **INSURANCE,
COMPREHENSIVE**



**ALLOCATION:
\$20,618**

- ❖ **General Liability, Non-owned and Hired Automobile Liability, Public Officials Errors and Omissions and Employment Practices Liability: \$17,623**

The Agency carries a \$3,000,000 combined limit liability policy with a \$1,000 deductible for all items except for Employment Practice Liability which has a \$10,000 deductible.

- ❖ **Multi-Peril Insurance for Property at City Hall \$2,995**

Includes fire and theft of office equipment, furniture and valuable papers, as well as computer equipment and software.

4404 BOOKS AND PERIODICALS



**ALLOCATION:
\$15,700**

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:
\$31,800**

- Newsletter (2 issues) 16,500
- General Adjustment Letters 11,000
- Registration Fee Bills/Envelopes 1,200
- Owner and Tenant Vacancy Registration Forms 1,600
- Charter Amendment and Regulations, Instructions, Information sheets, and Miscellaneous Notices 1,500

4434 ADMINISTRATIVE INDIRECT COSTS



**ALLOCATION:
\$287,132**

Each year the City assesses the Agency for various services provided during a fiscal year. This fee covers maintenance costs of office space within City Hall and the various services provided by the departments of Finance, Purchasing, Human Resources, General Services and Information Systems. These costs are distributed among all City departments according to an allocation base which approximates the Rent Control Board's share of overhead and service costs. For fiscal year 2011/2012 the Finance Department has not issued a cost allocation plan. Instead they are requesting all departments to budget the indirect costs for fiscal year 2011/2012 at 3% over last year's indirect costs.

If the Finance Department issues a cost allocation plan before the end of the fiscal year, staff will review all the indirect charges assessed the Agency and if adjustments and corrections are necessary, staff will address the issues in the mid-year budget report for fiscal year 2011/2012. Any necessary revisions to the budget can be made at that time. The mid-year report is generally issued between April and May.

Any changes to the total amount of indirect costs will affect the amount of the deficit currently indicated in this budget.

The following itemizes the source of the charges, a description of services rendered, the allocation base used, and the percentage used to calculate the Rent Control assessment. All figures are based on the projected 3% increase over last year's total indirect cost of \$278,769.

❖ **Community Information - \$2,084**

❖ **City Hall Receptionist: \$2,084** **Allocation Percentage - 1.297%**

Services Rendered – Provide direction and information to members of the public and other visitors to City Hall.

Allocation Base – Authorized Full Time Positions.

❖ **City Attorney - \$843**

❖ **Civil Legal Services: \$843** **Allocation Percentage – 0.010%**

Services Rendered – Provide legal advisory services for personnel matters.

Allocation Base – Estimate of time spent.

❖ **Revenue - \$21,655**

❖ **Cash Receipts: \$5,529** **Allocation Percentage – 1.159%**

Services Rendered – Process the registration fees submitted by property owners and miscellaneous revenue collections.

Allocation Base – Number of cash receipts.

❖ **Cash Management: \$16,126** **Allocation Percentage –2.778%**

Services Rendered - Manage the City's investment portfolio which includes Rent Control funds.

Allocation Base - These costs are divided equally among all interest earning funds with a 50% downward adjustment for Rent Control. (Adjustment not made, under review.)

❖ **Support Services – \$1,907**

❖ **Printing Services: \$1,907** **Allocation Percentage – 0.507%**

Services Rendered – Provide printing and copying services for the Agency.

Allocation Base – Actual Print Shop Charges.

❖ **Facilities Management: \$51,115**

❖ **City Hall Maintenance: \$50,289** **Allocation Percentage – 9.392%**

Services Rendered - Structural maintenance and utility expenses for City Hall.
Allocation Base - Square feet occupied by Rent Control Board offices in City Hall.

❖ **Other Facilities Maintenance: \$826** **Allocation Percentage – 0.048%**

Services Rendered - Structural maintenance and utility expenses for other facilities.
Allocation Base – Actual hours used.

❖ **Maintenance Management - \$89,278**

❖ **City Hall Custodial Services: \$89,278** **Allocation Percentage – 9.392%**

Services Rendered – Provide custodial services at City Hall
Allocation Base - Square feet occupied by Rent Control Board offices in City Hall.

❖ **Building Use Allowance - \$14,499**

❖ **City Hall Building Use: \$14,499** **Allocation Percentage – 9.392%**

Services Rendered – Provide general building improvements to City Hall.
Allocation Base - Square feet occupied by Rent Control Board offices in City Hall.

❖ **Human Resources - \$16,615**

❖ **Benefit Administration: \$6,383** **Allocation Percentage - 1.414%**

Services Rendered – Administer employee benefits for all permanent employees.
Allocation Base - Authorized permanent employees.

❖ **Labor Negotiations: \$3,592** **Allocation Percentage – 1.414%**

Services Rendered – Negotiate labor agreements with bargaining units.
Allocation Base - Authorized permanent employees (under review).

❖ **Class & Compensation Studies: \$3,027** **Allocation Percentage – 1.414%**

Services Rendered – Prepare job classification and compensation studies.
Allocation Base – Number of permanent employees.

