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Rent Program staff members received and processed a total of 1,295 valid declarations proving exemption. An additional 507 declarations were received but have yet to be processed due to missing or incomplete information.

Additional sources of data, including the identification of rental units not identified in the previous fee study, include:

- Rental Units enrolled in the Rent Program online at [www.richmondrent.org/enroll](http://www.richmondrent.org/enroll)
- Rental Units identified by the Rental Inspection Program
- Rental Units participating in the Section 8 Housing Choice Voucher Program
- Rental Units with an active business license
- Rental Units in subsidized housing developments, such as those built with Low Income Housing Tax Credits (LIHTC), based on the [inventory of deed-restricted affordable housing](#) prepared by Rent Program staff members in 2017
- Unknown Rental Units identified through Tenant inquiries to the Rent Program Department

### Rental Housing Fees Associated with each Budget Option

The table below presents the estimated tiered fees associated with each proposed budget option:

**Table 3: Fiscal Year 2018-19 Proposed Budget Options and Rental Housing Fees**

UNIT COUNTS		BUDGET OPTION A FEES (PER UNIT)	BUDGET OPTION B FEES (PER UNIT)	BUDGET OPTION C FEES (PER UNIT)
<b>TOTAL EXPENDITURES:</b>		\$2,626,443	\$2,752,800	\$2,874,675
<b>PARTIALLY COVERED UNITS</b>	10,381	\$83.69	\$87.77	\$90.97
<b>FULLY COVERED UNITS</b>	9,750	\$180.28	\$188.89	\$197.98
<b>TOTAL REVENUE:</b>		\$2,626,443	\$2,752,800	\$2,874,675

### Comparison to Previously Adopted Rental Housing Fee and Peer Jurisdictions

On July 25, 2017, the Richmond City Council adopted [Resolution 99-17](#), establishing the Fiscal Year 2016-17 and Fiscal Year 2017-18 Residential Rental Housing Fees in the City’s master fee schedule for a total per-unit fee of \$145.00.

The proposed budget options and fee study approach result in a reduction in the Rental Housing Fee for partially covered units and an increase in the fee for fully-covered units. The difference is particularly pronounced when one considers the \$145.00 fee spanned one and a half fiscal years. The increase in the fee can be explained by increases in operating expenses necessary to establish



an actively-enforced Rent Program (namely, the employment of 10-11 full time employees), as well as decreases in the estimated total number of Rental Units in the City.

Table 4, below, compares the proposed Rental Housing Fee to fees to other jurisdictions with rent programs in the state of California. While Richmond’s proposed fees are lower than those charged in peer jurisdictions, it is important to note how the fee compares to median rents.

**Table 4: Comparison of Program Budgets, Unit Counts, Fees, and Median Rents in Peer Rent Programs**

JURISDICTION	PROGRAM BUDGET (FY 17-18)	RENT-STABILIZED UNITS	FY 2017-18 FEES (PER UNIT)	MEDIAN GROSS RENT <sup>6</sup> (2012-2016 5-YEAR ESTIMATE)
<b>ACTIVELY ENFORCED RENT PROGRAMS</b>				
BERKELEY	\$5,125,740	19,093	\$270.00	\$1,434
SANTA MONICA	\$5,181,693	27,542	\$198.00	\$1,626
EAST PALO ALTO	\$427,415	2,325	\$222.00	\$1,510
RICHMOND	\$2,874,675 (proposed Option C for FY 18-19)	10,381 fully covered units; 9,750 partially covered units	\$198.00 for fully covered units; \$91.00 for partially covered units (proposed Option C for FY 18-19)	\$1,242
<b>PASSIVELY ENFORCED RENT PROGRAMS</b>				
LOS ANGELES	\$25,256,173	631,000	\$24.51	\$1,241
OAKLAND	\$817,903	65,000	\$68.00	\$1,189
WEST HOLLYWOOD	\$4,015,021	16,805	\$144.00	\$1,446
ALAMEDA	\$1,782,000	14,899	\$120	\$1,478
SAN FRANCISCO	\$8,227,649	173,000	\$45.00 for apartments; \$22.50 for residential hotel rooms	\$1,632

Sources: Management Partners, 2017; City of Richmond Rent Program, 2018

### Partial Pass-Through of the Rental Housing Fee

It is common among rent control jurisdictions in California to permit an optional, temporary pass-through of a portion of the Rental Housing Fee to be paid by Tenants in monthly installments over the course of the year. Indeed, the cities of Berkeley, Santa Monica, East Palo Alto, Los Angeles, Oakland, West Hollywood, and San Francisco allow the Landlord to recover 50% of the Rental Housing Fee divided over each month’s rent. In Berkeley, the Rent Board is authorized to reimburse low-income tenants. In West Hollywood, the pass-through may not be applied to Section 8 tenants.

