

# AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: September 20, 2017

Final Decision Date Deadline: September 20, 2017

**STATEMENT OF THE ISSUE:** On May 24, 2017, the Rent Board adopted amended Fiscal Year 2016-17 and Fiscal Year 2017-18 Rent Program budgets. Section 11.100.060(n) of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance provides at any meeting after the adoption of the budget, the Board may amend or supplement the budget by the affirmative votes of at least three members. Based on rent program best practices and discussions with staff members in the Human Resources, Finance, and City Manager's Office departments, the Executive Director has prepared an amended Fiscal Year 2017-18 Rent Program Budget for the Board's consideration.

## INDICATE APPROPRIATE BODY

- |   |   |  |  |   |
|---|---|--|--|---|
| <input type="checkbox"/> City Council               | <input type="checkbox"/> Redevelopment Agency                             | <input type="checkbox"/> Housing Authority     | <input type="checkbox"/> Surplus Property Authority          | <input type="checkbox"/> Joint Powers Financing Authority |
| <input type="checkbox"/> Finance Standing Committee | <input type="checkbox"/> Public Safety Public Services Standing Committee | <input type="checkbox"/> Local Reuse Authority | <input checked="" type="checkbox"/> Other: <u>Rent Board</u> |   |

## ITEM

- |   |  |                                 |
|---|--|---------------------------------|
| <input type="checkbox"/> Presentation/Proclamation/Commendation (3-Minute Time Limit) |  |                                 |
| <input checked="" type="checkbox"/> Public Hearing                                    | <input type="checkbox"/> Regulation  | <input type="checkbox"/> Other: |
| <input type="checkbox"/> Contract/Agreement   | <input type="checkbox"/> Rent Board As Whole                                     |                                 |
| <input type="checkbox"/> Grant Application/Acceptance                                 | <input type="checkbox"/> Claims Filed Against City of Richmond                   |                                 |
| <input type="checkbox"/> Resolution   | <input type="checkbox"/> Video/PowerPoint Presentation (contact KCRT @ 620.6759) |                                 |

**RECOMMENDED ACTION:** ADOPT an amended Fiscal Year 2017-18 Rent Program Budget – Rent Program (Nicolas Traylor 620-6564).

AGENDA ITEM NO:

**H-1.**

***This page intentionally left blank***



# AGENDA REPORT

**DATE:** September 20, 2017

**TO:** Chair Gray and Members of the Rent Board

**FROM:** Nicolas Traylor, Executive Director

**SUBJECT:** AMENDED FISCAL YEAR 2017-18 RENT PROGRAM BUDGET

## **STATEMENT OF THE ISSUE:**

On May 24, 2017, the Rent Board adopted amended Fiscal Year 2016-17 and Fiscal Year 2017-18 Rent Program budgets. Section 11.100.060(n) of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance provides at any meeting after the adoption of the budget, the Board may amend or supplement the budget by the affirmative votes of at least three members. Based on rent program best practices and discussions with staff members in the Human Resources, Finance, and City Manager's Office departments, the Executive Director has prepared an amended Fiscal Year 2017-18 Rent Program Budget for the Board's consideration.

## **RECOMMENDED ACTION:**

ADOPT amended Fiscal Year 2017-18 Rent Program Budget – Rent Program (Nicolas Traylor 620-6564).

## **FISCAL IMPACT:**

The proposed amendments to the adopted Fiscal Year 2017-18 Rent Program budget result in a net reduction of \$6,036, not including the corresponding decrease in the Operating and Risk reserves (budgeted at 17 and eight percent, respectively, of the total operating budget). The total net reduction between the adopted and revised Fiscal Year 2017-18 Rent Program budget, including the reduction in Operating and Risk reserves, is \$7,548.

## DISCUSSION:

### Background

As provided in Section 11.100.060(n) of the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance, the Board may adopt revisions to an adopted budget by the affirmative vote of at least three Boardmembers. Copies of the adopted budget and any amendments or supplements shall be filed with the City Clerk and City Manager.

The adopted Fiscal Year 2017-18 Rent Program Budget was prepared under the assumption that permanent Rent Program staff would be employed for the duration of the Fiscal Year. As of late September, 2017, a majority of Rent Program staff have yet to be retained (a timeline for hiring and onboarding these staff members is presented in Item J-3.) The Amended FY 17-18 Rent Program Budget (Amended FY 17-18 Budget) therefore reflects the actual number of months each position is expected to be filled during the fiscal year, as recommended by the Finance Department.

On July 13, 2017, Nicolas Traylor began his employment in the City of Richmond as the Executive Director of the Rent Program. Following discussions with the Human Resources Department, it became apparent that a number of personnel modifications would be advantageous to the future development of the Rent Program. These modifications are discussed in Attachment 1. A list of proposed revisions, and the fiscal impact of each change, is detailed in Attachment 3.

### Summary of Revisions

The amended FY 2017-18 Budget contains proposed revisions in three broad categories, as identified in Attachment 3:

- **Personnel Modifications**, to reflect the actual hiring timeline as well as the reclassification of the Executive Director position and replacement of a Senior Management Analyst with a Project Manager I.
- **Deletions/Reductions** in a Code Enforcement Officer I and contract services
- **Additions/Increases** in part-time Administrative Student Interns to provide support during the transition period as permanent staff are onboarded and trained, a Staff Attorney, Staff Hearing Examiner, contracts with subject matter experts to assist with the drafting and reviewing of essential regulations, and an increase in Legal Services and/or Additional Legal Counsel to assist Landlords and Tenants.

### Impact on Fiscal Year 2018-19 Rent Program Budget

The significant costs associated with the addition of a Staff Attorney and Hearing Examiner, as well as reclassification of the Executive Director position and replacement of the Senior Management Analyst with a Project Manager I, are largely offset in the

## ITEM H-1

Amended FY 17-18 Budget by the cost savings due to the delay in retaining Management Analyst I/II, Administrative Aide, and Associate/Administrative Analyst positions (Attachment 3). While it is expected that these revisions may generate concerns about the future costs required to support the Rent Program, the preparation of an Anticipated Fiscal Year 2018-19 Budget reveals that these changes, when implemented for a full fiscal year, result in an approximate four percent (4.0%) increase in the total budget, due in large part to the reduced need for contract services (Attachment 6).

### Relationship to Adopted Fiscal Year 2017-18 Residential Rental Housing Fee

If the Rent Board elects to adopt the proposed Amended FY 17-18 Budget, staff members recommend that the cost savings associated with the revisions are incorporated in the Fiscal Year 2018-19 Residential Rental Housing Fee study, such that any reserves due to excess Residential Rental Housing Fees are included in the calculation of the Fiscal Year 2018-19 Residential Rental Housing Fee. This approach will avoid the need for the Rent Board to reconsider the previously approved Fiscal Year 2017-18 Fee Study and associated fees adopted by the City Council on July 25, 2017.

