



# county of Santa Cruz

SUSAN A. MAURIELLO, J.D., COUNTY ADMINISTRATIVE OFFICER

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December 9, 1998

AGENDA: December 15, 1998

## BOARD OF SUPERVISORS

County of Santa Cruz

701 Ocean Street

Santa Cruz, CA 95060

### TENANT'S INTEREST ON SECURITY DEPOSITS

Dear Members of the Board:

As set forth in Section 8 42 of the County Code, your Board is required to annually set the rate for tenant's interest on security deposits. The Code specifies that the County Treasurer-Tax Collector determine the average interest rate paid on savings passbook accounts in November of each year for use by the Board in setting the rate. This is done by contacting a minimum of three major banks or savings and loan institutions in November each year to find the average interest rate that banks paid on savings passbook accounts. Based on this review, the Treasurer has determined that the rate in 1999 should be set at 2.0%.

In order to establish the annual interest rate your Board must adopt a resolution setting the pat-titular rate on interest to be credited on tenant security deposits. Additionally, your Board has historically requested the District Attorney Consumer Affairs Division to include the new rate information along with a history of prior rates in the material distributed by their office to consumers throughout the County.

It is therefore RECOMMENDED that your Board:

1 Adopt the attached resolution to establish a 2.0% per- annum simple interest rate on tenant's rental security deposits effective January 1, 1999;

2 Request the District Attorney Consumer Affairs division to include information concerning current and prior interest rates on tenant security deposits in the materials distributed by their office.

Very truly yours,

SUSAN A. MAURIELLO  
County Administrative Officer  
SAM.MNT@sbltensec

cc. District Attorney, Treasurer-Tax Collector, City of Santa Cruz, City of Capitola, City of Watsonville,  
Board of Realtors

BEFORE THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

Resolution No. \_\_\_\_\_

On the motion of Supervisor  
Duly seconded by Supervisor  
The following resolution is adopted:

**RESOLUTION SETTING INTEREST RATE FOR TENANT'S SECURITY DEPOSITS**

WHEREAS, Santa Cruz County Code Section 8.24.0 IO requires the Board of Supervisors to establish the rate of simple interest payable by landlords to tenants on residential rental Security deposits;

WHEREAS, the current t-ate of interest is 2.0 pet-cent;

WHEREAS, the interest rate to be earned on deposits with financial institutions during 1999 will be 2 0 percent.

NOW, THEREFOR, BE IT RESOLVED that the rate of simple interest payable annually on residential rental security deposits by landlords shall be 2.0 pet-cent effective January 1, 1999.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this \_\_\_\_\_ day of \_\_\_\_\_, 1998, by the following vote:

AYES: SUPERVISORS  
NOES SUPERVISORS  
ABSENT: SUPERVISORS

\_\_\_\_\_  
Chairperson of the Board

ATTEST:

\_\_\_\_\_  
Clerk of the Board

APPROVED AS TO FORM:

*Samuel Taylor* 12/8/98  
\_\_\_\_\_  
County Counsel

Distribution: Auditor-Controller  
DA Consumer Affairs  
Treasurer-Tax Collector  
City of Santa Cruz  
City of Capitola  
City of Watsonville  
Board of Realtors

## WORKSHEET RELATING TO TENANT'S INTEREST ON SECURITY DEPOSITS, CHAPTER 8.42

RATE QUOTE DATE 11/03/98

NAME OF INSTITUTION	SAVINGS
BANK OF THE WEST	2.00
WORLD SAVINGS	2.01
WASHINGTON MUTUAL	2.00
BANK OF AMERICA	1.75
COMERICA	2.02
AVERAGE	1.96

BASED ON SAVINGS ACCT. LESS THAN \$5000 TERM OF 1 YEAR