It is important to note that the pass-through of the fee does not increase the Rent or Maximum Allowable Rent as defined in the Rent Ordinance; rather, the pass-through is a line item surcharge in excess of the Maximum Allowable Rent. For example, if the Rent Board adopts Budget Option C, for a rent-controlled Tenant, the associated monthly pass-through would be approximately \$8.25 per

<sup>6</sup> The American Community Survey is an estimate; numbers denote estimates. Margins of error are not shown. Data source: 2012-2016 ACS 5-Year Estimates Table B25064

month. Such a policy would allow a Landlord of a rent-controlled unit to recover \$99 of the Rental Housing Fee if the Board elects to adopt Budget Option C.

Rent Program staff members recommend that the Board adopt such a policy following the City Council's adoption of the Fiscal Year 2018-19 Rental Housing Fee.

## Conclusion

The Fiscal Year 2018-19 Budget must reflect the goals and mission of the Rent Program Department; that is, to create an actively enforced Department to serve empowered and knowledgeable community members. To achieve this, staff members recommend the Rent Board take the following actions:

- Adopt Fiscal Year 2018-19 Budget Option C
- Approve the Fiscal Year 2018-19 Rental Housing Fee Study
- Recommend to the City Council adoption of a fee of \$91.00 per unit for partially covered units and \$198.00 per unit for fully covered units to support continued program development
- Direct staff to prepare a regulation permitting a 50% pass-through of the Rental Housing Fee divided over each month's rent

## **APPENDIX**

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Appendix A: Fiscal Year 2018-19 Proposed Budget Options