### **DOCUMENTS ATTACHED:**

Attachment 1 – Summary of Proposed Modifications

Attachment 2 – Proposed Draft Organizational Chart

Attachment 3 – Proposed Revisions to Adopted Fiscal Year 2017-18 Rent Program Budget

Attachment 4 – Proposed Amended Fiscal Year 2017-18 Rent Program Budget

Attachment 5 – Amended Fiscal Year 2016-17 and Draft 2017-18 Rent Program Budgets Adopted May 24, 2017

Attachment 6 – Anticipated Draft Fiscal Year 2018-19 Rent Program Budgets (For illustrative purposes only)

***This page intentionally left blank***

**OVERVIEW AND DISCUSSION OF PROPOSED BUDGET MODIFICATIONS**

**September 20, 2017**

**Part I. Background**

***The revised FY 17-18 budget accounts for the Executive Director's experience operating a rent control program in a peer jurisdiction***

The Executive Director began his employment with the City of Richmond Rent Program on July 13, 2017. With 13 years of experience administering and managing the day-to-day realities of an established rent control program, one of the Executive Director's first tasks was to carefully examine the adopted budget. Based on this review, revisions have been proposed to ensure the budget accurately accounts for the number of current and future staff employed in the Program and incorporates additional best practices for administering a rent control program.

***The revised FY 17-18 budget reflects the unique needs of a startup rent control program***

Fiscal Year 2017-18 is the first full fiscal year of Rent Program operations. During this startup phase, it is especially critical to fund the Program adequately to achieve functionality in all of the Program divisions (hearings, legal, public information/outreach, database development, counseling and compliance). Supporting the Rent Program with the required number of staff in the startup phase will avoid challenges caused by underfunding the program. In the City of East Palo Alto, a lack of resources hindered program administration and services, which in turn necessitated an additional investment in staff time to study the problem and correct errors through retaining the appropriate number of staff.<sup>1</sup>

***The current Rent Program is only partially operational***

Currently, the Rent Program is running on two out of the eight required cylinders. Perhaps most notably, there is no hearings unit. In addition, the program is hindered by a lack of legal support. While Michael Roush has been an invaluable asset to the program, the number of hours he is able to allocate to the Rent Program is not enough to sustain daily operations.

***Student intern counselors are not sustainable***

The Rent Program has been fortunate to work with a number of talented student interns and volunteers who provide counseling services to Landlords and Tenants. Many cases are complex and require a greater level of legal knowledge and analysis, currently requiring involvement from the Executive Director and Management Analyst. By comparison, housing counselors in other rent control agencies are typically professional level staff, usually with advanced degrees and extensive experience in public administration.

---

<sup>1</sup> Barton, Stephen. "Review of the City of East Palo Alto Rent Stabilization Program. 1/28/15. PDF. Accessed 9/15/17. <http://www.ci.east-palo-alto.ca.us/DocumentCenter/View/2049>.

# ITEM H-1 ATTACHMENT 1

***Administrative support is needed for enrollment and billing of the Residential Rental Housing Fee***

The Fiscal Year 2017-18 Rent Program Budget adopted by the Rent Board on May 24, 2017, provides for one Administrative Trainee and one Assistant/Associate Administrative Analyst. These positions will support the enrollment of Rental Units and billing of the Residential Rental Housing Fee. As indicated in the Proposed Budget Revisions (Attachment 3), the Administrative Aide position is anticipated to be a more appropriate fit for the desired program functions. Administrative Aide and Assistant/Associate Administrative Analyst job announcements were posted by the Human Resources Department in August and closed on September 1, 2017. Staff members are in the process of reviewing applications and scheduling interviews.

***The revised budget will allow for the program to become fully functional during the current fiscal year and remains within the envelope of the adopted budget***

In order to be fully functional, the Rent Program must operate hearings, legal and public information units. The revised Fiscal Year 2017-18 budget not only remains within the envelope of the previously adopted budget, but will allow the Rent Program to achieve full functionality within the current fiscal year.

***All startups require cash advances and carry inherent risk***

One of the primary concerns brought to the Executive Director's attention by City staff was whether it was wise to retain all of the necessary staff positions when it is unknown how much revenue the Rent Program will collect in its first year. All start-ups, whether in the private or public sector, require initial cash infusions. In the Rent Program's case, the City of Richmond must float the Program until it is self-sustaining. The Rent Program must be adequately staffed in order to become self-sustaining. Compliance with payment of the Residential Rental Housing Fees requires staff to conduct outreach, investigate properties to determine if a unit is truly exempt from the Ordinance, assess late penalties and liens, and administer the petition process to leverage the enforcement mechanism built into the Ordinance.

***There are legal implications of not fully staffing the program***

There are also legal implications of delaying the process to retain staff and utilizing outside contractors to adjudicate petition cases or represent the Board. The longer it takes to achieve full functionality, specifically with regard to the hearings process, the more likely it is that the Program may face legal challenge, compromising the reputation of the Rent Program and the City.



# ITEM H-1 ATTACHMENT 1

## Part II. Discussion of Personnel Modifications

***The replacement of a contract attorney and hearing examiner with City staff has benefits for the short- and long-term development of the Rent Program***

***A contract hearing examiner would be limited in the services they would be able to provide***

***The Staff Attorney would represent the Executive Director and Rent Program, akin to the relationship between the City Attorney and City Manager***

One of the most significant proposed changes to the Revised Fiscal Year 2017-18 Rent Program budget is the replacement of a contract attorney and hearing examiner with Staff Attorney and Hearing Examiner City staff positions. These classifications must be approved by the Personnel Board and City Council. The Assistant City Attorney salary range was inserted into the budget as a placeholder for both positions.

A staff Hearing Examiner is recommended and included in the Revised FY 17-18 Rent Program Budget for the following reasons :

- (1) An in-house hearing examiner is the standard for rent control agencies. A Hearing Examiner is essentially an administrative law judge. They would represent the Rent Program and Rent Board and therefore, any decision rendered could be challenged in court through a writ. Hiring a contract hearing examiner would likely result in having a hearing examiner who might work for other agencies (possible conflict) or may be a practicing attorney themselves (possible conflict).
- (2) Additionally, a contract hearing examiner would be limited in what services they could perform for the Rent Program. Hearing examiners in established agencies such as Berkeley, Santa Monica, and Oakland are able to provide nuanced training and are generally the most versed in rent regulations (and how they intersect with the Ordinance) and therefore provide the best on-site counsel to housing counselors and other staff on the Ordinance and associated regulations. Conversely, a contract hearing examiner would not be available to provide real-time counsel to staff.
- (3) Finally, on-site hearing examiners are needed to provide onsite training (day to day and scheduled) for housing counselors, because they actually understand the nuances of rent regulations and their application in the real world. A contract hearing examiner would be less vested in the program, unable to provide day to day support for staff, and would need to be paid additionally for any special trainings or unforeseen increases in hearings.

A Staff Attorney is recommended and included in the Revised FY 17-18 Rent Program Budget for the following reasons :

- (1) Hiring in-house legal staff was recommended by cohort Rent Program Executive Directors as being one of the recommended

# ITEM H-1 ATTACHMENT 1

***Additional benefits of a Staff Attorney include potential cost-savings and the added benefit of being able to discuss decisions in real time, face-to-face, on a regular and ongoing basis***

first tasks. An in-house staff attorney works solely for the Rent Program, and solely represents the Rent Program. Retaining a Staff Attorney will allow for the program to provide ongoing direct support to housing counselors, who provide direct services to members of the community. A Staff Attorney also provides minute- to- minute legal counsel for the Executive Director, in the same way that a City Attorney provides legal counsel to the City Manager.