❖ **Employee Training: \$3,613** **Allocation Percentage – 1.297%**

Services Rendered – Provide employee development and training programs.
Allocation Base - Authorized full and part time positions.

❖ **Finance - \$45,647**

❖ **Finance Admin. & Budget**

Budget Prep./Support: \$14,789

Allocation Percentage - 1.342%

Services Rendered - Maintain and update the Agency's budget within the City's Financial Accounting System.

Allocation Base – Adjusted actual expenditures.

❖ **Cash Management: \$3,670**

Allocation Percentage – 2.778%

Services Rendered - Manage the City's investment portfolio which includes Rent Control funds.

Allocation Base - These costs are divided equally among all interest-earning funds with a 50% downward adjustment for Rent Control. (Adjustment was not made, under review.)

❖ **Financial Operations**

Accounts Payable: \$9,382

Allocation Percentage – 1.250%

Services Rendered - Disburse funds to vendors and conduct other necessary accounting activities.

Allocation Base - Number of warrants issued.

❖ **Financial Operations**

Budget Prep. & Support: \$500

Allocation Percentage – 1.342%

Services Rendered – Provide information and assistance to Rent Control staff on budget-related matters.

Allocation Base – Adjusted actual expenditures.

❖ **Financial Operations**

General Accounting: \$8,197

Allocation Percentage – 0.722%

Services rendered – Provide accounting services, such as compiling financial reports and maintaining financial accounting systems.

Allocation Base – Actual supplies and expenses.

❖ **Financial Operations**

Payroll: \$6,171

Allocation Percentage – 1.297%

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

Allocation Base - Authorized full-time positions.

❖ **Financial Operations**

Purchasing Services: \$2,938

Allocation Percentage – 0.480%

Services Rendered – Acquisition of services, materials and supplies for the Agency.

Allocation Base – Number of purchasing transactions.

❖ **Information Systems - Operations: \$42,790**

❖ **PC/Network Support: \$11,860** **Allocation Percentage – 0.579%**

Services Rendered – Provide computer and network support.

Allocation Base – Number of computers and printers (adjusted to 25% since the Agency's own computer staff maintains the department's computers and internal network services).

❖ **Telecommunications Support: \$5,858** **Allocation Percentage – 3.590%**

Services Rendered – Provide telecommunications support.

Allocation Base – Number of telecommunication lines.

❖ **Help Desk/Training Services: \$7,320** **Allocation Percentage – 0.565%**

Services Rendered – Provide computer help and training services.

Allocation Base – Number of computers, printers (adjusted to 25% since the Agency's own computer staff maintains the department's computers and internal network services). Only a partial downward adjustment was made. Figure does not reflect the full 75% adjustment; under review.

❖ **Application Dev./Support: \$11,905** **Allocation Percentage – 0.553%**

Services Rendered – Provide application development and database support services.

Allocation Base – Detailed time records of Information Systems Staff.

❖ **Web Services: \$5,847** **Allocation Percentage – 1.307%**

Services Rendered – Provide mainframe web services for City web pages.

Allocation Base – Number of full and part time employees.

❖ **Central Warehouse Services - \$699**

❖ **Central Warehouse Services - \$699** **Allocation Percentage – 0.427%**

Services Rendered – Store and deliver copy paper and other paper goods to the Agency.

Allocation Base – Actual expenditures in this category.

4439 OTHER COSTS



**ALLOCATION:
\$7,700**

The allocation covers the cable television costs for coverage of 14 televised Rent Control Board meetings at \$550 per meeting.

5501 CONTRACTUAL SERVICES



**ALLOCATION:
\$24,300**

❖ **Administration: \$11,800**

- Mailhouse services for mass mailings \$5,300
- Mailhouse services for two newsletters 5,000
- Access to the County Assessor's database through DataQuick 500

❖ **Hearings: \$11,000**

- Attorney service to serve subpoenas and advance witness fees \$1,200
- Storage, retrieval and destruction of files 9,800

❖ **Legal: \$1,500**

- Messenger service \$1,500

5506

**PROFESSIONAL
SERVICES**



**ALLOCATION:
\$66,500**

\$63,000 is allocated for professional services for the agency including the Board's lobbyist and other consulting services.

- ❖ The services of a real estate appraiser and contractor consultant are used in connection with removal permits and construction-related petitions.
- ❖ The lobbyist represents the Board's interests in Sacramento and for statewide and national legislative advocacy. Funds for travel-related expenses are included.
- ❖ Consulting services from various professionals including former Board employees.

\$3,500 is allocated for the following:

- ❖ Translation services for the newsletter, website, information sheets and other mailings.
- ❖ Interpreters at hearings and Board meetings and police/security services when needed.

5511

**LEGAL
EXPENSE**



**ALLOCATION:
\$50,000**

The allocation covers the direct costs of litigation, outside counsel, title searches, depositions, and a reserve for potential legal liabilities. If additional funds are needed to cover legal expenses, funds can be moved into the budget from the reserve fund designated for this purpose with the Board's authorization.