Appendix B: Budget Option A Fee Study Calculations

Appendix C: Budget Option B Fee Study Calculations

Appendix D: Budget Option C Fee Study Calculations

**DRAFT**

**DRAFT PROPOSED FISCAL YEAR 2018-19 RENT PROGRAM BUDGET OPTIONS**

					TOTAL ALLOCATED FY 17- 18	OPTION A	OPTION B	OPTION C	Comments
	FY 18-19 Salary	Benefits (at 55% of Salary)	Annual Salary & Benefits	TOTAL (1 employee)					
<b>Title</b>		0.55							<b>Salary Assumptions (includes Step Increase)</b>
Executive Director*	\$ 148,000	\$ 81,400	\$ 229,400	\$ 229,400	\$ 214,908	\$ 229,400	\$ 229,400	\$ 229,400	\$9,024 - \$14,364
Deputy Director*	\$ 101,896	\$ 56,043	\$ 157,939	\$ 157,939	\$ 150,418	\$ 157,939	\$ 157,939	\$ 157,939	\$8,087 - \$12,873
Staff Attorney	\$ 140,328	\$ 77,180	\$ 217,508	\$ 217,508	\$ 108,754	\$ 217,508	\$ 217,508	\$ 217,508	\$9,024 - \$14,364
Hearing Examiner	\$ 140,328	\$ 77,180	\$ 217,508	\$ 217,508	\$ 108,754	\$ 217,508	\$ 217,508	\$ 217,508	\$9,024 - \$14,364
Rent Program Services Analyst	\$ 85,891	\$ 47,240	\$ 133,131	\$ 133,131	\$ 80,963	\$ 133,131	\$ 133,131	\$ 133,131	\$6,357 \$6,674 \$6,977 \$7,315 \$7,684
Rent Program Services Analyst	\$ 82,102	\$ 45,156	\$ 127,258	\$ 127,258	\$ 80,963	\$ 127,258	\$ 127,258	\$ 127,258	\$6,357 \$6,674 \$6,977 \$7,315 \$7,684
Administrative Analyst	\$ 74,242	\$ 40,833	\$ 115,075	\$ 115,075	\$ 90,706	\$ 115,075	\$ 115,075	\$ 115,075	\$6,357 \$6,674 \$6,977 \$7,315 \$7,684
Administrative Aide	\$ 60,550	\$ 33,303	\$ 93,853	\$ 93,853	\$ 69,465	\$ 93,853	\$ 93,853	\$ 93,853	\$4,910 \$5,115 \$5,360 \$5,602 \$5,873
Administrative Aide	\$ 60,550	\$ 33,303	\$ 93,853	\$ 93,853	\$ -	\$ -	\$ 93,853	\$ 93,853	\$4,910 \$5,115 \$5,360 \$5,602 \$5,873
Student Intern	\$ 16,685				\$ 15,506	\$ 16,685	\$ 16,685	\$ 16,685	\$15.54 \$17.20 \$18.81 \$20.51 \$22.07
Student Intern	\$ 16,685				\$ 15,506	\$ 16,685	\$ 16,685	\$ 16,685	\$15.54 \$17.20 \$18.81 \$20.51 \$22.07
Student Intern	\$ 16,685				\$ 15,506	\$ 16,685	\$ 16,685	\$ 16,685	\$15.54 \$17.20 \$18.81 \$20.51 \$22.07
Student Intern	\$ 16,685				\$ 15,506	\$ 16,685	\$ 16,685	\$ 16,685	\$15.54 \$17.20 \$18.81 \$20.51 \$22.07
<b>Overtime/Comp Time</b>					\$ 12,000	\$ 10,000	\$ 10,000	\$ 10,000	
<i>*Salary increases for Executive Staff are discretionary in nature. Figures shown represent maximums and are subject to Board or Director approval.</i>									
<b>TOTAL PERSONNEL EXPENSES</b>					<b>\$ 978,955</b>	<b>\$ 1,368,413</b>	<b>\$ 1,462,265</b>	<b>\$ 1,462,265</b>	
<b>Cost Pool and Risk Management:</b>									
General Liability and Worker's Comp					\$ 52,981	\$ 62,330	\$ 68,563	\$ 68,563	Workers Compensation - \$2,748 per employee, General Liability - \$3,485 per employee (combined total \$6,233 per employee.) 10 FTEs FY 18-19

