- (2) Additionally, contract legal services may be less cost-effective. An in-house Staff Attorney would be salaried, not paid hourly as contract legal counsel is. Staff would be able to squeeze a lot more legal support from in-house legal counsel whose services can be employed without worrying about how many billable hours would be expended.
- (3) Finally, especially at the beginning of the Program, it is essential for the Executive Director to have counsel throughout the day to make sure that any decisions made by staff are legally defensible.

***The Administrative Aide classification is more appropriate than the Administrative Trainee***

After consulting with staff members in the Human Resources Department, the Administrative Aide was determined to be a better fit for the desired duties. The Administrative Trainee is more entry level than the Administrative Aide. Considering the complexity of instituting a new rent control agency, it is important to recruit staff positions that will require minimal training on basic clerical skills and tasks. The pay difference between the two positions is negligible.

***The Project Manager I classification is more appropriate than Senior Administrative Analyst for the Deputy Director position, for several reasons***

One of the key organization maxims that the Executive Director has gleaned from 20 years in public service is that organizations (especially smaller organizations such as the Rent Program) should not have too many levels of supervision. With only eight full time staff anticipated for the fully-loaded Rent Program, there should only be one additional supervisor outside of the Executive Director. In Berkeley, the Human Resources Department called having too many supervisors the “three-headed dragon”- scary and problematic, because the three heads often have different management philosophies, which impairs accountability. Furthermore, in a smaller organization, the separation between the Executive Director and Deputy Director should be less than in a larger organization with multiple levels of management. This will allow for a more seamless transition when the Deputy Director is tasked with having to act as the Executive Director. Second, in a smaller organization,

## ITEM H-1 ATTACHMENT 1

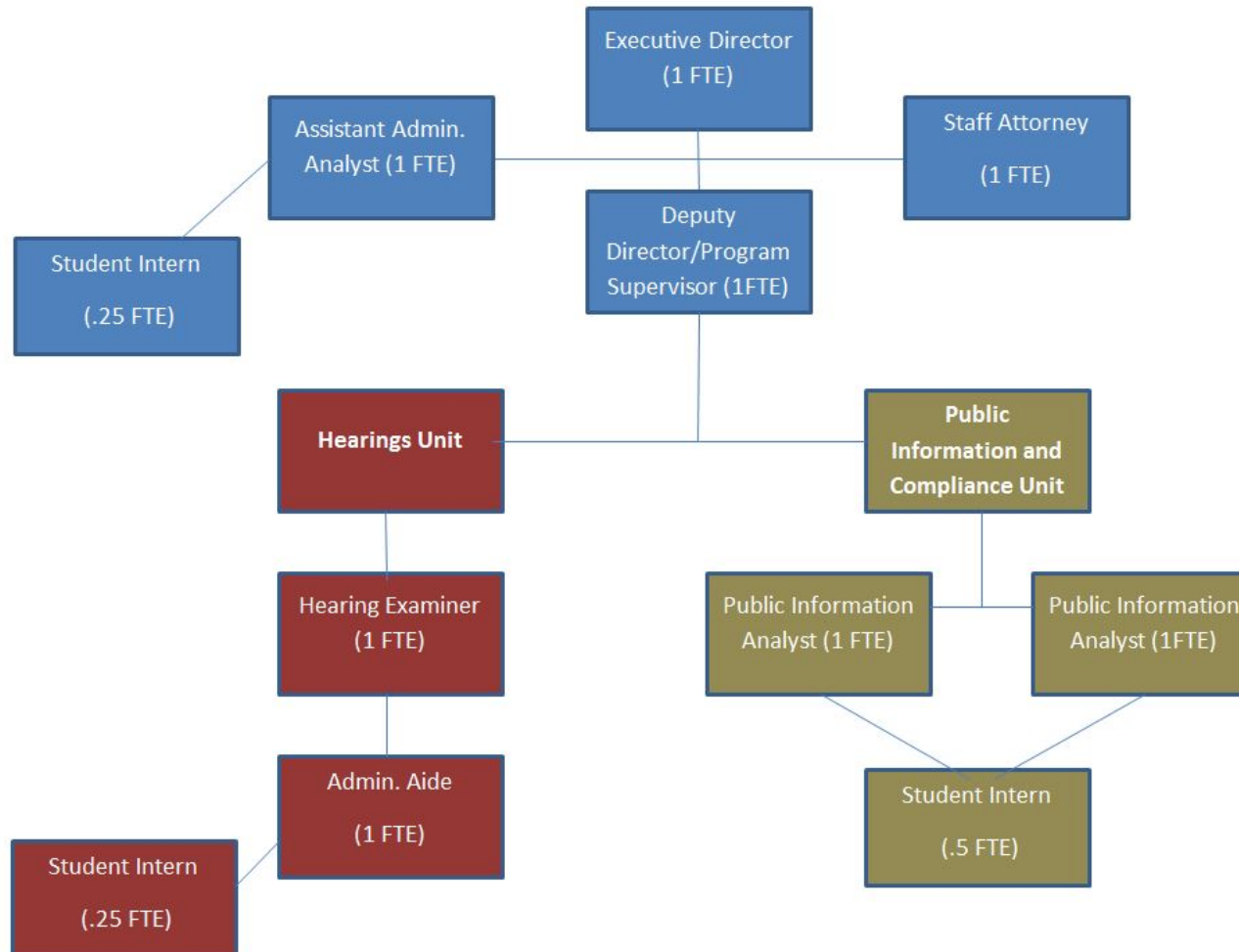
it is important that the first level of management (in this case, the Deputy Director) serve at the pleasure of the Executive Director, so as to avoid potential dysfunction from differing management priorities. This is especially true during the start-up phase of an organization. As a result of this reasoning, it has been determined it is in the best interest of the organization to keep the lines of authority close, which means that the Senior Management Analyst should be replaced by a Project Manager I (an exempt position).

***The Project Manager II classification is more appropriate for the Executive Director role***

When the Executive Director position was announced and selected, it was based on the Project Manager I position, which, in terms of salary, is at the lower end of a department head. After consulting with staff members in the Human Resources Department, it was made clear that a more appropriate salary range for the ED is in the Project Manager II range. The Richmond Rent Program, like most rent control programs, is at constant risk of legal challenges and will face a degree of scrutiny that few department heads face, considering its independence from the City Manager and City Council, and considering the barrage of stress resulting from managing a highly contentious issue such as rent control. It is no surprise then, that most Executive Directors in peer jurisdictions are compensated at a level that is equivalent to other department heads providing essential City services. While the Project Manager III position would be more in line with the salary range of Executive Directors in peer jurisdictions, the Project Manager II range for the Richmond Executive Director is more appropriate in the context of the City's Executive Management Salary schedule.