5521



TRAINING

**ALLOCATION:
\$12,000**

The Agency encourages staff to acquire training and skills that will enhance their contribution to the Agency and further their promotional opportunities. The allocation 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.

7724

**SERVICE
AGREEMENTS**



**ALLOCATION:
\$41,000**

This allocation covers the costs of purchasing service agreements for office equipment and computer hardware. In most cases, the agreements provide regular maintenance and repair of covered equipment at no additional cost. The allocation also includes funds to cover the cost of software maintenance/license agreements.

- Hewlett Packard Computer Hardware and Software \$21,576
- Microsoft License Agreements 7,000
- On Base and Ascent Scanning System 9,224
- Miscellaneous office equipment 3,200

**8820 BUILDING
RENOVATION**



**ALLOCATION:
\$1,000**

This allocation includes funds to cover costs to reconfigure various workspaces, if required, and other minor modifications to the Agency's space.

**8855 RESERVE FOR
CAPITAL EQUIPMENT**



**ALLOCATION:
\$0**

No reserve allocations are requested at this time.

ADMINISTRATION DEPARTMENT



<u>CLASSIFICATION</u>	<u>AUTHORIZED POSITIONS FY 2010/2011</u>	<u>ADOPTED POSITIONS FY 2011/2012</u>
Administrator	1.00	1.00
Office Coordinator	2.00	2.00
Systems Administrator/ Programmer Analyst	2.00	2.00
Database Coordinator	0.90	0.90
Total positions	5.90	5.90

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. The department is also responsible for maintaining the Agency's computer systems and databases.

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 two Office Coordinators perform the administrative, record-keeping, confidential support and clerical responsibilities for the Board and Administrator.

The three computer staff members maintain the database and word processing systems, generate computer reports, and coordinate 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.

HEARINGS DEPARTMENT



<u>CLASSIFICATION</u>	<u>AUTHORIZED POSITIONS FY 2010/2011</u>	<u>ADOPTED POSITIONS FY 2011/2012</u>
Hearing Examiner	2.80	2.90
Hearings Investigator	1.00	1.00
Budget/Office Coordinator	1.00	1.00
Staff Assistant III	1.00	1.00
Total positions	5.80	5.90

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. Members of the department work closely with the Building and Safety Department to encourage owners to make needed repairs of rent controlled units and with the Planning Department in reviewing plan check applications involving rent controlled properties.

Since the retirement of the Hearings Department Manager in October 2009 a Lead Hearing Officer has been designated to perform a variety of duties formerly performed by the Hearings Department Manager, including participating in the management team which oversees the operation of the Agency.

The Hearing Officers' major responsibilities are conducting administrative hearings, evaluating evidence and issuing written decisions based on the evidence. Administrative hearings are held on a variety of issues, including rent decreases, excess rent complaints, tenants not in occupancy, exemptions, registration of qualifying bootleg units, rent increases and base rent and amenities issues. In addition, the Hearing Officers prepare staff reports on certain exemption applications and administrative decisions not requiring a hearing. 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. In addition, she mediates a variety of issues outside the petition process. She also coordinates periodic seminars for tenants and owners.

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 Budget/Office Coordinator performs duties specific to the Hearings Department, directly supervises clerical staff throughout the Agency and prepares and monitors the Agency's budget including fiscal planning. In addition, she interacts with the public on a variety of matters, performs research and generates complex technical reports and is responsible for screening petitions and scheduling hearings.

The Staff Assistant, along with clerical staff from other parts of the Agency, provides support to the department through sending out notices of hearings, typing decisions, receiving and directing calls from the public, and processing documents for the document imaging system.

PUBLIC INFORMATION DEPARTMENT



<u>CLASSIFICATION</u>	<u>AUTHORIZED POSITIONS FY 2010/11</u>	<u>ADOPTED POSITIONS FY 2011/2012</u>
Public Information Manager	1.00	1.00
Sr. Administrative Analyst	1.00	1.00
Information Analyst	4.00	4.00
Information Coordinator	2.00	2.00
Sr. Information Coordinator	0.00	0.00
Billing Coordinator	1.00	1.00
Staff Assistant III	2.00	2.00
Total positions	11.00	11.00

DEPARTMENT DESCRIPTION

The Public Information Department's primary focus is responding to questions from the public about the Rent Control Law, as well as the current status and history of specific controlled units. The Department also informs the public about the Agency's services, using a variety of media to reach all of the Agency's constituents. In addition to publishing a twice-yearly newsletter and preparing three major reports annually, the Department maintains the Agency's website and social media presence; staffs seminars for tenants, landlords, and realtors; appears at public meetings throughout the City; and communicates with the public citywide through CityTV advertising and programming. The Department also expects to expand its public outreach via social media to communicate with Agency constituents even more fluidly.

As part of its public information and records-keeping mission, the Department archives data in hard-copy and electronic form that is used to research current lawful rent levels and to document administrative and legal activity affecting each controlled unit in the City.