Professional and Legal Services										
400201	Professional Services Contracts									
	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 @ \$.14/word and 25 hours of verbal translation @ \$50.00/hour.	40.0%	\$ 12,000	25.0%	\$ 7,500	35.0%	\$ 10,500
	Mediation		\$ 10,500	Cost of attending Rosenberg Mediation Training for 7 staff members (\$1,500 per person)	40.0%	\$ 4,200	25.0%	\$ 2,625	35.0%	\$ 3,675
	Legal Services									
	Outside Legal Counsel (to assist with anticipated 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. Reflects estimate for anticipated future litigation.	40.0%	\$ 48,000	25.0%	\$ 30,000	35.0%	\$ 42,000
	Community Legal Services (Contract) (Eviction Defense Center & Centro Legal de la Raza)		\$ 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 Homeowner Protection Ordinance	0.0%	\$ -	50.0%	\$ 75,000	50.0%	\$ 75,000
	Community Education		\$ 20,000	LEAP Digital Rent Program Literacy Proposal & other outreach activities.	40.0%	\$ 8,000	25.0%	\$ 5,000	35.0%	\$ 7,000
400242	Mileage		\$ 1,000	Use of City pool car.	40.0%	\$ 400	25.0%	\$ 250	35.0%	\$ 350
400243	Training / Conferences		\$ 15,000	Legal and professional trainings (e.g. dispute resolution, handling of sensitive information) for staff, attendance at conferences.	40.0%	\$ 6,000	25.0%	\$ 3,750	35.0%	\$ 5,250
400262	Books & Subs		\$ 200	Educational and reference materials	40.0%	\$ 80	25.0%	\$ 50	35.0%	\$ 70
400271	Ad & Promotional materials		\$ 2,000	Posting of community events and other information in publications	40.0%	\$ 800	25.0%	\$ 500	35.0%	\$ 700
	Subtotal Professional and Legal Services		\$ 348,700			\$ 79,480		\$ 124,675		\$ 144,545
	Other Operating Expenses									
400231	Postage & Mailing		\$ 50,000	Costs of mailing include production, printing, proofing, and postage.	40.0%	\$ 20,000	25.0%	\$ 12,500	35.0%	\$ 17,500
400233	Copying & Duplicating		\$ 50,000	Bulk printing of materials for public outreach and information	40.0%	\$ 20,000	25.0%	\$ 12,500	35.0%	\$ 17,500
400304	Rental Exp - XEROX		\$ 5,000	Cost of rental and maintenance of Xerox machines in 440 Civic Center Plaza.	40.0%	\$ 2,000	25.0%	\$ 1,250	35.0%	\$ 1,750
400322	Misc. Exp		\$ 10,000	Miscellaneous expenses associated with program development and operations	40.0%	\$ 4,000	25.0%	\$ 2,500	35.0%	\$ 3,500
	Computer/Phone Supplies		\$ 6,300	10 computer monitors @ \$300.00; 8 headsets @ \$379.95; 1 phone setup @ \$200	40.0%	\$ 2,520	25.0%	\$ 1,575	35.0%	\$ 2,205
400341	Office Supplies and Furniture		\$ 21,000	Cost of general office supplies and anticipated counseling area redesign	40.0%	\$ 8,400	25.0%	\$ 5,250	35.0%	\$ 7,350
	Subtotal Other Operating Expenses		\$ 142,300			\$ 56,920		\$ 35,575		\$ 49,805
	TOTAL OPERATING EXPENSES		\$ 739,975			\$ 235,990		\$ 222,494		\$ 281,491
	Reserves									
	Operating Reserve (17%)		\$ 374,381	As recommended by the Government Finance Officers Association (GFOA.)	40.0%	\$ 149,752	25.0%	\$ 93,595	35.0%	\$ 131,033
	Risk Reserve (8%)		\$ 176,179	Risk Management reserve fund.	40.0%	\$ 70,472	25.0%	\$ 44,045	35.0%	\$ 61,663
	Subtotal Reserves		\$ 550,560			\$ 220,224		\$ 137,640		\$ 192,696
	TOTAL		\$ 2,752,800			\$ 1,041,120		\$ 725,700		\$ 985,980
				Effective allocation rate		37.82%		26.36%		35.82%