***This page intentionally left blank***

CITY OF RICHMOND RENT PROGRAM  
PROPOSED DRAFT ORGANIZATIONAL CHART  
September 20, 2017



***This page intentionally left blank***

Proposed Revisions to Adopted Fiscal Year 2017-18 Rent Program Budget

PERSONNEL MODIFICATIONS - REFER TO REVISED BUDGET (ATTACHMENT 2)					
Location	Description of Change	Adopted Amount	Proposed Amount	Net Change	Rationale/Description
Cell O13	Temporary Reclassification of Executive Director Position to Project Manager II classification until Executive Director classification is officially created. <b>NOTE: This budget does not increase the ED's salary, but PM II allows Board greater flexibility for setting ED's future salary and falls within the mid-range for department heads.</b>	\$214,908	\$214,908	\$0	Project Manager II range provides greater flexibility in terms of the salary range for a Department Head. The Project Manager II is a placeholder for the creation of the Executive Director classification, pending approval by the Personnel Board and City Council. At this time, the Executive Director title is a working title.
Cell O16	Replacement of Senior Management Analyst with Project Manager I (placeholder classification only, while position is being created.)	\$153,394	\$150,418	-\$2,976	The Project Manager I title is a placeholder for the creation of the Deputy Director classification. Pending approval by the Personnel Board and City Council, the Deputy position will be an exempt position and the incumbent will serve at the pleasure of the Executive Director. As such, the Exempt Project Manager I classification is more desirable than the Senior Management Analyst.
Cell O21	Replacement of Administrative Trainee with Administrative Aide (8 months)	\$110,000	\$69,465	-\$40,535	Adjustment to reflect hiring timeline; Administrative Aide better suited to fulfill required job functions.
Cell O17	(1) Modification of Management Analyst I/II salary to reflect a 2.0% salary adjustment consistent with City policy for employees fluent in another language who are able to assist members of the public because of this ability and (2) adjustment of Management Analyst I/II cost to reflect 7 months.	\$136,059	\$80,963	-\$55,096	Adjustment to reflect hiring timeline; salary reflects increase due to fluency in another language.
Cell O18	(1) Modification of Management Analyst I/II salary to reflect a 2.0% salary adjusted consistent with City policy for employees fluent in another language who are able to assist members of the public because of this ability and (2) adjustment of Management Analyst I/II cost to reflect 7 months.	\$136,059	\$80,963	-\$55,096	Adjustment to reflect hiring timeline; salary reflects increase due to fluency in another language.
Cell O19	Adjustment of Assistant/Associate Administrative Analyst to reflect 8 months	\$136,059	\$90,706	-\$45,353	Adjustment to reflect hiring timeline
		<b>Subtotal Net Change</b>		<b>(\$199,056)</b>	<i>Due to salary savings associated with an incremental hiring approach and position reclassifications.</i>
DELETIONS/REDUCTIONS - REFER TO ORIGINAL BUDGET ADOPTED MAY 24, 2017 (ATTACHMENT 3)					
Location	Description of Change	Adopted Amount	Proposed Amount	Net Change	Rationale/Description
Cell L19	Deletion of Code Enforcement Officer	\$50,006	\$0	-\$50,006	Associated tasks assigned to Management Analyst; avoids complications of employee functioning in multiple departments (i.e. accountability and reporting concerns). In-house enforcement and collection staff (Analyst) allow for enforcement coupled with staff specifically trained in the Ordinance and can provide holistic counseling and better service.
Cell L57	Deletion of Relocation Assistance Contract	\$10,000	\$0	-\$10,000	Relocation assistance reserve may be generated in future by policy of the Rent Board or City Council
Cell L58	Reduction of Mediation Contract by 50%	\$60,000	\$30,000	-\$30,000	Within 17-18 fiscal year, staff will be trained to conduct mediations
Cell L59	Deletion of Contract Hearing Examiner Services	\$80,000	\$0	-\$80,000	Unnecessary due to staff hearing examiner recruitment
		<b>Subtotal Net Change</b>		<b>(\$170,006)</b>	<i>Due to decreased need for contract services once permanent staff are retained.</i>
ADDITIONS/INCREASES - REFER TO REVISED BUDGET (ATTACHMENT 2)					
Location	Description of Change	Adopted Amount	Proposed Amount	Net Change	Rationale/Description
Cell O24	Addition of Part-Time Administrative Intern	\$0	\$15,506	\$15,506	Necessary during transition and permanent staff onboarding phase
Cell O25	Addition of Part-Time Administrative Intern	\$0	\$15,506	\$15,506	Necessary during transition and permanent staff onboarding phase
Cell O14	Addition of Staff Attorney (6 months in FY 17/18)	\$0	\$108,754	\$108,754	The long-term development of the Rent Program will benefit from a City staff person who shall function as the Board's Staff Attorney. The Staff Attorney position must be approved by the Personnel Board and City Council.
Cell O15	Addition of Hearing Examiner (6 months in FY 17/18)	\$0	\$108,754	\$108,754	The long-term development of the Rent Program will benefit from a City staff person who shall function as the Board's Hearing Examiner. The Hearing Examiner position must be approved by the Personnel Board and City Council.
Cell O59	Addition of Contracts with Subject Matter Experts to prepare regulations	\$0	\$30,000	\$30,000	Consultation with subject matter experts necessary to draft and review regulations, specifically those concerning Fair Rate of Return
Cell O45	Increase in Legal Services and/or Additional Legal Counsel	\$135,494	\$150,000	\$14,506	Additional funds are anticipated to be necessary for legal services, particularly in the context of contracting with multiple service providers to compile a list of qualified service providers for landlords and tenants.
Cell O43	Increase in funds for anticipated litigation	\$50,000	\$120,000	\$70,000	Additional funds are anticipated to be necessary to defend the Ordinance and implementation of the Rent Program.
		<b>Subtotal Net Change</b>		<b>\$363,026</b>	<i>Due to addition of in-house staff positions and anticipated increased need for contract legal services for litigation and legal support for landlords and tenants.</i>
		<b>SUBTOTAL NET CHANGE</b>		<b>(\$6,036)</b>	
		<b>Adopted FY 2017-18 Budget:</b>		<b>\$2,425,355</b>	
		<b>Proposed Revised FY 2017-18 Budget:</b>		<b>\$2,417,807</b>	
		<b>TOTAL NET CHANGE BETWEEN ADOPTED AND REVISED BUDGET</b>		<b>(\$7,548)</b>	