The Public Information Manager plans the Department's work, supervises the Vacancy Increase Program, and participates on the management team that oversees the Agency's operation.

The Senior Administrative Analyst provides supervisory and program planning support for the department; heads debt collection efforts; investigates and processes owner-occupied exemption lapses; monitors deed restriction compliance; acts as departmental liaison with the Planning and Community Development Department on development review; conducts staff training; and works on special projects.

The Information Analysts and Information Coordinators are the primary contacts with the public and handle a variety of tasks centered on providing information regarding the Rent Control Law and regulations, related City and State laws, and Maximum Allowable Rent levels for controlled rental units. They process new and amended registration forms; review petitions filed by tenants and landlords; process and report on Ellis withdrawals and respond to public inquiries at the public counter, by phone and email. They also participate in community outreach through writing newsletter articles and presenting at tenant and landlord seminars.

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 registration fee waiver applications. She also processes Clean Beaches and Ocean Parcel Tax waiver applications and refunds.

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.

LEGAL DEPARTMENT



<u>CLASSIFICATION</u>	<u>AUTHORIZED POSITIONS FY 2010/2011</u>	<u>ADOPTED POSITIONS FY 2011/2012</u>
General Counsel	1.00	1.00
Sr. Litigation Staff Attorney	1.00	1.00
Staff Attorney	1.00	1.00
Legal Secretary	1.00	1.00
Total positions	4.00	4.00

DEPARTMENT DESCRIPTION

The Legal Department prepares and presents staff reports on appeal of hearings and administrative decisions, as well as removal applications.

A critical component of the Legal Department is defense of the Board's appellate decisions as well as litigating the legitimacy of the Rent Control Law and its implementing regulations.

The Legal Department serves as the Board's legal counsel providing advice on a myriad of legal topics. This includes drafting regulations and legal opinions. Legal staff also participates in discussions and critique with the Board's lobbyist and the City Manager's Office when bills are drafted for the State Legislature.

Legal staff oversees the Ellis withdrawal process, and along with the City Attorney's Office monitors these properties for compliance with use-restrictions imposed by the Ellis Act.

The Legal Department also works closely with the City's Planning and Building and Safety Divisions identifying bootleg (built without permits) residential units, and when local law allows, preserving them for continued occupancy. Legal staff and the City Attorney's Office work together in recognizing trends in the real estate market that could result in the loss of residential rental housing.

Legal staff advises the Information Coordinators and Information Analysts on rent control law issues. General Counsel sits on the management team of the Agency participating in the operational oversight of the Agency's functions.

The legal secretary supports the three attorneys in the department. Her duties include, formatting and word processing written materials, preparation of administrative records, maintaining the law library, keeping appeal and litigation calendars and answering the department's phone line. She also lends clerical assistance to the Agency.