**DRAFT FISCAL YEAR 2018-19 RENT PROGRAM FEE STUDY: OPTION C**

REVENUE										FEE COMPONENTS				
				Charged Units	Proposed Fees FY 2018-2019	Costs Recovered		Program Fee Part	Just Cause Fee Part	Rent Control Fee Part				
	Fully Covered Units			9,750	\$ 197.98	\$ 1,930,265		\$ 52.20	\$ 38.77	\$ 107.00				
	Partially Covered Units			10,381	\$ 90.97	\$ 944,409								
	Total Units			20,131		\$ 2,874,675								
EXPENDITURES										COST ALLOCATION				
Personnel - Salary & Benefits										FY 2018-19				
	Annual Salary	Benefits (at 55% of Salary)	Annual Salary & Benefits	# of employees (FTE)	COMPENSATION	COMMENTS	Alloc %	Program	Alloc %	Terminations	Alloc %	Rent		
<b>Possible Positions, Titles, &amp; Expenses</b>														
	Executive Director*	\$ 148,000	\$ 81,400	\$ 229,400	1	\$ 229,400	40.0%	\$ 91,760	25.0%	\$ 57,350	35.0%	\$ 80,290		
	Deputy Director*	\$ 101,896	\$ 56,043	\$ 157,939	1	\$ 157,939	40.0%	\$ 63,176	25.0%	\$ 39,485	35.0%	\$ 55,279		
	Staff Attorney	\$ 140,328	\$ 77,180	\$ 217,508	1	\$ 217,508	40.0%	\$ 87,003	25.0%	\$ 54,377	35.0%	\$ 76,128		
	Hearing Examiner	\$ 140,328	\$ 77,180	\$ 217,508	1	\$ 217,508	40.0%	\$ 87,003	25.0%	\$ 54,377	35.0%	\$ 76,128		
	Analyst (Housing Counselor)	\$ 85,891	\$ 47,240	\$ 133,131	1	\$ 133,131	40.0%	\$ 53,252	25.0%	\$ 33,283	35.0%	\$ 46,596		
	Analyst (Housing Counselor)	\$ 82,102	\$ 45,156	\$ 127,258	1	\$ 127,258	40.0%	\$ 50,903	25.0%	\$ 31,815	35.0%	\$ 44,540		
	Administrative Analyst (Rent Board Clerk)	\$ 74,242	\$ 40,833	\$ 115,075	1	\$ 115,075	40.0%	\$ 46,030	25.0%	\$ 28,769	35.0%	\$ 40,276		
	Administrative Aide	\$ 60,550	\$ 33,303	\$ 93,853	1	\$ 93,853	40.0%	\$ 37,541	25.0%	\$ 23,463	35.0%	\$ 32,848		
	Administrative Aide	\$ 60,550	\$ 33,303	\$ 93,853	1	\$ 93,853	40.0%	\$ 37,541	25.0%	\$ 23,463	35.0%	\$ 32,848		
	Administrative Student Intern	\$ 16,685	\$ 9,177	\$ 16,685	0.5	\$ 16,685	40.0%	\$ 6,674	25.0%	\$ 4,171	35.0%	\$ 5,840		
	Administrative Student Intern	\$ 16,685	\$ 9,177	\$ 16,685	0.5	\$ 16,685	40.0%	\$ 6,674	25.0%	\$ 4,171	35.0%	\$ 5,840		
	Administrative Student Intern	\$ 16,685	\$ 9,177	\$ 16,685	0.5	\$ 16,685	40.0%	\$ 6,674	25.0%	\$ 4,171	35.0%	\$ 5,840		
	Administrative Student Intern	\$ 16,685	\$ 9,177	\$ 16,685	0.5	\$ 16,685	40.0%	\$ 6,674	25.0%	\$ 4,171	35.0%	\$ 5,840		
	Overtime/Comp Time					\$ 10,000	40.0%	\$ 4,000	25.0%	\$ 2,500	35.0%	\$ 3,500		
<i>*Salary increases for Executive Staff are discretionary in nature. Figures shown represent maximums and are subject to Board or Director approval.</i>														
	<b>TOTAL PERSONNEL EXPENSES</b>			11	\$ 1,462,265			\$ 584,906		\$ 365,566		\$ 511,793		
COSTS										COMMENTS				
Cost Pool and Risk Management														
	General Liability and Worker's Comp				\$ 68,563	Workers Compensation - \$2,748 per employee, General Liability - \$3,485 per employee (combined total \$6,233 per employee.)	40.0%	\$ 27,425	25.0%	\$ 17,141	35.0%	\$ 23,997		
	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.	40.0%	\$ 20,910	25.0%	\$ 13,069	35.0%	\$ 18,296		
	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.	40.0%	\$ 20,582	25.0%	\$ 12,864	35.0%	\$ 18,009		
	SLIP Policy				\$ 25,000	General liability policy for the Rent Control program	40.0%	\$ 10,000	25.0%	\$ 6,250	35.0%	\$ 8,750		
	<b>Subtotal Cost Pool + Risk Management</b>				\$ 197,292			\$ 78,917		\$ 49,323		\$ 69,052		
Information Technology Expenses														
	Rent Tracking Database				\$ 30,000	Estimated startup costs.	40.0%	\$ 12,000	25.0%	\$ 7,500	35.0%	\$ 10,500		
	Annual IT Costs (Including replacement funding)				\$ 21,683	General PC software and costs	40.0%	\$ 8,673	25.0%	\$ 5,421	35.0%	\$ 7,589		
	<b>Subtotal Information Technology Expenses</b>				\$ 51,683			\$ 20,673		\$ 12,921		\$ 18,089		