***This page intentionally left blank***



B	D	E	F	G	H	I	J	K	M	O	P	
<b>PROPOSED AMENDED FISCAL YEAR 2017-18 RENT PROGRAM BUDGET</b>												
1											<b>TOTAL ALLOCATED</b>	<b>Comments</b>
10	<b>Personnel - Salary &amp; Benefits</b>											
11			<b>FY 17-18 Months Employed</b>	<b># Months</b>	<b>Salary/ Month</b>	<b>FY 17-18 Salary</b>	<b>Benefits (at 55% of Salary)</b>	<b>Annual Salary &amp; Benefits</b>	<b>TOTAL (1 employee)</b>			
12	<b>Title</b>	<b>Personnel Classification</b>					0.55				<b>Salary Assumptions (Started at Step III in FY 16-17; Step IV in FY 17-18)</b>	
13	Executive Director	Project Manager II (PLACEHOLDER)	07/17 - 06/18	12	\$ 11,554	\$ 138,650	\$ 76,258	\$ 214,908	\$ 214,908	\$ 214,908	\$9,024 - \$14,364	
14	Deputy Director	Project Manager I (PLACEHOLDER)	07/17 - 06/18	12	\$ 8,087	\$ 97,044	\$ 53,374	\$ 150,418	\$ 150,418	\$ 150,418	\$8,087 - \$12,873	
15	Staff Attorney	Assistant City Attorney (PLACEHOLDER)	01/18 - 06/18	6	\$ 11,694	\$ 70,164	\$ 38,590	\$ 108,754	\$ 108,754	\$ 108,754	\$9,024 - \$14,364	
16	Hearing Examiner	Assistant City Attorney (PLACEHOLDER)	01/18 - 06/18	6	\$ 11,694	\$ 70,164	\$ 38,590	\$ 108,754	\$ 108,754	\$ 108,754	\$9,024 - \$14,364	
17	Housing Counselor	Management Analyst I/II* (step IV)(includes 2% salary increase for fluency in another language)	11/17 - 06/18	7	\$ 7,462	\$ 52,234	\$ 28,729	\$ 80,963	\$ 80,963	\$ 80,963	\$6,357 \$6,674 \$6,977 \$7,315 \$7,684	
18	Housing Counselor	Management Analyst I/II* (step IV) (includes 2% salary increase for fluency in another language)	11/17 - 06/18	7	\$ 7,462	\$ 52,234	\$ 28,729	\$ 80,963	\$ 80,963	\$ 80,963	\$6,357 \$6,674 \$6,977 \$7,315 \$7,684	
19	Administrative Analyst/Rent Board Clerk	Assistant/Associate Administrative Analyst* (step IV)	10/17 - 06/18	8	\$ 7,315	\$ 58,520	\$ 32,186	\$ 90,706	\$ 90,706	\$ 90,706	\$6,357 \$6,674 \$6,977 \$7,315 \$7,684	
20	Administrative Aide	Administrative Aide* (step IV)	10/17 - 06/18	8	\$ 5,602	\$ 44,816	\$ 24,649	\$ 69,465	\$ 69,465	\$ 69,465	\$4,910 \$5,115 \$5,360 \$5,602 \$5,873	
21	Student Intern	Administrative Student Intern (P/T - 15 hrs./wk.)	07/17 - 06/18	12	\$ 1,292	\$ 15,506				\$ 15,506	\$15.54 \$17.20 \$18.81 \$20.51 \$22.07	
22	Student Intern	Administrative Student Intern (P/T - 15 hrs./wk.)	07/17 - 06/18	12	\$ 1,292	\$ 15,506				\$ 15,506	\$15.54 \$17.20 \$18.81 \$20.51 \$22.07	
23	Student Intern	Administrative Student Intern (P/T - 15 hrs./wk.)	07/17 - 06/18	12	\$ 1,292	\$ 15,506				\$ 15,506	\$15.54 \$17.20 \$18.81 \$20.51 \$22.07	
24	Student Intern	Administrative Student Intern (P/T - 15 hrs./wk.)	07/17 - 06/18	12	\$ 1,292	\$ 15,506				\$ 15,506	\$15.54 \$17.20 \$18.81 \$20.51 \$22.07	
25	<b>Overtime/Comp Time</b>									\$ 12,000		
26	<i>*Titles subject to final review by the Human Resources Department</i>											
27	<b>TOTAL PERSONNEL EXPENSES</b>										<b>\$ 978,953</b>	
29	<b>Cost Pool and Risk Management:</b>											
30	General Liability and Worker's Comp										\$ 52,981 FY 17/18 Workers Compensation - \$2,748 per employee, General Liability - \$3,485 per employee (combined total \$6,233 per employee.) 8.5 FTEs FY 17-18	
31	Space at 440 Civic Center Plaza										\$ 52,275 Space at 440 CCP is based on the percentage of total square footage occupied. This percentage is then applied to the total annual debt service. Rent Program is presumed to occupy 0.9% of Civic Center's total square footage. The percentage was applied to the total annual debt service for FY 2016-17 to determine the cost.	
32	Indirect Cost										\$ 51,454 Indirect Costs are charges allocated to City Departments to reimburse the General Fund for administrative services by central service departments (i.e. City Council, City Manager, City Attorney, City Clerk, Finance, HR, etc.) Allocations are determined in the City's cost allocation plan completed by an external consultant. Since the Rent Program dept. is new, it was not included in the current cost allocation plan. Staff recommended using the allocation of a department similar in size. In this case, the City Manager's Office was used as the basis.	
33	<b>Supplemental Liability Insurance Policy (SLIP)</b>										\$ 25,000 General liability policy for the Rent Control program.	
34	<b>Sub-Total Cost Pool + Risk Management</b>										<b>\$ 181,710</b>	
36	<b>IT Expenses:</b>											
37	Startup Costs Year 1 and 2										\$ 29,500 Estimated startup costs.	
38	Annual IT Costs (Including replacement funding)										\$ 18,683 General PC software and costs.	
39	IT Support										\$ - Additional IT staff support.	
40	<b>Sub-Total IT Expenses</b>										<b>\$ 48,183</b>	
42	<b>Legal Costs</b>											
43	Outside Legal Counsel (Litigation)										\$ 120,000 Outside legal counsel to respond to litigation pertaining to the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance. Previous litigation was dismissed without prejudice on Saturday, May 6, 2017. The budgeted amount reflects estimate for anticipated future litigation.	
44	Rent Program Legal Counsel										\$ 160,000 Legal Counsel to assist with training, daily operations, reviewing regulations, assisting with compliance and enforcement of the Ordinance, Excess Rent Complaints, Rent Adjustment Petitions, and the hearing process. Assumes approximately 12 hours per week @ \$250/hour.	
45	Legal Services and/or Additional Legal Counsel										\$ 150,000 Legal services to provide assistance to Tenants that have paid the Maximum Allowable Rent, are being evicted (Unlawful Detainer), and are able to provide evidence that their Landlord is not in compliance with the Fair Rent, Just Cause for Eviction, and Home Owner Protection Ordinance, as may be determined by policy of the Rent Board (Contract or Employee). NOTE: FY17-18 .60 FTE (~3 days a week) Assistant City Attorney salary and benefits, but does not include cost pool or risk management.	
46	<b>Sub-Total Legal Expenses</b>										<b>\$ 430,000</b>	
48	<b>Other Operating Expenses</b>											
49	Postage & Mailing										\$ 75,000 Costs of mailing include production, printing, proofing, and postage (assumes ~\$25,000 per mailing.)	
50	Copying & Duplicating										\$ 50,000 Bulk printing of materials for public outreach and information.	
51	Copy Machine Rental										\$ 5,000 Cost of rental and maintenance of Xerox machines in 440 Civic Center Plaza.	
52	Miscellaneous Expenses										\$ 10,000 Miscellaneous expenses associated with program development and operations.	
53	Office Supplies and Furniture										\$ 6,000 Cost of general office supplies, timestamp, and office furniture (e.g. desk chairs.)	
54	<b>Sub-Total Other Operating</b>										<b>\$ 146,000</b>	
56	<b>Professional and Admin Services</b>											
57	<b>Professional Service Contracts:</b>											