ADMINISTRATION

OBJ	DESCRIPTION	FY 06-07 ACTUAL EXPENSES	FY 07-08 ACTUAL EXPENSES	FY 08-09 ACTUAL EXPENSES	FY 09-10 ACTUAL EXPENSES	FY 10-11 REVISED BUDGET	FY 10-11 PROJECTED EXPENSES	FY 11-12 ADOPTED BUDGET
1100	PERMANENT EMPLOYEE	348,426	393,070	641,437	665,060	681,325	671,990	711,979
1104	BOARD ALLOWANCE	6,075	6,675	4,800	6,000	6,375	7,125	6,375
1149	OVERTIME	601	549	653	691	600	1,030	600
1150	AS-NEEDED EMPLOYEES	0	0	0	0	0	0	0
1171	MEDICARE EMP CONT	2,671	3,971	9,382	9,790	9,888	9,943	10,332
1173	INS-COMPENSATION	22,800	19,100	19,800	19,900	20,800	20,800	17,798
1174	INS-EMPL HEALTH/DENT	31,544	30,040	79,771	83,154	82,726	82,996	85,770
11743B	Health	28,031	26,377	73,154	76,123	75,729	75,999	78,219
11748	Dental	3,112	3,265	5,790	6,199	6,175	6,175	6,730
11749	Vision	401	399	827	832	822	822	822
1177	RETIREMENT CONTRIB	50,647	59,420	98,365	96,555	105,542	106,072	130,568
1194	MEDICAL TRUST	5,112	5,538	10,224	10,224	10,224	10,224	10,224
1197	OTHER FRINGE BENEFIT	1,393	2,129	2,090	3,125	2,795	2,795	2,998
TOTAL SALARIES & WAGES		469,270	520,491	866,521	894,498	920,276	912,974	976,644
2221	UTIL-TELEPHONE	25,656	23,854	24,850	23,491	28,000	28,000	27,000
2231	OFFICE SUPPLIES	10,845	10,691	12,230	12,412	12,700	12,700	12,700
2232	POSTAGE	36,468	36,202	37,313	38,163	40,000	40,000	40,000
2233	INVENTORY ISSUES	4,535	3,424	3,822	4,597	4,400	3,763	4,400
2254	ADVERTISING	5,506	2,769	446	3,011	2,500	2,500	2,500
2261	EQUIPMENT RENTAL	76	48	48	48	120	44	120
2262	RENT	0	0	0	0	0	0	0
2271	AUTO REIMBURSEMENT	1,020	1,020	1,020	1,020	1,020	1,020	1,020
2272	MILEAGE	323	345	338	363	400	226	375
2282	CONF-MTGS-TRAVEL	6,707	7,642	5,911	6,813	7,200	7,200	7,200
2290	MEMBERSHIPS & DUES	620	479	0	25	100	0	100
2294	INS-VEHICLES	900	900	900	1,900	2,040	2,040	0
3302A	INS-COMPREHENSIVE			-7,640	0	700	700	0
3302B	INS-COMPREHENSIVE	38,168	41,921	30,232	8,669	10,308	15,385	20,618
4404	BOOKS & PERIODICALS	566	406	547	382	1,000	748	1,000
4411	PRINTING	25,099	23,653	24,285	25,454	30,745	30,745	31,800
4434	INDIRECT COSTS	268,156	237,545	237,725	267,442	278,769	278,769	287,132
4439	OTHER COSTS	30,474	30,950	34,686	25,092	32,700	32,700	7,700
5501	CONTRACTUAL SERVICE	18,554	15,894	15,963	16,946	19,000	13,000	11,800
5506	PROF SERVICES	45,699	46,310	83,149	66,526	62,000	60,637	66,500
5511	LEGAL EXPENSE	0	0	0	0	0	0	0
5521	TRAINING	975	1,223	2,285	3,267	3,000	3,000	3,000
7724	SERVICE AGREEMENTS	31,741	33,908	35,928	37,852	39,500	33,452	41,000
TOTAL SUPPLIES & EXPENSES		552,087	519,185	544,038	543,473	575,502	565,928	565,965
8803	COMPUTER SYSTEMS	7,219	7,436	8,389	4,919	5,200	5,200	5,200
8808	OFFICE EQUIPMENT	11,844	10,605	10,393	9,205	9,500	9,500	9,500
8820	BLDG. RENOVATION	952	4,170	813	2,983	1,000	1,000	1,000
8855	RESVE-SYST. UPGRADE	0	0	0	0	0	0	0
TOTAL CAPITAL OUTLAY		20,015	22,211	19,595	17,107	15,700	15,700	15,700
TOTAL BUDGET		1,041,372	1,061,888	1,430,154	1,455,077	1,511,478	1,494,602	1,558,309

HEARINGS

OBJ	DESCRIPTION	FY 06-07 ACTUAL EXPENSES	FY 07-08 ACTUAL EXPENSES	FY 008-09 ACTUAL EXPENSES	FY 09-10 ACTUAL EXPENSES	FY 10-11 REVISED BUDGET	FY 10-11 PROJECTED EXPENSES	FY 11-12 ADOPTED BUDGET
1100	PERMANENT EMPLOYEE	657,542	663,008	697,000	762,622	704,942	716,382	748,718
1104	BOARD ALLOWANCE	0	0	0	0	0	0	0
1149	OVERTIME	1,850	2,297	2,918	3,761	1,650	2,301	2,200
1150	AS-NEEDED EMPLOYEE	33,034	13,110	0	18,330	0	11,685	0
1171	MEDICARE EMP CONT	5,131	4,611	4,671	6,357	6,719	7,746	9,606
1173	INS-COMPENSATION	0	0	0	0	0	0	0
1174	INS-EMPL HEALTH/DENT	73,731	74,346	75,337	78,212	84,640	80,921	87,890
	Retiree Ins					8,640	8,379	12,375
11743B	Health	66,665	67,115	68,064	70,745	77,643	73,825	80,338
11748	Dental	6,224	6,418	6,446	6,612	6,175	6,176	6,730
11749	Vision	842	814	827	854	822	921	822
1177	RETIREMENT CONTRIB	93,292	110,000	108,912	103,945	112,577	116,687	133,988
1194	MEDICAL TRUST	10,224	9,656	10,224	9,798	10,224	10,224	10,224
1197	OTHER FRINGE BENEFIT	2,616	6,980	3,385	6,009	4,058	4,060	4,132
	TOTAL SALARIES & WAGES	877,420	884,008	902,446	989,034	924,810	950,007	996,759
2221	UTIL-TELEPHONE	0	0	0	0	0	0	0
2231	OFFICE SUPPLIES	111	55	359	0	400	279	400
2232	POSTAGE	0	0	0	0	0	17	0
2233	INVENTORY ISSUES	0	0	0	0	0	0	0
2254	ADVERTISING	0	0	0	0	0	0	0
2261	EQUIPMENT RENTAL	0	0	0	0	0	0	0
2262	RENT	25,265	23,831	8,206	12,144	15,552	13,729	1,100
2271	AUTO REIMBURSEMENT	2,400	2,400	2,400	600	0	0	0
2272	MILEAGE	34	16	0	0	0	0	0
2282	CONF-MTGS-TRAVEL	0	0	0	0	0	0	0
2290	MEMBERSHIPS & DUES	1,495	1,495	1,320	1,125	1,500	1,135	1,135
2294	INS-VEHICLES	0	0	0	0	0	0	0
3302A	INS-COMPREHENSIVE				0			
3302B	INS-COMPREHENSIVE	0	0	0	0	0	0	0
4404	BOOKS & PERIODICALS	0	40	0	0	200	0	200
4411	PRINTING	0	0	0	0	0	0	0
4434	INDIRECT COSTS	0	0	0	0	0	0	0
4439	OTHER COSTS	0	0	0	0	0	0	0
5501	CONTRACTUAL SERVICE	9,950	9,507	10,194	9,045	11,000	10,323	11,000
5506	PROF SERVICES	18,078	22,166	0	0	0	0	0
5511	LEGAL EXPENSE	0	0	0	0	0	0	0
5521	TRAINING	318	1,948	903	871	2,500	1,565	2,500
7724	SERVICE AGREEMENTS	1,110	1,135	0	1,000	0	0	0
	TOTAL SUPPLIES & EXPENSES	58,761	62,594	23,382	24,785	31,152	27,048	16,335
8803	COMPUTER SYSTEMS	0	0	0	0	0	0	0
8808	OFFICE EQUIPMENT	0	155	0	0	0	0	0
8820	BLDG. RENOVATION	0	0	0	0	0	0	0
8855	RESVE-SYST. UPGRADE	0	0	0	0	0	0	0
	TOTAL CAPITAL OUTLAY	0	155	0	0	0	0	0
	TOTAL BUDGET	936,181	946,758	925,828	1,013,819	955,962	977,055	1,013,094