Professional and Legal Services										
400201	Professional Services Contracts									
	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 @ \$.14/word and 25 hours of verbal translation @ \$50.00/hour.	40.0%	\$ 12,000	25.0%	\$ 7,500	35.0%	\$ 10,500
	Mediation		\$ 10,500	Cost of attending Rosenberg Mediation Training for 7 staff members (\$1,500 per person)	40.0%	\$ 4,200	25.0%	\$ 2,625	35.0%	\$ 3,675
	Legal Services									
	Outside Legal Counsel (to assist with anticipated 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. Reflects estimate for anticipated future litigation.	40.0%	\$ 48,000	25.0%	\$ 30,000	35.0%	\$ 42,000
	Contract Attorney to focus on Compliance		\$ 97,500	Mass-mailing and exemption verification project; issuing correspondence; taking legal action. Assumes \$150/hour for 10-15 hours per week.	0.0%	\$ -	50.0%	\$ 48,750	50.0%	\$ 48,750
	Community Legal Services (Contract) (Eviction Defense Center & Centro Legal de la Raza)		\$ 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 Homeowner Protection Ordinance	0.0%	\$ -	50.0%	\$ 75,000	50.0%	\$ 75,000
	Community Education		\$ 20,000	LEAP Digital Rent Program Literacy Proposal & other outreach activities.	40.0%	\$ 8,000	25.0%	\$ 5,000	35.0%	\$ 7,000
400242	Mileage		\$ 1,000	Use of City pool car.	40.0%	\$ 400	25.0%	\$ 250	35.0%	\$ 350
400243	Training / Conferences		\$ 15,000	Legal and professional trainings (e.g. dispute resolution, handling of sensitive information) for staff, attendance at conferences.	40.0%	\$ 6,000	25.0%	\$ 3,750	35.0%	\$ 5,250
400262	Books & Subs		\$ 200	Educational and reference materials	40.0%	\$ 80	25.0%	\$ 50	35.0%	\$ 70
400271	Ad & Promotional materials		\$ 2,000	Posting of community events and other information in publications	40.0%	\$ 800	25.0%	\$ 500	35.0%	\$ 700
	Subtotal Professional and Legal Services		\$ 446,200			\$ 79,480		\$ 173,425		\$ 193,295
	Other Operating Expenses									
400231	Postage & Mailing		\$ 50,000	Costs of mailing include production, printing, proofing, and postage.	40.0%	\$ 20,000	25.0%	\$ 12,500	35.0%	\$ 17,500
400233	Copying & Duplicating		\$ 50,000	Bulk printing of materials for public outreach and information	40.0%	\$ 20,000	25.0%	\$ 12,500	35.0%	\$ 17,500
400304	Rental Exp - XEROX		\$ 5,000	Cost of rental and maintenance of Xerox machines in 440 Civic Center Plaza.	40.0%	\$ 2,000	25.0%	\$ 1,250	35.0%	\$ 1,750
400322	Misc. Exp		\$ 10,000	Miscellaneous expenses associated with program development and operations	40.0%	\$ 4,000	25.0%	\$ 2,500	35.0%	\$ 3,500
	Computer/Phone Supplies		\$ 6,300	10 computer monitors @ \$300.00; 8 headsets @ \$379.95; 1 phone setup @ \$200	40.0%	\$ 2,520	25.0%	\$ 1,575	35.0%	\$ 2,205
400341	Office Supplies and Furniture		\$ 21,000	Cost of general office supplies and anticipated counseling area redesign	40.0%	\$ 8,400	25.0%	\$ 5,250	35.0%	\$ 7,350
	Subtotal Other Operating Expenses		\$ 142,300			\$ 56,920		\$ 35,575		\$ 49,805
	TOTAL OPERATING EXPENSES		\$ 837,475			\$ 235,990		\$ 271,244		\$ 330,241
	Reserves									
	Operating Reserve (17%)		\$ 390,956	As recommended by the Government Finance Officers Association (GFOA.)	40.0%	\$ 156,382	25.0%	\$ 97,739	35.0%	\$ 136,835
	Risk Reserve (8%)		\$ 183,979	Risk Management reserve fund.	40.0%	\$ 73,592	25.0%	\$ 45,995	35.0%	\$ 64,393
	Subtotal Reserves		\$ 574,935			\$ 229,974		\$ 143,734		\$ 201,227
	TOTAL		\$ 2,874,675			\$ 1,050,870		\$ 780,544		\$ 1,043,261
				Effective allocation rate		36.56%		27.15%		36.29%