B	D	E	F	G	H	I	J	K	M	O	P
2										<b>TOTAL ALLOCATED</b>	<b>Comments</b>
58	Management Partners									\$ 20,000	Professional services and technical assistance to assist with startup program design, processes, and administration. Services are likely to conclude by the end of FY 2017-18.
59	Additional Subject Matter Experts									\$ 30,000	Contracts with subject matter experts to assist with drafting and reviewing regulations and other Rent Board policies.
60	<b>Professional and Admin Services (continued)</b>										
61	Mediation Services									\$ 30,000	Mediation services to provide a mediation option for Landlords and Tenants to potentially reduce demands for formal hearings, as may be determined by policy of the Rent Board. Assumes \$600 per mediation case, budget allows for 50 mediation sessions.
62	Translation Services									\$ 30,000	Translation services to ensure that all forms and notices are available in both English and Spanish, at a minimum, and for oral translation, as it may be advantageous for administration. Assumes 9,000 words per month @ \$0.14/word and 25 hours of verbal translation @ \$50.00/hour.
63	Community Education									\$ 20,000	Materials and supplies for large-format community education workshops, computer support sessions, and the development of a LEAP Digital Literacy LearnerWeb module.
64	Mileage									\$ 1,000	Use of City pool car.
65	Training / Conferences									\$ 15,000	Legal and professional trainings (e.g. dispute resolution, handling of sensitive information) for staff, attendance at conferences.
66	Cell Phone									\$ 1,200	Assumed for Executive Director.
67	Books and Educational Materials									\$ 200	Educational and reference materials.
68	Ad & Promotional materials									\$ 2,000	Posting of community events and other information in publications.
69	Sub-Total Professional & Admin									\$ 149,400	
71	<b>TOTAL OPERATING EXPENSES</b>									\$ 955,293	
73	<b>Reserves:</b>										
74	Operating Reserve (17%)									\$ 328,822	As recommended by the Government Finance Officers Association (GFOA.)
75	Risk Reserve (8%)									\$ 154,740	Risk Management reserve fund.
76	Sub-Total Reserves									\$ 483,561	
78	<b>GRAND TOTAL</b>									\$ 2,417,807	

**AMENDED FISCAL YEAR 2016-17 and DRAFT 2017-18 RENT PROGRAM BUDGETS | Adopted: May 24, 2017**

							DRAFT FY 2017-18	AMENDED FY 2016-17 (7 months)	Comments
<b>Personnel - Salary &amp; Benefits</b>									
	Salary (Step 4)/ Month	Annual Salary	Benefits (at 55% of Salary)	Annual Salary & Benefits	TOTAL (1 employee)	% FTE			
<b>Possible Positions, Titles, &amp; Expenses</b>		12	0.55						<b>Salary Assumptions (Started at Step III in FY 16-17; Step IV in FY 17-18)</b>
Executive Director	\$ 11,554	\$ 138,650	\$ 76,258	\$ 214,908	\$ 214,908	100%	\$ 214,908	\$ 68,225	\$8,087 - \$12,873 (4 month estimate FY 16-17)
Senior Management Analyst*	\$ 8,247	\$ 98,964	\$ 54,430	\$ 153,394	\$ 153,394	100%	\$ 153,394	\$ 85,368	\$7,158 \$7,496 \$7,868 \$8,247 \$8,657
Management Analyst I/II*	\$ 7,315	\$ 87,780	\$ 48,279	\$ 136,059	\$ 136,059	100%	\$ 136,059	\$ 75,700	\$6,357 \$6,674 \$6,977 \$7,315 \$7,684
Management Analyst I/II*	\$ 7,315	\$ 87,780	\$ 48,279	\$ 136,059	\$ 136,059	100%	\$ 136,059	\$ 75,700	\$6,357 \$6,674 \$6,977 \$7,315 \$7,684
Assistant/Associate Administrative Analyst*	\$ 7,315	\$ 87,780	\$ 48,279	\$ 136,059	\$ 136,059	100%	\$ 136,059		\$6,357 \$6,674 \$6,977 \$7,315 \$7,684
Administrative Trainee*	\$ 5,914	\$ 70,968	\$ 39,032	\$ 110,000	\$ 110,000	100%	\$ 110,000	\$ 61,292	\$3,685 \$3,829 \$3,983 \$4,151 \$4,325
Code Enforcement Officer I* (duties shall include the issuance of citations and liens for non-compliance with payment of fees approved by City Council)	\$ 2,689	\$ 32,262	\$ 17,744	\$ 50,006	\$ 50,006	50%	\$ 50,006		\$4,727 \$4,940 \$5,159 \$5,377 \$5,577
Administrative Student Intern (P/T - 15 hrs./wk.)	\$ 1,292	\$ 15,506				50%	\$ 15,506	\$ 8,295	\$15.54 \$17.20 \$18.81 \$20.51 \$22.07
Administrative Student Intern (P/T - 15 hrs./wk.)	\$ 1,292	\$ 15,506				50%	\$ 15,506	\$ 8,295	\$15.54 \$17.20 \$18.81 \$20.51 \$22.07
<b>Overtime/Comp Time*</b>							\$ 12,000	\$ 10,000	
<i>*Titles subject to final review by the Human Resources Department</i>									
<b>TOTAL PERSONNEL EXPENSES</b>						7.5	\$ 979,497	\$ 392,876	
<b>Cost Pool and Risk Management:</b>									
General Liability and Worker's Comp							\$ 52,981	\$ 43,631	FY 17/18 Workers Compensation - \$2,748 per employee, General Liability - \$3,485 per employee (combined total \$6,233 per employee.) 7 FTEs FY 16-17; 7.5 FTEs FY 17-18
Space at 440 Civic Center Plaza							\$ 52,275	\$ 30,179	Space at 440 CCP is based on the percentage of total square footage occupied. This percentage is then applied to the total annual debt service. Rent Program is presumed to occupy 0.9% of Civic Center's total square footage. The percentage was applied to the total annual debt service for FY 2016-17 to determine the cost.