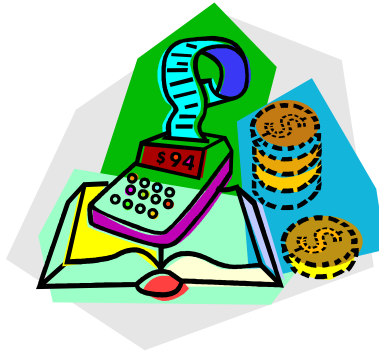
PUBLIC INFORMATION

OBJ	DESCRIPTION	FY 06-07 ACTUAL EXPENSES	FY 07-08 ACTUAL EXPENSES	FY 08-09 ACTUAL EXPENSES	FY 09-10 ACTUAL EXPENSES	FY 10-11 REVISED BUDGET	FY 10-11 PROJECTED EXPENSES	FY 11-12 ADOPTED BUDGET
1100	PERMANENT EMPLOYEE	1,106,523	1,064,215	817,547	791,773	917,355	924,459	975,206
1104	BOARD ALLOWANCE	0	0	0	0	0	0	0
1149	OVERTIME	2,088	4,350	2,334	1,202	2,500	1,271	2,000
1150	AS-NEEDED EMPLOYEES	24,097	1,059	20,340	9,506	0	3,195	0
1171	MEDICARE EMP CONT	13,096	13,231	11,085	10,339	12,246	12,717	13,057
1173	INS-COMPENSATION	0	0	0	0	0	0	0
1174	INS-EMPL HEALTH/DENT	150,726	147,359	123,254	121,029	132,826	121,206	131,517
11743B	Health	134,755	130,785	109,501	108,574	118,832	108,989	116,415
11748	Dental	14,076	14,696	12,191	11,034	12,351	10,711	13,460
11749	Vision	1,896	1,879	1,562	1,421	1,643	1,507	1,643
1177	RETIREMENT CONTRIB	159,183	173,221	127,405	111,850	143,824	142,960	181,250
1194	MEDICAL TRUST	24,708	23,004	19,312	17,608	18,744	18,744	18,744
1197	OTHER FRINGE BENEFIT	2,548	14,846	10,641	16,974	3,348	3,979	3,459
TOTAL SALARIES & WAGES		1,482,970	1,441,285	1,131,917	1,080,281	1,230,843	1,228,532	1,325,234
2221	UTIL-TELEPHONE	0	0	0	0	0	0	0
2231	OFFICE SUPPLIES	253	1,786	1,474	275	1,000	60	1,000
2232	POSTAGE	0	0	0	0	0	0	0
2233	INVENTORY ISSUES	0	0	0	0	0	0	0
2254	ADVERTISING	0	0	0	0	0	0	0
2261	EQUIPMENT RENTAL	0	0	0	0	0	0	0
2262	RENT	0	0	0	0	0	0	0
2271	AUTO REIMBURSEMENT	2,400	1,200	1,800	1,000	2,400	1,200	2,400
2272	MILEAGE	0	0	0	0	0	0	0
2282	CONF-MTGS-TRAVEL	0	0	0	0	0	0	0
2290	MEMBERSHIPS & DUES	0	0	0	100	100	125	125
2294	INS-VEHICLES	0	0	0	0	0	0	0
3302A	INS-COMPREHENSIVE	0	0	0	0	0	0	0
3302B	INS-COMPREHENSIVE	0	0	0	0	0	0	0
4404	BOOKS & PERIODICALS	0	0	0	44	0	0	0
4411	PRINTING	0	0	0	0	0	0	0
4434	INDIRECT COSTS	0	0	0	0	0	0	0
4439	OTHER COSTS	0	0	0	0	0	0	0
5501	CONTRACTUAL SERVICE	0	0	0	0	0	0	0
5506	PROF SERVICES	0	0	0	0	0	0	0
5511	LEGAL EXPENSE	0	0	0	0	0	0	0
5521	TRAINING	334	549	0	1,749	2,600	680	2,000
7724	SERVICE AGREEMENTS	0	0	0	0	0	0	0
TOTAL SUPPLIES & EXPENSES		2,987	3,535	3,274	3,169	6,100	2,065	5,525
8803	COMPUTER SYSTEMS	0	0	0	0	0	0	0
8808	OFFICE EQUIPMENT	0	0	0	0	0	0	0
8820	BLDG. RENOVATION	0	0	0	0	0	0	0
8855	RESVE-SYST. UPGRADE	0	0	0	0	0	0	0
TOTAL CAPITAL OUTLAY		0	0	0	0	0	0	0
TOTAL BUDGET		1,485,957	1,444,820	1,135,191	1,083,450	1,236,943	1,230,597	1,330,759