							DRAFT FY 2017-18	AMENDED FY 2016-17 (7 months)	Comments
Indirect Cost							\$ 51,454	\$ 31,810	Indirect Costs are charges allocated to City Departments to reimburse the General Fund for administrative services by central service departments (i.e. City Council, City Manager, City Attorney, City Clerk, Finance, HR, etc.) Allocations are determined in the City's cost allocation plan completed by an external consultant. Since the Rent Program dept. is new, it was not included in the current cost allocation plan. Staff recommended using the allocation of a department similar in size. In this case, the City Manager's Office was used as the basis.
Supplemental Liability Insurance Policy (SLIP)							\$ 25,000		General liability policy for the Rent Control program (FY 2017-18.)
<b>Sub-Total Cost Pool + Risk Management</b>							<b>\$ 181,710</b>	<b>\$ 105,620</b>	
<b>IT Expenses:</b>									
Startup Costs Year 1 and 2							\$ 29,500	\$ 27,399	Estimated startup costs.
Annual IT Costs (Including replacement funding)							\$ 18,683	\$ 12,452	General PC software and costs.
IT Support							\$ -	\$ 19,000	Additional IT staff support.
<b>Sub-Total IT Expenses</b>							<b>\$ 48,183</b>	<b>\$ 58,851</b>	
<b>Legal Costs</b>									
Outside Legal Counsel (Litigation)							\$ 50,000	\$ 50,000	Outside legal counsel to respond to litigation pertaining to the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance. Previous litigation was dismissed without prejudice on Saturday, May 6, 2017. The budgeted amount reflects estimate for anticipated future litigation.
Rent Program Legal Counsel							\$ 160,000	\$ 40,000	Legal Counsel to assist with training, daily operations, reviewing regulations, assisting with compliance and enforcement of the Ordinance, Excess Rent Complaints, Rent Adjustment Petitions, and the hearing process. Assumes approximately 12 hours per week (3 months for FY 16/17) @ \$250/hour.
Legal Services and/or Additional Legal Counsel							\$ 135,494	\$ 20,000	Legal services to provide assistance to Tenants that have paid the Maximum Allowable Rent, are being evicted (Unlawful Detainer), and are able to provide evidence that their Landlord is not in compliance with the Fair Rent, Just Cause for Eviction, and Home Owner Protection Ordinance, as may be determined by policy of the Rent Board (Contract or Employee). NOTE: FY17-18 .60 FTE (~3 days a week) Assistant City Attorney salary and benefits, but does not include cost pool or risk management.
<b>Sub-Total Legal Expenses</b>							<b>\$ 345,494</b>	<b>\$ 110,000</b>	
<b>Other Operating Expenses</b>									

		DRAFT FY 2017-18	AMENDED FY 2016-17 (7 months)	Comments
<b>Postage &amp; Mailing</b>		\$ 75,000	\$ 50,000	Costs of mailing include production, printing, proofing, and postage (assumes ~\$25,000 per mailing.)
<b>Copying &amp; Duplicating</b>		\$ 50,000	\$ 10,000	Bulk printing of materials for public outreach and information.
<b>Copy Machine Rental</b>		\$ 5,000	\$ 3,500	Cost of rental and maintenance of Xerox machines in 440 Civic Center Plaza.
<b>Miscellaneous Expenses</b>		\$ 10,000		Miscellaneous expenses associated with program development and operations (FY 2017-18.)
<b>Office Supplies and Furniture</b>		\$ 6,000	\$ 1,000	Cost of general office supplies, timestamp, and office furniture (e.g. desk chairs.)
<b>Sub-Total Other Operating</b>		\$ 146,000	\$ 64,500	
<b>Professional and Admin Services</b>				
<b>Professional Service Contracts:</b>				
Management Partners		\$ 20,000	\$ 128,500	Professional services and technical assistance to assist with startup program design, processes, and administration. Services are likely to conclude by the end of FY 2017-18.
<b>Professional and Admin Services (continued)</b>				
Relocation Assistance		\$ 10,000	\$ 10,000	Relocation assistance to provide counseling support and services to Tenants, as may be determined by policy of the Rent Board.
Mediation Services		\$ 60,000	\$ 15,000	Mediation services to provide a mediation option for Landlords and Tenants to potentially reduce demands for formal hearings, as may be determined by policy of the Rent Board; Assumes 8 cases per month, \$100/hr., 6 hours maximum.
Hearing Officer Services		\$ 80,000	\$ 20,000	Hearing Officer services to ensure that hearings are administered in accordance with adopted Rent Board rules and procedures (Contract or Employee - does not include benefits, cost pool, or risk management). Assumes 2 hours per case @ \$220/hour.
Translation Services		\$ 30,000	\$ 10,000	Translation services to ensure that all forms and notices are available in both English and Spanish, at a minimum, and for oral translation, as it may be advantageous for administration. Assumes 9,000 words per month @ \$0.14/word and 25 hours of verbal translation @ \$50.00/hour.
<b>Community Education</b>		\$ 20,000	\$ 5,000	LEAP Digital Rent Program Literacy Proposal and other outreach activities.
<b>Mileage</b>		\$ 1,000		Use of City pool car (FY 2017-18.)
<b>Training / Conferences</b>		\$ 15,000		Legal and professional trainings (e.g. dispute resolution, handling of sensitive information) for staff, attendance at conferences (FY 2017-18.)
<b>Cell Phone</b>		\$ 1,200		Assumed for (FY 2017-18.)
<b>Books</b>		\$ 200		Educational and reference materials (FY 2017-18.)

							DRAFT FY 2017-18	AMENDED FY 2016-17 (7 months)	Comments
Ad & Promotional materials							\$ 2,000		Posting of community events and other information in publications (FY 2017-18.)
<b>Sub-Total Professional &amp; Admin</b>							\$ 239,400	\$ 188,500	
<b>TOTAL OPERATING EXPENSES</b>							\$ 960,787	\$ 527,471	
<b>Reserves:</b>									
Operating Reserve (17%)							\$ 329,848	\$ 156,459	As recommended by the Government Finance Officers Association (GFOA.)
Risk Reserve (8%)							\$ 155,223	\$ 73,628	Risk Management reserve fund.
<b>Sub-Total Reserves</b>							\$ 485,071	\$ 230,087	
<b>GRAND TOTAL</b>							\$ 2,425,355	\$ 1,150,433	

**ANTICIPATED DRAFT FISCAL YEAR 2018-19 RENT PROGRAM BUDGET**  
**FOR ILLUSTRATIVE PURPOSES ONLY - NOT A PROPOSED BUDGET**