LEGAL

OBJ	DESCRIPTION	FY 06-07 ACTUAL EXPENSES	FY 07-08 ACTUAL EXPENSES	FY 08-09 ACTUAL EXPENSES	FY 09-10 ACTUAL EXPENSES	FY 10-11 REVISED BUDGET	FY 10-11 PROJECTED EXPENSES	FY 11-12 ADOPTED BUDGET
1100	PERMANENT EMPLOYEE	455,259	493,404	520,332	549,598	607,784	609,245	566,270
1104	BOARD ALLOWANCE	0	0	0	0	0	0	0
1149	OVERTIME	454	12	663	24	250	17	200
1150	AS-NEEDED EMPLOYEES	0	0	0	0	0	0	0
1171	MEDICARE EMP CONT	6,668	7,134	7,503	7,921	7,946	9,073	8,214
1173	INS-COMPENSATION	0	0	0	0	0	0	0
1174	INS-EMPL HEALTH/DENT	42,097	50,929	52,836	54,491	55,934	51,605	48,578
	Retiree Ins					6,237	7,924	9,932
11743B	Health	37,901	45,909	47,987	49,588	51,270	46,940	43,543
11748	Dental	3,717	4,473	4,297	4,348	4,117	4,116	4,487
11749	Vision	479	547	551	555	548	548	548
1177	RETIREMENT CONTRIB	60,944	81,279	82,040	82,350	88,378	87,629	108,989
1194	MEDICAL TRUST	6,248	6,816	6,816	6,816	6,816	6,816	6,816
1197	OTHER FRINGE BENEFIT	1,727	3,259	2,654	3,264	2,989	2,989	41
	TOTAL SALARIES & WAGES	573,398	642,831	672,844	704,464	770,098	767,374	739,107
2221	UTIL-TELEPHONE	0	0	0	0	0	0	0
2231	OFFICE SUPPLIES	174	3	194	72	0	5	0
2232	POSTAGE	0	0	0	0	0	0	0
2233	INVENTORY ISSUES	0	0	0	0	0	0	0
2254	ADVERTISING	0	0	0	0	0	0	0
2261	EQUIPMENT RENTAL	0	0	0	0	0	0	0
2262	RENT	0	0	0	0	0	0	0
2271	AUTO REIMBURSEMENT	2,195	2,400	2,400	2,400	2,400	2,400	2,400
2272	MILEAGE	0	0	0	0	0	0	0
2282	CONF-MTGS-TRAVEL	0	0	0	0	0	0	0
2290	MEMBERSHIPS & DUES	1,580	1,535	1,615	1,575	1,770	1,515	1,650
2294	INS-VEHICLES	0	0	0	0	0	0	0
3302A	INS-COMPREHENSIVE							
3302B	INS-COMPREHENSIVE	0	0	0	0	0	0	0
4404	BOOKS & PERIODICALS	11,729	10,833	11,793	13,185	11,700	14,037	14,500
4411	PRINTING	0	0	0	0	0	0	0
4434	INDIRECT COSTS	0	0	0	0	0	0	0
4439	OTHER COSTS	0	0	0	0	0	0	0
5501	CONTRACTUAL SERVICE	2,465	2,237	1,500	890	2,000	1,526	1,500
5506	PROF SERVICES	10,013	1,766	0	0	0	0	0
5511	LEGAL EXPENSE	12,062	44,700	8,597	37,720	50,000	53,000	50,000
5521	TRAINING	3,724	2,048	3,560	3,980	4,000	4,237	4,500
7724	SERVICE AGREEMENTS	0	0	0	0	0	0	0
	TOTAL SUPPLIES & EXPENSES	43,943	65,520	29,661	59,823	71,870	76,720	74,550
8803	COMPUTER SYSTEMS	0	0	0	0	0	0	0
8808	OFFICE EQUIPMENT	0	0	0	0	0	0	0
8820	BLDG. RENOVATION	0	0	0	0	0	0	0
8855	RESVE-SYST. UPGRADE	0	0	0	0	0	0	0
	TOTAL CAPITAL OUTLAY	0	0	0	0	0	0	0
	TOTAL BUDGET	617,341	708,351	702,505	764,287	841,968	844,094	813,657

REVENUE PROJECTION



Revenue for fiscal year 2011/2012 is projected to be \$4,199,010. The sources of the Agency's revenue are registration fees at \$156 per unit (\$13 per month per unit), interest earnings on unexpended Rent Control funds, fees 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.

Each year, staff projects the number of billable units for the upcoming fiscal year based on analysis of the Agency's database and projections of current trends such as Ellis withdrawals, exemptions, fee waiver applications and rates of TORCA unit sales. The number of billable units changes during the year. Units become exempt or fee waivers are granted making some units no longer billable, while other units previously exempt or otherwise not under Rent Control become billable units. For fiscal year 2010/2011, staff projected 26,450 units would be billed. For fiscal year 2011/2012 staff believes the number of billable units will remain the same and is projecting 26,450 units will be billed.

Past Due Registration Fees

In addition to registration fees paid for each controlled unit, the Agency collects fees due from prior years during the course of the fiscal year. Staff has been actively working with property owners who owe registration fees. If informal negotiations are unsuccessful, staff will file small claims cases in order to collect

monies due to the Board. Staff is projecting that \$25,000 in past due fees will be collected during fiscal year 2011/2012.

Registration Fee Refunds

Sometimes after registration fees have been paid for a unit, that unit receives a fee waiver or an exemption. In those instances, refunds are issued. Fee waivers are granted throughout the fiscal year for owner-occupied units and units occupied by low income senior and disabled tenants and tenants with Section 8 vouchers.

Refunds are also issued for overpayments of billed fees. Overpayment refunds are unpredictable and can vary widely from year to year. In recent years, staff has diligently updated and adjusted Agency billing records as soon as relevant information is available. This process has helped reduce the number of overpayment refunds, although overpayments are still made for a variety of reasons.

For fiscal year 2010/2011, it appears total refunds will be approximately \$19,000. Staff projects refunds for 2011/2012 will be a little less and is projecting \$17,000 to be disbursed for refunds.

Based on an estimate of 26,450 controlled billable rental units with a registration fee of \$13 per month, the revenue from registration fees (current and past due) would be \$4,151,200. Net registration fees after subtracting projected refunds (\$17,000) would be \$4,134,200.

Interest Earnings

Another significant source of revenue is interest earnings on City-invested Rent Control funds. Staff estimates the interest earnings for fiscal year 2011/2012 will be \$55,810. The City Treasurer is estimating a rate of return on invested funds of 1.6%. Staff uses the same rate to estimate Board interest earnings on a declining balance.

Administrative Records

The Agency provides administrative records as a service to members of the public who request them. Staff estimates that the Agency will receive \$3,000 in administrative records fees in 2011/2012.

Filing Fees

In June of 1999, the Board adopted two filing fees: a \$50 fee for processing a Vacancy Unit Registration on a property which has an owner-occupied exemption and a \$100 fee for processing an owner-occupied exemption

application. The majority of filing fees collected each fiscal year are attributed to owner-occupied exemption applications. Total projected filing fees are \$3,000.

Miscellaneous Charges

Miscellaneous charges, such as those for photocopies, prints from the computerized site file documents and public records requests, are projected to be \$3,000.

SOURCES OF REVENUE

Registration Fees - 26,450 units	\$4,126,200	
Past Due Registration Fees	25,000	
Refunded Registration Fees	- 17,000	
Registration Fees Subtotal		4,134,200
Interest Earnings @ 1.6%		55,810
Administrative Records Charges		3,000
Filing Fees		3,000
Miscellaneous Charges		<u>3,000</u>
Total Revenue		\$4,199,010

Total Projected Revenue	\$4,199,010
Total Projected Expenditures	- 4,718,976
Revenue less Expenditures	\$ (519,966)

RESERVES

At the end of fiscal year 2010/2011, the Agency's undesignated fund balance, which is the Agency's "safety net" in case of emergency, is projected to be \$1.7 million. The proposed budget has a deficit of \$519,966. That shortfall will be covered from the undesignated reserve fund.

The City's reserve fund policies require the City to maintain a level of reserves that is equal to at least 10% of the following year's operating budget and to

maintain a designation in the general fund for earned but unused vacation and sick leave benefits. Staff believes it is prudent for the Agency to follow similar policies. Under these guidelines, the Agency should maintain, at a minimum, \$880,000 in reserves through fiscal year 2011/2012.

DESIGNATED BALANCE SHEET RESERVES

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

The Agency's Designated Balance Sheet Reserves will total \$58,975 at the end of fiscal year 2011/2012; \$41,975 reserved for Legal Expenses and \$17,000 reserved for Election Costs.

Reserve Name	2011/2012 Reserves
Legal Expenses	\$41,975
Election Costs	\$17,000
Totals	\$58,975