										TOTAL ALLOCATED	Comments
<b>Personnel - Salary &amp; Benefits - Includes 3.0% COLA Increase</b>											
Title	Personnel Classification	# Months	Salary/ Month FY 17-18	3.0% COLA Increase	FY 18-19 Salary	Benefits (at 55% of Salary)	Annual Salary & Benefits	TOTAL (1 employee)		Salary Assumptions (Started at Step III in FY 16-17; Step IV in FY 17-18)	
Executive Director	Project Manager II (PLACEHOLDER)	12	\$ 9,024	\$ 271	\$ 111,537	\$ 61,345	\$ 172,882	\$ 172,882	\$ 172,882	\$9,024 - \$14,364	
Deputy Director	Project Manager I (PLACEHOLDER)	12	\$ 8,087	\$ 243	\$ 99,955	\$ 54,975	\$ 154,931	\$ 154,931	\$ 154,931	\$8,087 - \$12,873	
Staff Attorney	Assistant City Attorney (salary midrange)	12	\$ 11,694	\$ 351	\$ 144,538	\$ 79,496	\$ 224,034	\$ 224,034	\$ 224,034	\$9,024 - \$14,364	
Hearing Examiner	Assistant City Attorney (salary midrange)	12	\$ 11,694	\$ 351	\$ 144,538	\$ 79,496	\$ 224,034	\$ 224,034	\$ 224,034	\$9,024 - \$14,364	
Housing Counselor	Management Analyst I/II* (step IV)	12	\$ 7,462	\$ 224	\$ 92,230	\$ 50,727	\$ 142,957	\$ 142,957	\$ 142,957	\$6,357 \$6,674 \$6,977 \$7,315 \$7,684	
Housing Counselor	Management Analyst I/II* (step IV)	12	\$ 7,462	\$ 224	\$ 92,230	\$ 50,727	\$ 142,957	\$ 142,957	\$ 142,957	\$6,357 \$6,674 \$6,977 \$7,315 \$7,684	
Administrative Analyst/Rent Board Clerk	Assistant/Associate Administrative Analyst* (step IV)	12	\$ 7,315	\$ 219	\$ 90,413	\$ 49,727	\$ 140,141	\$ 140,141	\$ 140,141	\$6,357 \$6,674 \$6,977 \$7,315 \$7,684	
Administrative Aide	Administrative Aide* (step IV)	12	\$ 5,602	\$ 168	\$ 69,241	\$ 38,082	\$ 107,323	\$ 107,323	\$ 107,323	\$4,910 \$5,115 \$5,360 \$5,602 \$5,873	
Student Intern	Administrative Student Intern (P/T - 15 hrs./wk.)	12	\$ 1,292	\$ 39	\$ 15,971				\$ 15,971	\$15.54 \$17.20 \$18.81 \$20.51 \$22.07	
Student Intern	Administrative Student Intern (P/T - 15 hrs./wk.)	12	\$ 1,292	\$ 39	\$ 15,971				\$ 15,971	\$15.54 \$17.20 \$18.81 \$20.51 \$22.07	
Overtime/Comp Time									\$ 12,000		
*Titles subject to final review by the Human Resources Department											
<b>TOTAL PERSONNEL EXPENSES</b>										\$ 1,353,199	
<b>Cost Pool and Risk Management:</b>											
General Liability and Worker's Comp									\$ 57,780	FY 17/18 Workers Compensation - \$2,748 per employee, General Liability - \$3,485 per employee (combined total \$6,233 per employee.) 9 FTEs FY 18-19 <b>3 percent anticipated increase FY 18-19</b>	
Space at 440 Civic Center Plaza									\$ 53,844	Space at 440 CCP is based on the percentage of total square footage occupied. This percentage is then applied to the total annual debt service. Rent Program is presumed to occupy 0.9% of Civic Center's total square footage. The percentage was applied to the total annual debt service for FY 2016-17 to determine the cost. <b>3 percent anticipated increase FY 18-19</b>	
Indirect Cost									\$ 51,454	Indirect Costs are charges allocated to City Departments to reimburse the General Fund for administrative services by central service departments (i.e. City Council, City Manager, City Attorney, City Clerk, Finance, HR, etc.) Allocations are determined in the City's Cost Allocation Plan completed by an external consultant. Since the Rent Program dept. is new, it was not included in the current cost allocation plan. Staff recommended using the allocation of a department similar in size. In this case, the City Manager's Office was used as the basis. <b>The Cost Allocation is revised every two years, therefore, the cost is not expected to increase until Fiscal Year 2019-20.</b>	
Supplemental Liability Insurance Policy (SLIP)									\$ 25,750	General liability policy for the Rent Control program (FY 2017-18.) <b>3 percent anticipated increase FY 18-19</b>	
<b>Sub-Total Cost Pool + Risk Management</b>										\$ 188,828	
<b>IT Expenses:</b>											
Annual IT Costs (Including replacement funding)									\$ 18,683	General PC software and costs.	
<b>Sub-Total IT Expenses</b>										\$ 18,683	
<b>Legal Costs</b>											
Additional Legal Counsel (Litigation)									\$ 100,000	Outside legal counsel to respond to litigation pertaining to the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance. Previous litigation was dismissed without prejudice on Saturday, May 6, 2017. The budgeted amount reflects estimate for anticipated future litigation.	
Legal Services and/or Additional Legal Counsel									\$ 150,000	Legal services to provide assistance to Tenants that have paid the Maximum Allowable Rent, are being evicted (Unlawful Detainer), and are able to provide evidence that their Landlord is not in compliance with the Fair Rent, Just Cause for Eviction, and Home Owner Protection Ordinance, as may be determined by policy of the Rent Board (Contract or Employee). NOTE: FY17-18 .60 FTE (~3 days a week) Assistant City Attorney salary and benefits, but does not include cost pool or risk management.	
<b>Sub-Total Legal Expenses</b>										\$ 150,000	
<b>Other Operating Expenses</b>											
Postage & Mailing									\$ 125,000	Costs of mailing include production, printing, proofing, and postage (assumes ~\$25,000 per mailing.) <b>Greater number of mailings expected in subsequent fiscal years.</b>	
Copying & Duplicating									\$ 100,000	Bulk printing of materials for public outreach and information. <b>Costs expected to increase in FY 18-19 due to increased outreach efforts.</b>	
Copy Machine Rental									\$ 5,000	Cost of rental and maintenance of Xerox machines in 440 Civic Center Plaza.	
Miscellaneous Expenses									\$ 10,000	Miscellaneous expenses associated with program development and operations (FY 2017-18.)	
Office Supplies and Furniture									\$ 6,000	Cost of general office supplies, timestamp, and office furniture (e.g. desk chairs.)	
<b>Sub-Total Other Operating</b>										\$ 246,000	
<b>Professional and Admin Services</b>											
<b>Professional Service Contracts:</b>											
<b>Professional and Admin Services (continued)</b>											
Translation Services									\$ 30,000	Translation services to ensure that all forms and notices are available in both English and Spanish, at a minimum, and for oral translation, as it may be advantageous for administration. Assumes 9,000 words per month @ \$0.14/word and 25 hours of verbal translation @ \$50.00/hour.	

									TOTAL ALLOCATED	Comments
Community Education									\$ 25,000	Community Engagement and other Outreach Activities <i>Costs expected to increase in FY 18-19 due to increased outreach efforts.</i>
Mileage									\$ 1,000	Use of City pool car (FY 2017-18.)
Cell Phone									\$ 1,200	Assumed for Executive Director
Books									\$ 200	Educational and reference materials
Ad & Promotional materials									\$ 2,000	Posting of community events and other information in publications
Sub-Total Professional & Admin									\$ 59,400	
<b>TOTAL OPERATING EXPENSES</b>									\$ 662,911	
<b>Reserves:</b>										
Operating Reserve (17%)									\$ 342,739	As recommended by the Government Finance Officers Association (GFOA.)
Risk Reserve (8%)									\$ 161,289	Risk Management reserve fund.
Sub-Total Reserves									\$ 504,028	
<b>GRAND TOTAL</b>									\$ 2,520,138	<i>Represents an approximately 4% increase from the FY 17-18 budget adopted May 24, 2017.</i>